

1 AN ACT relating to higher education.

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

3 ➔Section 1. KRS 164.020 is amended to read as follows:

4 ***In addition to the powers and responsibilities established in Section 3 of this Act, the***
5 ***Kentucky Higher Education Assistance Authority***~~[Council on Postsecondary Education~~
6 ~~in Kentucky]~~ shall:

- 7 (1) Develop and implement the strategic agenda with the advice and counsel of the
8 Strategic Committee on Postsecondary Education. The **authority**~~[council]~~ shall
9 provide for and direct the planning process and subsequent strategic implementation
10 plans based on the strategic agenda as provided in KRS 164.0203;
- 11 (2) Revise the strategic agenda and strategic implementation plan with the advice and
12 counsel of the committee as set forth in KRS 164.004;
- 13 (3) Develop a system of public accountability related to the strategic agenda by
14 evaluating the performance and effectiveness of the state's postsecondary system.
15 The **authority**~~[council]~~ shall prepare a report in conjunction with the accountability
16 reporting described in KRS 164.095, which shall be submitted to the committee, the
17 Governor, and the General Assembly by December 1 annually. This report shall
18 include a description of contributions by postsecondary institutions to the quality of
19 elementary and secondary education in the Commonwealth;
- 20 (4) Review, revise, and approve the missions of the state's universities and the
21 Kentucky Community and Technical College System. The **Kentucky Higher**
22 **Education Assistance Authority**~~[Council on Postsecondary Education]~~ shall have
23 the final authority to determine the compliance of postsecondary institutions with
24 their academic, service, and research missions;
- 25 (5) Establish and ensure that all postsecondary institutions in Kentucky cooperatively
26 provide for an integrated system of postsecondary education. The
27 **authority**~~[council]~~ shall guard against inappropriate and unnecessary conflict and

- 1 duplication by promoting transferability of credits and easy access of information
2 among institutions;
- 3 (6) Engage in analyses and research to determine the overall needs of postsecondary
4 education and adult education in the Commonwealth;
- 5 (7) Develop plans that may be required by federal legislation. The authority~~[council]~~
6 shall for all purposes of federal legislation relating to planning be considered the
7 "single state agency" as that term may be used in federal legislation. When federal
8 legislation requires additional representation on any "single state agency," the
9 Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~
10 ~~Education]~~ shall establish advisory groups necessary to satisfy federal legislative or
11 regulatory guidelines;
- 12 (8) (a) Determine tuition and approve the minimum qualifications for admission to
13 the state postsecondary educational system. In defining residency, the
14 authority~~[council]~~ shall classify a student as having Kentucky residency if the
15 student met the residency requirements at the beginning of his or her last year
16 in high school and enters a Kentucky postsecondary education institution
17 within two (2) years of high school graduation. In determining the tuition for
18 non-Kentucky residents, the authority~~[council]~~ shall consider the fees
19 required of Kentucky students by institutions in adjoining states, the resident
20 fees charged by other states, the total actual per student cost of training in the
21 institutions for which the fees are being determined, and the ratios of
22 Kentucky students to non-Kentucky students comprising the enrollments of
23 the respective institutions, and other factors the authority~~[council]~~ may in its
24 sole discretion deem pertinent, except that the Kentucky Community and
25 Technical College System may assess a mandatory student fee not to exceed
26 eight dollars (\$8) per credit hour to be used exclusively for debt service on
27 amounts not to exceed seventy-five percent (75%) of the total projects cost of

- 1 the Kentucky Community and Technical College System agency bond
2 projects included in 2014 Ky. Acts ch. 117, Part II, J., 11.
- 3 (b) The Kentucky Community and Technical College System mandatory fee
4 established in this subsection shall only be used for debt service on agency
5 bond projects.
- 6 (c) Any fee established as provided by this subsection shall cease to be assessed
7 upon the retirement of the project bonds for which it services debt.
- 8 (d) Prior to the issuance of any bonds, the Kentucky Community and Technical
9 College System shall certify in writing to the secretary of the Finance and
10 Administration Cabinet that sufficient funds have been raised to meet the
11 local match equivalent to twenty-five percent (25%) of the total project cost;
- 12 (9) Devise, establish, and periodically review and revise policies to be used in making
13 recommendations to the Governor for consideration in developing
14 recommendations to the General Assembly for appropriations to the universities,
15 the Kentucky Community and Technical College System, and to support strategies
16 for persons to maintain necessary levels of literacy throughout their lifetimes. The
17 authority~~council~~ has sole discretion, with advice of the Strategic Committee on
18 Postsecondary Education and the executive officers of the postsecondary education
19 system, to devise policies that provide for allocation of funds among the
20 universities and the Kentucky Community and Technical College System;
- 21 (10) Lead and provide staff support for the biennial budget process as provided under
22 KRS Chapter 48, in cooperation with the committee;
- 23 (11) (a) Except as provided in paragraph (b) of this subsection, review and approve all
24 capital construction projects covered by KRS 45.750(1)(f), including real
25 property acquisitions, and regardless of the source of funding for projects or
26 acquisitions. Approval of capital projects and real property acquisitions shall
27 be on a basis consistent with the strategic agenda and the mission of the

1 respective universities and the Kentucky Community and Technical College
2 System.

3 (b) The organized groups that are establishing community college satellites as
4 branches of existing community colleges in the counties of Laurel, Leslie, and
5 Muhlenberg, and that have substantially obtained cash, pledges, real property,
6 or other commitments to build the satellite at no cost to the Commonwealth,
7 other than operating costs that shall be paid as part of the operating budget of
8 the main community college of which the satellite is a branch, are authorized
9 to begin construction of the satellite on or after January 1, 1998;

10 (12) Require reports from the executive officer of each institution it deems necessary for
11 the effectual performance of its duties;

12 (13) Ensure that the state postsecondary system does not unnecessarily duplicate
13 services and programs provided by private postsecondary institutions and shall
14 promote maximum cooperation between the state postsecondary system and private
15 postsecondary institutions. Receive and consider an annual report prepared by the
16 Association of Independent Kentucky Colleges and Universities stating the
17 condition of independent institutions, listing opportunities for more collaboration
18 between the state and independent institutions and other information as appropriate;

19 (14) Establish course credit, transfer, and degree components as required in KRS
20 164.2951;

21 (15) Define and approve the offering of all postsecondary education technical, associate,
22 baccalaureate, graduate, and professional degree, certificate, or diploma programs
23 in the public postsecondary education institutions. The authority~~[council]~~ shall
24 expedite wherever possible the approval of requests from the Kentucky Community
25 and Technical College System board of regents relating to new certificate, diploma,
26 technical, or associate degree programs of a vocational-technical and occupational
27 nature. Without the consent of the General Assembly, the authority~~[council]~~ shall

1 not abolish or limit the total enrollment of the general program offered at any
2 community college to meet the goal of reasonable access throughout the
3 Commonwealth to a two (2) year course of general studies designed for transfer to a
4 baccalaureate program. This does not restrict or limit the authority of the
5 authority[~~council~~], as set forth in this section, to eliminate or make changes in
6 individual programs within that general program;

7 (16) Eliminate, in its discretion, existing programs or make any changes in existing
8 academic programs at the state's postsecondary educational institutions, taking into
9 consideration these criteria:

10 (a) Consistency with the institution's mission and the strategic agenda;

11 (b) Alignment with the priorities in the strategic implementation plan for
12 achieving the strategic agenda;

13 (c) Elimination of unnecessary duplication of programs within and among
14 institutions; and

15 (d) Efforts to create cooperative programs with other institutions through
16 traditional means, or by use of distance learning technology and electronic
17 resources, to achieve effective and efficient program delivery;

18 (17) Ensure the governing board and faculty of all postsecondary education institutions
19 are committed to providing instruction free of discrimination against students who
20 hold political views and opinions contrary to those of the governing board and
21 faculty;

22 (18) Review proposals and make recommendations to the Governor regarding the
23 establishment of new public community colleges, technical institutions, and new
24 four (4) year colleges;

25 (19) Postpone the approval of any new program at a state postsecondary educational
26 institution, unless the institution has met its equal educational opportunity goals, as
27 established by the authority[~~council~~]. In accordance with administrative regulations

- 1 promulgated by the authority~~[council]~~, those institutions not meeting the goals shall
2 be able to obtain a temporary waiver, if the institution has made substantial progress
3 toward meeting its equal educational opportunity goals;
- 4 (20) Ensure the coordination, transferability, and connectivity of technology among
5 postsecondary institutions in the Commonwealth including the development and
6 implementation of a technology plan as a component of the strategic agenda;
- 7 (21) Approve the teacher education programs in the public institutions that comply with
8 standards established by the Education Professional Standards Board pursuant to
9 KRS 161.028;
- 10 (22) Constitute the representative agency of the Commonwealth in all matters of
11 postsecondary education of a general and statewide nature which are not otherwise
12 delegated to one (1) or more institutions of postsecondary learning. The
13 responsibility may be exercised through appropriate contractual relationships with
14 individuals or agencies located within or without the Commonwealth. The authority
15 includes but is not limited to contractual arrangements for programs of research,
16 specialized training, and cultural enrichment;
- 17 (23) Maintain procedures for the approval of a designated receiver to provide for the
18 maintenance of student records of the public institutions of higher education and the
19 colleges as defined in KRS 164.945, and institutions operating pursuant to KRS
20 165A.310 which offer collegiate level courses for academic credit, which cease to
21 operate. Procedures shall include assurances that, upon proper request, subject to
22 federal and state laws and regulations, copies of student records shall be made
23 available within a reasonable length of time for a minimum fee;
- 24 (24) Monitor and transmit a report on compliance with KRS 164.351 to the director of
25 the Legislative Research Commission for distribution to the Interim Joint
26 Committee on Families and Children;
- 27 (25) (a) Develop in cooperation with each public university and the Kentucky

1 Community and Technical College System a comprehensive orientation and
2 education program for new members of the authority~~[council]~~ and the
3 governing boards and continuing education opportunities for all
4 authority~~[council]~~ and board members. For new members of the
5 authority~~[council]~~ and institutional governing boards, the authority~~[council]~~
6 shall:

- 7 1. Ensure that the orientation and education program comprises six (6)
8 hours of instruction time and includes but is not limited to information
9 concerning the roles of the authority~~[council]~~ and governing board
10 members, the strategic agenda and the strategic implementation plan,
11 and the respective institution's mission, budget and finances, strategic
12 plans and priorities, institutional policies and procedures, board
13 fiduciary responsibilities, legal considerations including open records
14 and open meetings requirements, ethical considerations arising from
15 board membership, and the board member removal and replacement
16 provisions of KRS 63.080;
- 17 2. Establish delivery methods by which the orientation and education
18 program can be completed in person or electronically by new members
19 within one (1) year of their appointment or election;
- 20 3. Provide an annual report to the Governor and Legislative Research
21 Commission of those new board members who do not complete the
22 required orientation and education program; and
- 23 4. Invite governing board members of private colleges and universities
24 licensed by the Kentucky Higher Education Assistance
25 Authority~~[Council on Postsecondary Education]~~ to participate in the
26 orientation and education program described in this subsection;

27 (b) Offer, in cooperation with the public universities and the Kentucky

- 1 Community and Technical College System, continuing education
2 opportunities for all council and governing board members; and
- 3 (c) Review and approve the orientation programs of each public university and
4 the Kentucky Community and Technical College System for their governing
5 board members to ensure that all programs and information adhere to this
6 subsection;
- 7 (26) Develop a financial reporting procedure to be used by all state postsecondary
8 education institutions to ensure uniformity of financial information available to
9 state agencies and the public;
- 10 (27) Select and appoint ~~an~~^a executive director~~president~~ of the authority~~council~~
11 under KRS 164.013;
- 12 (28) Employ consultants and other persons and employees as may be required for the
13 authority's~~council's~~ operations, functions, and responsibilities;
- 14 (29) Promulgate administrative regulations, in accordance with KRS Chapter 13A,
15 governing its powers, duties, and responsibilities as described in this section;
- 16 (30) Prepare and present by January 31 of each year an annual status report on
17 postsecondary education in the Commonwealth to the Governor, the Strategic
18 Committee on Postsecondary Education, and the Legislative Research Commission;
- 19 (31) Consider the role, function, and capacity of independent institutions of
20 postsecondary education in developing policies to meet the immediate and future
21 needs of the state. When it is found that independent institutions can meet state
22 needs effectively, state resources may be used to contract with or otherwise assist
23 independent institutions in meeting these needs;
- 24 (32) Create advisory groups representing the presidents, faculty, nonteaching staff, and
25 students of the public postsecondary education system and the independent colleges
26 and universities;
- 27 (33) Develop a statewide policy to promote employee and faculty development in state

1 and locally operated secondary area technology centers through the waiver of
2 tuition for college credit coursework in the public postsecondary education system.
3 Any regular full-time employee of a state or locally operated secondary area
4 technology center may, with prior administrative approval of the course offering
5 institution, take a maximum of six (6) credit hours per term at any public
6 postsecondary institution. The institution shall waive the tuition up to a maximum
7 of six (6) credit hours per term. The employee shall complete the Free Application
8 for Federal Student Aid to determine the level of need and eligibility for state and
9 federal financial aid programs. The amount of tuition waived shall not exceed the
10 cost of tuition at the institution less any state or federal grants received, which shall
11 be credited first to the student's tuition;

12 (34) Participate with the Kentucky Department of Education, the Kentucky Board of
13 Education, and postsecondary education institutions to ensure that academic content
14 requirements for successful entry into postsecondary education programs are
15 aligned with high school content standards and that students who master the high
16 school academic content standards shall not need remedial courses. The
17 authority~~council~~ shall monitor the results on an ongoing basis;

18 (35) Cooperate with the Kentucky Department of Education and the Education
19 Professional Standards Board in providing information sessions to selected
20 postsecondary education content faculty and teacher educators of the high school
21 academic content standards as required under KRS 158.6453(2)(1);

22 (36) Cooperate with the Office of the Kentucky Center for Statistics and ensure the
23 participation of the public institutions as required in KRS 151B.133;

24 (37) Pursuant to KRS 63.080, review written notices from the Governor or from a board
25 of trustees or board of regents concerning removal of a board member or the entire
26 appointed membership of a board, investigate the member or board and the conduct
27 alleged to support removal, and make written recommendations to the Governor

1 and the Legislative Research Commission as to whether the member or board
2 should be removed; and

3 (38) Exercise any other powers, duties, and responsibilities necessary to carry out the
4 purposes of this chapter. Nothing in this chapter shall be construed to grant the
5 Kentucky Higher Education Assistance Authority~~Council on Postsecondary~~
6 ~~Education~~ power~~authority~~ to disestablish or eliminate any college of law which
7 became a part of the state system of higher education through merger with a state
8 college.

9 ➔Section 2. KRS 164.746 is amended to read as follows:

10 (1) The authority shall be governed, all of its powers shall be exercised, and its duties
11 and functions shall be performed by a board of directors.

12 (a) Subject to paragraph (b) of this subsection, voting members of the board shall
13 consist of:

14 1. Seven (7) members who shall be appointed from the general public
15 residing in the Commonwealth of Kentucky by the Governor from
16 nominees submitted by the Governor's Postsecondary Education
17 Nominating Committee under KRS 164.005; and

18 2. Eight (8) members of the board of directors of the Kentucky Higher
19 Education Student Loan Corporation appointed by the Governor
20 pursuant to KRS 164A.050(3)(a)1., who shall serve terms of office on
21 the authority board of directors coextensive with their respective terms
22 of office on the Kentucky Higher Education Student Loan Corporation
23 board of directors.

24 (b) Additionally, there shall be three (3) student members.

25 1. One (1) member shall be enrolled as a full-time undergraduate student
26 at a public postsecondary institution.

27 2. One (1) member shall be enrolled as a full-time graduate student at a

- 1 public postsecondary institution.
- 2 3. One (1) member shall be enrolled as a full-time student at a private
- 3 postsecondary institution.
- 4 4. The student members shall be selected annually. No later than June 1
- 5 of each year, the eight (8) student body presidents of the four (4) year
- 6 state public institutions of higher education, the two (2) student
- 7 members to the Kentucky Community and Technical College System,
- 8 and one (1) student body president representing the members of the
- 9 Association of Independent Kentucky Colleges and Universities shall
- 10 elect by majority vote three (3) nominees to submit to the Governor for
- 11 each member position under this paragraph. From these lists of
- 12 nominees, the Governor shall appoint the three student members.

13 (c) Upon resignation or expiration of the term of an appointed member of the

14 board of the authority or the Kentucky Higher Education Student Loan

15 Corporation, that member's position shall be abolished to reduce the combined

16 number of appointed members of the boards of the authority and the Kentucky

17 Higher Education Student Loan Corporation to ten (10) members.

18 ~~(d)~~~~(e)~~ In addition, ~~the president of the Council on Postsecondary Education,~~

19 ~~the president of the Association of Independent Kentucky Colleges and~~

20 ~~Universities, the State Treasurer, the commissioner of education, and the~~

21 ~~secretary of the Finance and Administration Cabinet, or their designees who~~

22 ~~shall be another official of the same cabinet or agency, shall serve as voting~~

23 ~~ex officio members.~~

24 ~~(e)~~~~(d)~~ The term of office of appointed members under paragraph (a) of this

25 subsection shall be four (4) years. Each member shall serve for the term for

26 which he or she is appointed and, except as provided in paragraph (b) of this

27 subsection, shall serve until his or her successor is appointed.

- 1 (2) Subject to paragraph (b) of subsection (1) of this section, appointments to fill
2 vacancies on the board shall be made in the same manner as regular appointments.
3 The person appointed shall hold the position for the unexpired portion of the term
4 only.
- 5 (3) The board shall elect from its voting membership a chair, chair-elect, and secretary-
6 treasurer who shall each serve for a term of one (1) year. At the conclusion of the
7 chair's term of office, the chair-elect shall become the chair for the succeeding year
8 and the board shall elect from its voting membership a new chair-elect.
- 9 (4) Board members, except officers or employees of the state, shall receive
10 compensation for their services, in the amount of one hundred dollars (\$100) per
11 day, and may be reimbursed for actual and necessary expenses incurred in the
12 performance of their duties under KRS 164.740 to 164.785.
- 13 (5) The board shall provide for the holding of regular meetings and special meetings.
- 14 (a) A majority of the voting members shall constitute a quorum for the
15 transaction of any business, special meetings shall be called by the chair in
16 accordance with KRS 61.823, and either the chair or the chair-elect shall be
17 present for the transaction of any business.
- 18 (b) In lieu of personal attendance by members of the board of directors at the
19 same location, the board of directors may conduct meetings by teleconference
20 or other available technological means suitable for conducting its business.
21 Meetings of the board shall be open and accessible to the public in accordance
22 with KRS 61.805 to 61.850, and any alternate method of conducting a
23 meeting in lieu of personal attendance shall ensure public access.
- 24 (6) The board shall adopt bylaws and policies governing its internal affairs and the
25 conduct of its business, and shall adopt administrative regulations pursuant to KRS
26 Chapter 13A, not inconsistent with law, in connection with the administration of the
27 authority's programs and the performance of its functions and duties.

1 (7) The board may:

2 (a) Appoint such officers and employees as necessary and may fix their
3 compensation, and shall prescribe their duties notwithstanding personnel
4 limits established by KRS 18A.010 or the biennial budget and its related
5 documents; and

6 (b) Adopt the provisions of KRS 45A.345 to 45A.460, pursuant to KRS 45A.343.

7 ➔Section 3. KRS 164.748 is amended to read as follows:

8 The board shall have the following powers, functions, and duties:

9 (1) To provide loan guarantees, upon terms and conditions the board may prescribe
10 within the limitations provided by KRS 164.740 to 164.770, and the federal act in
11 respect of loans to eligible borrowers. The board may require additional security,
12 including endorsers it deems necessary and desirable and is not in contravention of
13 the federal act. The purpose of the loans shall be to assist individuals in meeting the
14 expense of their education.

15 (2) To enter into agreements and undertakings with the secretary as may be required
16 and necessary pursuant to the federal act in order to constitute the authority as a
17 state agency qualified and empowered to insure student loans within the meaning of
18 the federal act and to qualify insured student loans for interest payments,
19 reimbursement, reinsurance, and other benefits available under the federal act to the
20 authority.

21 (3) To issue loan guarantees in respect of loans made to eligible borrowers by
22 participating lenders, including the authority. No loan guarantee shall be issued,
23 executed, and delivered by the authority unless any insured student loan resulting
24 shall be the subject of agreements pursuant to the federal act by which the insured
25 student loan is made the subject of interest payments, reimbursements, reinsurance,
26 and other benefits to the extent provided by the federal act.

27 (4) To promulgate administrative regulations pursuant to KRS Chapter 13A pertaining

- 1 to insured student loans, loan guarantees, loans, and work-study payments and the
2 awarding of grants, scholarships, and honorary scholarships, as provided in KRS
3 164.740 to 164.7891.
- 4 (5) To enter into contracts with eligible lenders, approved by the state to lend moneys,
5 upon terms and conditions agreed upon between the authority and the eligible
6 lender, to provide for the administration of student financial assistance programs,
7 including, but not by way of limitation, the authority's program of insured student
8 loans.
- 9 (6) To enter into contracts with eligible institutions, upon terms and conditions agreed
10 upon between the authority and the eligible institution, to provide for the
11 administration of student financial assistance programs, including, but not by way
12 of limitation, the authority's program of insured student loans.
- 13 (7) To receive funds from any source, public or private, by gift, grant, bequest, loan, or
14 otherwise, either absolutely or in trust, and to expend them, on behalf of the
15 authority and for any of its purposes; and to acquire from any source, public or
16 private, by purchase, lease, gift, bequest, or devise, any property, real, personal, or
17 mixed, absolutely or in trust, and to hold, administer, and dispose of it, on behalf of
18 the authority and for any of its purposes. The authority shall not make its debts
19 payable out of any funds except those of the authority.
- 20 (8) To administer federal funds allotted to the state in respect of insured student loans,
21 loan guarantees, loans, work-study, grants, scholarships, administrative costs, and
22 related matters.
- 23 (9) To sue and be sued in the name of the authority and to plead and be impleaded, and
24 to purchase, on behalf of members of the board or officers and employees of the
25 authority, liability insurance for individual protection from liability for acts and
26 omissions committed in the course and scope of the individual's employment or
27 service.

- 1 (10) To collect from individual borrowers loans made by the authority and insured
2 student loans on which the authority has been compelled to meet its loan guarantee
3 obligations following the inability of the participating lender involved to collect the
4 insured student loans.
- 5 (11) To gather information on all loans, scholarships, honorary scholarships, grants, and
6 work-study opportunities available to Kentucky residents attending or planning to
7 attend an eligible institution and to disseminate the information through the
8 methods of mass communication necessary to ensure that Kentucky residents are
9 aware of financial resources available to those attending or desiring to attend an
10 eligible institution.
- 11 (12) To request reports from each eligible institution or eligible lender necessary for the
12 effective performance of its duties and to publish the information it deems
13 necessary.
- 14 (13) To approve, disapprove, limit, suspend, or terminate the participation of, or take
15 emergency action to withhold authority funds and insured student loans from
16 eligible institutions or eligible lenders in programs administered by the board,
17 subject to the provisions of the federal act and this chapter.
- 18 (14) To perform other acts necessary or appropriate to carry out effectively the purposes
19 of the authority as provided by KRS ***Chapters 164 and 164A***~~[164.740 to 164.7891~~
20 ~~and KRS 164A.010 to 164A.380].~~
- 21 (15) If any conflict exists between KRS 164.740 to 164.770 and the federal act, which
22 conflict would result in a loss by the authority of any federal funds, including, but
23 not by way of limitation, federal funds made available to the authority under the
24 federal act, including interest payments and reimbursement for insured student
25 loans in default, to promulgate regulations and policies consistent with the federal
26 act not in derogation of the Constitution and general laws of the Commonwealth.
- 27 (16) Except where specifically prohibited by law, to secure data from any other

1 Commonwealth of Kentucky agency or instrumentality or from any other source in
2 furtherance of any purposes of the authority related to any program or function
3 administered by the authority.

4 (17) To enter into contracts with public or private nonprofit agencies, eligible to hold or
5 insure student loans under the federal act, to provide for the exchange of
6 information, not in contravention of any federal or state law, or the provision of
7 services necessary to the administration of the authority's insured student loan
8 programs.

9 (18) To enter into contracts with the Kentucky Higher Education Student Loan
10 Corporation, the Kentucky Educational Savings Plan Trust, and the Commonwealth
11 postsecondary education prepaid tuition trust fund as necessary or appropriate to
12 facilitate their common administration, operation, and management, as required
13 pursuant to KRS Chapter 164A.

14 (19) To act as the board of directors of the Commonwealth postsecondary education
15 prepaid tuition trust fund under KRS 164A.700 to 164A.709.

16 (20) To conduct, in accordance with KRS Chapter 13B, administrative hearings
17 pertaining to any adverse action by the authority affecting participating institutions
18 and lenders, eligible students, and borrowers of loans made by the authority and
19 insured student loans guaranteed by the authority. Wage garnishment hearings and
20 administrative review procedures pertaining to disputes concerning setoff of federal
21 tax refunds shall be exempt under KRS 13B.020 and shall be conducted in
22 accordance with applicable federal law. In an exempt hearing, the board or a
23 hearing officer designated by the board may issue administrative subpoenas for the
24 attendance of witnesses and the production of documents relevant to the issues in
25 dispute. Compliance with the subpoenas shall be enforceable by a court of
26 competent jurisdiction.

27 (21) To provide upon termination of the retirement plan authorized by Executive Order

1 75-964 to active and retired employees of the authority who participated in that
 2 plan, health insurance premiums and disability insurance benefits as provided to
 3 employees who participate in a state-administered retirement system pursuant to
 4 KRS 18A.225 to 18A.229, 61.600, and 61.702.

5 (22) To delegate to the executive director general supervision and direction over the
 6 administrative function of the authority and its employees in carrying out the
 7 policies, programs, administrative regulations, and directives of the board. **The**
 8 **executive director shall be selected pursuant to Section 4 of this Act.**

9 ➔Section 4. KRS 164.013 is amended to read as follows:

10 (1) The **Kentucky Higher Education Assistance Authority**~~[Council on Postsecondary~~
 11 ~~Education]~~ shall set the qualifications for the position of **executive**
 12 **director**~~[president of the council]~~. ~~[Except for the first president appointed under~~
 13 ~~subsection (2) of this section,]~~The **authority**~~[council]~~ may employ a search firm
 14 and conduct a nationwide search for candidates. Any search firm employed by the
 15 **authority**~~[council]~~ shall consider, interview, and propose three (3) or more
 16 candidates for the position of **executive director**~~[president]~~. The **authority**~~[council]~~
 17 may seek additional names from the search firm or from other sources.

18 ~~(2) [In the selection of candidates for the first president of the Council on~~
 19 ~~Postsecondary Education, the Strategic Committee on Postsecondary Education~~
 20 ~~shall serve as a search committee, employing a search firm for assistance. The~~
 21 ~~committee shall recommend three (3) candidates to be considered by the council~~
 22 ~~and shall repeat this process until it finds a satisfactory person to appoint as the first~~
 23 ~~president of the council.~~

24 ~~(3)~~ The **executive director**~~[president]~~ shall possess an excellent academic and
 25 administrative background, have strong communication skills, have significant
 26 experience and an established reputation as a professional in the field of
 27 postsecondary education **and student financial aid**, and shall not express,

- 1 demonstrate, or appear to have an institutional or regional bias in his or her actions.
- 2 (4) The executive director~~[president]~~ shall be the primary advocate for postsecondary
3 education and advisor to the Governor and the General Assembly on matters of
4 postsecondary education in Kentucky. As the primary advocate for postsecondary
5 education, the executive director~~[president]~~ shall work closely with the committee
6 and the elected leadership of the Commonwealth to ensure that they are fully
7 informed about postsecondary education issues and that the authority~~[council]~~ fully
8 understands the goals for postsecondary education that the General Assembly has
9 established in KRS 164.003(2).
- 10 (5) The executive director~~[president]~~ may design and develop for review by the
11 authority~~[council]~~ new statewide initiatives in accordance with the strategic
12 agenda.
- 13 (6) ~~[(a) The council shall set the salary of the president at an amount no greater than
14 the salary the president was receiving on January 1, 2012.~~
- 15 ~~(b)]~~The salary of the executive director~~[president]~~ shall be exempt from state
16 employee salary limitations as set forth in KRS 64.640.
- 17 (7) The executive director~~[president]~~ shall be accorded a contract to serve for a term
18 not to exceed five (5) years, which is renewable at the pleasure of the
19 authority~~[council]~~.
- 20 (8) The executive director~~[president]~~ shall determine the staffing positions and
21 organizational structure necessary to carry out the responsibilities of the
22 authority~~[council]~~ and may employ staff.~~[All personnel positions of the Council on
23 Higher Education, as of May 30, 1997, with the exception of the position of
24 executive director, shall be transferred to the Council on Postsecondary Education.
25 All personnel shall be transferred at the same salary and benefit levels.
26 Notwithstanding the provisions of KRS 11A.040, any person employed by the
27 Council on Higher Education prior to May 30, 1997, may accept immediate~~

1 ~~employment with any governmental entity or any postsecondary education~~
 2 ~~organization or institution in the Commonwealth and may carry out the~~
 3 ~~employment duties assigned by that entity, organization, or institution.]~~

- 4 (9) The **executive director**~~[president]~~ shall be responsible for the day-to-day operations
 5 of the **authority**~~[council]~~ and shall report and submit annual reports on the strategic
 6 implementation plan of the strategic agenda, carry out policy and program
 7 directives of the **authority**~~[council]~~, prepare and submit to the **authority**~~[council]~~
 8 for its approval the proposed budget of the **authority**~~[council]~~, and perform all other
 9 duties and responsibilities assigned by state law.
- 10 (10) With approval of the **authority**~~[council]~~, the **executive director**~~[president]~~ may
 11 enter into agreements with any state agency or political subdivision of the state, any
 12 state postsecondary education institution, or any other person or entity to enlist staff
 13 assistance to implement the duties and responsibilities under KRS 164.020.
- 14 (11) The **executive director**~~[president]~~ shall be reimbursed for all actual and necessary
 15 expenses incurred in the performance of all assigned duties and responsibilities.

16 ➔Section 5. KRS 164.001 is amended to read as follows:

17 As used in this chapter, unless the context requires otherwise:

- 18 (1) "Administrator" means the chief executive officer of the institution;
- 19 (2) "Adult basic education" means instruction in mathematics, science, social studies,
 20 reading, language arts, and related areas to enable individuals to better function in
 21 society;
- 22 (3) **"Authority" means the Kentucky Higher Education Assistance Authority;**
- 23 **(4)** "Benchmarks" means objective measures developed where applicable or practical
 24 by the **Kentucky Higher Education Assistance Authority**~~[Council on~~
 25 ~~Postsecondary Education]~~ to judge the performance of the postsecondary education
 26 system and progress toward the goals as stated in KRS 164.003(2);
- 27 **(5)**~~[(4)]~~ "Board" or "governing board" means the board of trustees for the University

1 of Kentucky or the University of Louisville, the board of regents for a
2 comprehensive university, or the board of regents for the Kentucky Community and
3 Technical College System;

4 ~~(6)~~⁽⁵⁾ "Board of regents" means the governing board of each comprehensive
5 university and the Kentucky Community and Technical College System;

6 ~~(7)~~⁽⁶⁾ "Committee" means the Strategic Committee on Postsecondary Education
7 created in KRS 164.004;

8 ~~(8)~~⁽⁷⁾ "Comprehensive university" means the following public institutions: Eastern
9 Kentucky University, Kentucky State University, Morehead State University,
10 Murray State University, Northern Kentucky University, and Western Kentucky
11 University;

12 ~~[(8) "Council" means the Council on Postsecondary Education created in KRS
13 164.011;]~~

14 (9) "Customized training" means training in specific academic areas, work processes,
15 or technical skills that are designed to serve a specific industry or industries to
16 upgrade worker skills;

17 (10) "Goals" means the six (6) goals specified in KRS 164.003(2);

18 (11) "Independent institution" means a nonpublic postsecondary education institution in
19 Kentucky whose instruction is not solely sectarian in nature, is accredited by a
20 regional accrediting association recognized by the United States Department of
21 Education, and is licensed by the Kentucky Higher Education Assistance
22 Authority~~[Council on Postsecondary Education];~~

23 (12) "Institution" means a university, college, community college, health technology
24 center, vocational-technical school, technical institute, technical college, technology
25 center, or the Kentucky Community and Technical College System;

26 (13) "Kentucky Community and Technical College System" means the system
27 composed of public community and technical colleges, including those

1 postsecondary institutions operated by the former Cabinet for Workforce
2 Development and those community colleges in the University of Kentucky
3 Community College System on May 30, 1997.

4 The system also includes institutions created by the board of regents for the
5 Kentucky Community and Technical College System and approved by the General
6 Assembly;

7 (14) "Literacy" means an individual's ability to read, write, and speak in English and
8 compute and solve problems at levels of proficiency necessary to function on the
9 job and in society to achieve one's goals and develop one's knowledge and
10 potential;

11 (15) "Lower division academic course" means any academic course offered for college
12 or university credit that is designated as a freshman or sophomore level academic
13 course;

14 (16) "Nonteaching personnel" means any employee who is a full-time staff member,
15 excluding a president, chancellor, vice president, academic dean, academic
16 department chair, or administrator;

17 (17) "Postsecondary education system" means the following public institutions:
18 University of Kentucky, University of Louisville, Eastern Kentucky University,
19 Kentucky State University, Morehead State University, Murray State University,
20 Northern Kentucky University, Western Kentucky University, and the Kentucky
21 Community and Technical College System;

22 (18) "P-16 council" or "council of partners" means a local or state council that is
23 composed of educators from public and private preschools, elementary, secondary,
24 and postsecondary education institutions, local board of education members, and
25 may include community and business representatives that have voluntarily
26 organized themselves for the purpose of improving the alignment and quality of the
27 education continuum from preschool through postsecondary education as well as

1 student achievement at all levels;

2 (19) "Public" means operated with state support;

3 (20) "Relative" means a person's father, mother, brother, sister, husband, wife, son,
4 daughter, aunt, uncle, son-in-law, or daughter-in-law;

5 (21) "Remedial education" means any program, course, or activity that is designed
6 specifically for students who have basic deficiencies in reading, written or oral
7 communication, mathematics, study skills, or other skills necessary to do beginning
8 postsecondary work as defined by the institution;

9 (22) "Standardized degree program" means a program, approved by the Kentucky
10 Higher Education Assistance Authority~~[Council on Postsecondary Education]~~, that
11 consists of specific competencies, curriculum, and performance requirements
12 regardless of the providing institution;

13 (23) "Strategic agenda" means the state strategic postsecondary education agenda
14 described in KRS 164.0203;

15 (24) "Technical institution" means an educational institution that offers certificates,
16 diplomas, or technical degrees in technical or occupational-related programs,
17 including a facility called a vocational-technical school, technical institute, health
18 technology center, technology center, technical college, or similar designation; and

19 (25) "Learning outcomes" means the knowledge, skills, and abilities that students have
20 attained as a result of their involvement in a particular set of educational
21 experiences.

22 ➔Section 6. KRS 164.004 is amended to read as follows:

23 (1) The Strategic Committee on Postsecondary Education is hereby created and
24 established. The committee shall be composed of members appointed by the
25 Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~
26 ~~Education]~~, the Governor, and the General Assembly. The authority's~~[council's]~~
27 representatives shall consist of the chair of the authority board of

1 directors~~[council]~~, the executive director~~[president]~~ of the authority~~[council]~~, and
2 five (5) members of the authority~~[council]~~ designated by the chair. The Governor's
3 representatives shall consist of the Governor and six (6) persons designated by the
4 Governor. The General Assembly's representatives shall consist of the President of
5 the Senate, the Speaker of the House of Representatives, the Majority and Minority
6 Floor Leaders of both chambers of the General Assembly, the minority caucus chair
7 of each chamber, a member appointed by the President of the Senate, a member
8 appointed by the Speaker of the House of Representatives, a member appointed by
9 the Minority Floor Leader of the Senate, a member appointed by the Minority Floor
10 Leader of the House of Representatives, and the chair of the Committee on
11 Appropriations and Revenue of each chamber.

12 (2) The chair of the authority board of directors~~[council]~~ shall serve as chair of the
13 committee. The committee shall meet at least quarterly and at other times upon the
14 written call of the chair or of majorities of any two (2) of the three (3) groups that
15 compose the committee.

16 (3) Nonlegislative members of the committee shall serve without compensation but
17 shall be reimbursed for their actual and necessary expenses, as set forth in KRS
18 12.070(5). Committee members who are Kentucky legislators shall be compensated
19 for attendance at committee meetings from the legislative branch budget bill and as
20 set forth in KRS 6.190.

21 (4) The committee shall serve as a forum for the authority~~[council]~~ and the elected
22 leadership of the Commonwealth to exchange ideas about the future of
23 postsecondary education in Kentucky.

24 (5) The authority~~[council]~~ shall periodically review its strategic implementation plan
25 for the strategic agenda under KRS 164.0203 and advise the committee of the
26 actions necessary to meet the goals established in KRS 164.003(2). The elected
27 leaders shall review and comment on the strategic agenda and the timetable for

1 implementation.

2 (6) The Governor shall advise the committee about the financial condition of the
3 Commonwealth and the probable funds the executive branch intends to recommend
4 to the General Assembly to be appropriated for postsecondary education.

5 (7) The legislative members shall react to the comments of the authority~~[council]~~ and
6 the Governor.

7 (8) The authority~~[council]~~ shall advise the committee about its opinion of how the
8 postsecondary education funds projected to be available should be allocated based
9 on priorities and projected resources. Nothing in this section shall be construed to
10 infringe upon the Governor's duty under KRS 48.100 to recommend appropriations
11 to the General Assembly or upon the General Assembly's power to make final
12 appropriations in the enacted budget.

13 (9) The committee shall have the advisory authority not explicitly prohibited by law
14 that is necessary to carry out and effectuate its advisory functions, duties, and
15 responsibilities, including the following:

16 (a) Receive reports from the authority~~[council]~~ on the development and
17 implementation of the long-term strategic agenda, including biennial budget
18 requests for postsecondary education and any subsequent and related budget
19 requests;

20 (b) Review the authority's~~[council's]~~ proposed objectives and benchmarks for the
21 next fiscal biennium for furthering the Commonwealth's achievement of the
22 goals set out in KRS 164.003(2);

23 (c) Consider and advise the authority~~[council]~~ on the general budget parameters
24 regarding development of the postsecondary budget for the next fiscal
25 biennium;

26 (d) Review biennial budget requests from the authority~~[council]~~ for the next
27 fiscal biennium including base funding, increases in base funding, and

1 funding for a strategic investment and incentive funding program, including
2 criteria to be used in allocating these funds to institutions;

3 and

4 (e) Receive from the authority~~[council]~~, at least annually and on a more frequent
5 basis if requested by the committee, accountability reports, budget
6 information, and other information the committee deems proper~~[-; and~~

7 ~~(f) Serve as the search committee for the review and consideration of candidates~~
8 ~~to be presented to the council for the initial appointment to the position of~~
9 ~~president of the Council on Postsecondary Education. Each group of the~~
10 ~~committee shall have one (1) vote on the search committee. The vote of each~~
11 ~~group shall be determined by a majority of the members of that group].~~

12 ➔Section 7. KRS 164.005 is amended to read as follows:

13 (1) There is established the Governor's Postsecondary Education Nominating
14 Committee which shall consist of seven (7) members representing each of the
15 Supreme Court districts who shall be appointed by the Governor with the consent of
16 the House of Representatives and the Senate. If the General Assembly is not in
17 session at the time of appointment, the consent of the General Assembly shall be
18 obtained during the time the General Assembly next convenes.

19 (2) (a) In order to be eligible to serve on the Governor's Postsecondary Education
20 Nominating Committee, a member at the time of appointment shall have no
21 conflict of interest pursuant to KRS 45A.340. In addition, no member shall
22 have a relative employed by a public postsecondary institution~~[-, the Council~~
23 ~~on Postsecondary Education]~~, the Kentucky Higher Education Assistance
24 Authority, the Kentucky Higher Education Student Loan Corporation, or the
25 Kentucky Authority for Educational Television during his or her tenure on the
26 committee. No more than two (2) persons holding an undergraduate degree
27 from the same institution of higher education shall be members of the

1 committee.

2 (b) The Governor shall make the appointments so as to reflect, inasmuch as
3 possible, equal representation of the two (2) sexes and no less than
4 proportional representation of the two (2) leading political parties of the
5 Commonwealth based on the state's voter registration and to assure that
6 appointments reflect the minority racial composition of the Commonwealth.
7 In filling vacancies to the committee, the Governor shall act so as to provide,
8 inasmuch as possible, equal representation of the two (2) sexes by appointing
9 a member of the sex that is the lesser represented at the time of the
10 appointment. If the remaining membership already has an equal number of
11 males and females, the Governor may appoint a member of either sex.

12 (c) In selecting the members of the committee, the Governor shall solicit
13 recommendations from each of the following:

- 14 1. Advisory Conference of Presidents;
- 15 2. Kentucky Higher Education Assistance Authority~~Council on~~
16 ~~Postsecondary Education~~ Student Advisory Committee;
- 17 3. Associations representing faculty from universities, technical
18 institutions, and community colleges;
- 19 4. Associations representing university, technical institutions, and
20 community college alumni;
- 21 5. Postsecondary education advocacy groups;
- 22 6. The Kentucky Board of Education;
- 23 7. Associations representing business and civic interests; and
- 24 8. Associations representing independent, nonprofit colleges and
25 universities.

26 (3) (a) Members of the committee representing Supreme Court districts shall serve
27 six (6) year terms and until a successor is appointed, except the initial

1 appointments shall be as follows:

- 2 1. Two (2) members shall serve a two (2) year term;
- 3 2. Two (2) members shall serve a four (4) year term; and
- 4 3. Three (3) members shall serve a six (6) year term.

5 (b) The terms of the original appointees shall expire on April 14 in the year
6 designated for the term, and the terms of each member appointed thereafter
7 shall begin on April 15. Appointments shall be submitted to the Senate and to
8 the House of Representatives for confirmation by February 1 in each year that
9 a regular session of the General Assembly convenes. Each appointment shall
10 be consented to by both chambers in order for the person to be confirmed. At
11 the first regular meeting of the committee each fiscal year, a chairperson shall
12 be selected by the membership.

13 (4) The members of the committee may be reimbursed for actual and necessary
14 expenditures incurred in the performance of their duties. The expenses of the
15 committee shall be paid out of the appropriation for the Governor's office.

16 (5) (a) The committee shall be responsible for submitting three (3) nominations from
17 which the Governor shall select each gubernatorial appointment to a
18 university or Kentucky Community and Technical College System governing
19 board made pursuant to KRS 164.131, 164.321, and 164.821 ~~and to the~~
20 ~~Council on Postsecondary Education pursuant to KRS 164.011].~~ The
21 committee shall not make recommendations for alumni, faculty, and staff
22 appointments made pursuant to KRS 164.131 and 164.821 and the student
23 appointments made pursuant to KRS 164.131, 164.321, and 164.821. If more
24 than one (1) equivalent gubernatorial appointment is being made to a
25 governing board ~~or the Council on Postsecondary Education]~~ at the same
26 time, the committee shall submit a number of nominees equal to three (3)
27 times the number of vacancies. The committee shall provide to the Governor,

1 inasmuch as possible, an equal number of male and female nominees. If the
2 Governor needs nominees of a particular sex in order to make an appointment,
3 the committee shall only provide nominees of that sex. The Governor shall
4 select the appointees from among the nominees.

5 (b) The committee shall be responsible for submitting three (3) nominations from
6 which the Governor shall select each gubernatorial appointment to the
7 Kentucky Authority for Educational Television made pursuant to KRS
8 168.040, the Kentucky Higher Education Assistance Authority pursuant to
9 KRS 164.746, and the Kentucky Higher Education Student Loan Corporation
10 pursuant to KRS 164A.050. If more than one (1) appointment is being made
11 at the same time, the committee shall submit a number of nominees equal to
12 three (3) times the number of vacancies. The Governor shall select the
13 appointees from among the nominees.

14 (c) Nominations shall be made thirty (30) days prior to the expiration of a term or
15 as soon as practicable following an unforeseen vacancy. The Governor shall
16 make the appointment within sixty (60) days following receipt of the
17 nominations. If the Governor does not make the appointment within sixty (60)
18 days, the committee shall select one (1) of the nominees to serve.

19 (6) In making its nominations, the committee shall consider the needs of the respective
20 institutions, locate potential appointees, review candidates' qualifications and
21 references, conduct interviews, and carry out other search and screening activities
22 as necessary.

23 (7) The Governor's office staff shall provide support services for the committee.

24 ➔Section 8. KRS 164.0053 is amended to read as follows:

25 (1) No appointing authority shall appoint himself or herself or his or her spouse, or the
26 Governor or his or her spouse, to a governing board of a postsecondary institution
27 created pursuant to KRS 164.131, 164.321, or 164.821, or to the Kentucky Higher

1 **Education Assistance Authority**~~[Council on Postsecondary Education created~~
2 ~~pursuant to KRS 164.011].~~

3 (2) No full-time employee of a public institution of postsecondary education shall be
4 eligible to serve on the **Kentucky Higher Education Assistance Authority**~~[Council~~
5 ~~on Postsecondary Education]~~ or on the governing board of another institution of
6 postsecondary education, except the community and technical college faculty and
7 nonteaching personnel serving on the board of regents for the Kentucky
8 Community and Technical College System~~, and except the faculty member~~
9 ~~appointed under KRS 164.011(3)].~~

10 (3) No postsecondary institution shall award an honorary degree to a sitting governor.

11 (4) All governing board members created pursuant to KRS 164.131, 164.321, and
12 164.821 and the members of the **Kentucky Higher Education Assistance**
13 **Authority**~~[Council on Postsecondary Education]~~ shall have no conflict of interest
14 pursuant to KRS 45A.340, except for compensation paid to faculty, staff, or student
15 members.

16 ➔Section 9. KRS 164.0203 is amended to read as follows:

17 (1) The **Kentucky Higher Education Assistance Authority**~~[Council on Postsecondary~~
18 ~~Education]~~ shall adopt a strategic agenda that identifies specific short-term
19 objectives in furtherance of the long-term goals established in KRS 164.003(2).

20 (2) (a) The purpose of the strategic agenda is to further the public purposes under
21 KRS 164.003 by creating high-quality, relevant, postsecondary education and
22 adult education opportunities in the Commonwealth. The strategic agenda
23 shall:

24 1. Serve as the public agenda for postsecondary education and adult
25 education for the citizens of the Commonwealth, providing statewide
26 priorities and a vision for long-term economic growth;

27 2. State those important issues and aspirations of the Commonwealth's

- 1 students, employers, and workforce reflecting high expectations for their
2 performance and the performance of the educational institutions and
3 providers that serve them; and
- 4 3. Sustain a long-term commitment for constant improvement, while
5 valuing market-driven responsiveness, accountability to the public,
6 technology-based strategies, and incentive-based motivation.
- 7 (b) The authority~~[council]~~ shall develop a strategic implementation plan, which
8 may be periodically revised, to achieve the strategic agenda. The strategic
9 agenda shall serve as a guide for institutional plans and missions.
- 10 (3) The framework for the strategic implementation plan of the strategic agenda shall
11 include the following elements:
- 12 (a) A mission statement;
- 13 (b) Goals;
- 14 (c) Principles;
- 15 (d) Strategies and objectives;
- 16 (e) Benchmarks; and
- 17 (f) Incentives to achieve desired results.
- 18 (4) The implementation plan for the strategic agenda shall take into consideration the
19 value to society of a quality liberal arts education and the needs and concerns of
20 Kentucky's employers.
- 21 (5) The authority~~[council]~~ shall develop benchmarks using criteria that shall include
22 but not be limited to:
- 23 (a) Use of the statistical information commonly provided by governmental and
24 regulatory agencies or specific data gathered by authorization of the
25 authority~~[council]~~;
- 26 (b) Comparison of regions and areas within the Commonwealth and comparisons
27 of the Commonwealth to other states and the nation; and

1 (c) Measures of educational attainment, effectiveness, and efficiency, including
2 but not limited to those set forth in KRS 164.095.

3 (6) The authority~~[council]~~ shall review the goals established by KRS 164.003(2) at
4 least every four (4) years and shall review its implementation plan at least every
5 two (2) years.

6 (7) In developing the strategic agenda, the authority~~[council]~~ shall actively seek input
7 from the Department of Education and local school districts to create necessary
8 linkages to assure a smooth and effective transition for students from the
9 elementary and secondary education system to the postsecondary education system.
10 Upon completion of the strategic agenda and strategic implementation plan, the
11 authority~~[council]~~ shall distribute copies to each local school district.

12 (8) The strategic agenda shall include a long-term strategy, developed in partnership
13 with the Office of Adult Education, for raising the knowledge and skills of
14 Kentucky's adult population, and ensuring lifelong learning opportunities for all
15 Kentucky adults, drawing on the resources of all state government cabinets and
16 agencies, business and civic leadership, and voluntary organizations.

17 ➔Section 10. KRS 164.0205 is amended to read as follows:

18 The Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~
19 ~~Education in Kentucky]~~ shall promote, support, and assist in the program created in KRS
20 158.798 by:

21 (1) Identifying college students who have a superior academic aptitude or achievement
22 in math, science, and technology related course work to participate in this program;

23 (2) Educating higher education institutions as to the availability of this program and
24 encouraging participation by administrators, faculty, and students;

25 (3) Establishing liaison and assisting in the coordination of any specific program
26 component which involves college-level internships, scholarships, or career
27 development.

1 ➔Section 11. KRS 164.0206 is amended to read as follows:

2 A public postsecondary education institution with a degree program in speech-language
3 pathology and a teacher education program, under the direction of the *Kentucky Higher*
4 *Education Assistance Authority*~~[Council on Postsecondary Education]~~, and in
5 consultation with the Education Professional Standards Board and the Kentucky Board of
6 Speech-Language Pathology and Audiology, shall:

7 (1) Align the programs of studies for speech-language pathology and teacher education
8 to permit a student to successfully prepare for licensure as a speech-language
9 pathology assistant and certification as a bachelor's level teacher of exceptional
10 children/communication disorders;

11 (2) Increase the number of qualified students accepted into programs leading to
12 licensure as a speech-language pathologist or speech-language pathology assistant
13 and certification as a teacher of exceptional children/communication disorders,
14 subject to:

15 (a) Requirements for program certification by national certifying bodies,
16 including, but not limited to, student to faculty ratios;

17 (b) The strategic plans of the *Kentucky Higher Education Assistance*
18 *Authority*~~[Council on Postsecondary Education]~~ and the postsecondary
19 education institution; and

20 (c) The budgetary considerations of the postsecondary education institution.

21 (3) Provide expanded opportunities for speech-language pathology assistants working
22 in public schools to pursue licensure as a speech-language pathologist and
23 certification as a teacher of exceptional children/communication disorders, which
24 may include:

25 (a) Expanded opportunities for admission to on-campus programs;

26 (b) The development and expansion of distance learning opportunities in
27 collaboration with the Kentucky Commonwealth Virtual University; and

1 (c) Admissions requirements that take into account successful professional
2 experience as a speech-language pathology assistant in lieu of other
3 admissions requirements.

4 ➔Section 12. KRS 164.021 is amended to read as follows:

5 The president or chief executive officer of each four (4) year state institution of higher
6 learning, the president of the Kentucky Community and Technical College System, and
7 the president of the Association of Independent Kentucky Colleges and Universities shall
8 serve on an advisory conference for the **Kentucky Higher Education Assistance**
9 **Authority**~~[Council on Postsecondary Education]~~. The Advisory Conference of Presidents
10 will receive the full agenda for each meeting of the **authority**~~[council]~~ a reasonable time
11 prior to the **authority**~~[council]~~ meeting and, in the event of viewpoints differing from the
12 **Kentucky Higher Education Assistance Authority**~~[Council on Postsecondary~~
13 ~~Education]~~, an elected spokesperson for the conference may meet with the
14 **authority**~~[council]~~ and the executive committee to present before the **authority**~~[council]~~
15 the institutional positions on such issues. At least once each year the **Kentucky Higher**
16 **Education Assistance Authority**~~[Council on Postsecondary Education]~~ will meet with the
17 Advisory Conference of Presidents.

18 ➔Section 13. KRS 164.0211 is amended to read as follows:

19 (1) The student body president of each four (4) year public university, the two (2)
20 student regents to be designated by the board of regents of the Kentucky
21 Community and Technical College System, and one (1) student body president
22 representing the members of the Association of Independent Kentucky Colleges and
23 Universities shall serve on an advisory board to be known as the Board of Student
24 Body Presidents. The student body president representing the independent colleges
25 and universities shall be selected under a process established by the Association of
26 Independent Kentucky Colleges and Universities.

27 (2) The Board of Student Body Presidents shall advise the legislative and executive

1 branches regarding postsecondary education issues and concerns of students.

2 (3) At least once each year, the Board of Student Body Presidents shall meet with the
3 *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~
4 ~~Education]~~ and the Advisory Conference of Presidents.

5 (4) The Board of Student Body Presidents shall submit the names of three (3) nominees
6 to the Governor for consideration in the appointment of ~~[a]~~ student
7 *members*~~[member]~~ to the *Kentucky Higher Education Assistance Authority as*
8 *required under Section 2 of this Act*~~[Council on Postsecondary Education pursuant~~
9 ~~to KRS 164.011]~~.

10 ➔Section 14. KRS 164.027 is amended to read as follows:

11 (1) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~
12 ~~Education]~~ shall have authority to provide for a program of occupational
13 qualification development in the Commonwealth. The program may be provided for
14 by contract with any recognized and accredited municipal junior college located
15 within the Commonwealth. The contract shall provide that the college shall admit to
16 its course of instruction, up to such percentage of its full teaching capacity as may
17 be fixed by contract, residents of the Commonwealth who make application to
18 pursue the course of study of the college; provided, however, that the persons shall
19 be classified as residents according to *authority*~~[council]~~ administrative regulations
20 and shall be eligible for admissions to the junior college.

21 (2) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~
22 ~~Education]~~ shall pay to the college not more than two hundred dollars (\$200) per
23 school year for each student enrolled. The payments shall be additional to the
24 annual tuition fees paid by each student. The *authority*~~[council]~~ shall have
25 *power*~~[authority]~~ to provide by contract that it pay the expense of specific research
26 projects or programs conducted by the college. The *authority*~~[council]~~ shall make
27 an annual report of its occupational qualification development program after June

1 30 of each year, including an accounting of all moneys received and disbursed. The
2 authority[~~council~~] shall have no power[~~authority~~] to incur any obligation in excess
3 of the sums that have been appropriated to it.

4 ➔Section 15. KRS 164.028 is amended to read as follows:

5 There shall be established in the Kentucky Higher Education Assistance
6 Authority[~~Council on Postsecondary Education~~] an Office of Professional Education
7 Preparation Programs. The office shall have as its principal responsibility the
8 coordination, development, and implementation, through appropriate means, of
9 educational activities directed toward solving the problem of professional manpower
10 distribution in the Commonwealth. For the purposes of KRS 164.028 to 164.029, the
11 words "profession" and "professional" mean medicine and dentistry.

12 ➔Section 16. KRS 164.0282 is amended to read as follows:

13 The Kentucky Higher Education Assistance Authority[~~Council on Postsecondary~~
14 ~~Education~~] shall:

- 15 (1) Employ a director and sufficient staff to administer the professional education
16 preparation programs;
- 17 (2) Formulate guidelines and policies governing program activities and fund
18 expenditures;
- 19 (3) Allocate funds to appropriate agencies, organizations, and institutions for the
20 purpose of conducting activities approved in accordance with guidelines and
21 policies;
- 22 (4) Recognize regional groups made up of professionals, educators, and consumers,
23 which shall serve in an advisory capacity to the authority[~~council~~] in accordance
24 with guidelines and policies;
- 25 (5) Recognize a group made up of professionals, educators, and consumers which shall
26 serve in an advisory capacity to the authority[~~council~~] on all program matters;
- 27 (6) Develop and maintain a mechanism for evaluating the impact of the program

- 1 activities on admissions to, and graduation from, professional schools, and on
2 professional manpower distribution;
- 3 (7) Conduct specific program activities which are beyond the capability of a single
4 institution, agency, or organization, or when it is determined that it would be
5 inappropriate for such institutions, agencies, or organizations to conduct the
6 activity;
- 7 (8) Establish liaison with and provide assistance to the Kentucky Board of Education in
8 developing counseling and other related programs to encourage students from
9 shortage areas to prepare for professional careers;
- 10 (9) Coordinate the development of a financial support system to enable potential
11 professional students in underserved areas which will enhance their ability to apply
12 for, be admitted to, and graduate from professional education programs;
- 13 (10) Report at least annually to the appropriate committees and interim committees of
14 the General Assembly on the operation of the program.

15 ➔Section 17. KRS 164.0284 is amended to read as follows:

- 16 (1) In order to help prospective students make more informed decisions about their
17 futures and ensure that they are adequately aware of the cost of college and other
18 career paths, the Kentucky Higher Education Assistance Authority~~[Council on~~
19 ~~Postsecondary Education]~~ shall compile on an annual basis the following
20 information:
- 21 (a) The most in-demand jobs in the state along with the starting salary, the
22 median salary, and the typical education level for those jobs;
- 23 (b) For the University of Kentucky, the University of Louisville, each
24 comprehensive university, and each college within the Kentucky Community
25 and Technical College System:
- 26 1. The average cost;
- 27 2. The average three (3) year student loan default rate;

- 1 3. The average student loan debt for students who have attended the
2 institution;
- 3 4. The percentage of students taking out student loans;
- 4 5. The average graduation rate and average time to completion;
- 5 6. The number of students completing high school credential programs and
6 career and technical education programs, and, as available, the number
7 of students completing apprenticeship programs; and
- 8 7. The median and range of starting salaries for graduates; and
- 9 (c) For each college within the Kentucky Community and Technical College
10 System, the percentage of students employed by program area and, as data
11 becomes available, the rate of students gainfully employed in the recognized
12 occupation for which the student was trained or in a related comparable
13 recognized occupation.
- 14 (2) The **Kentucky Higher Education Assistance Authority**~~[Council on Postsecondary~~
15 ~~Education]~~ shall maintain and ensure access to the information by prospective
16 students in the state. The **authority**~~[council]~~ shall work with the Kentucky Center
17 for Statistics, the Kentucky Department of Education, **and** the Education and Labor
18 Cabinet, ~~[and the Kentucky Higher Education Assistance Authority]~~ and other
19 stakeholders the **authority**~~[council]~~ determines necessary to develop a delivery
20 method to carry out the objectives of this section.
- 21 (3) The **authority**~~[council]~~ may promulgate administrative regulations necessary to
22 carry out this section and may require and compile information for specific
23 programs within the postsecondary institutions identified in subsection (1)(b) of this
24 section.

25 ➔Section 18. KRS 164.0286 is amended to read as follows:

- 26 (1) The **Kentucky Higher Education Assistance Authority**~~[Council on Postsecondary~~
27 ~~Education]~~ shall create a STEM Initiative Task Force for the purpose of providing

1 leadership and strategic direction to a comprehensive, statewide STEM initiative to
2 improve Kentucky's position for success in the knowledge-based economy by
3 expanding and strengthening educational and economic development opportunities
4 in science, technology, engineering, and mathematics. The STEM Initiative Task
5 Force shall be composed of representatives from the executive and legislative
6 branches of government, postsecondary education, elementary and secondary
7 education, professionals within the STEM disciplines, and the business community.

8 (2) The *executive director*~~[president]~~ of the *Kentucky Higher Education Assistance*
9 *Authority*~~[Council on Postsecondary Education]~~ shall appoint members to the
10 STEM Initiative Task Force, except that the President of the Senate shall appoint
11 two (2) members of the Kentucky Senate and the Speaker of the House of
12 Representatives shall appoint two (2) members of the House of Representatives to
13 the task force. The task force members appointed by the *executive*
14 *director*~~[president]~~ of the *Kentucky Higher Education Assistance*
15 *Authority*~~[Council on Postsecondary Education]~~ shall include but not be limited to
16 the representatives on the STEM Initiative Steering Committee under subsection (4)
17 of this section. The total number of members of the STEM Initiative Task Force
18 shall be determined by the *executive director*~~[president]~~ of the *Kentucky Higher*
19 *Education Assistance Authority*~~[Council on Postsecondary Education]~~.

20 (3) The task force shall have a chair, who shall be the presiding officer and shall
21 coordinate the functions and activities of the task force. The chair shall be elected
22 by majority vote of the members present at the first meeting of the task force after
23 July 15, 2008. Thereafter, the chair shall be elected each calendar year.

24 (4) The STEM Initiative Task Force shall have a steering committee to provide
25 oversight and coordination of the implementation of the STEM strategic and
26 business plans developed by the task force under KRS 164.0287, and to determine
27 the allocation of funds from Kentucky STEM Initiative fund under KRS 164.0288.

- 1 The chair of the STEM Initiative Task Force shall be the chair of the steering
2 committee, and a vice chair shall be elected by members of the steering committee.
3 The steering committee shall be composed of task force members as follows:
- 4 (a) Two (2) representatives of the Kentucky Cabinet for Economic Development;
 - 5 (b) One (1) representative of the Center for Applied Energy Research at the
6 University of Kentucky;
 - 7 (c) One (1) representative of the Kentucky Rural Energy Consortium at the
8 University of Louisville;
 - 9 (d) Two (2) representatives of the Kentucky Chamber of Commerce;
 - 10 (e) One (1) representative of the Kentucky Science and Technology Corporation;
 - 11 (f) Two (2) representatives of the *Kentucky Higher Education Assistance*
12 *Authority*~~[Council on Postsecondary Education]~~;
 - 13 (g) One (1) president of a public university;
 - 14 (h) One (1) representative of the Kentucky Community and Technical College
15 System;
 - 16 (i) One (1) representative of the Association of Kentucky Independent Colleges
17 and Universities;
 - 18 (j) Two (2) representatives of the Kentucky Department of Education;
 - 19 (k) Two (2) representatives of the Kentucky Education Association;
 - 20 (l) One (1) representative of the Kentucky School Boards Association;
 - 21 (m) One (1) representative of the Kentucky Association of School Administrators;
 - 22 (n) One (1) representative of the Education Professional Standards Board; and
 - 23 (o) The task force chair.
- 24 (5) When making the appointment of a representative required under subsection (4) of
25 this section, the *executive director*~~[president]~~ of the *Kentucky Higher Education*
26 *Assistance Authority*~~[Council on Postsecondary Education]~~ shall seek the advice of
27 the chief executive officer of the organization, agency, or association being

- 1 represented, except that the advice of the Kentucky Council of Presidents shall be
2 sought regarding the selection of a public university president to serve.
- 3 (6) Each STEM Initiative Task Force member shall serve a term of three (3) years, or
4 until a successor is appointed or qualified, except that, to the degree possible, for
5 members appointed by the executive director~~[president]~~ of the Kentucky Higher
6 Education Assistance Authority~~[Council on Postsecondary Education]~~, the initial
7 term of one-third (1/3) of the members shall be for one (1) year, one-third (1/3) for
8 two (2) years, and one-third (1/3) for three (3) years. A member may be reappointed
9 to the task force at the discretion of the executive director~~[president]~~ of the
10 Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~
11 ~~Education]~~.
- 12 (7) The task force shall meet at least semiannually or upon the call of the chair, and a
13 majority of the full membership shall constitute a quorum.
- 14 (8) The task force, under the leadership of the chair, may appoint committees,
15 subcommittees, advisory groups, or other work structures to accomplish its
16 purposes.
- 17 (9) Members of the task force shall serve without compensation but may be reimbursed
18 for necessary travel and expenses while attending meetings or conducting approved
19 activities at a per diem rate not to exceed the rate promulgated in administrative
20 regulation for state employees under the provisions of KRS Chapter 45.
- 21 (10) The task force shall be attached to the Kentucky Higher Education Assistance
22 Authority~~[Council on Postsecondary Education]~~ for administrative purposes. The
23 authority~~[council]~~ may enter into a memorandum of agreement with the Kentucky
24 Department of Education for staff and other administrative expenses relating to the
25 implementation of KRS 164.0285 to 164.0288.
- 26 (11) The task force may create a public or nonprofit corporation or contract with an
27 existing nonprofit corporation to facilitate the public-private collaboration in the

1 development and implementation of the STEM Initiative.

2 (12) The task force or the public or nonprofit corporation which may be utilized under
3 subsection (11) of this section may receive and expend funds from state
4 appropriations and may solicit, apply for, and receive funds, grants, contracts,
5 contributions, property, or services from a person, government agency, or other
6 organization, public or private. Determination of the use of funds received by the
7 task force shall be established by the STEM Initiative Steering Committee pursuant
8 to this section.

9 (13) Funds appropriated to the task force or the public or nonprofit corporation which
10 may be utilized under subsection (11) of this section shall not lapse at the end of a
11 fiscal year but shall be carried forward to the next fiscal year to be used solely to
12 support the purposes for which the funds were appropriated.

13 (14) The task force or the public or nonprofit corporation which may be utilized under
14 subsection (11) of this section shall:

15 (a) Follow standard accounting practices;

16 (b) Have an independent auditor conduct an annual financial audit; and

17 (c) Submit a quarterly report of receipts and expenditures no later than sixty (60)
18 days after the end of a calendar quarter. The task force shall file its report with

19 the Kentucky Higher Education Assistance Authority~~[Council on~~
20 ~~Postsecondary Education]~~ and a public or nonprofit corporation shall file its
21 report to the STEM Initiative Task Force.

22 (15) The task force or the public or nonprofit corporation which may be utilized under
23 subsection (11) of this section shall submit an annual financial and progress report
24 for the previous fiscal year by September 30 to the Governor, the Legislative
25 Research Commission, the commissioner of education, and the executive
26 director~~[president]~~ of the Kentucky Higher Education Assistance
27 Authority~~[Council on Postsecondary Education]~~.

1 ➔Section 19. KRS 164.0288 is amended to read as follows:

- 2 (1) The Kentucky STEM Initiative fund is hereby created to support the STEM
3 Initiative described in KRS 164.0286 and 164.0287, as directed by the STEM
4 Initiative Steering Committee established in KRS 164.0286(4).
- 5 (2) The fund may receive state appropriations, grants, gifts, federal funds, or any other
6 public or private funds.
- 7 (3) Fund amounts not expended or obligated at the end of a fiscal year shall not lapse
8 but shall be carried forward to the next fiscal year to be used solely to support the
9 purposes for which the funds were appropriated. Any interest earnings of the fund
10 shall become a part of the fund and shall not lapse.
- 11 (4) The Department of Education and the *Kentucky Higher Education Assistance*
12 *Authority*~~[Council on Postsecondary Education]~~ may expend available funds from
13 other sources on the STEM Initiative.

14 ➔Section 20. KRS 164.029 is amended to read as follows:

15 The Area Health Education System in the *Kentucky Higher Education Assistance*
16 *Authority*~~[Council on Postsecondary Education]~~ is hereby recognized.

17 ➔Section 21. KRS 164.030 is amended to read as follows:

18 The governing board of each of the state postsecondary educational institutions shall
19 make such changes or adjustments in the curricula and such rules and regulations
20 affecting their schools as are necessary to carry out and put into effect the rulings of the
21 *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary Education]~~
22 in regard to curricular offerings, entrance fees, and qualifications for admission to and
23 reports from their respective institutions.

24 ➔Section 22. KRS 164.033 is amended to read as follows:

- 25 (1) ~~[Effective August 1, 2002,]~~The *Kentucky Higher Education Assistance*
26 *Authority*~~[Council on Postsecondary Education]~~ shall administer a competitive
27 grant program to enable the establishment of local P-16 councils. A P-16 council

1 may be called a council of partners. The *Kentucky Higher Education Assistance*
2 *Authority*~~[Council on Postsecondary Education]~~ and the Kentucky Board of
3 Education shall jointly establish the criteria for participation in the grant program
4 and the amount of funds available to each local P-16 council based on funds
5 appropriated for this purpose. A postsecondary education institution shall assume
6 the leadership role for managing a local P-16 council grant.

7 (2) A local P-16 council shall promote the preparation and development of teachers, the
8 alignment of competency standards, and the elimination of barriers that impede
9 student transition from preschool through baccalaureate programs.

10 (3) Each local P-16 council shall provide an annual written report of its activities and
11 recommendations to its members and the institutions they represent, the Kentucky
12 Board of Education, the *Kentucky Higher Education Assistance Authority*~~[Council~~
13 ~~on Postsecondary Education]~~, and the Education Professional Standards Board.

14 ➔Section 23. KRS 164.035 (Effective July 1, 2024) is amended to read as
15 follows:

16 The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~
17 ~~Education]~~, in consultation with the Office of Adult Education and the statewide reading
18 research center established under KRS 164.0207, shall assess the need for technical
19 assistance, training, and other support to assist in the development of adult education and
20 workforce development that support the state strategic agenda and that include a
21 comprehensive coordinated approach to education and training services. The
22 *authority*~~[council]~~ shall promote the involvement of universities; colleges; technical
23 institutions; elementary and secondary educational agencies; labor, business, and industry
24 representatives; community-based organizations; citizens' groups; and other policymakers
25 in the development of the regional strategies.

26 ➔Section 24. KRS 164.037 is amended to read as follows:

27 The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~

1 ~~Education~~] may identify academic programs offered at institutions to which the criteria
2 for a standardized degree program shall be applied.

- 3 (1) If the authority~~[council]~~ determines that a particular degree program offered by any
4 state postsecondary institution shall be a standardized degree program, then the
5 authority~~[council]~~ shall direct each institution offering the degree program to
6 collaborate under the direction of the authority~~[council]~~ and establish the courses
7 and the course content required for that degree program.
- 8 (2) If the various institutions cannot agree upon the courses required or the content of
9 the courses, then the authority~~[council]~~ shall make these determinations.
- 10 (3) All courses approved for a standardized degree shall be transferable among all
11 institutions granting that degree.

12 ➔Section 25. KRS 164.0401 is amended to read as follows:

13 For the purposes of KRS 164.0401 to 164.0407:

- 14 (1) "Authority" means the Kentucky Higher Education Assistance
15 Authority~~["Council" means the Council on Postsecondary Education];~~
- 16 (2) "Dedicated funds" means a gift, grant, or donation to the fund that is subject to
17 restrictions imposed by a private grantor under KRS 164.0401 to 164.0407;
- 18 (3) "Eligible healthcare credential" means:
- 19 (a) A licensed alcohol and drug counselor, licensed clinical alcohol and drug
20 counselor, licensed clinical alcohol and drug counselor associate, professional
21 art therapist, professional art therapist associate license, or community health
22 worker certificate issued pursuant to KRS Chapter 309;
- 23 (b) Any emergency medical services license or certificate issued pursuant to KRS
24 Chapter 311A;
- 25 (c) Any medical imaging, radiation, or other license issued pursuant to KRS
26 Chapter 311B;
- 27 (d) A dental hygienist or dental assistant license issued pursuant to KRS Chapter

- 1 313;
- 2 (e) Any nursing license or certificate issued pursuant to KRS Chapter 314 or
- 3 registration as a state-registered nursing aide with the Kentucky Board of
- 4 Nursing;
- 5 (f) A respiratory care practitioner certificate issued pursuant to KRS Chapter
- 6 314A;
- 7 (g) Any psychology license or certificate issued pursuant to KRS Chapter 319;
- 8 (h) Any occupational therapy license issued pursuant to KRS Chapter 319A;
- 9 (i) Any behavior analyst license issued pursuant to KRS Chapter 319C;
- 10 (j) Any physical therapy certificate or license issued pursuant to KRS Chapter
- 11 327; and
- 12 (k) Any social worker, marriage and family therapist, or professional counselor
- 13 certificate or license issued pursuant to KRS Chapter 335;
- 14 (4) "Grantor" means an individual or an entity that gifts, grants, or donates moneys to
- 15 the Kentucky healthcare workforce investment fund established in KRS 164.0402;
- 16 (5) "Healthcare partner" means a grantor to the Kentucky healthcare workforce
- 17 investment fund that is:
- 18 (a) A healthcare provider as defined in KRS 367.4081;
- 19 (b) A healthcare facility licensed by and operating in Kentucky;
- 20 (c) A qualified mental health professional as defined in KRS 202A.011; or
- 21 (d) Any healthcare or healthcare-related association, individual, or corporation
- 22 doing business in and incorporated under the laws of the Commonwealth;
- 23 (6) "Healthcare program" means an education or training program that is a specific
- 24 requirement to an eligible healthcare credential, including but not limited to a high
- 25 school healthcare vocational program;
- 26 (7) "Historically underserved county" means a county of the Commonwealth with
- 27 enhanced workforce demands, as demonstrated by:

- 1 (a) Objective healthcare workforce data that demonstrates needs and demands
2 upon its healthcare workforce that exceed the statewide average; and
- 3 (b) Final unemployment figures calculated by the Department of Workforce
4 Development demonstrating a countywide rate of unemployment that exceeds
5 the statewide unemployment rate of the Commonwealth:
- 6 1. In the most recent five (5) consecutive calendar years; or
7 2. By two hundred percent (200%) in the most recent calendar year; and
- 8 (8) "Kentucky resident" is a Kentucky resident as defined by the authority~~[council]~~
9 pursuant to KRS 164.020(8).

10 ➔Section 26. KRS 164.0402 is amended to read as follows:

- 11 (1) It is the intent of the General Assembly to address Kentucky's persistent shortage of
12 a broad spectrum of certified and licensed healthcare professionals, including
13 nurses, mental health professionals, and emergency medical services professionals,
14 by incentivizing collaboration between healthcare programs, healthcare industry
15 partners, and the Commonwealth to grow and strengthen the education and training
16 pipeline of healthcare professionals within Kentucky to better serve patients across
17 the Commonwealth by:
- 18 (a) Improving the ability of a broad variety of Kentucky's healthcare programs to
19 meet the workforce demands and capacity of the Commonwealth, including
20 the workforce demands of historically underserved counties;
- 21 (b) Raising awareness of and interest in a broad variety of healthcare occupations
22 and reducing the barriers of access to the healthcare programs necessary to
23 pursue these occupations, including financial barriers;
- 24 (c) Increasing knowledge and awareness of opportunities in high-need areas of
25 healthcare, including but not limited to geriatrics and neurology;
- 26 (d) Improving pathways between high school career and technical programs and
27 other healthcare programs; and

- 1 (e) Developing strategies for healthcare organizations to support career growth
2 and development for their employees.
- 3 (2) There is hereby created the Kentucky healthcare workforce investment fund to be
4 administered by the authority~~[council]~~ for the purpose of funding:
- 5 (a) Public and private partnerships to provide healthcare training scholarships in
6 accordance with KRS 164.0403 to reduce the financial barriers of Kentucky
7 residents seeking high-demand eligible healthcare credentials;
- 8 (b) Healthcare program incentives in accordance with KRS 164.0404 to reward
9 performance and excellence among the Commonwealth's healthcare
10 programs; and
- 11 (c) The authority's~~[council's]~~ administrative, research, consulting, fundraising,
12 planning, and analysis costs of KRS 164.0401 to 164.0407.
- 13 (3) (a) It is the intent of the General Assembly to encourage private financial and
14 philanthropic support of the Kentucky healthcare workforce investment fund,
15 as the healthcare industry directly benefits from a well-trained workforce
16 capable of meeting its employment needs and the needs of patients. To the
17 extent allowed by applicable laws, the fund may directly accept gifts, grants,
18 or donations subject to restrictions imposed by a grantor.
- 19 (b) Notwithstanding KRS 45.229, any moneys appropriated to the fund by the
20 General Assembly remaining in the fund at the end of any fiscal year prior to
21 the 2029-2030 fiscal year shall not lapse.
- 22 (c) Any moneys appropriated to the fund by the General Assembly remaining in
23 the fund at the end of the 2029-2030 fiscal year shall be forfeited and shall
24 lapse to the general fund.
- 25 (d) Any moneys contributed by grantors remaining in the fund at the end of the
26 2029-2030 fiscal year shall be returned to each grantor proportionally based
27 on the amount donated by the grantor in relation to the total amount donated

1 by all grantors.

2 (4) Subject to available funds, the Kentucky healthcare workforce investment fund
3 shall consist of any:

4 (a) Appropriations designated for the fund;

5 (b) Funds, grants, and receipts from the authority's~~council's~~ fundraising
6 activities on behalf of the fund; and

7 (c) Other moneys made available for the purposes of the fund.

8 (5) Any interest earnings of the fund shall become a part of the fund and shall lapse
9 only as provided in subsection (3) of this section, except that interest on moneys
10 contributed by a grantor shall not lapse. Moneys in the fund are hereby appropriated
11 for the purposes set forth in this section.

12 (6) The portion of the fund expended towards the authority's~~council's~~ costs of
13 administering KRS 164.0401 to 164.0407 shall not exceed four percent (4%) of all
14 gross moneys in the fund or one million five hundred thousand dollars (\$1,500,000)
15 annually, whichever is less.

16 (7) (a) The authority~~council~~ shall promulgate administrative regulations by July 1,
17 2023, in accordance with this subsection and KRS Chapter 13A to administer
18 KRS 164.0401 to 164.0407.

19 (b) At least thirty (30) days before filing an administrative regulation with the
20 regulations compiler, the authority~~council~~ shall first submit the draft
21 administrative regulation, a detailed implementation plan, and other
22 documents required to be filed by KRS Chapter 13A to the members of the
23 Interim Joint Committee on Education and the Interim Joint Committee on
24 Health Services for review and comment.

25 (c) The authority~~council~~ shall consider any comments and recommendations
26 provided by the members of the Interim Joint Committee on Education and
27 the Interim Joint Committee on Health Services before filing the

1 administrative regulation.

2 ➔Section 27. KRS 164.0403 is amended to read as follows:

- 3 (1) The authority~~[council]~~ shall reserve at least sixty-five percent (65%) of all net
4 moneys in the Kentucky healthcare workforce investment fund for partnership
5 proposals between healthcare programs and healthcare partners to provide
6 healthcare training scholarships to Kentucky residents enrolled in healthcare
7 programs in Kentucky.
- 8 (2) In accepting partnerships, the authority~~[council]~~ shall evaluate each partnership
9 proposal to determine if the proposal meets the requirements of this section and
10 administrative regulations promulgated by the authority~~[council]~~. The
11 administrative regulations shall create a process to prioritize accepting partnerships
12 to proposals:
- 13 (a) Targeted to address the specific needs of a historically underserved county or
14 to improve racial and ethnic diversity within a specific designated healthcare
15 credential targeted by the partnership;
- 16 (b) Targeted to reduce the workforce demand of a specific eligible healthcare
17 credential that is determined by the authority~~[council]~~, based on objective
18 criteria, to be among the highest in demand in the Commonwealth; or
- 19 (c) From healthcare partners with fifty (50) or fewer employees.
- 20 (3) A partnership shall require a written partnership contract between a healthcare
21 program, healthcare partner, and the authority~~[council]~~. The partnership contract
22 shall:
- 23 (a) Prohibit any disbursement of moneys from the Kentucky healthcare
24 workforce investment fund until the moneys appropriated by the General
25 Assembly to be distributed are matched, at least dollar for dollar, with moneys
26 deposited to the fund by the healthcare partner;
- 27 (b) Require the healthcare program to use all moneys distributed to the healthcare

1 program pursuant to the partnership contract to issue direct healthcare training
2 scholarships to Kentucky students enrolled in the healthcare program;

3 (c) If applicable to a healthcare program, require that the healthcare training
4 scholarship application process encourage applicants to complete the Free
5 Application for Federal Student Aid; and

6 (d) Meet all other requirements set forth in this section and administrative
7 regulation, including but not limited to any reporting requirements to the
8 authority~~[council]~~.

9 (4) Disbursements of moneys from the Kentucky healthcare workforce investment fund
10 to support healthcare training scholarships shall be made directly to a healthcare
11 program pursuant to the terms of the partnership contract.

12 (5) A healthcare program that enters a partnership contract shall solicit, accept, and
13 review healthcare training scholarship applications submitted by students enrolled
14 in the healthcare program. A partnership contract may require that a healthcare
15 program do so in collaboration with the healthcare partner. The healthcare program
16 shall award healthcare training scholarships pursuant to any scholarship criteria set
17 forth in the partnership contract, this section, and administrative regulations. The
18 decisions of the healthcare program in the issuance of scholarships shall be final.

19 (6) A healthcare training scholarship issued by a healthcare program pursuant to a
20 partnership contract shall be made directly to a recipient pursuant to a written
21 scholarship contract between the recipient and the healthcare program. The
22 scholarship contract shall not restrict the recipient's ability to utilize the scholarship
23 for the total cost of attendance. Each recipient of a scholarship shall:

24 (a) Agree in the written contract to practice as a licensed or certified medical
25 professional in the Commonwealth for a contract period of one (1) year for
26 each academic year funded by the scholarship up to a maximum of two (2)
27 total years; and

- 1 (b) Sign a promissory note as evidence of the scholarship and the obligation to
2 repay the scholarship amount upon failure to complete terms of the contract.
- 3 (7) A grantor may place restrictions upon a contribution to the Kentucky healthcare
4 workforce investment fund requiring specific criteria for a healthcare training
5 scholarship or scholarships funded by the grantor's dedicated funds to students who
6 agree in the scholarship contract required by subsection (6)(a) of this section to
7 practice as a certified or licensed healthcare professional, including but not limited
8 to criteria restricting:
- 9 (a) Except as provided in subsection (9) of this section, employment by the
10 healthcare partner for the contract period; or
- 11 (b) Employment at a location within a designated geographic area of the
12 Commonwealth for the contract period.
- 13 (8) The healthcare training scholarship contract shall grant the healthcare program, the
14 Commonwealth, or the healthcare partner the authority to initiate recoupment
15 proceedings for the recovery of the total amount of all healthcare training
16 scholarships awarded to an individual that fails to complete the terms of a contract
17 entered into in accordance with subsection (6) of this section, together with
18 reasonable attorney fees and interest at a compound rate not to exceed eight percent
19 (8%) per annum from the date of disbursement from the fund.
- 20 (9) A healthcare training scholarship shall not:
- 21 (a) Be awarded to an applicant enrolled in a state registered nursing aide training
22 and competency evaluation program who is:
- 23 1. Not charged for any portion of the program pursuant to 42 C.F.R. sec.
24 483.152(c)(1); or
- 25 2. Eligible for reimbursement for the costs of the program pursuant to 42
26 C.F.R. sec. 483.152(c)(2) prior to entering the scholarship contract; or
- 27 (b) Include an employment restriction that would restrict the recipient to be

1 employed by a specific healthcare partner for the contract period required by
2 subsection (6) of this section or that would otherwise constitute an offer of
3 employment in accordance with 42 C.F.R. sec. 483.152(c)(1).

4 (10) An applicant who has been listed on the nurse aide abuse registry with a
5 substantiated finding of abuse, neglect, or misappropriation of property shall not be
6 eligible for a healthcare training scholarship.

7 ➔Section 28. KRS 164.0404 is amended to read as follows:

8 (1) The authority~~[council]~~ shall reserve up to thirty-five percent (35%) of all net
9 moneys in the Kentucky healthcare workforce investment fund for healthcare
10 program incentives to reward performance and excellence among eligible
11 healthcare programs. Any appropriation applied towards the amount of a healthcare
12 program incentive award shall be matched, at least dollar for dollar, with moneys
13 deposited to the fund by the healthcare partner.

14 (2) The authority~~[council]~~ shall promulgate administrative regulations to establish
15 criteria for issuing healthcare program incentives. The criteria shall consider the
16 following factors:

17 (a) The workforce demands and capacity for a specific eligible healthcare
18 credential;

19 (b) The workforce demands and capacity for a specific eligible healthcare
20 credential within historically underserved counties;

21 (c) The percentage of increase over a baseline standard in the number of students
22 completing the healthcare program;

23 (d) The passage rate and first-time passage rate of graduates of the healthcare
24 program on the healthcare credential examination; and

25 (e) Any other objective factors determined by the authority~~[council]~~ to be
26 relevant to the evaluation of the performance and excellence of the healthcare
27 programs and the ability of the healthcare programs to meet the workforce

1 needs of the communities they serve.

2 (3) (a) The authority~~[council]~~, or its designee, shall solicit, accept, and review
3 applications for healthcare program incentives by healthcare programs located
4 in Kentucky. The authority~~[council]~~, or its designee, shall select the
5 healthcare programs to receive healthcare program incentives and the amount
6 thereof based on the criteria established by this section, administrative
7 regulations, and a grantor of dedicated funds, if applicable.

8 (b) A healthcare partner that is the grantor of dedicated funds may reserve the
9 right to require the authority~~[council]~~, or its designee, to collaborate with the
10 healthcare partner in fulfilling the duties assigned under paragraph (a) of this
11 subsection for any healthcare program incentive funded by the grantor's
12 dedicated funds, except an incentive shall not be:

- 13 1. Awarded to a healthcare program that has gifted, granted, or donated
14 any moneys to the fund that are dedicated funds reserved for the purpose
15 of issuing incentives under this section; or
- 16 2. Restricted to a specific healthcare program or pursuant to criteria which
17 would have the impact of effectively excluding all but a single
18 healthcare program from qualification.

19 (c) Decisions of the authority~~[council]~~, or its designee, in these matters shall be
20 final.

21 (4) The authority~~[council]~~ shall require the healthcare program to submit proof that the
22 entire amount of the incentive is invested in the continued excellence of the
23 program awarded by funding the:

24 (a) Education, recruitment, and training of the healthcare program's faculty and
25 staff; or

26 (b) Maintenance and acquisition of medical equipment utilized by the healthcare
27 program.

1 A healthcare program that fails to submit the proof required by the
2 authority~~[council]~~ shall return the entire amount of the incentive to the Kentucky
3 healthcare workforce investment fund.

4 ➔Section 29. KRS 164.0405 is amended to read as follows:

- 5 (1) The authority~~[council]~~ shall submit a written report to the Interim Joint Committee
6 on Education, the Interim Joint Committee on Health Services, and the Interim Joint
7 Committee on Appropriations and Revenue Budget Review Subcommittee on
8 Education no later than December 1 of each year. The report shall include:
- 9 (a) A detailed summary of the authority's~~[council's]~~ costs throughout the year;
 - 10 (b) Legislative recommendations to help grow and strengthen the education and
11 training pipeline of healthcare professions within Kentucky;
 - 12 (c) A detailed overview of the Kentucky healthcare workforce investment fund,
13 including an accounting of all moneys raised and expended;
 - 14 (d) A detailed analysis of healthcare training scholarships awarded pursuant to
15 KRS 164.0403, including but not limited to:
 - 16 1. The criteria used to award the scholarships;
 - 17 2. The number of scholarships awarded and the amount of each
18 scholarship;
 - 19 3. An overview of the demographic information of scholarship recipients,
20 including the county of residence;
 - 21 4. The names of the healthcare programs with scholarship recipients and
22 the type of eligible healthcare credential corresponding to each program;
23 and
 - 24 5. To the extent available, student and program outcomes, including but
25 not limited to:
 - 26 a. Graduation rates of the healthcare program overall and of
27 scholarship recipients as compared to an established baseline

- 1 within any such program;
- 2 b. Employment and employment retention rates of the healthcare
3 program overall and scholarship recipients; and
- 4 c. The workforce participation of program graduates practicing in
5 Kentucky under an eligible healthcare credential in relation to the
6 workforce demand and capacity for that specific eligible
7 healthcare credential; and
- 8 (e) A detailed analysis of the number of the healthcare program incentives
9 awarded pursuant to KRS 164.0404, including but not limited to:
- 10 1. The criteria used by the authority~~[council]~~ to award the incentives;
- 11 2. The number of incentives awarded;
- 12 3. The name of each healthcare program that received an incentive, the
13 corresponding eligible healthcare credential, and the amount of the
14 incentive; and
- 15 4. The qualifications of each healthcare program that received an incentive
16 in relation to the criteria identified by the authority~~[council]~~ for
17 awarding the incentives.
- 18 (2) If the report required by subsection (1) of this section is not filed by December 14
19 of each year, or a later date approved by the Interim Joint Committee on Education
20 and the Interim Joint Committee on Health Services, any appropriations to the fund
21 shall be forfeited and any remaining moneys in the fund appropriated by the
22 General Assembly shall lapse to the general fund. The authority~~[council]~~ shall
23 return any remaining private moneys to its grantor, prorated as necessary.
- 24 ➔Section 30. KRS 164.043 is amended to read as follows:
- 25 (1) There is hereby created in the State Treasury a cancer research matching fund
26 designated as the "cancer research institutions matching fund." The fund shall be
27 administered by the Kentucky Higher Education Assistance Authority~~[Council]~~ for

1 ~~Postsecondary Education~~. For tax periods beginning on or after June 1, 2005, the
2 one-cent (\$0.01) surtax collected under KRS 138.140(1)(c) shall be deposited in the
3 fund and shall be made available for matching purposes to the following
4 universities for cancer research:

5 (a) One-half (1/2) of the moneys deposited in the fund shall be made available to
6 the University of Kentucky; and

7 (b) One-half (1/2) of the moneys deposited in the fund shall be made available to
8 the University of Louisville.

9 (2) All interest earned on moneys in the fund shall be credited to the fund.

10 (3) Any moneys remaining in the fund at the end of the fiscal year shall lapse to the
11 general fund.

12 (4) To receive the funds, the universities shall provide dollar-for-dollar matching funds.
13 The matching funds shall come from external sources to be eligible for the state
14 match. External source contributions are those that originate outside the university
15 and its affiliated corporations. The matching funds shall be newly generated to be
16 eligible for state match. Newly generated contributions are those received by the
17 university after April 1, 2005.

18 (5) Moneys transferred to the fund pursuant to subsection (1) of this section are hereby
19 appropriated for purposes set forth in this section.

20 (6) The following funds are not eligible for state match:

21 (a) Funds received from federal, state, and local government sources; and

22 (b) General fund and student-derived revenues.

23 ➔Section 31. KRS 164.050 is amended to read as follows:

24 The members of the Kentucky Higher Education Assistance Authority~~Council on~~
25 ~~Postsecondary Education~~ shall receive one hundred dollars (\$100) per day for each
26 authority~~council~~ meeting attended and shall be reimbursed for their necessary traveling
27 and other expenses while attending the meetings of the authority~~council~~, except a

1 member who resides outside the Commonwealth shall not be reimbursed for out-of-state
2 travel. Each institution shall pay the expenses of its own representatives. The expenses of
3 the chief state school officer shall be paid by the state in the same manner as his or her
4 other traveling expenses are paid.

5 →Section 32. KRS 164.060 is amended to read as follows:

6 The authority~~[council]~~ shall meet at least four (4) times each year at such times as it
7 determines by resolution. Special meetings may be called by the chairman. Upon request
8 of three (3) institutions represented on the authority~~[council]~~, the chairman shall call a
9 special meeting.

10 →Section 33. KRS 164.070 is amended to read as follows:

11 The authority~~[council]~~ shall meet in the office of the executive director~~[president]~~ or
12 such other place as it designates.

13 →Section 34. KRS 164.080 is amended to read as follows:

14 Notice of each meeting shall be given by the chairman at least ten (10) days prior to the
15 time of the meeting, unless all members of the authority~~[council]~~ waive notice.

16 →Section 35. KRS 164.090 is amended to read as follows:

17 A majority of the voting members of the authority~~[council]~~ constitutes a quorum for the
18 transaction of business, but no business shall be transacted and no proposition carried
19 unless a majority of the voting members votes for it.

20 →Section 36. KRS 164.092 is amended to read as follows:

21 (1) For purposes of this section:

22 (a) "Authority" means the Kentucky Higher Education Assistance Authority;

23 (b) "Category I and Category II square feet" means square footage that falls under
24 space categories as defined by the Postsecondary Education Facilities
25 Inventory and Classification Manual published by the United States
26 Department of Education;

27 (c)~~(b)~~ "Comprehensive university" has the same meaning as in KRS 164.001;

- 1 ~~{(e) "Council" means the Council on Postsecondary Education;}~~
- 2 (d) "Equilibrium" means a condition in which every institution has an
- 3 appropriately proportionate level of resources as determined by the
- 4 performance funding model established in this section given each institution's
- 5 level of productivity in achieving student success outcomes, course
- 6 completion outcomes, and other components included in the model;
- 7 (e) "Formula base amount" means an institution's enacted general fund
- 8 appropriation amount minus debt service on bonds and appropriations for
- 9 mandated programs;
- 10 (f) "Hold-harmless provision" means a provision included in the funding
- 11 formulas as described in subsection (9) of this section that prevents a
- 12 reduction of a designated portion of funding for an institution through
- 13 operation of the funding formula;
- 14 (g) "Institution" means a college in the Kentucky Community and Technical
- 15 College System or a public university;
- 16 (h) "KCTCS" means the Kentucky Community and Technical College System;
- 17 (i) "KCTCS institution allocable resources" means the formula base amount net
- 18 of any equity adjustment as described in subsection (7)(b) of this section, any
- 19 amount protected by a hold-harmless provision, and any applicable increase
- 20 or decrease in general fund appropriations;
- 21 (j) "Mandated program" means a research or public service activity that is not
- 22 integral to the instructional mission of the institution and is identified by the
- 23 General Assembly in the biennial budget;
- 24 (k) "Performance fund" means the postsecondary education performance fund
- 25 established in subsection (13) of this section.
- 26 (l) "Research universities" means the University of Kentucky and the University
- 27 of Louisville;

1 (m) "Stop-loss provision" means a provision included in the funding formulas as
2 described in subsection (9) of this section to limit reduction of an institution's
3 funding amount to a predetermined percentage, notwithstanding the amounts
4 calculated by operation of the formula; and

5 (n) "University allocable resources" means the formula base amount net of any
6 small school adjustment as described in subsection (5)(c) of this section, any
7 amount protected by a hold-harmless provision, and any applicable increase
8 or decrease in general fund appropriations.

9 (2) The General Assembly hereby finds that improving opportunity for the
10 Commonwealth's citizens and building a stronger economy can be achieved by its
11 public college and university system focusing its efforts and resources on the goals
12 of:

13 (a) Increasing the retention and progression of students toward timely credential
14 or degree completion;

15 (b) Increasing the number and types of credentials and degrees earned by all types
16 of students;

17 (c) Increasing the number of credentials and degrees that garner higher salaries
18 upon graduation, such as science, technology, engineering, math, and health,
19 and in areas of industry demand;

20 (d) Closing achievement gaps by increasing the number of credentials and
21 degrees earned by low-income students, underprepared students, and
22 underrepresented minority students; and

23 (e) Facilitating credit hour accumulation and transfer of students from KCTCS to
24 four (4) year postsecondary institutions.

25 (3) (a) The General Assembly hereby declares these goals can best be accomplished
26 by implementing a comprehensive funding model for the allocation of state
27 general fund appropriations for postsecondary institution operations that

1 aligns the Commonwealth's investments in postsecondary education with the
2 Commonwealth's postsecondary education policy goals and objectives.

3 (b) The General Assembly further recognizes that priority for state general fund
4 appropriations for postsecondary institutions should be given to each
5 institution's funding floor over appropriations to the performance fund. For
6 purposes of this section, "funding floor" means an institution's fiscal year
7 2020-2021 general fund appropriation included in 2020 Ky. Acts ch. 92, plus
8 any fiscal year 2020-2021 distribution from the performance fund, and minus
9 fiscal year 2020-2021 debt service on bonds and appropriations for mandated
10 programs.

11 (4) This section establishes a comprehensive funding model for the public
12 postsecondary education system to be implemented by the *Kentucky Higher*
13 *Education Assistance Authority*~~[Council on Postsecondary Education]~~. The
14 funding model shall include a public university sector formula and a KCTCS sector
15 formula.

16 (5) The funding formula for the public university sector shall:

17 (a) Recognize differences in missions and cost structures between research
18 universities and comprehensive universities to ensure that neither are
19 advantaged or disadvantaged during the first full year of implementation;

20 (b) Distribute one hundred percent (100%) of the university allocable resources
21 for all universities in the sector, based on rational criteria, including student
22 success, course completion, and operational support components, regardless
23 of whether state funding for postsecondary institution operations increases,
24 decreases, or remains stable;

25 (c) Include an adjustment to minimize impact on smaller campuses as determined
26 by the *authority*~~[council]~~; and

27 (d) Be constructed to achieve equilibrium, at which point the funding formula

1 rewards rates of improvement above the sector average rate.

2 (6) Funding for the public university sector shall be distributed as follows:

3 (a) Thirty-five percent (35%) of total university allocable resources shall be
4 distributed based on each university's share of total student success outcomes
5 produced, including but not limited to:

- 6 1. Bachelor's degree production;
- 7 2. Bachelor's degrees awarded per one hundred (100) undergraduate full-
8 time equivalent students;
- 9 3. Numbers of students progressing beyond thirty (30), sixty (60), and
10 ninety (90) credit hour thresholds;
- 11 4. Science, technology, engineering, math, and health bachelor's degree
12 production; and
- 13 5. Bachelor's degrees earned by low-income students and underrepresented
14 minority students;

15 (b) Thirty-five percent (35%) of total university allocable resources shall be
16 distributed based on each university's share of sector total student credit hours
17 earned, excluding dual credit enrollment, weighted to account for cost
18 differences by academic discipline and course level, such as lower and upper
19 division baccalaureate, master's, doctoral research, and doctoral professional;
20 and

21 (c) Thirty percent (30%) of total university allocable resources shall be
22 distributed in support of vital campus operations as follows:

- 23 1. Ten percent (10%) shall be distributed based on each university's share
24 of Category I and Category II square feet, net of research, nonclass
25 laboratory, and open laboratory space, to support maintenance and
26 operation of campus facilities and may include a space utilization factor
27 as determined by the authority~~[council]~~ in collaboration with the

- 1 working group established in subsection (11) of this section;
- 2 2. Ten percent (10%) shall be distributed based on each university's share
3 of total instruction and student services spending, net of maintenance
4 and operation, to support campus administrative functions; and
- 5 3. Ten percent (10%) shall be distributed based on each university's share
6 of total full-time equivalent student enrollment to support academic
7 support services such as libraries and academic computing.
- 8 (7) The funding formula for the KCTCS sector:
- 9 (a) Shall distribute one hundred percent (100%) of KCTCS institution allocable
10 resources for all KCTCS colleges based on rational criteria, including student
11 success, course completion, and operational support components, regardless
12 of whether state funding for postsecondary institution operations increases,
13 decreases, or remains stable;
- 14 (b) May include an adjustment to account for declining enrollment in some
15 regions of the Commonwealth as determined by the authority~~[[council]]~~; and
- 16 (c) Shall be constructed to achieve equilibrium, at which point the funding
17 formula rewards rates of improvement above the sector average rate.
- 18 (8) Funding for the KCTCS sector shall be distributed as follows:
- 19 (a) Thirty-five percent (35%) of total KCTCS institution allocable resources shall
20 be distributed based on each college's share of total student success outcomes
21 produced, including but not limited to:
- 22 1. Certificate, diploma, and associate degree production;
- 23 2. Numbers of students progressing beyond fifteen (15), thirty (30), and
24 forty-five (45) credit hour thresholds;
- 25 3. Science, technology, engineering, math, and health credentials
26 production;
- 27 4. Production of high-wage, high-demand, industry credentials as

- 1 determined using occupational outlook data and employment statistics
2 wage data provided by the Department of Workforce Development in
3 the Education and Labor Cabinet;
- 4 5. Production of industry credentials designated as targeted industries by
5 the Education and Labor Cabinet;
- 6 6. Credentials earned by low-income students, underprepared students, and
7 underrepresented minority students; and
- 8 7. Transfers to four (4) year institutions;
- 9 (b) Thirty-five percent (35%) of total KCTCS institution allocable resources shall
10 be distributed based on each college's share of total student credit hours
11 earned, weighted to account for cost differences by academic discipline; and
- 12 (c) Thirty percent (30%) of total KCTCS institution allocable resources shall be
13 distributed in support of vital campus operations as follows:
- 14 1. Ten percent (10%) shall be distributed based on each college's share of
15 Category I and Category II square feet, net of research, nonclass
16 laboratory, and open laboratory space, to support maintenance and
17 operation of campus facilities and may include a space utilization factor
18 as determined by the authority ~~council~~ in collaboration with the
19 postsecondary education working group established in subsection (11)
20 of this section;
- 21 2. Ten percent (10%) shall be distributed based on each college's share of
22 total instruction and student services spending, net of maintenance and
23 operation, to support campus administrative functions; and
- 24 3. Ten percent (10%) shall be distributed based on each college's share of
25 total full-time equivalent student enrollment to support academic
26 support services such as libraries and academic computing.
- 27 (9) (a) The funding formula for both sectors shall include:

- 1 1. A hold-harmless provision for fiscal year 2018-2019 preventing a
2 reduction in an institution's funding amount based solely on the formula
3 calculation, and allowing a hold-harmless amount determined by the
4 formula in fiscal year 2018-2019 to be deducted from an institution's
5 formula base amount in whole or in part in fiscal years 2019-2020 and
6 2020-2021, as determined by the authority~~[council]~~;
 - 7 2. A hold-harmless provision for fiscal year 2021-2022, and every fiscal
8 year thereafter, preventing a reduction in an institution's funding amount
9 based solely on the formula calculation;
 - 10 3. A stop-loss provision for fiscal year 2019-2020 limiting the reduction in
11 funding to any institution to one percent (1%) of that institution's
12 formula base amount;
 - 13 4. A stop-loss provision for fiscal year 2020-2021 limiting the reduction in
14 funding to any institution to two percent (2%) of that institution's
15 formula base amount; and
 - 16 5. A stop-loss provision for fiscal year 2021-2022, and every fiscal year
17 thereafter, limiting the reduction in funding to any institution to zero
18 percent (0%) of that institution's formula base amount.
- 19 (b) Paragraph (a) of this subsection shall not be construed to limit the level of a
20 budget reduction that may be enacted by the General Assembly or
21 implemented by the Governor.
- 22 (10) (a) By May 1 each year, the authority~~[council]~~ shall certify to the Office of the
23 State Budget Director the amount to be distributed to each of the public
24 universities and KCTCS as determined by the comprehensive funding model
25 created in this section, not to exceed the available balance in the performance
26 fund.
- 27 (b) The Office of the State Budget Director shall distribute the appropriations in

1 the performance fund for that fiscal year to the institutions in the amounts the
 2 authority~~[council]~~ has certified. The adjusted appropriations to each
 3 institution shall be allotted as provided in KRS 48.600, 48.605, 48.610,
 4 48.620, and 48.630.

5 (c) 1. The certified amounts distributed from the performance fund to the
 6 institutions are nonrecurring funds that shall not be included in the
 7 institutions' base budget amounts submitted in their biennial budget
 8 requests.

9 2. The certified amounts distributed from the performance fund in the
 10 previous fiscal year shall be included in the performance fund's base
 11 budget amount submitted by the authority~~[council]~~ in the biennial
 12 budget request.

13 (d) For fiscal year 2017-2018, the Office of the State Budget Director shall
 14 distribute to the public postsecondary education institutions, except for
 15 Kentucky State University, those funds appropriated to the performance fund
 16 by the General Assembly in 2016 Ky. Acts ch. 149, Part I, K., 12., in
 17 accordance with the comprehensive funding model created in this section.

18 (11) (a) The Kentucky Higher Education Assistance Authority~~[Council on~~
 19 ~~Postsecondary Education]~~ is hereby directed to establish a postsecondary
 20 education working group composed of the following:

- 21 1. The executive director~~[president]~~ of the authority~~[council]~~;
- 22 2. The president or designee of each public postsecondary institution,
 23 including the president of KCTCS;
- 24 3. The Governor or designee;
- 25 4. The Speaker of the House or designee; and
- 26 5. The President of the Senate or designee.

27 (b) Beginning in fiscal year 2020-2021 and every three (3) fiscal years thereafter,

1 the postsecondary education working group shall convene to determine if the
2 comprehensive funding model is functioning as expected, identify any
3 unintended consequences of the model, and recommend any adjustments to
4 the model. The authority~~[council]~~ may call the working group to convene
5 prior to the start of the required fiscal year to allow sufficient time for the
6 group to complete its work.

7 (c) The results of the review and recommendations of the working group shall be
8 reported by the authority~~[council]~~ to the Governor, the Interim Joint
9 Committee on Appropriations and Revenue, and the Interim Joint Committee
10 on Education by December 1 of each fiscal year the working group convenes.

11 (12) The authority~~[council]~~ shall promulgate administrative regulations under KRS
12 Chapter 13A to implement the provisions of this section.

13 (13) (a) The postsecondary education performance fund is hereby established as an
14 appropriation unit to support improvement in the operations of the public
15 postsecondary institutions and achievement of the Commonwealth's education
16 policy goals and workforce development priorities. General fund moneys may
17 be appropriated by the General Assembly to this fund for distribution to the
18 public postsecondary institutions in amounts determined through the
19 comprehensive funding model created in this section.

20 (b) Any balance in the performance fund at the close of any fiscal year shall not
21 lapse but shall be carried forward to the next fiscal year and be continuously
22 appropriated for the purposes specified in this section. A general statement
23 that all continuing appropriations are repealed, discontinued, or suspended
24 shall not operate to repeal, discontinue, or suspend this fund or to repeal this
25 action.

26 ➔Section 37. KRS 164.095 is amended to read as follows:

27 (1) As used in this section, unless the context requires otherwise:

- 1 (a) "Disability" means hard of hearing, including deafness; speech or language
2 impairment; visual impairment, including blindness; orthopedic impairment;
3 other health impairment that substantially limits a major life activity; or
4 specific learning problem.
- 5 (b) "Institution" means public universities, their subdivisions, and the Kentucky
6 Community and Technical College System.
- 7 (2) It is the intent of the General Assembly that an accountability process be
8 implemented which provides for a systematic ongoing evaluation of quality and
9 effectiveness in Kentucky postsecondary educational institutions and to provide a
10 method for evaluating each institution's progress toward meeting specific goals,
11 principles, strategies, objectives, and benchmarks as set forth in the strategic agenda
12 established in KRS 164.0203. It is further the intent of the General Assembly that
13 the accountability process monitor performance at the institutions in each of the
14 major areas of instruction, research, and public service, while recognizing the
15 individual missions of each of the institutions. The accountability process shall
16 provide for the adoption of systemwide and individual performance goals with
17 standards identified with the advice of the postsecondary educational institutions
18 and the Kentucky Higher Education Assistance Authority~~[Council on~~
19 ~~Postsecondary Education]~~.
- 20 (3) The Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~
21 ~~Education]~~ shall develop and implement a system of accountability for the
22 postsecondary education institutions that measures:
- 23 (a) Educational quality and educational outcomes;
24 (b) Student progress in the postsecondary system;
25 (c) Research and service activities;
26 (d) Use of resources;
27 (e) Other performance or outcomes that support the achievement of the strategic

1 agenda, including involvement in quality enhancement of elementary and
2 secondary education; and

3 (f) Other indicators as deemed appropriate by the **Kentucky Higher Education**
4 **Assistance Authority**~~[Council on Postsecondary Education]~~.

5 (4) The **Kentucky Higher Education Assistance Authority**~~[Council on Postsecondary~~
6 ~~Education]~~ shall collect information, maintain a comprehensive database, and
7 publish reports on the condition of the postsecondary education system that include
8 but are not limited to student enrollments, utilization of facilities, and the finances
9 of the institutions.

10 (5) The **Kentucky Higher Education Assistance Authority**~~[Council on Postsecondary~~
11 ~~Education]~~ shall submit to the Governor and the Legislative Research Commission
12 an annual accountability report providing information on the implementation of
13 performance standards and the achievement of the performance goals during the
14 prior year and initiatives to be undertaken during the next year.

15 ➔Section 38. KRS 164.096 is amended to read as follows:

16 (1) (a) No later than June 30 of each year, the president or chief executive officer of
17 each state institution or independent institution that is licensed or overseen by
18 the **Kentucky Higher Education Assistance Authority**~~[Council on~~
19 ~~Postsecondary Education]~~, and the chair of the governing board of each
20 institution, shall jointly execute a signed, sworn statement attesting to whether
21 the institution:

22 1. Was in sound financial standing with a stable financial base to support
23 the mission of the institution and the scope of its programs and services
24 during the previous fiscal year;

25 2. Underwent an institutional audit for the most recent fiscal year prepared
26 by an independent certified public accountant or appropriate government
27 auditing agency employing the appropriate audit guide during the

1 previous fiscal year; and

2 3. Has an annual budget for the upcoming fiscal year that is preceded by
3 sound planning, subject to sound fiscal procedures, and approved by the
4 president of the institution and the chair of the governing board.

5 (b) In executing the statement required by paragraph (a) of this subsection, a
6 president or chief executive officer and chair of the governing board of an
7 institution may reasonably rely upon the representations of an employee of the
8 institution that is responsible for the financial management and accounting of
9 the institution, including the treasurer or chief financial officer of the
10 institution, and external financial service providers.

11 (2) Each institution shall provide the sworn statement required by subsection (1) of this
12 section to the executive director~~[president]~~ of the Kentucky Higher Education
13 Assistance Authority~~[Council on Postsecondary Education]~~, the chairs of the
14 Budget Review Subcommittee on Education of the Interim Joint Committee on
15 Appropriations and Revenue, and the co-chairs of the Interim Joint Committee on
16 Appropriations and Revenue.

17 (3) If an institution fails to provide a statement as required by subsection (2) of this
18 section, the Kentucky Higher Education Assistance Authority~~[Council on~~
19 ~~Postsecondary Education]~~ shall have the authority to conduct an investigation and
20 request any financial documentation necessary to inform a report on the financial
21 data required by subsection (1) of this section. The authority~~[council]~~ shall report
22 its findings to the chairs of the Budget Review Subcommittee on Education of the
23 Interim Joint Committee on Appropriations and Revenue and the co-chairs of the
24 Interim Joint Committee on Appropriations and Revenue.

25 ➔Section 39. KRS 164.097 is amended to read as follows:

26 No postsecondary education institution shall receive funds from the Kentucky Higher
27 Education Assistance Authority~~[Council on Postsecondary Education]~~ from any trust

- 1 fund for the purposes of teacher education or model programs of teaching and learning
2 unless the Education Professional Standards Board has certified to the authority~~[council]~~
3 that the institution has met the following conditions:
- 4 (1) The college or university has developed viable partnerships with local school
5 districts and schools;
 - 6 (2) There is evidence of ongoing dialogue and collaboration among liberal arts and
7 sciences faculty and administrators with faculty and administrators in the
8 department, school, or college of education;
 - 9 (3) The college or university has demonstrated a commitment to participate in teacher
10 academies;
 - 11 (4) The college or university has an active recruitment plan for attracting and retaining
12 minority faculty as well as students, and particularly in the department, school, or
13 college of education;
 - 14 (5) The college or university has initiated the development of incentives or rewards for
15 faculty across the institution to participate in service activities to local schools;
 - 16 (6) The department, school, or college of education has developed at least one (1)
17 accelerated alternative plan for teacher education or nontraditional program of
18 teacher preparation, or commits to developing an accelerated alternative or
19 nontraditional program;
 - 20 (7) The department, school, or college of education provides consistent and quality
21 classroom and field experiences, including early practicums and student teaching
22 experience for all students;
 - 23 (8) The department, school, or college of education has, as an element of its
24 curriculum, substantial course work and classroom and field experiences directly
25 addressing teacher training in classroom management;
 - 26 (9) There are no major accreditation deficiencies; and
 - 27 (10) The institution has demonstrated at least one (1) or more innovations in teacher

1 education.

2 ➔Section 40. KRS 164.098 is amended to read as follows:

3 (1) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~
4 ~~Education]~~ shall promulgate administrative regulations that require public
5 postsecondary educational institutions to grant credit toward graduation to a student
6 who scores at least "3" on a College Board Advanced Placement examination.

7 (2) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~
8 ~~Education]~~ shall publish information, in print and electronic format, about the
9 scores required on College Board Advanced Placement examinations at which
10 credit toward graduation and completion of degree requirements will be granted at
11 all Kentucky public and private postsecondary educational institutions.

12 (3) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~
13 ~~Education]~~, in conjunction with the Kentucky Board of Education and the
14 Education Professional Standards Board, shall develop guidelines for content
15 knowledge and teacher training in dual enrollment and dual credit programs offered
16 in Kentucky.

17 ➔Section 41. KRS 164.125 is amended to read as follows:

18 (1) The University of Kentucky shall provide:

19 (a) Upon approval of the *Kentucky Higher Education Assistance*
20 *Authority*~~[Council on Postsecondary Education]~~, associate and baccalaureate
21 programs of instruction;

22 (b) Upon approval of the *Kentucky Higher Education Assistance*
23 *Authority*~~[Council on Postsecondary Education]~~, master degree programs,
24 specialist degree programs above the master's-degree level, and joint doctoral
25 programs in cooperation with other public postsecondary educational
26 institutions in the state;

27 (c) Upon approval of the *Kentucky Higher Education Assistance*

1 Authority~~[Council on Postsecondary Education]~~, doctoral and post-doctoral
2 programs and professional instruction including law, medicine, dentistry,
3 education, architecture, engineering, and social professions.

4 (2) The University of Kentucky shall be the principal state institution for the conduct of
5 statewide research and statewide service programs and shall be the primary
6 institution authorized to expend state general fund appropriations on research and
7 service programs of a statewide nature financed principally by state funds. As
8 applied in this section, research and service programs of a statewide nature shall be
9 programs requiring the establishment and operation of facilities or centers outside
10 of the primary service area of the institution. In carrying out its statewide mission,
11 the University of Kentucky shall conduct statewide research and provide statewide
12 services including, but not limited to, agricultural research and extension services,
13 industrial and scientific research, industrial technology extension services to
14 Kentucky employers, and research related to the doctoral, professional, and post-
15 doctoral programs offered within the university. The university may establish and
16 operate centers and utilize state appropriations and other resources to carry out the
17 necessary research and service activities throughout the state. The university may
18 enter into joint research and service activities with other universities in order to
19 accomplish its statewide mission. Nothing contained in this subsection shall limit
20 the authority of the Kentucky Higher Education Assistance Authority~~[Council on~~
21 ~~Postsecondary Education]~~ to establish instructional programs that are consistent
22 with the strategic agenda.

23 ➔Section 42. KRS 164.131 is amended to read as follows:

24 (1) (a) The government of the University of Kentucky is vested in a board of trustees
25 appointed for a term set by law pursuant to Section 23 of the Constitution of
26 Kentucky.

27 (b) All appointed and elected persons shall be required to attend and complete an

1 orientation and education program prescribed by the authority~~[council]~~ under
2 KRS 164.020(25), as a condition of their service and eligibility for
3 appointment or election to a second term.

4 (c) The board shall periodically evaluate the institution's progress in
5 implementing its missions, goals, and objectives to conform to the strategic
6 agenda. Officers and officials shall be held accountable for the status of the
7 institution's progress.

8 (d) Board members may be removed by the Governor under the following
9 circumstances:

- 10 1. For cause, pursuant to KRS 63.080(2); or
- 11 2. Pursuant to KRS 63.080(3) or (4).

12 (e) The board shall consist of sixteen (16) members appointed by the Governor,
13 two (2) members of the faculty of the University of Kentucky, one (1)
14 member of the University of Kentucky nonteaching personnel, and one (1)
15 member of the student body of the University of Kentucky. The members
16 appointed by the Governor shall be subject to confirmation by the Senate. The
17 voting members of the board shall select a chairperson annually.

18 (2) (a) The terms of the appointed members shall be for six (6) years and until their
19 successors are appointed and qualified, unless a member is removed by the
20 Governor pursuant to KRS 63.080(2), (3), or (4), except the initial
21 appointments shall be as follows:

- 22 1. Two (2) members shall serve one (1) year terms;
- 23 2. Two (2) members shall serve two (2) year terms, one (1) of whom shall
24 be a graduate of the university, selected from a list of three (3) names
25 submitted by the alumni of the university according to rules established
26 by the board of trustees;
- 27 3. Three (3) members shall serve three (3) year terms;

- 1 4. Three (3) members shall serve four (4) year terms, one (1) of whom
2 shall be a graduate of the university, selected as under subparagraph 2.
3 of this subsection;
- 4 5. Three (3) members shall serve five (5) year terms; and
- 5 6. Three (3) members shall serve six (6) year terms, one (1) of whom shall
6 be a graduate of the university, selected as under subparagraph 2. of this
7 subsection.
- 8 (b) 1. Three (3) of the appointments shall be graduates of the university and
9 may include one (1) graduate of the institution who resides outside the
10 Commonwealth;
- 11 2. Three (3) shall be representative of agricultural interests; and
- 12 3. Ten (10) shall be other distinguished citizens representative of the
13 learned professions and may include one (1) who resides outside of
14 Kentucky.
- 15 (c) The Governor shall make the appointments so as to reflect proportional
16 representation of the two (2) leading political parties of the Commonwealth
17 based on the state's voter registration and the political affiliation of each
18 appointee as of December 31 of the year preceding the date of his or her
19 appointment, and to reflect no less than proportional representation of the
20 minority racial composition of the Commonwealth based on the total minority
21 racial population using the most recent census or estimate data from the
22 United States Census Bureau. If the determination of proportional minority
23 representation does not result in a whole number of minority members, it shall
24 be rounded up to the next whole number. A particular political affiliation shall
25 not be a prerequisite to appointment to the board generally; however, if any
26 person is appointed to the board that does not represent either of the two (2)
27 leading political parties of the Commonwealth, the proportional representation

1 by political affiliation requirement shall be determined and satisfied based on
2 the total number of members on the board less any members not affiliated
3 with either of the two (2) leading political parties.

4 (d) Appointments to fill vacancies shall be made for the unexpired term in the
5 same manner as provided for the original appointments.

6 (3) The two (2) University of Kentucky faculty members shall be of the rank of
7 assistant professor or above. They shall be elected by secret ballot by all University
8 of Kentucky faculty members of the rank of assistant professor or above. Faculty
9 members shall serve for terms of three (3) years and until their successors are
10 elected and qualified. Faculty members shall be eligible for reelection, but they
11 shall be ineligible to continue to serve as members of the board of trustees if they
12 cease to be members of the faculty of the university. Elections to fill vacancies shall
13 be for the unexpired term in the same manner as provided for original elections.

14 (4) The nonteaching personnel member shall be any full-time staff member, excluding
15 the president, vice-presidents, academic deans, and academic department
16 chairpersons. The staff member shall represent all nonteaching university
17 employees, including but not limited to building facilities and clerical personnel.
18 The staff member shall be elected by secret ballot by the nonteaching employees.
19 The staff member shall serve a term of three (3) years and until a successor is
20 elected and qualified. The staff member shall be eligible for reelection, but a staff
21 member who ceases being an employee of the university shall not be eligible to
22 continue to serve as a member of the board. Elections to fill vacancies shall be for
23 the unexpired term and shall be held in the same manner as provided for the
24 original election.

25 (5) The student member shall serve a one (1) year term beginning on July 1 after being
26 elected and sworn in as student body president and ending on the following June
27 30. If the student member does not maintain the position of student body president

1 or the status of a full-time student at any time during that academic year, a special
2 election shall be held to select a full-time student member. The elected student
3 member shall serve for the remainder of the unexpired term.

4 (6) The number of student and employee trustees of the University of Kentucky elected
5 to the board shall not exceed four (4).

6 (7) Unless specifically approved by the board of trustees under the provisions of KRS
7 164.367, no member of the administrative staff of the university shall be directly or
8 indirectly interested in any contract with the university for the sale of property,
9 materials, supplies, equipment, or services, with exception of compensation to the
10 two (2) faculty members, and the one (1) nonteaching personnel member.

11 (8) New appointees of the board shall not serve more than two (2) consecutive terms.

12 (9) The inability of the board to hold regular meetings, to elect a chairperson annually,
13 to establish a quorum, to adopt an annual budget, to set tuition rates, to conduct an
14 annual evaluation of the president of the university, or to carry out its primary
15 function to periodically evaluate the institution's progress in implementing its
16 mission, goals, and objectives to conform to the strategic agenda shall be cause for
17 the Governor to remove all appointed members of the board and replace the entire
18 appointed membership pursuant to KRS 63.080(4).

19 ➔Section 43. KRS 164.283 is amended to read as follows:

20 (1) As used in this section unless the context otherwise requires:

21 (a) "Academic" means a student's official record of academic performance,
22 including, but not limited to transcript of grades or other action taken by the
23 institution directly related to academic performance. The term "academic"
24 does not include any nonacademically-related action the institution may take.

25 (b) "Universities and colleges" means all state supported postsecondary
26 educational institutions in Kentucky.

27 (c) "Institution" means all public supported institutions of higher learning in

1 Kentucky.

- 2 (2) All student academic records shall be confidential and shall not require a student's
3 Social Security number to identify the student, with the exception of the exemptions
4 stated in subsections (3) to (9) of this section, and shall not be released by any
5 public supported institution of higher education in Kentucky, to any person,
6 organization, institution, group, or agency, except with the express consent of the
7 individual student. This confidentiality shall apply only to student academic
8 records, including, but not limited to, official transcript of grades.
- 9 (3) All student academic records shall be made available upon request to any agency of
10 the federal or state government for the purpose of determining a student's eligibility
11 for military service and shall include making such records available to local draft
12 boards. This authority shall be limited only to determining the student's eligibility
13 for military service and shall not be extended, except with the individual student's
14 consent as specified in subsection (2) of this section.
- 15 (4) Any institution may provide the legal parents of any student under twenty-one (21)
16 years of age with a copy of the student's academic record.
- 17 (5) All student academic records shall be made available to any federal, state, or local
18 law enforcement agency, the Department of Juvenile Justice, and any court of law
19 upon written request.
- 20 (6) All student academic records shall be made available upon request to any grantor of
21 scholarships or loans based upon the maintenance of a satisfactory level of
22 scholarship, but shall be for the official use of the grantors only.
- 23 (7) All student academic records shall be made available upon request to a public or
24 private junior college from which the individual student was graduated or to a
25 public or private secondary school from which the individual student was
26 graduated.
- 27 (8) All student academic records shall be made available upon request to the Kentucky

1 Higher Education Assistance Authority~~[Council on Postsecondary Education]~~ for
2 professional academic research.

3 (9) All student academic records shall be made available upon request to any official of
4 the university or college in which the student is enrolled who is directly concerned
5 with the student's academic progress. This authority shall include but is not limited
6 to the individual student's academic adviser.

7 (10) This section shall be applicable to all academic records maintained by all public
8 postsecondary educational institutions in Kentucky.

9 ➔Section 44. KRS 164.2844 is amended to read as follows:

10 (1) Notwithstanding KRS 164.020(8), the governing board of a Kentucky public
11 university may adopt a tuition policy whereby any veteran of the Armed Forces of
12 the United States or National Guard who is eligible for Post-9/11 GI Bill benefits or
13 any member of a Reserve component who enrolls as a student in the university as a
14 non-Kentucky resident is charged no more than the maximum tuition
15 reimbursement provided under the Post-9/11 GI Bill to public universities for
16 eligible Kentucky residents.

17 (2) Notwithstanding KRS 164.020(8), beginning with the 2017-2018 academic year, an
18 active member of the Kentucky National Guard who enrolls as a student in a
19 Kentucky public university as a non-Kentucky resident shall be considered a
20 Kentucky resident for tuition purposes.

21 (3) A member of the United States Armed Forces, or a spouse or dependent of a
22 member, who is determined to be a Kentucky resident at the time of acceptance for
23 admission by a public postsecondary institution under the guidelines established by
24 the authority~~[council]~~ shall not lose Kentucky residency status if the member is
25 transferred on military orders prior to the member, spouse, or dependent enrolling
26 in the institution for the academic term for which the member, spouse, or dependent
27 was accepted or while the student is enrolled. The member, spouse, or dependent

1 shall not lose Kentucky residency if he or she remains continuously enrolled in the
2 institution at the same degree level.

3 ➔Section 45. KRS 164.2847 is amended to read as follows:

4 (1) Tuition and mandatory student fees for any undergraduate or graduate program of
5 any Kentucky public postsecondary institution, including all four (4) year
6 universities and colleges and institutions of the Kentucky Community and
7 Technical College System, shall be waived for a Kentucky foster or adopted child
8 who is a full-time or part-time student if the student meets all entrance requirements
9 and maintains academic eligibility while enrolled at the postsecondary institution,
10 and if:

11 (a) The student's family receives state-funded adoption assistance under KRS
12 199.555;

13 (b) The student is currently committed to the Cabinet for Health and Family
14 Services under KRS 610.010(5) and placed in a family foster home or is
15 placed in accordance with KRS 605.090(3);

16 (c) The student is in an independent living program and the placement is funded
17 by the Cabinet for Health and Family Services;

18 (d) The student who is an adopted child was in the permanent legal custody of
19 and placed for adoption by the Cabinet for Health and Family Services. A
20 student who meets the eligibility criteria of this paragraph and lives outside of
21 Kentucky at the time of application to a Kentucky postsecondary institution
22 may apply for the waiver up to the amount of tuition for a Kentucky resident;
23 or

24 (e) The Cabinet for Health and Family Services was the student's legal custodian
25 on his or her eighteenth birthday.

26 (2) Tuition and mandatory student fees for any undergraduate program of any
27 Kentucky public postsecondary institution, including all four (4) year universities

1 and colleges and institutions of the Kentucky Community and Technical College
2 System, shall be waived for a Department of Juvenile Justice foster child who is a
3 full-time or part-time student if the student meets all entrance requirements and
4 maintains academic eligibility while enrolled at the postsecondary institution and
5 obtains a recommendation for participation from an official from the Department of
6 Juvenile Justice, and if:

- 7 (a) The student has not been sentenced to the Department of Juvenile Justice
8 under KRS Chapter 640;
- 9 (b) The student has been committed to the Department of Juvenile Justice for a
10 period of at least twelve (12) months;
- 11 (c) The student is in an independent living program and placement is funded by
12 the Department of Juvenile Justice;
- 13 (d) The parental rights of the student's biological parents have been terminated; or
- 14 (e) The student was committed to the Cabinet for Health and Family Services
15 prior to a commitment to the Department of Juvenile Justice.
- 16 (3) Upon request of the postsecondary institution, the Cabinet for Health and Family
17 Services shall confirm the eligibility status under subsection (1) of this section and
18 the Department of Juvenile Justice shall confirm the eligibility status and
19 recommendations under subsection (2) of this section of the student seeking to
20 participate in the waiver program. Release of this information shall not constitute a
21 breach of confidentiality required by KRS 199.570, 610.320, or 620.050.
- 22 (4) The student shall complete the Free Application for Federal Student Aid to
23 determine the level of need and eligibility for state and federal financial aid
24 programs. If the sum of the tuition waiver plus other student financial assistance,
25 except loans and the work study program under 42 U.S.C. secs. 2751-2756b, from
26 all sources exceeds the student's total cost of attendance, as defined in 20 U.S.C.
27 sec. 1087II, the tuition waiver shall be reduced by the amount exceeding the total

1 cost of attendance.

2 (5) Except when extended in accordance with subsection (6) of this section, the student
3 shall be eligible for the tuition waiver:

4 (a) For entrance to the institution for a period of no more than four (4) years after
5 the date of graduation from high school or obtaining a high school
6 equivalency diploma; and

7 (b) For one hundred fifty (150) consecutive or nonconsecutive credit hours
8 earned, after first admittance to any Kentucky institution if satisfactory
9 progress is achieved or maintained up to age twenty-eight (28).

10 (6) The expiration of a student's eligibility under subsection (5)(a) of this section shall
11 be extended by the number of academic terms the institution determines the student
12 was unable to enroll for or complete due to serving:

13 (a) On active duty status in the United States Armed Forces;

14 (b) As an officer in the Commissioned Corps of the United States Public Health
15 Service; or

16 (c) On active service in the Peace Corps Act or the Americorps.

17 The original age limitation under subsection (5)(b) of this section shall be extended
18 by the total number of years during which the student was on active duty status. The
19 number of months served on active duty status shall be rounded up to the next
20 higher year to determine the maximum length of eligibility extension allowed.

21 (7) The *Kentucky Higher Education Assistance Authority*~~Council on Postsecondary~~
22 ~~Education~~ shall report nonidentifying data on graduation rates of students
23 participating in the tuition waiver program by November 30 each year to the
24 Legislative Research Commission.

25 (8) Nothing in this section shall be construed to:

26 (a) Guarantee acceptance of or entrance into any postsecondary institution for a
27 foster or adopted child;

- 1 (b) Limit the participation of a foster or adopted student in any other program of
2 financial assistance for postsecondary education;
- 3 (c) Require any postsecondary institution to waive costs or fees relating to room
4 and board; or
- 5 (d) Restrict any postsecondary institution, the Department of Juvenile Justice, or
6 the Cabinet for Health and Family Services from accessing other sources of
7 financial assistance, except loans, that may be available to a foster or adopted
8 student.

9 ➔Section 46. KRS 164.2891 is amended to read as follows:

10 Any university or postsecondary educational institution under the jurisdiction of the
11 *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary Education]~~
12 may have a faculty member as a voting member of its board of trustees or regents.

13 ➔Section 47. KRS 164.295 is amended to read as follows:

14 (1) The six (6) state comprehensive universities:

15 (a) Shall provide, upon approval of the *Kentucky Higher Education Assistance*
16 *Authority*~~[Council on Postsecondary Education]~~, associate and baccalaureate
17 programs of instruction;

18 (b) Shall provide, upon approval of the *Kentucky Higher Education Assistance*
19 *Authority*~~[Council on Postsecondary Education]~~, graduate programs of
20 instruction at the master's-degree level in education, business, and the arts and
21 sciences, specialist degrees, and programs beyond the master's-degree level to
22 meet the requirements for teachers, school leaders, and other certified
23 personnel; and

24 (c) Shall provide research and service programs directly related to the needs of
25 their primary geographical areas.

26 (2) A comprehensive university may provide:

27 (a) Programs of a community college nature in their own community comparable

- 1 to those listed for the Kentucky Community and Technical College System, as
2 provided in KRS 164.580;
- 3 (b) Upon approval of the *Kentucky Higher Education Assistance*
4 *Authority*~~[Council on Postsecondary Education]~~, an advanced practice
5 doctoral program in nursing in compliance with KRS 314.111 and 314.131;
6 and
- 7 (c) Upon approval of the *Kentucky Higher Education Assistance*
8 *Authority*~~[Council on Postsecondary Education]~~, one (1) or more additional
9 advanced practice doctoral programs.
- 10 (3) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~
11 ~~Education]~~, in consultation with the Advisory Conference of Presidents pursuant to
12 KRS 164.021, shall develop criteria and conditions upon which an advanced
13 practice doctoral degree program may be approved. The criteria shall include but
14 not be limited to a determination of the academic and workforce needs for a
15 program, consideration of whether the program can be effectively delivered through
16 a collaborative effort with an existing program at another public university within
17 the Commonwealth, and the capacity of a university to effectively offer the
18 program. A university requesting approval of an advanced practice doctoral
19 program shall be required to provide assurance that funding for the program will
20 not impair funding of any existing program at any other public university.
- 21 (4) The *authority*~~[council]~~ shall promulgate administrative regulations setting forth the
22 agreed-on criteria and conditions identified under subsection (3) of this section.
- 23 (5) The *authority*~~[council]~~ shall review advanced practice doctorates consistent with its
24 review schedule for all other academic programs.
- 25 (6) A comprehensive university shall not:
- 26 (a) Offer the terminal degrees of Doctor of Philosophy or Doctor of Musical Arts;
27 doctor's degrees required for professional practice and licensure in medicine,

1 veterinary medicine, chiropractic, dentistry, pharmacy, law, or optometry; or
2 the primary degree required for professional practice and licensure in
3 architecture. The existing school of law at Northern Kentucky University is
4 exempted from the requirements of this paragraph; or

5 (b) Describe itself in official publications or in marketing materials as a research
6 university or research institution. Nothing in this paragraph shall be construed
7 as precluding a comprehensive university from conducting basic, applied, or
8 translational research.

9 ➔Section 48. KRS 164.2951 is amended to read as follows:

10 (1) Beginning with the 2012-2013 academic year and each academic year thereafter for
11 first-time students enrolling in a public college or university, postsecondary
12 education institutions are encouraged to limit the credit-hour requirements to sixty
13 (60) credit hours for each associate of science or associate of arts degree program
14 and to one hundred twenty (120) credit hours for each bachelor of arts or bachelor
15 of science degree program, except in situations in which:

16 (a) Quality and content of a program would be negatively impacted; or
17 (b) A program must comply with specific program standards established by
18 external accreditation bodies.

19 (2) The ***Kentucky Higher Education Assistance Authority***~~[Council on Postsecondary~~
20 ~~Education]~~, in collaboration with the public universities and community and
21 technical colleges, shall:

22 (a) Facilitate the development and implementation of a statewide agreement for
23 alignment of Kentucky Community and Technical College System lower-
24 division associate of arts and associate of science coursework that shall be
25 accepted and fully credited to related bachelors degree programs by all public
26 universities. The agreement shall specify the general education learning
27 outcomes and program-specific prerequisite learning outcomes of the

- 1 coursework. Where applicable, curricula shall be reviewed to determine
2 comparability of core content standards required under KRS 164.302. The
3 agreement shall direct that the associate of arts and associate of science
4 coursework meeting the learning outcomes specified shall be accepted for
5 transfer and degree credit, whether earned as individual courses or within
6 block programs;
- 7 (b) Develop, implement, and maintain a Kentucky Community and Technical
8 College System statewide course numbering system for lower-division
9 general education and program-specific prerequisite courses that include the
10 same learning outcomes;
- 11 (c) Establish a statewide course classification system and procedures to monitor
12 the transfer and crediting of lower-division coursework, including a system of
13 ongoing assessment that ensures comparability for transfer purposes;
- 14 (d) Establish a procedure for approval of changes in learning outcomes at public
15 universities as described in subsection (3) of this section;
- 16 (e) Standardize credit-by-exam equivalencies and common passing scores for
17 national exams transferable for general education courses and program-
18 specific prerequisites courses;
- 19 (f) Develop policies to align statewide articulation and transfer procedures across
20 educational institutions, including admissions criteria, student declaration of
21 major, and student guidance and counseling policies designed to ensure that
22 students pursuing an associate of arts or associate of science degree program
23 provide timely notification of their intention to transfer to a public university;
- 24 (g) Develop uniform data collection and reporting methods to facilitate and
25 ensure statewide and institutional compliance with course transfer and credit
26 requirements;
- 27 (h) Guarantee that, upon admission to a public university, graduates of an

- 1 associate of arts or an associate of science degree program approved by the
2 authority~~[council]~~ in consultation with public universities shall be deemed to
3 have met all general education requirements;
- 4 (i) Provide that graduates of approved associate of arts and associate of science
5 degree programs of Kentucky public postsecondary institutions who complete
6 the prerequisite learning outcomes for a bachelor of arts or bachelor of science
7 program while fulfilling the requirements for an associate of art or associate
8 of science degree, shall not be required to repeat or to take any additional
9 lower-level courses to fulfill bachelor degree requirements in the same major,
10 and these students shall be granted admission to related upper-division
11 bachelors degree programs of a state public college or university on the same
12 criteria as those students earning lower-division credits at the university to
13 which the student transferred;
- 14 (j) Provide that graduates of approved associate of arts and associate of science
15 degree programs shall receive priority for admission to a state public
16 university over out-of-state students if they meet the same admission criteria;
- 17 (k) Establish a commonality in college transcripts to be used in all public colleges
18 and universities to facilitate transfer from community and technical colleges;
- 19 (l) Encourage private colleges and universities to collaborate with public
20 educational institutions in developing programs and agreement to expedite the
21 transfer of students and credits between institutions;
- 22 (m) Establish an appeals process to resolve disagreements between transferring
23 students and receiving educational institutions regarding the transfer and
24 acceptance of credits earned at another institution;
- 25 (n) Ensure that all articulation and transfer policies are consistent with the rules
26 and regulations established by all appropriate discipline-specific accrediting
27 bodies and institutional accrediting agencies as recognized by the United

1 States Department of Education; and

2 (o) Facilitate the development and implementation of a statewide standardized
3 articulation agreement to be executed by July 1, 2021, between public
4 colleges and universities and the Kentucky Department of Education for each
5 approved high school career pathway that leads to a postsecondary credential,
6 certification, license, or degree. Upon meeting the requirements of the
7 standardized articulation agreement, a student shall be awarded postsecondary
8 credit for prior learning at any public college or university.

9 (3) When an institution seeks to change learning outcomes for a bachelor of arts or
10 bachelor of science program that affect lower-division courses, the university shall
11 notify the Kentucky Higher Education Assistance Authority~~[Council on~~
12 ~~Postsecondary Education]~~ and the Kentucky Community and Technical College
13 System of the proposed changes at the same time as the initiation of the university's
14 approval process. If it is determined that the proposed change will have an adverse
15 effect on transferability, the university proposing the change shall enter into
16 discussion with the authority~~[council]~~ and the Kentucky Community and Technical
17 College System to verify there remains a clearly defined path to a bachelor's degree
18 for those students who plan to transfer from the Kentucky Community and
19 Technical College System to the public university.

20 ➔Section 49. KRS 164.296 is amended to read as follows:

21 Vocational and nonvocational programs offered at the state universities shall be operated
22 and administered by those universities consistent with the regulations developed by the
23 board of trustees or regents and approved by the Kentucky Higher Education Assistance
24 Authority~~[Council on Postsecondary Education]~~ for the issuance of associate,
25 baccalaureate, or graduate degrees. Joint programming and articulation of vocational-
26 technical education nondegree programs with associate degree programs shall be pursued
27 between the Kentucky Community and Technical College System and other

1 postsecondary institutions when feasible. No public institution of higher education shall
2 offer any new program of a vocational-technical-occupational nature below the associate
3 degree level without the review of the board of regents for the Kentucky Community and
4 Technical College System and the approval of the *Kentucky Higher Education*
5 *Assistance Authority*~~[Council on Postsecondary Education]~~. The board of regents for the
6 Kentucky Community and Technical College System, with approval of the *Kentucky*
7 *Higher Education Assistance Authority*~~[Council on Postsecondary Education]~~, may
8 contract with public institutions of higher education for the operation of specific
9 programs and projects.

10 ➔Section 50. KRS 164.302 is amended to read as follows:

- 11 (1) Within thirty (30) days from March 25, 2009, each postsecondary education
12 institution shall plan and implement a process to develop core academic content
13 standards for reading and mathematics for introductory courses in the public
14 postsecondary education institutions.
- 15 (2) The process shall ensure that secondary educators are engaged with the
16 postsecondary education faculty and other content specialists in order that the
17 standards at each educational level are vertically aligned.
- 18 (3) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~
19 ~~Education]~~, the Department of Education, and the postsecondary education
20 institutions are urged to merge activities, resources, and dissemination efforts as is
21 practical to eliminate duplication of effort and conflicting recommendations.
- 22 (4) All core academic standards for mathematics and reading in introductory courses
23 shall be completed by December 15, 2010, with a target completion date of
24 December 15, 2009, for the mathematics standards.

25 ➔Section 51. KRS 164.321 is amended to read as follows:

- 26 (1) Eastern Kentucky University, Morehead State University, Murray State University,
27 Western Kentucky University, Kentucky State University, Northern Kentucky

1 University, and the Kentucky Community and Technical College System shall each
2 be governed by a board of regents appointed for a term set by law pursuant to
3 Section 23 of the Constitution of Kentucky.

4 (a) Each board of the comprehensive universities shall consist of eight (8)
5 members appointed by the Governor, one (1) member of the teaching faculty,
6 one (1) member of the university nonteaching personnel, and one (1) member
7 of the student body of the respective university or college. The members
8 appointed by the Governor shall be subject to confirmation by the Senate. The
9 members of the board shall select a chairperson annually.

10 (b) The board of the Kentucky Community and Technical College System shall
11 consist of eight (8) members appointed by the Governor, two (2) members of
12 the teaching faculty, two (2) members of the nonteaching personnel, and two
13 (2) members of the student body. The members appointed by the Governor
14 shall be subject to confirmation by the Senate.

15 1. No more than three (3) appointed members of the board shall reside in
16 any one (1) judicial district of the Kentucky Supreme Court as of the
17 date of the appointment.

18 2. A change in residency of a gubernatorial appointee after the date of
19 appointment shall not affect the appointee's ability to serve or eligibility
20 for reappointment, except an appointee who assumes residency outside
21 the fifty (50) United States shall become immediately ineligible to serve.
22 The Kentucky Higher Education Assistance Authority~~Council on~~
23 ~~Postsecondary Education~~ shall notify the appointee of his or her
24 ineligibility to serve.

25 3. In making initial appointments, the Governor shall act so as to provide
26 equal representation of the two (2) sexes. In filling vacancies, the
27 Governor shall act so as to provide, inasmuch as possible, equal

1 representation of the two (2) sexes by appointing a member of the sex
2 that is the lesser represented at the time of the appointment. If the
3 remaining membership already has an equal number of males and
4 females, the Governor may appoint a member of either sex.

5 (2) The terms of appointed members shall be for six (6) years and until their successors
6 are appointed and qualified, unless a member is removed by the Governor pursuant
7 to KRS 63.080(2), (3), or (4), except the initial appointments to the board of regents
8 for the Kentucky Community and Technical College System shall be as follows:

- 9 (a) One (1) member shall serve a one (1) year term;
- 10 (b) One (1) member shall serve a two (2) year term;
- 11 (c) Two (2) members shall serve three (3) year terms;
- 12 (d) One (1) member shall serve a four (4) year term;
- 13 (e) One (1) member shall serve a five (5) year term; and
- 14 (f) Two (2) members shall serve six (6) year terms.

15 New appointees of a board of regents shall not serve for more than two (2)
16 consecutive terms.

17 (3) The gubernatorial appointments may include one (1) graduate of the respective
18 institution who resides outside the Commonwealth. Not more than two (2)
19 appointed members of any board shall be residents of one (1) county. The
20 appointments shall reflect the proportional representation of the two (2) leading
21 political parties of the Commonwealth based on the state's voter registration and the
22 political affiliation of each appointee as of December 31 of the year preceding the
23 date of his or her appointment. A particular political affiliation shall not be a
24 prerequisite to appointment to any board generally; however, if any person is
25 appointed to a board that does not represent either of the two (2) leading political
26 parties of the Commonwealth, the proportional representation by political affiliation
27 requirement shall be determined and satisfied based on the total number of

1 members on the board less any members not affiliated with either of the two (2)
2 leading political parties. Membership on the board shall reflect no less than
3 proportional representation of the minority racial composition of the
4 Commonwealth based on the total minority racial population using the most recent
5 census or estimate data from the United States Census Bureau. If the determination
6 of proportional minority representation does not result in a whole number of
7 minority members, it shall be rounded up to the next whole number. Membership
8 on the board shall not be incompatible with any state office. A change in residency
9 after the date of appointment shall not affect a member's ability to serve nor shall it
10 prevent a member's eligibility for reappointment, except a member who assumes
11 residency outside the fifty (50) United States shall become immediately ineligible
12 to serve. The Kentucky Higher Education Assistance Authority~~[Council on~~
13 ~~Postsecondary Education]~~ shall notify the appointee of his or her ineligibility to
14 serve.

15 (4) Appointments to fill vacancies shall be made in the same manner and within the
16 same time after the occurrence of the vacancy as regular appointments. The person
17 appointed shall hold the position for the unexpired term only.

18 (5) Each member of the board shall serve for the term for which the member is
19 appointed and until a successor is appointed and qualified, unless a member is
20 removed by the Governor pursuant to KRS 63.080(2), (3), or (4).

21 (6) (a) The faculty member of a comprehensive university shall be a teaching or
22 research member of the faculty of his or her respective university of the rank
23 of assistant professor or above. The faculty member shall be elected by secret
24 ballot by all faculty members of his or her university of the rank of instructor,
25 assistant professor, or above. The faculty member shall serve for a term of
26 three (3) years and until his or her successor is elected and qualified. The
27 faculty member shall be eligible for reelection, but he or she shall not be

1 eligible to continue to serve as a member of the board if he or she ceases
2 being a member of the teaching staff of the university. Elections to fill
3 vacancies shall be for the unexpired term in the same manner as provided for
4 the original election.

5 (b) The faculty members of the Kentucky Community and Technical College
6 System shall be represented by one (1) faculty member elected from the
7 community colleges and one (1) faculty member elected from the technical
8 institutions to serve three (3) year terms and until their successors are named.
9 The faculty representative of each branch shall be elected by means of a
10 process established by the board. The faculty members may be reelected but
11 shall not serve more than two (2) consecutive terms. A faculty member shall
12 be ineligible to continue to serve as a member of the board if he or she ceases
13 to be a member of the faculty at one (1) of the institutions within the system.
14 Elections to fill vacancies shall be for the unexpired term in the same manner
15 as provided for the original election. These two (2) members shall collectively
16 have one (1) vote which may be cast one-half (1/2) vote by each member.

17 (7) (a) The nonteaching personnel member in a comprehensive university shall be
18 any full-time staff member excluding the president, vice presidents, academic
19 deans, and academic department chairpersons. He or she shall represent all
20 nonteaching university employees including, but not limited to, building
21 facilities and clerical personnel. The member shall be elected by secret ballot
22 by the nonteaching employees. The nonteaching personnel member shall
23 serve a term of three (3) years and until a successor is elected and qualified.
24 The nonteaching personnel member shall be eligible for reelection, but he or
25 she shall not be eligible to continue to serve as a member of the board if he or
26 she ceases being an employee of the university. Elections to fill vacancies
27 shall be for the unexpired term in the same manner as provided for the

1 original election.

2 (b) The nonteaching personnel members in the Kentucky Community and
3 Technical College System shall be any full-time staff member excluding a
4 president, chancellor, vice president, academic dean, academic department
5 chair, or other administrator. They shall represent all nonteaching employees
6 in their respective branch institutions including, but not limited to, support
7 and clerical personnel. One (1) member shall be a representative from the
8 community colleges and one (1) member shall be a representative from the
9 technical institutions. They shall serve three (3) year terms and until their
10 successors are named. These two (2) members shall collectively have one (1)
11 vote which may be cast one-half (1/2) vote by each member. The nonteaching
12 personnel members of each branch shall be elected by means of a process
13 established by the board. A nonteaching personnel member may be reelected
14 but shall not serve more than two (2) consecutive terms. A nonteaching
15 employee shall be ineligible to continue to serve as a member of the board if
16 that employee ceases to be a nonteaching employee at one (1) of the
17 institutions within the system. Elections to fill vacancies shall be for the
18 unexpired term in the same manner as provided for the original election.

19 (8) (a) The student member on a comprehensive university board shall serve a one
20 (1) year term beginning on July 1 after being elected and sworn in as student
21 body president and ending on the following June 30. If the student member
22 does not maintain the position as student body president or the status as a full-
23 time student at any time during that academic year, a special election shall be
24 held to select a full-time student member. The elected student member shall
25 serve for the remainder of the unexpired term.

26 (b) Two (2) full-time student members shall be elected to the board of regents for
27 the Kentucky Community and Technical College System. One (1) shall

1 represent students of the community colleges and one (1) shall represent the
2 technical institutions. The student members shall be elected by means of a
3 process established by the board. The student members shall serve one (1)
4 year terms beginning on July 1 after being elected and sworn in as a student
5 member of the board and ending on the following June 30. If the student
6 member does not maintain the status as a full-time student, a special election
7 shall be held to fill the vacancy for the remainder of the unexpired term. The
8 two (2) members shall collectively have one (1) vote which may be cast one-
9 half (1/2) vote by each member.

10 (9) All appointed and elected persons shall be required to attend and complete an
11 orientation and education program prescribed by the authority~~[council]~~ under KRS
12 164.020(25), as a condition of their service and eligibility for appointment or
13 election to a second term.

14 (10) Board members may be removed by the Governor under the following
15 circumstances:

16 (a) For cause, pursuant to KRS 63.080(2); or

17 (b) Pursuant to KRS 63.080(3) or (4).

18 (11) The inability of the board or boards of the comprehensive universities or Kentucky
19 Community and Technical College System to hold quarterly meetings, to elect a
20 chairperson annually, to establish a quorum, to adopt an annual budget, to set
21 tuition rates, to conduct an annual evaluation of the president of the university or
22 system, to carry out its primary function to periodically evaluate the university's or
23 system's progress in implementing its mission, goals, and objectives to conform to
24 the strategic agenda, or to otherwise perform its duties under KRS 164.350 shall be
25 cause for the Governor to remove all appointed members of the board or boards and
26 replace the entire appointed membership pursuant to KRS 63.080(4).

27 ➔Section 52. KRS 164.376 is amended to read as follows:

- 1 (1) As used in this section, unless the context requires otherwise, "disability" has the
2 same meaning as the definition given in KRS 344.010.
- 3 (2) The Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~
4 ~~Education]~~ shall develop guidelines for the adoption of policies by postsecondary
5 education institutions with residence facilities that provide students with a disability
6 a safe environment in which to live and study.
- 7 (3) Each institution shall develop a housing and security policy in compliance with the
8 authority's~~[council's]~~ guidelines that shall be visibly posted in each residence
9 facility, made available on campus computer networks to which students have
10 access, and included in all student housing information. The policies shall include,
11 but not be limited to, an appeals process that may be used by students, their parents,
12 or their advocates when they have reason to believe that the institution's policy or
13 the student's housing assignment does not reasonably accommodate the student's
14 disability or endangers the student's safety or health. The appeals process shall
15 mandate that the body assigned to hear the appeal shall not include representatives
16 of the original department that made the housing assignment that is being appealed.
- 17 (4) Each institution shall prepare at the beginning of each semester a list with the name
18 and residency assignment of each student with a disability, as reported to the
19 institution by the student or the student's parent or advocate, as appropriate. The list
20 shall be given to the campus housing and security authorities to be used in an
21 emergency to identify, locate, and act to help, protect, and if necessary, rescue the
22 student with a disability.

23 ➔Section 53. KRS 164.400 is amended to read as follows:

24 The respective boards of regents of the state universities and colleges and the Kentucky
25 Community and Technical College System shall establish such incidental fees and
26 nonresident tuition fees as will be sufficient for the purpose of paying the incidental
27 expenses of the university or college and as are consistent with the recommendations of

1 the *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~
2 ~~Education]~~. No money derived from nonresident tuition or other fees paid by students
3 shall be used for any other purpose, except such amount as is over and above that needed
4 to defray the incidental expenses.

5 ➔Section 54. KRS 164.476 is amended to read as follows:

6 (1) The "Lung Cancer Research Fund" is created and shall receive funds each year
7 from the Kentucky health care improvement fund in the amount specified in KRS
8 304.17B-003(5)(b). The lung cancer research fund shall be used to finance the Lung
9 Cancer Research Project described in subsection (5) of this section. No revenues
10 from the lung cancer research fund shall be allocated until the board has adopted the
11 strategic plan described in subsections (5) and (6) of this section.

12 (2) A research consortium between the University of Kentucky and the University of
13 Louisville is created and shall be known as the Governance Board of the Lung
14 Cancer Research Project. The consortium shall be attached to the *Kentucky Higher*
15 *Education Assistance Authority*~~[Council on Postsecondary Education]~~ for
16 administrative purposes.

17 (3) The board shall consist of nine (9) members appointed by the Governor as follows:

18 (a) Two (2) members shall be from the faculty of the School of Medicine at the
19 University of Kentucky;

20 (b) Two (2) members shall be from the faculty of the School of Medicine at the
21 University of Louisville;

22 (c) Two (2) members shall be from the *Kentucky Higher Education Assistance*
23 *Authority*~~[Council on Postsecondary Education]~~; and

24 (d) Three (3) members shall be from the state at large, one (1) of whom shall be
25 appointed chair by the Governor.

26 (4) Except as provided in paragraphs (a) to (d) of this subsection, the terms of the
27 members shall be for four (4) years and until their successors are appointed and

1 confirmed. A vacancy on the board shall be filled for the remainder of the
2 unexpired term in the same manner as the original appointment. Members may be
3 reappointed. The initial appointments shall be for staggered terms, as follows:

- 4 (a) Two (2) members shall be appointed for one (1) year;
- 5 (b) Two (2) members shall be appointed for two (2) years;
- 6 (c) Two (2) members shall be appointed for three (3) years; and
- 7 (d) Three (3) members shall be appointed for four (4) years.

8 (5) The Governance Board of the Lung Cancer Research Project shall develop and
9 oversee the implementation of a twenty (20) year strategic plan that utilizes the
10 resources of both the University of Louisville and the University of Kentucky in
11 establishing the Lung Cancer Research Project. The Lung Cancer Research Project
12 shall be a joint program to:

- 13 (a) Develop an expertise in the area of lung cancer research with an immediate
14 focus on early detection and epidemiology and with an ultimate goal of
15 eradication of lung cancer;
- 16 (b) Establish a statewide clinical trial network to make university-based clinical
17 trials available to the community physician in order to bring the most
18 innovative cancer treatments to all Kentuckians in need of these treatments;
- 19 (c) Leverage the resources earmarked for the Lung Cancer Research Project
20 toward the certification of the cancer program at the University of Kentucky
21 and the University of Louisville by the National Cancer Institute as a cancer
22 center; and
- 23 (d) Undertake other initiatives consistent with the strategic plan.

24 (6) The strategic plan shall identify both short-term and long-term goals and the
25 appropriate oversights to measure progress toward achievement of those goals; it
26 shall be updated every two (2) years.

27 (7) The Governance Board of the Lung Cancer Research Project shall submit an annual

1 report to the Governor and the Legislative Research Commission by September 1
2 each year for the preceding fiscal year, outlining its activities and expenditures.

3 (8) The Auditor of Public Accounts, on an annual basis, shall conduct a thorough
4 review of all expenditures from the lung cancer research fund and, if necessary in
5 the opinion of the Auditor, the operations of the Lung Cancer Research Project and
6 the lung cancer research fund.

7 ➔Section 55. KRS 164.477 is amended to read as follows:

8 (1) As used in this section, unless the context requires otherwise:

9 (a) "Alternative format" means any medium or format for the presentation of
10 instructional materials other than standard print needed by a student with a
11 disability for a reading accommodation, including but not limited to braille,
12 large print texts, audio recordings, digital texts, and digital talking books;

13 (b) "Instructional material" means a textbook or other material published
14 primarily for use by students in a course of study in which a student with a
15 disability is enrolled that is required or essential to a student's success, as
16 determined by the course instructor. "Instructional material" includes
17 nontextual mathematics and science material to the extent that software is
18 commercially available to permit the conversion of the electronic file of the
19 material into a format that is compatible with assistive technologies such as
20 speech synthesis software or braille translation software commonly used by
21 students with disabilities;

22 (c) "Nonprinted instructional material" means instructional material in a format
23 other than print, including instructional material that requires the availability
24 of electronic equipment in order to be used as a learning resource, including
25 but not limited to software programs, videodiscs, videotapes, and audio tapes;

26 (d) "Printed instructional material" means instructional material in book or other
27 printed form;

- 1 (e) "Publisher" means an individual, firm, partnership, corporation, or other entity
2 that publishes or manufactures instructional material used by students
3 attending a public or independent postsecondary education institution in
4 Kentucky;
- 5 (f) "State Repository for Alternative Format Instructional Materials" or
6 "repository" means a consortium established or otherwise designated by the
7 Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~
8 ~~Education]~~ under subsection (8) of this section to serve as a state repository
9 for electronic files or alternative format instructional materials obtained from
10 publishers, created by institutions, or received through other means;
- 11 (g) "Structural integrity" means the inclusion of all of the information provided in
12 printed instructional material, including but not limited to the text of the
13 material sidebars, the table of contents, chapter headings and subheadings,
14 footnotes, indexes, and glossaries, but need not include nontextual elements
15 such as pictures, illustrations, graphs, or charts; and
- 16 (h) "Working day" means a day that is not Saturday, Sunday, or a national
17 holiday.
- 18 (2) The purpose of this section is to ensure, to the maximum extent possible, that all
19 postsecondary students with a disability in Kentucky requiring reading
20 accommodations, in accordance with Section 504 of the Rehabilitation Act, 29
21 U.S.C. sec. 794, or the Americans with Disabilities Act, 42 U.S.C. secs. 12101 et
22 seq., including but not limited to students who are blind, are visually impaired, or
23 have a specific learning disability or other disability affecting reading, shall have
24 access to instructional materials in alternative formats that are appropriate to their
25 disability and educational needs.
- 26 (3) A publisher shall, upon fulfillment of the requirements of subsections (6) and (7) of
27 this section, provide to a postsecondary education institution or to the State

- 1 Repository for Alternative Format Instructional Materials, at no cost:
- 2 (a) Printed instructional material in an electronic format; and
- 3 (b) Nonprinted instructional material in an electronic format, when the
- 4 technology is available to maintain the material's structural integrity.
- 5 (4) Instructional material provided by a publisher in electronic format shall:
- 6 (a) Maintain the structural integrity of the original instructional material, except
- 7 as provided for in paragraph (b) subsection (3) of this section;
- 8 (b) Be compatible with commonly used braille translation and speech synthesis
- 9 software;
- 10 (c) Include corrections and revisions as may be necessary; and
- 11 (d) Be in a format that is mutually agreed upon by the publisher and the
- 12 requesting institution or the State Repository for Alternative Format
- 13 Instructional Materials. If good-faith efforts fail to produce an agreement as to
- 14 an electronic format that will preserve the structural integrity of the
- 15 instructional material, the publisher shall provide the instructional material in
- 16 XML (Extensible Markup Language), utilizing an appropriate document-type
- 17 definition suitable for the creation of alternative format materials, and shall
- 18 preserve as much of the structural integrity of the original instructional
- 19 material as possible.
- 20 (5) The publisher shall transmit or otherwise send an electronic format version of
- 21 requested instructional material within fifteen (15) working days of receipt of an
- 22 appropriately completed request. Should this timetable present an undue burden for
- 23 a publisher, the publisher shall submit within the fifteen (15) working day period a
- 24 statement to the requesting entity certifying the expected date for transmission or
- 25 delivery of the file.
- 26 (6) (a) To receive an electronic format version of instructional material, a written
- 27 request shall be submitted to the publisher that certifies:

- 1 1. The instructional material has been purchased for use by a student with a
2 disability by the student or the institution the student attends or is
3 registered to attend;
- 4 2. The student has a disability that prevents the student from using the
5 standard instructional material; and
- 6 3. The instructional material is for use by the student in connection with a
7 course in which he or she is registered or enrolled.
- 8 (b) A publisher may also require a statement signed by the student or, if the
9 student is a minor, the student's parent or legal guardian, agreeing that the
10 student will:
 - 11 1. Use the electronic copy of the instructional material solely for his or her
12 own educational purposes; and
 - 13 2. Not copy or distribute the instructional material for use by others.
- 14 (7) The request for an electronic format version of instructional material shall be
15 prepared and signed by:
 - 16 (a) The coordinator of services for students with a disability at the institution;
 - 17 (b) A representative of the Division of Blind Services within the Office of
18 Vocational Rehabilitation in the Education and Labor Cabinet;
 - 19 (c) A representative of the Office of Vocational Rehabilitation; or
 - 20 (d) A representative of the State Repository for Alternative Format Instructional
21 Materials.
- 22 (8) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~
23 ~~Education]~~ may, to the extent funds are available, establish or otherwise designate a
24 consortium to be called the State Repository for Alternative Format Instructional
25 Materials to serve as a state repository for electronic files and alternative format
26 materials for the purpose of facilitating the timely access of appropriate alternative
27 instructional materials by postsecondary students with a disability.

- 1 (9) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~
2 ~~Education]~~ may promulgate administrative regulations governing the
3 implementation and administration of this section.
- 4 (10) The *authority*~~[council]~~ shall work with representatives of each postsecondary
5 institution to develop policies and procedures designed to ensure to the maximum
6 extent possible that students with disabilities have access to instructional materials
7 in appropriate alternative formats within the first week of class.
- 8 (11) The *authority*~~[council]~~, in consultation with appropriate entities, including but not
9 limited to the Office of Vocational Rehabilitation, the Kentucky Assistive
10 Technology Service Network, Recording for the Blind and Dyslexic, and the
11 Kentucky Association on Higher Education and Disability, shall include within its
12 annual status report on postsecondary education in Kentucky a continuing
13 assessment of the need for statewide technical assistance, training, and other
14 supports designed to increase the availability and effective use of alternative format
15 instructional materials.
- 16 (12) The State Repository for Alternative Format Instructional Materials or the
17 *authority*~~[council]~~ may receive electronic files and alternative format materials
18 from:
- 19 (a) Publishers;
- 20 (b) Postsecondary education institutions that have created alternative materials for
21 use by a student with a disability;
- 22 (c) The Kentucky Department of Education, receiving electronic files from
23 publishers under the requirements of KRS 156.027; or
- 24 (d) Other sources.
- 25 (13) The repository or the *authority*~~[council]~~ shall, upon receipt of documents as set
26 forth in subsection (6) of this section, provide at no cost copies of electronic files
27 and alternative format materials to:

- 1 (a) Postsecondary education institutions in Kentucky; and
- 2 (b) The Kentucky Department of Education, to assist in the implementation of the
- 3 requirements of KRS 156.027.
- 4 (14) The repository shall provide to a publisher, upon request:
- 5 (a) A summary of all electronic or alternative format versions of instructional
- 6 material from that publisher provided to students, postsecondary education
- 7 institutions, and the Kentucky Department of Education from its holdings; and
- 8 (b) Copies of requests and related certification documents received for
- 9 instructional materials from that publisher.
- 10 (15) The repository or the authority~~[council]~~ may submit requests for electronic files to
- 11 publishers on behalf of institutions.
- 12 (16) (a) A postsecondary education institution or an educational instructor, assistant,
- 13 or tutor may assist a student with a disability by using the electronic format
- 14 version of instructional material as provided by this section solely to
- 15 transcribe or arrange for the conversion of the instructional material into an
- 16 alternative format, or to otherwise assist the student.
- 17 (b) If an alternative format version of instructional material is created, an
- 18 institution may, for the purpose of providing the version to other students with
- 19 disabilities, share that version with:
- 20 1. The repository;
- 21 2. A Kentucky postsecondary education institution serving a student with a
- 22 disability; and
- 23 3. An authorized entity as defined under 17 U.S.C. sec. 121 that commonly
- 24 provides alternative format materials for use by students in Kentucky
- 25 institutions.
- 26 (17) The disk or file of an electronic format version of instructional material used
- 27 directly by a student shall be copy-protected, or reasonable precautions shall be

1 taken by the institution to ensure that the student does not copy or distribute the
2 electronic format version in violation of the Copyright Revisions Act of 1976, as
3 amended, 17 U.S.C. secs. 101 et seq.

4 (18) Nothing in this section shall be deemed to authorize any use of instructional
5 materials that would constitute an infringement of copyright under the Copyright
6 Revision Act of 1976, as amended, 17 U.S.C. secs. 101 et seq.

7 (19) Nothing in this section shall absolve covered entities from the obligation to provide
8 equivalent access to information technology and software as set forth in KRS
9 61.982.

10 (20) A publisher shall be considered a place of public accommodation for the purposes
11 of KRS 344.130. Failure to comply with the requirements of this section shall be an
12 unlawful practice of discrimination on the basis of disability for the purposes of
13 KRS 344.120.

14 ➔Section 56. KRS 164.525 is amended to read as follows:

15 (1) The Center for Mathematics is hereby created to make available professional
16 development for teachers in reliable, research-based diagnostic assessment and
17 intervention strategies, coaching and mentoring models, and other programs in
18 mathematics. The center shall be headed by an executive director and administered
19 by a public postsecondary education institution. The center shall:

20 (a) Act as a clearinghouse for information about professional development
21 programs for teachers that address mathematics diagnostic assessment,
22 intervention programs, coaching and mentoring programs, and other
23 instructional strategies to address students' needs;

24 (b) Collaborate with Kentucky's other public and private postsecondary
25 institutions to develop teachers' mathematical knowledge needed for teaching
26 and help teachers improve students' mathematical concepts, thinking,
27 problem-solving, and skills, with an emphasis on diagnostic assessment and

- 1 intervention programs for students in the primary program;
- 2 (c) Provide teacher training to develop teacher leaders and teaching specialists in
3 primary programs who have skills in diagnostic assessment and intervention
4 services to assist struggling students or those who are at risk of failure in
5 mathematics. The center may contract for services in order to carry out this
6 responsibility;
- 7 (d) Maintain a demonstration and training site for mathematics located at each of
8 the public universities;
- 9 (e) Advise the Kentucky Department of Education and Kentucky Board of
10 Education regarding:
- 11 1. Early mathematics content, diagnostic assessment practices, and
12 intervention programs;
- 13 2. Costs and effectiveness of various mathematics intervention programs;
- 14 3. Coaching and mentoring models that help improve student
15 achievements;
- 16 4. Trends and issues relating to mathematics programs in schools
17 throughout the state; and
- 18 5. The establishment and implementation of the Middle School
19 Mathematics and Science Scholars Program established under KRS
20 158.848; and
- 21 (f) Disseminate information to teachers, administrators, and policymakers on an
22 ongoing basis.
- 23 (2) The ***Kentucky Higher Education Assistance Authority***~~[Council on Postsecondary~~
24 ~~Education]~~ shall select a location for the center no later than January 1, 2006. The
25 ***authority***~~[council]~~ shall use a request for proposal process. In developing the
26 request for proposal, the ***authority***~~[council]~~ shall seek advice from the Committee
27 for Mathematics Achievement created in KRS 158.842 and the commissioner of

1 education. The center shall be located at the selected university through July 1,
2 2011, unless funding is not available, the authority[~~council~~] deems the performance
3 of the institute to be inadequate, or the university requests to discontinue its
4 relationship to the institute. Contingent upon available funding at the end of the
5 initial cycle, and each five (5) year period thereafter, the authority[~~council~~] shall
6 issue a request for proposal to all public postsecondary education institutions to
7 administer the center.

8 ➔Section 57. KRS 164.540 is amended to read as follows:

- 9 (1) The *Kentucky Higher Education Assistance Authority*[~~Council on Postsecondary~~
10 ~~Education in Kentucky as defined in KRS 164.011~~] is hereby designated as the
11 agency of the Commonwealth of Kentucky charged with the responsibility and
12 vested with all necessary authority, subject to the conditions and restrictions set out
13 in subsection (2) of this section, to carry out the obligations, participate in the
14 planning and negotiations, and administer the rights, benefits, and privileges,
15 devolving upon the Commonwealth of Kentucky and its citizens pursuant to the
16 regional compact referred to in KRS 164.530, and to do all such other acts and
17 things as may be necessary or desirable to implement the provisions of said regional
18 compact efficiently and impartially for the benefit of all citizens of the
19 Commonwealth.
- 20 (2) In its participation in the regional compact, or in any other regional plan having a
21 similar purpose, the Commonwealth of Kentucky shall not erect, acquire, develop,
22 or maintain in any manner any educational institution within its borders to which
23 any student would be refused entrance on the basis of race, national origin, gender,
24 creed, or religion.
- 25 (3) Notwithstanding any other law governing the offering of postsecondary education
26 in the state, the authority[~~council~~] shall be authorized to take the following actions
27 on behalf of the Commonwealth:

- 1 (a) Enter into the State Authorization Reciprocity Agreement, which establishes
2 uniform national standards for interstate offerings of postsecondary distance
3 education and authorizes postsecondary educational institutions meeting those
4 standards located in member states or territories to provide distance education
5 to residents of the Commonwealth;
- 6 (b) Serve as the lead or "portal" agency on behalf of the Commonwealth's public
7 and private postsecondary institutions seeking to offer distance education in
8 member states by:
- 9 1. Managing functional and administrative state responsibilities under the
10 State Authorization Reciprocity Agreement; and
11 2. Serving as the official contact for other states and students from other
12 states on matters pertaining to the agreement; and
- 13 (c) Promulgate administrative regulations in accordance with KRS Chapter 13A
14 to establish procedures for participation by Kentucky postsecondary
15 institutions in the State Authorization Reciprocity Agreement.
- 16 ➔Section 58. KRS 164.580 is amended to read as follows:
- 17 (1) The Kentucky Community and Technical College System is established. The
18 Kentucky Community and Technical College System shall provide:
- 19 (a) A general two (2) year academic curriculum with credits transferable to two
20 (2) year and four (4) year colleges and universities;
- 21 (b) Technical and semiprofessional programs of two (2) years or less;
- 22 (c) Within a two (2) year college curriculum, courses in general education,
23 including adult education, not necessarily intended for transfer nor technically
24 oriented; and
- 25 (d) Services to Kentucky's employers and the general public to provide
26 continuing education and customized training for purposes of improving the
27 knowledge and skills of Kentucky workers and citizens in all regions of the

1 state.

- 2 (2) The Kentucky Community and Technical College System shall be responsive to the
3 needs of students and employers in all regions of the Commonwealth with
4 accessible education and training to support the lifelong learning needs of Kentucky
5 citizens in order to:
- 6 (a) Increase the basic academic and literacy skills of adults through adult basic
7 education and remedial education services;
 - 8 (b) Increase the technical skills and professional expertise of Kentucky workers
9 through associate and technical degrees, diploma, and certificate programs;
 - 10 (c) Increase the access for students to complete the prebaccalaureate associate
11 degree in arts or associate degree in science for ease of transfer to four (4)
12 year institutions;
 - 13 (d) Enhance the relationship of credentials between secondary and postsecondary
14 programs which permit secondary students to enter programs through early
15 admission, advanced placement, or dual enrollment;
 - 16 (e) Facilitate transfers of credit between certificate, diploma, technical, and
17 associate degree programs;
 - 18 (f) Develop a pool of educated citizens to support the expansion of existing
19 business and industry and the recruitment of new business and industry;
 - 20 (g) Enhance the flexibility and adaptability of Kentucky workers in an ever-
21 changing and global economy through continuing education and customized
22 training for business and industry;
 - 23 (h) Promote the cultural and economic well-being of the communities throughout
24 Kentucky; and
 - 25 (i) Improve the quality of life for Kentucky's citizens.
- 26 (3) Students attending a college under the administration of the board of regents for the
27 Kentucky Community and Technical College System may pursue three (3) kinds of

- 1 degree programs:
- 2 (a) Associate degree programs approved by the board of trustees as of the
- 3 effective date of the transfer of the management responsibilities of the
- 4 University of Kentucky Community College System to the Kentucky
- 5 Community and Technical College System;
- 6 (b) Associate degree programs developed by the Kentucky Community and
- 7 Technical College System, approved by the board of regents and the
- 8 Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~
- 9 ~~Education]~~. The board of regents shall confer degrees and award diplomas for
- 10 the approved programs; and
- 11 (c) Joint degree programs developed between the Kentucky Community and
- 12 Technical College System and other institutions.
- 13 (4) University of Kentucky Community College System students who were officially
- 14 enrolled on or before June 30, 1999, in associate degree programs approved by the
- 15 board of trustees of the University of Kentucky and who complete the associate
- 16 degree programs on or before June 30, 2004, shall have their degrees conferred by
- 17 the University of Kentucky board of trustees. The degrees for all other students
- 18 enrolled shall be awarded by the board of regents for the Kentucky Community and
- 19 Technical College System.
- 20 (5) The board of regents for the Kentucky Community and Technical College System
- 21 shall expedite, whenever possible, action on requests for any new technical or
- 22 associate degree program of a vocational-technical or occupational nature.
- 23 (6) The Kentucky Community and Technical College System college faculty senates
- 24 shall have the primary responsibility for determining academic policy and curricula
- 25 development that shall be recommended to the president of the Kentucky
- 26 Community and Technical College System.
- 27 (7) Technical colleges, through their faculty and accrediting procedures, may develop

1 degree programs that shall be considered for approval by the board of regents and
2 the Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~
3 ~~Education]~~. A graduate of a program within three (3) years of the program
4 becoming an accredited degree program shall receive all or partial credit toward the
5 degree, based on criteria established by the institution and approved by the board of
6 regents. The board of regents shall confer degrees and award diplomas for these
7 programs.

8 ➔Section 59. KRS 164.5807 is amended to read as follows:

- 9 (1) Effective upon the affirmative completion of the regional accrediting agency's
10 substantive change process but not later than July 1, 1998, the board of trustees of
11 the University of Kentucky shall delegate to the board of regents of the Kentucky
12 Community and Technical College System the management responsibilities for the
13 University of Kentucky Community College System, except for the Lexington
14 Community College. Responsibilities shall include, but not be limited to,
15 management of facilities and grounds, assets, liabilities, revenues, personnel,
16 programs, financial and accounting services, and support services. In this capacity,
17 the board shall receive and disburse funds and handle other financial matters. The
18 board of regents, in exercising its personnel management responsibilities, shall
19 establish the operating policies and procedures for the University of Kentucky
20 employees in the community colleges. The board of regents shall have the right to
21 appoint and dismiss personnel and to set the compensation for the employees. The
22 president and board of regents of the Kentucky Community and Technical College
23 System shall have jurisdiction over the use and distribution of the resources to
24 operate the system effectively and efficiently.
- 25 (2) All funds that are appropriated to the University of Kentucky Community College
26 System or funds that are allocated in the University of Kentucky budget for
27 administering the community college system shall be transferred and allotted to the

1 board of regents for the benefit of the University of Kentucky Community College
2 System.

3 (a) The board may divide the assets and funds among the specific organizations
4 and institutions within the community college system to meet the mission of
5 the system.

6 (b) Funds held in escrow or invested solely for the purpose of a community
7 college and bequests, and private funds specifically earmarked for a
8 community college may, at the discretion of that local community college, be
9 managed by the University of Kentucky or that local community college.

10 (c) Private funds, foundation funds, and funds raised by a not-for-profit or
11 nonprofit organization for the use and benefit of a specific program or
12 community college shall be used exclusively for that program or that
13 community college.

14 (3) Employees in the University of Kentucky Community College System as of the
15 effective date of the transfer of the management responsibilities of the University of
16 Kentucky Community College System to the Kentucky Community and Technical
17 College System shall be governed by the University of Kentucky administrative
18 regulations as of the effective date of the transfer and any subsequent changes made
19 by the university, except that appeals shall be to the board of regents or to the
20 board's designee. The following provisions shall apply:

21 (a) Accumulated sick leave, compensatory time, and annual leave as of the
22 effective date of the transfer shall be retained by each employee;

23 (b) Employees with tenure shall retain their tenure. Employees without tenure
24 shall earn tenure based on personnel policies in effect at the time of their
25 employment. New employees without tenure shall earn tenure based on the
26 new policies established by the board;

27 (c) Employees shall maintain a salary not less than their previous salary as of the

- 1 effective date of the transfer; and
- 2 (d) All employees hired as of the effective date of the transfer shall be provided
- 3 the same benefit package available for other University of Kentucky
- 4 employees as it may be modified by the University of Kentucky for all
- 5 employees.
- 6 (4) A person employed as of the effective date of the transfer described in subsections
- 7 (1) and (3) of this section in a University of Kentucky Community College may
- 8 elect to participate in the new Kentucky Community and Technical College
- 9 personnel system. An employee who elects to accept this option may not return to
- 10 the previous personnel policy. The employee shall have the right to exercise this
- 11 option at any time.
- 12 (5) New employees hired after July 1, 1997, in the Kentucky Community and
- 13 Technical College System and on and after July 1, 2004, at the Lexington
- 14 Community College shall be governed by the rules established by the board.
- 15 (6) A regular full-time employee may, with prior administrative approval, take one (1)
- 16 course per semester or combination of summer sessions on the University of
- 17 Kentucky's campus or at a community college during the employee's normal
- 18 working hours. The University of Kentucky shall defray the registration fee up to a
- 19 maximum of six (6) credit hours per semester or combination of summer sessions.
- 20 (7) Students enrolled in the University of Kentucky Community College System shall
- 21 have all of the responsibilities, privileges, and rights accorded to University of
- 22 Kentucky Community College System students as of the effective date of the
- 23 transfer described in subsections (1) and (3) of this section. The privileges shall
- 24 include, but not be limited to, tickets to athletic events, homecoming queen
- 25 contests, the Great Teacher Award Contest, and the University of Kentucky
- 26 scholarship programs.
- 27 (8) If any conflict arises between the University of Kentucky board of trustees and the

1 Kentucky Community and Technical College board of regents relating to the
2 delegation of authority from the university to the board of regents in the transfer of
3 the Lexington Community College to the Kentucky Community and Technical
4 College System, the Kentucky Higher Education Assistance Authority~~[Council on~~
5 ~~Postsecondary Education]~~ shall resolve the conflict.

6 (9) Notwithstanding any statute to the contrary, the governance and management
7 responsibilities for the Lexington Community College are delegated to the
8 Kentucky Community and Technical College System. The agreement entitled
9 "Memorandum of Agreement Among the University of Kentucky, the Kentucky
10 Community and Technical College System and Lexington Community College
11 Pursuant to House Joint Resolution 214" signed by the respective institutions on
12 July 1, 2004, shall remain in force and effect after June 20, 2005.

13 ➔Section 60. KRS 164.5833 is amended to read as follows:

14 The universities and the Kentucky Community and Technical College System shall
15 recognize and accept for transfer credit all courses that were accepted for transfer prior to
16 the establishment of the Kentucky Community and Technical College System, unless a
17 substantial change in the content for teaching the course can be demonstrated to have
18 occurred. Disputes on these matters shall be settled by the Kentucky Higher Education
19 Assistance Authority~~[Council on Postsecondary Education]~~.

20 ➔Section 61. KRS 164.588 is amended to read as follows:

21 The Kentucky Community and Technical College System shall reimburse the University
22 of Kentucky at a reasonable cost for any services provided to the system. The services
23 shall include, but not be limited to, library services, processing scholarships and student
24 loans, and all other financial aid services. The board may also contract for services from
25 other providers. The Kentucky Community and Technical College System shall not be
26 assessed by the University of Kentucky for rental charges or other similar fees for the use
27 of real or personal property. The Kentucky Higher Education Assistance

1 ~~Authority~~[~~Council on Postsecondary Education~~] shall resolve any disputes about services
2 to be provided and costs to be charged for the services.

3 ➔Section 62. KRS 164.591 is amended to read as follows:

4 A community college or extension of a community college shall be maintained in each of
5 the following locations: Ashland, Carrollton, Cumberland, Elizabethtown, Glasgow,
6 Henderson, Hopkinsville, Fayette County, Madisonville, Owensboro, Paducah,
7 Prestonsburg, Somerset, Blackey-Hazard, Jefferson County and Mason County. The
8 headquarters of the administration of the Kentucky Community and Technical College
9 System shall be maintained in Woodford County. Western Kentucky University may
10 continue to operate a community college in Bowling Green. Additional extension centers
11 may be established by the board of regents for the Kentucky Community and Technical
12 College System with approval of the Kentucky Higher Education Assistance
13 ~~Authority~~[~~Council on Postsecondary Education~~]. New community colleges shall require
14 approval of the General Assembly.

15 ➔Section 63. KRS 164.602 is amended to read as follows:

16 (1) There shall be a nominating commission for each college board of directors
17 required under KRS 164.600 to provide names of nominees to the Governor for
18 appointment to the board of directors.

19 (2) (a) Each nominating commission shall be composed of five (5) members
20 appointed by the Governor who shall reside in the service area of the college
21 at the time of their appointment. Commission members shall have no conflict
22 of interest in accordance with KRS 45A.340 or have a relative employed by a
23 public postsecondary institution[~~, the Council on Postsecondary Education~~],
24 the Kentucky Higher Education Assistance Authority, the Kentucky Higher
25 Education Student Loan Corporation, or the Kentucky Authority for
26 Educational Television.

27 (b) Members of the nominating commission shall serve four (4) year terms, or

1 until a successor shall be appointed, except the initial appointments shall be as
2 follows:

- 3 1. One (1) member shall serve a one (1) year term;
- 4 2. Two (2) members shall serve a two (2) year term;
- 5 3. One (1) member shall serve a three (3) year term; and
- 6 4. One (1) member shall serve a four (4) year term.

7 (3) The Governor shall appoint commission members who reflect, inasmuch as
8 possible, equal representation of the two (2) sexes and in the context of the total
9 membership of all of the commissions, shall approximate the proportional
10 representation of the two (2) leading political parties and the minority racial
11 composition of the state.

12 (4) (a) The nominating commission shall submit to the Governor the names of three
13 (3) nominees for each position on the board of directors who meet the
14 eligibility criteria for membership under KRS 164.600.

15 (b) In the selection of the nominees, the nominating commission shall consider
16 the needs of the respective college, locate potential appointees, review
17 candidates' qualifications and references, conduct interviews, and carry out
18 other search and screening activities as necessary. The commission shall
19 consider the goals for diversity of membership as set out in subsection (3) of
20 this section.

21 (c) Each appointment to the board of directors shall be made thirty (30) days
22 prior to the expiration of a term or as soon as practicable following an
23 unforeseen vacancy. The Governor may reject all names of nominees and
24 request the submission of three (3) additional names for consideration.

25 (5) The members of the commissions shall be reimbursed for actual and necessary
26 expenditures incurred in the performance of their duties.

27 (6) The nominating commissions shall be attached to the Kentucky Community and

1 Technical College System and the Governor's office staff shall provide staffing and
2 administrative assistance.

3 ➔Section 64. KRS 164.6029 is amended to read as follows:

4 (1) There is created and established in the *Kentucky Higher Education Assistance*
5 *Authority*~~[Council on Postsecondary Education]~~ a Kentucky Rural Innovation
6 Program to provide awards to rural Kentucky-based, small companies to undertake
7 research, development, and entrepreneurial innovation work in partnership with
8 Kentucky postsecondary institutions, the Small Business Development Center
9 Network in Kentucky, and other entities engaged in research and development
10 work.

11 (2) The purpose of the Kentucky Rural Innovation Program is to:

- 12 (a) Accelerate knowledge transfer and technological innovation that improve
13 economic competitiveness and spur economic growth in rural, Kentucky-
14 based, small companies;
- 15 (b) Support entrepreneurial activities that have clear potential to lead to
16 commercially successful products, processes, or services within a reasonable
17 period of time;
- 18 (c) Stimulate growth-oriented enterprises within the Commonwealth;
- 19 (d) Encourage partnerships and collaborative projects between private enterprises,
20 Kentucky's postsecondary institutions, research organizations, and the Small
21 Business Development Center Network in Kentucky; and
- 22 (e) Promote research, development, and entrepreneurial activities that are driven
23 by private sector requirements.

24 ➔Section 65. KRS 164.753 is amended to read as follows:

25 (1) In the instance of loans, the rules and regulations adopted by the board may include,
26 but not be limited to, those which:

- 27 (a) Are necessary to qualify the authority as an insured lender under the Higher

- 1 Education Act of 1965, as amended;
- 2 (b) Require that loans be made only to those eligible students who are unable to
- 3 secure comparable loans from private lenders; and
- 4 (c) Are necessary to qualify the authority as a lender under the Public Health
- 5 Service Act, as amended.
- 6 (2) In the instance of insured student loans and loan guarantees, the rules and
- 7 regulations adopted by the board shall include, but not be limited to, those which
- 8 are necessary to qualify the authority to insure loans under the federal act, as
- 9 amended, and following such qualification to issue loan guarantees to participating
- 10 lenders on any loans advanced by such lenders to eligible students attending or
- 11 planning to attend any participating institution.
- 12 (3) In the instance of scholarships, except scholarships provided pursuant to KRS
- 13 164.518, the rules and regulations adopted by the board shall include, but not be
- 14 limited to, those which:
- 15 (a) Specify ways in which superior academic achievement or ability or special
- 16 talents will be identified and measured;
- 17 (b) Ensure that the amount of scholarship to a student attending or planning to
- 18 attend a participating institution will not exceed the student's total cost of
- 19 attendance, or the maximum scholarship as established by the board,
- 20 whichever is less;
- 21 (c) Restrict scholarships to persons who are classified as resident students under
- 22 the rules and regulations of the Kentucky Higher Education Assistance
- 23 Authority~~[Council on Postsecondary Education]~~;
- 24 (d) Ensure that scholarships are awarded only to eligible students who have
- 25 applied for such federal, state, or institutional student financial assistance
- 26 programs as the authority may require;
- 27 (e) Ensure that scholarships are awarded only to eligible students who are

- 1 planning to enroll, accepted for enrollment, or are enrolled in a participating
2 institution; and
- 3 (f) If eligibility for the scholarship is based on financial need, ensure, by such
4 needs analysis as the authority may require, that the person is in need of the
5 assistance in order to enroll in or complete an eligible program of study as
6 defined by the board.
- 7 (4) In the instance of grants, the rules and regulations adopted by the board shall
8 include, but not be limited to, those which:
- 9 (a) Ensure that the amount of a grant to a student will not exceed the financial
10 need of the student as determined in accordance with paragraph (e) of this
11 subsection or the maximum grant as established by the board, whichever is
12 less;
- 13 (b) Restrict grants to persons who are classified as resident students under the
14 rules and regulations of the Kentucky Higher Education Assistance
15 Authority~~[Council on Postsecondary Education]~~;
- 16 (c) Ensure that grants are awarded only to eligible students who have applied for
17 such federal, state, or institutional student financial assistance programs as the
18 authority may require;
- 19 (d) Ensure that grants are awarded only to eligible students who are planning to
20 enroll, accepted for enrollment, or are enrolled in a participating institution;
21 and
- 22 (e) Ensure, by such needs analysis as the authority may require, that grants be
23 made only to students who have insufficient financial resources to enroll in or
24 complete an eligible program of study as defined by the board.
- 25 (5) Funds appropriated to the financial assistance program established by KRS 164.780
26 and 164.785 shall be administered by the board in accordance with the provisions of
27 KRS 164.780 and 164.785.

- 1 (6) In the instance of work-study payments, rules and regulations adopted by the board
2 shall include, but not be limited to, those which require that:
- 3 (a) The employment opportunity available for the student will not interfere with
4 the student's normal progress toward a degree, diploma, or certificate;
- 5 (b) Contracts to promote increased employment opportunities for eligible students
6 will not result in the displacement of employed workers or impair existing
7 contracts for services; and
- 8 (c) The work-study payment will not exceed the financial need of the student or
9 the maximum payment as established by the board, whichever is less.

10 ➔Section 66. KRS 164.7535 is amended to read as follows:

11 Notwithstanding KRS 164.753(4)(d), the Kentucky Higher Education Assistance
12 Authority may award college access program grants pursuant to KRS 164.753(4), to the
13 extent funds are available for the purpose, to financially needy part-time and full-time
14 undergraduate students, including students enrolled in a program of study designated as
15 an equivalent undergraduate program of study by the authority~~[Council on Postsecondary
16 Education]~~ in an administrative regulation. Grants shall be awarded only to students
17 enrolled or accepted for enrollment at participating institutions located within the
18 Commonwealth. Grants under this section shall be awarded only for attendance in a
19 program of study of at least two (2) academic years' duration. Grants under this section
20 shall be awarded only to students enrolled or accepted for enrollment for attendance in a
21 program of study that leads to a degree, except that grants shall be awarded to students
22 enrolled or accepted for enrollment at publicly operated vocational-technical institutions
23 for attendance in a program of study that leads to a certificate, diploma, or degree or in a
24 comprehensive transition and postsecondary program. For purposes of this section, a
25 student enrolled in a comprehensive transition and postsecondary program shall be
26 considered a part-time student. Awards to recipients attending participating institutions
27 accredited by a regional accrediting association shall not exceed the prevailing amount

1 charged for tuition at publicly-supported community and technical colleges in Kentucky,
2 and awards to recipients attending other participating institutions shall not exceed the
3 prevailing amount charged for tuition at publicly operated vocational-technical
4 institutions in Kentucky. The provisions of this section shall not limit the authority's
5 capability to use funds appropriated for this purpose to match federal funds, make grant
6 awards, adopt administrative regulations that conform to the requirements of federal laws
7 and regulations for full participation in federally-funded student financial assistance
8 programs.

9 ➔Section 67. KRS 164.785 is amended to read as follows:

10 (1) The State of Kentucky shall grant an amount as provided in KRS 164.780 and this
11 section to any applicant who meets the following qualifications:

12 (a) Is a Kentucky resident as defined by the Kentucky *Higher Education*
13 *Assistance Authority*~~[Council on Postsecondary Education]~~; and

14 (b) 1. Has been accepted by or is enrolled as a full-time student in a program
15 of study leading to a postsecondary degree at a Kentucky independent
16 college or university which is accredited by a regional accrediting
17 association recognized by the United States Department of Education
18 and whose institutional programs are not composed solely of sectarian
19 instruction;

20 2. Has been accepted by or is enrolled as a full-time student in a program
21 of study leading to a postsecondary degree at an out-of-state
22 postsecondary education institution licensed by the *Kentucky Higher*
23 *Education Assistance Authority*~~[Council on Postsecondary Education]~~
24 to operate in Kentucky which is accredited by a regional accrediting
25 association recognized by the United States Department of Education
26 and whose institutional programs are not composed solely of sectarian
27 instruction; or

1 3. Has been accepted or is enrolled as a student in a comprehensive
2 transition and postsecondary program at an institution described in
3 subparagraph 1. of this paragraph. For purposes of this section, a student
4 enrolled in a comprehensive transition and postsecondary program shall
5 be considered a part-time student, and the grant amount shall be adjusted
6 accordingly by the Kentucky Higher Education Assistance Authority.

7 An otherwise eligible student having a disability defined by Title II of the
8 Americans with Disabilities Act (42 U.S.C. secs. 12131 et seq.), certified by a
9 licensed physician to be unable to attend the eligible program of study full-
10 time because of the disability may also qualify under this paragraph; and

11 (c) Has not previously attended college or university more than the maximum
12 number of academic terms established by the authority in administrative
13 regulations.

14 (2) The amount of the tuition grant to be paid to a student each semester, or appropriate
15 academic term, shall be determined by the Kentucky Higher Education Assistance
16 Authority.

17 (3) The maximum amount shall not exceed fifty percent (50%) of the average state
18 appropriation per full-time equivalent student enrolled in all public institutions of
19 higher education. Such tuition grants are to be calculated annually by the Kentucky
20 Higher Education Assistance Authority.

21 (4) The need of each applicant shall be determined by acceptable need analysis such as
22 use of the free application for federal student aid in conjunction with Part E of the
23 federal act, 20 U.S.C. secs. 1087kk through 1087vv, and such other analyses as the
24 authority may determine, subject to the approval by the United States Secretary of
25 Education.

26 (5) An adjustment shall be made in the tuition grant of any student awarded a
27 scholarship from any other source provided the combination of grants and awards

1 exceeds the calculated need of the student.

2 (6) Accepted or enrolled students qualifying under the provisions of subsection (1)(b)
3 of this section prior to the 2011-2012 academic year shall be under those provisions
4 and continue under those provisions until June 30, 2014.

5 (7) Beginning with the 2011-2012 academic year, and each year thereafter:

6 (a) A student may enroll and receive a Kentucky tuition grant at any Kentucky
7 independent college or university whose institutional programs are not
8 composed solely of sectarian instruction and is accredited by:

9 1. The Southern Association of Colleges and Schools; or

10 2. a. A national accreditation agency that is recognized by the United
11 States Department of Education; and

12 b. Is a college or university eligible to receive federal funding under
13 20 U.S.C. secs. 1061 to 1063;

14 (b) Programs or campuses of any out-of-state postsecondary education institution
15 that is licensed by the Kentucky Higher Education Assistance
16 Authority~~[Council on Postsecondary Education]~~ to operate in Kentucky and
17 whose institutional programs are not composed solely of sectarian instruction
18 shall be accredited by the Southern Association of Colleges and Schools in
19 order to qualify as an eligible institution in which a student may enroll and
20 receive a Kentucky tuition grant, except as provided in paragraph (c) of this
21 subsection; and

22 (c) Programs or campuses of any out-of-state postsecondary education institution
23 that is licensed by the Kentucky Higher Education Assistance
24 Authority~~[Council on Postsecondary Education]~~ to operate in Kentucky and
25 whose institutional programs are not composed solely of sectarian instruction,
26 but in which accreditation by the Southern Association of Colleges and
27 Schools is not an option, shall be reviewed and approved by the Kentucky

1 Higher Education Assistance Authority~~[Council on Postsecondary~~
2 ~~Education]~~ based on accreditation criteria that mirrors Southern Association
3 of Colleges and Schools accreditation criteria in order to qualify as an eligible
4 institution in which a student may enroll and receive a Kentucky tuition grant.
5 All costs associated with the institutional reviews shall be the responsibility of
6 the institution seeking approval by the authority~~[council]~~. The
7 authority~~[Council on Postsecondary Education]~~ shall promulgate
8 administrative regulations in accordance with KRS Chapter 13A to carry out
9 the provisions of this paragraph.

10 ➔Section 68. KRS 164.786 is amended to read as follows:

11 (1) For purposes of this section:

- 12 (a) "Academic term" means the fall or spring academic semester;
- 13 (b) "Academic year" means July 1 through June 30 of each year;
- 14 (c) "Approved dual credit course" means a dual credit course developed in
15 accordance with KRS 164.098 and shall include general education courses
16 and career and technical education courses within a career pathway approved
17 by the Kentucky Department of Education that leads to an industry-
18 recognized credential;
- 19 (d) "Authority" means the Kentucky Higher Education Assistance Authority;
- 20 (e) "Dual credit" has the same meaning as in KRS 158.007;
- 21 (f) "Dual credit tuition rate ceiling" means one-third (1/3) of the per credit hour
22 tuition amount charged by the Kentucky Community and Technical College
23 System for in-state students;
- 24 (g) "Eligible high school student" means a student who:
- 25 1. Is a Kentucky resident;
- 26 2. Is enrolled in a Kentucky high school as a senior or junior;
- 27 3. Has completed a thirty (30) minute college success counseling session;

1 and

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

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

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

7 2. Charges no more than the dual credit tuition rate ceiling per credit hour,
8 including any additional fees, for any dual credit course it offers to any
9 Kentucky public or nonpublic high school student;

10 3. Does not charge any tuition or fees to an eligible high school student for
11 an approved dual credit course beyond what is paid by the Dual Credit
12 Scholarship Program when the course is not successfully completed; and

13 4. Is a:

14 a. Kentucky Community and Technical College System institution;

15 b. Four (4) year Kentucky public college or university; or

16 c. Four (4) year private college or university that is accredited by the
17 Southern Association of Colleges and Schools and whose main
18 campus is located in Kentucky; and

19 (i) "Successfully completed" means a student receiving both secondary and
20 postsecondary credit upon completion of an approved dual credit course.

21 (2) To promote dual credit coursework opportunities at no cost to eligible Kentucky
22 high school students, the General Assembly hereby establishes the Dual Credit
23 Scholarship Program.

24 (3) In consultation with the Education and Labor Cabinet, the authority shall administer
25 the Dual Credit Scholarship Program and shall promulgate administrative
26 regulations in accordance with KRS Chapter 13A as may be needed for the
27 administration of the program.

- 1 (4) (a) Each high school shall apply to the authority for dual credit scholarship funds
2 for each eligible high school student.
- 3 (b) The authority may award a dual credit scholarship to an eligible high school
4 student for an academic term to the extent funds are available for that purpose,
5 except that a scholarship shall be awarded to an eligible high school senior
6 prior to awarding an eligible high school junior.
- 7 (c) An eligible high school student may receive a dual credit scholarship for a
8 maximum of two (2) successfully completed dual credit courses.
- 9 (d) The dual credit scholarship award amount shall be equal to the amount
10 charged by a participating institution, not to exceed the dual credit tuition rate
11 ceiling for each dual credit hour, except the scholarship amount shall be
12 reduced by fifty percent (50%) if the dual credit course is not successfully
13 completed by the student.
- 14 (e) Dual credit scholarship funds shall not be used for remedial or developmental
15 coursework.
- 16 (5) Each participating institution shall submit information each academic term to the
17 authority required for the administration of the scholarship as determined by the
18 authority.
- 19 (6) Beginning August 1, 2017, and each year thereafter, the authority shall provide a
20 report to the secretary of the Education and Labor Cabinet~~], the president of the~~
21 ~~Council on Postsecondary Education]~~, and the commissioner of the Kentucky
22 Department of Education to include:
- 23 (a) The number of students, by local school district and in total, served by the
24 Dual Credit Scholarship Program; and
- 25 (b) The number of dual 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 or unencumbered balances in the trust fund shall be invested as
13 provided in KRS 42.500(9). Income earned from the investments shall be
14 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 69. 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 and, for students with intellectual disabilities
23 enrolled in comprehensive transition and postsecondary programs, affordable
24 access to meaningful credentials to prepare for competitive integrated employment.

25 (2) For purposes of this section:

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

- 1 (b) "Academic year" means July 1 through June 30 of each year;
- 2 (c) "Approved dual credit course" means a dual credit course developed in
3 accordance with KRS 164.098 that is a career and technical education course
4 within a career pathway approved by the Kentucky Department of Education
5 that leads to an industry-recognized credential;
- 6 (d) "Dual credit tuition rate ceiling" means the same as defined in 164.786;
- 7 (e) "Eligible institution" means an institution defined in KRS 164.001 that:
- 8 1. Actively participates in the federal Pell Grant program;
- 9 2. Executes a contract with the authority on terms the authority deems
10 necessary or appropriate for the administration of its programs;
- 11 3. Charges no more than the dual credit tuition rate ceiling per credit hour,
12 including any additional fees, for any dual credit course it offers to any
13 Kentucky public or nonpublic high school student; and
- 14 4. Is a:
- 15 a. Kentucky Community and Technical College System institution;
- 16 b. Kentucky public university; or
- 17 c. College, university, or vocational-technical school that is
18 accredited by a recognized regional or national accrediting body
19 and licensed to operate at a site in Kentucky;
- 20 (f) "Eligible program of study" means a program approved by the authority that
21 leads to an industry-recognized certificate, diploma, or associate of applied
22 science degree in one (1) of Kentucky's top five (5) high-demand workforce
23 sectors identified by the Kentucky Workforce Innovation Board and the
24 Education and Labor Cabinet or a program of study in a comprehensive
25 transition and postsecondary program that leads to a credential, certificate,
26 diploma, or degree;
- 27 (g) "Fees" means mandatory fees charged by an eligible institution for enrollment

1 in a course, including but not limited to online course fees, lab fees, and
2 administrative fees. "Fees" does not include tools, books, or other
3 instructional materials that may be required for a course; and

4 (h) "Tuition" means the in-state tuition charged to all students as a condition of
5 enrollment in an eligible institution.

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

12 (4) An eligible high school student shall:

13 (a) Be a Kentucky resident;

14 (b) Be enrolled in a Kentucky high school;

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

17 (d) Complete and submit a Work Ready Kentucky Scholarship dual credit
18 application to the authority.

19 (5) An eligible workforce student shall:

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

21 (b) Be a Kentucky resident as determined by the eligible institution in accordance
22 with criteria established by the **Kentucky Higher Education Assistance**
23 **Authority**~~[Council on Postsecondary Education]~~ for the purposes of admission
24 and tuition assessment;

25 (c) 1. Have earned a high school diploma or a High School Equivalency
26 Diploma or be enrolled in a High School Equivalency Diploma
27 program; or

- 1 2. For a student enrolled in a comprehensive transition and postsecondary
2 program, have received an alternative high school diploma described in
3 KRS 158.140(2)(b) or have attended a Kentucky public high school and
4 is a student with an intellectual disability as defined in 34 C.F.R. sec.
5 668.231;
- 6 (d) Not have earned an associate's degree or higher level postsecondary degree;
- 7 (e) Complete the Free Application for Federal Student Aid for the academic year
8 in which the scholarship is awarded;
- 9 (f) Complete and submit a Work Ready Kentucky Scholarship application to the
10 authority;
- 11 (g) Enroll in an eligible program of study at an eligible institution;
- 12 (h) Not be enrolled in an ineligible degree program, such as a bachelor or
13 unapproved associate program, at any postsecondary institution;
- 14 (i) Following the first academic term scholarship funds are received, achieve and
15 maintain satisfactory academic progress as determined by the eligible
16 institution; and
- 17 (j) Not be in default on any program under Title IV of the federal act or any
18 obligation to the authority under any program administered by the authority
19 under KRS 164.740 to 164.7891 or 164.7894, except that ineligibility for this
20 reason may be waived by the authority for cause.
- 21 (6) (a) Beginning with the 2019-2020 academic year, the authority shall award a
22 Work Ready Kentucky Scholarship each academic term to any person who
23 meets the requirements of this section to the extent funds are available for that
24 purpose.
- 25 (b) The scholarship amount awarded to an eligible workforce student for an
26 academic term shall be the amount remaining after subtracting the student's
27 federal and state grants and scholarships from the maximum scholarship

1 amount. The maximum scholarship amount shall be the per credit hour in-
2 state tuition rate at the Kentucky Community and Technical College System
3 multiplied by the number of credit hours in which the student is enrolled and
4 the fees charged to the student. The authority shall promulgate an
5 administrative regulation in accordance with KRS Chapter 13A to specify the
6 maximum amount to be awarded for fees, except that for the 2019-2020
7 academic year the amount awarded for fees shall not exceed four hundred
8 dollars (\$400).

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

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

- 16 1. Receiving the scholarship for a total of sixty (60) credit hours; or
- 17 2. Obtaining an associate's degree.

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

22 (8) The authority shall annually provide a report on the Work Ready Kentucky
23 Scholarship Program, prepared in collaboration with the Office for Education and
24 Workforce Statistics, to the secretary of the Education and Labor Cabinet that
25 includes, by academic term, academic year, institution, and workforce sector, the
26 number of:

27 (a) Students served by the scholarship and the total amount disbursed;

1 (b) Credits, certificates, diplomas, and associate of applied science degrees earned
2 by students receiving the scholarship; and

3 (c) Students receiving the scholarship who are enrolled in a comprehensive
4 transition and postsecondary program and credentials earned by those
5 students.

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

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

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

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

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

22 ➔Section 70. KRS 164.7870 is amended to read as follows:

23 (1) The General Assembly hereby establishes the Optometry Scholarship Program to
24 provide eligible Kentucky students the opportunity to attend an accredited school of
25 optometry to become certified practitioners rendering medical service in the
26 Commonwealth.

27 (2) For purposes of this section:

- 1 (a) "Authority" means the Kentucky Higher Education Assistance Authority;
- 2 (b) "Eligible institution" means an accredited school of optometry that:
- 3 1. Is the Kentucky College of Optometry; or
- 4 2. a. Has a main campus outside the Commonwealth; and
- 5 b. Executes an agreement with the authority on terms the authority
- 6 deems necessary or appropriate for administration of the program;
- 7 (c) "Eligible program of study" means a program accredited by the Accreditation
- 8 Council on Optometric Education that leads to a Doctor of Optometry degree;
- 9 (d) "Eligible student" means any person who:
- 10 1. Is a United States citizen;
- 11 2. Is a Kentucky resident as determined by the institution in accordance
- 12 with criteria established by the authority~~[Council on Postsecondary~~
- 13 ~~Education]~~ for the purposes of admission and tuition assessment;
- 14 3. Is enrolled or accepted for enrollment at an eligible institution in an
- 15 eligible program of study on a full-time basis;
- 16 4. Completes and submits an optometry scholarship application to the
- 17 authority; and
- 18 5. Is not in default on any program under Title IV of the federal act or any
- 19 obligation to the authority under any program administered by the
- 20 authority under KRS 164.740 to 164.785 or 164.7894, except that
- 21 ineligibility for this reason may be waived by the authority for cause;
- 22 and
- 23 (e) "Optometry Scholarship Committee" means a group of individuals selected in
- 24 accordance with regulations promulgated by the authority whose membership
- 25 shall be composed of:
- 26 1. A representative from the Kentucky Optometric Association;
- 27 2. A representative from the Kentucky College of Optometry;

- 1 3. Two (2) at-large members with optometric education experience; and
- 2 4. One (1) representative from an eligible institution located outside the
- 3 Commonwealth.
- 4 (3) The authority shall administer the Optometry Scholarship Program and shall
- 5 promulgate administrative regulations in accordance with KRS Chapter 13A as may
- 6 be needed for the administration of the program.
- 7 (4) Beginning with the 2021-2022 academic year, the authority may award an
- 8 optometry scholarship under this section, to the extent funds are available for that
- 9 purpose, to any eligible student who is selected by the Optometry Scholarship
- 10 Committee to be a recipient.
- 11 (5) A minimum of one-third (1/3) of the amount appropriated for scholarships under
- 12 this section shall be awarded to eligible students attending an eligible institution
- 13 located in the Commonwealth.
- 14 (6) Should funds be insufficient to award all eligible students, those previously
- 15 receiving tuition assistance through the optometry contract spaces program
- 16 administered by the authority~~[Council on Postsecondary Education]~~ shall receive
- 17 priority until such time they complete or withdraw from an eligible program of
- 18 study or have received assistance for four (4) years of study.
- 19 (7) The authority shall provide an annual report on the Optometry Scholarship Program
- 20 to the General Assembly that includes the:
- 21 (a) Number of students served by the scholarship, the total amount disbursed, and
- 22 distribution by institution;
- 23 (b) Number of recipients completing an eligible program and the number
- 24 practicing in Kentucky following program completion; and
- 25 (c) Geographic distribution and occupational demand of optometrists in the state.
- 26 (8) (a) The Optometry Scholarship Program fund is hereby created as a trust fund in
- 27 the State Treasury to be administered by the authority for the purpose of

1 providing scholarships described in this section.

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

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

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

12 ➔Section 71. KRS 164.7874 is amended to read as follows:

13 As used in KRS 164.7871 to 164.7885:

14 (1) "Academic term" means a semester or other time period specified in an
15 administrative regulation promulgated by the authority;

16 (2) "Academic year" means a period consisting of at least the minimum school term, as
17 defined in KRS 158.070;

18 (3) "ACT score" means the composite score achieved on the American College Test at
19 a national test site on a national test date or the college admissions examination
20 administered statewide under KRS 158.6453(5)(b)5. if the exam is the ACT, or an
21 equivalent score, as determined by the authority, on the SAT administered by the
22 College Board, Inc.;

23 (4) "Authority" means the Kentucky Higher Education Assistance Authority;

24 (5) "Award period" means the fall and spring consecutive academic terms within one
25 (1) academic year;

26 (6) ~~["Council" means the Council on Postsecondary Education created under KRS~~
27 ~~164.011;~~

1 ~~(7)~~ "Eligible high school student" means any person who:

2 (a) Is a citizen, national, or permanent resident of the United States and Kentucky
3 resident;

4 (b) Was enrolled after July 1, 1998:

5 1. In a Kentucky high school for at least one hundred forty (140) days of
6 the minimum school term unless exempted by the authority's executive
7 director upon documentation of extreme hardship, while meeting the
8 KEES curriculum requirements, and was enrolled in a Kentucky high
9 school at the end of the academic year;

10 2. In a Kentucky high school for the fall academic term of the senior year
11 and who:

12 a. Was enrolled during the entire academic term;

13 b. Completed the high school's graduation requirements during the
14 fall academic term; and

15 c. Was not enrolled in a secondary school during any other academic
16 term of that academic year; or

17 3. In the Gatton Academy of Mathematics and Science in Kentucky, the
18 Craft Academy for Excellence in Science and Mathematics, or in high
19 school at a model and practice school under KRS 164.380 while meeting
20 the Kentucky educational excellence scholarship curriculum
21 requirements;

22 (c) Has a grade point average of 2.5 or above at the end of any academic year
23 beginning after July 1, 1998, or at the end of the fall academic term for a
24 student eligible under paragraph (b) 2. of this subsection; and

25 (d) Is not a convicted felon;

26 ~~(7)~~~~(8)~~ "Eligible postsecondary student" means a citizen, national, or permanent
27 resident of the United States and Kentucky resident, as determined by the

1 participating institution in accordance with criteria established by the
2 authority~~[[council]]~~ for the purposes of admission and tuition assessment, who:

- 3 (a) Earned a KEES award;
- 4 (b) Has the required postsecondary GPA and credit hours required under KRS
5 164.7881;
- 6 (c) Has remaining semesters of eligibility under KRS 164.7881;
- 7 (d) Is enrolled in a participating institution as a part-time or full-time student; and
- 8 (e) Is not a convicted felon;

9 (8)~~[[9]]~~ "Full-time student" means a student enrolled in a postsecondary program of
10 study that meets the full-time student requirements of the participating institution in
11 which the student is enrolled;

12 (9)~~[[10]]~~ "Grade point average" or "GPA" means the grade point average earned by an
13 eligible student and reported by the high school or participating institution in which
14 the student was enrolled based on a scale of 4.0 or its equivalent if the high school
15 or participating institution that the student attends does not use the 4.0 grade scale;

16 (10)~~[[11]]~~ "High school" means any Kentucky public high school, the Gatton Academy
17 of Mathematics and Science in Kentucky, the Craft Academy for Excellence in
18 Science and Mathematics, a high school of a model and practice school under KRS
19 164.380, and any private, parochial, or church school located in Kentucky that has
20 been certified by the Kentucky Board of Education as voluntarily complying with
21 curriculum, certification, and textbook standards established by the Kentucky Board
22 of Education under KRS 156.160;

23 (11)~~[[12]]~~ "KEES" or "Kentucky educational excellence scholarship" means a
24 scholarship provided under KRS 164.7871 to 164.7885;

25 (12)~~[[13]]~~ "KEES award" means:

- 26 (a) For an eligible high school student, the sum of the KEES base amount for
27 each academic year of high school plus any KEES supplemental amount, as

1 adjusted pursuant to KRS 164.7881; and

2 (b) For a student eligible under KRS 164.7879(3)(e), the KEES supplemental
3 amount as adjusted pursuant to KRS 164.7881;

4 ~~(13)~~~~(14)~~ "KEES award maximum" means the sum of the KEES base amount earned in
5 each academic year of high school plus any KEES supplemental amount earned;

6 ~~(14)~~~~(15)~~ "KEES base amount" or "base amount" means the amount earned by an
7 eligible high school student based on the student's GPA pursuant to KRS 164.7879;

8 ~~(15)~~~~(16)~~ "KEES curriculum" means five (5) courses of study, except for students who
9 meet the criteria of subsection ~~(6)~~~~(7)~~(b)2. of this section, in an academic year as
10 determined in accordance with an administrative regulation promulgated by the
11 authority;

12 ~~(16)~~~~(17)~~ "KEES supplemental amount" means the amount earned by an eligible student
13 based on the student's ACT score pursuant to KRS 164.7879;

14 ~~(17)~~~~(18)~~ "KEES trust fund" means the Wallace G. Wilkinson Kentucky educational
15 excellence scholarship trust fund;

16 ~~(18)~~~~(19)~~ "On track to graduate" means the number of cumulative credit hours earned as
17 compared to the number of hours determined by the postsecondary education
18 institution as necessary to complete a bachelor's degree by the end of eight (8)
19 academic terms or ten (10) academic terms if a student is enrolled in an
20 undergraduate program that requires five (5) years of study;

21 ~~(19)~~~~(20)~~ "Participating institution" means an "institution" as defined in KRS 164.001
22 that is eligible to participate in the federal Pell Grant program, executes a contract
23 with the authority on terms the authority deems necessary or appropriate for the
24 administration of its programs, and:

25 (a) 1. Is publicly operated;

26 2. Is licensed by the Commonwealth of Kentucky and has operated for at
27 least ten (10) years, offers an associate or baccalaureate degree program

1 of study not comprised solely of sectarian instruction, and admits as
2 regular students only high school graduates, recipients of a High School
3 Equivalency Diploma, or students transferring from another accredited
4 degree granting institution; or

5 3. Is designated by the authority as an approved out-of-state institution that
6 offers a degree program in a field of study that is not offered at any
7 institution in the Commonwealth; and

8 (b) Continues to commit financial resources to student financial assistance
9 programs; and

10 ~~(20)~~~~(21)~~ "Part-time student" means a student enrolled in a postsecondary program of
11 study who does not meet the full-time student requirements of the participating
12 institution in which the student is enrolled and who is enrolled for at least six (6)
13 credit hours, or the equivalent for an institution that does not use credit hours.

14 ➔Section 72. KRS 164.7884 is amended to read as follows:

15 (1) As used in this section:

16 (a) "Academic year" means July 1 through June 30 of each year;

17 (b) "Apprentice" has the same meaning as in KRS 343.010;

18 (c) "Approved workforce solutions training program" means a local high-demand
19 work sector training program that is approved by the authority and is offered
20 by the Kentucky Community and Technical College System through
21 consultation with representatives of the local workforce development area and
22 the local Kentucky Community and Technical College System campus where
23 the program will be offered;

24 (d) "Eligible college of art and design" means a college that:

25 1. Qualifies as a tax exempt organization pursuant to Section 501(c)(3) of
26 the Internal Revenue Code:

27 2. Is conditionally or unconditionally licensed by the Kentucky Higher

- 1 **Education Assistance Authority**~~[Council on Postsecondary Education]~~;
- 2 3. Is a candidate for accreditation by a regional accrediting association
- 3 recognized by the United States Department of Education;
- 4 4. Has its main campus physically located in Kentucky;
- 5 5. Limits its degree program offerings to the area of fine arts; and
- 6 6. Does not qualify as a participating institution as defined in KRS
- 7 164.7874;
- 8 (e) "Eligible student" means an eligible high school student who has graduated
- 9 from high school or a student eligible under KRS 164.7879(3)(e);
- 10 (f) "Proprietary school" means a school that:
- 11 1. Is licensed by the Kentucky Commission on Proprietary Education;
- 12 2. Has operated for at least five (5) years;
- 13 3. Has its headquarters or main campus physically located in Kentucky;
- 14 and
- 15 4. Does not qualify as a participating institution under KRS 164.7874
- 16 (19)~~[(20)]~~;
- 17 (g) "Qualified proprietary school program" means a program offered by a
- 18 proprietary school that is in the field of agriculture as defined in KRS 246.010
- 19 or is in one (1) of Kentucky's top five (5) high-demand work sectors as
- 20 determined by the Kentucky Workforce Innovation Board;
- 21 (h) "Qualified workforce training program" means a program that is in one (1) of
- 22 Kentucky's top five (5) high-demand work sectors as determined by the
- 23 Kentucky Workforce Innovation Board;
- 24 (i) "Registered apprenticeship program" means an apprenticeship program that:
- 25 1. Is established in accordance with the requirements of KRS Chapter 343;
- 26 2. Requires a minimum of two thousand (2,000) hours of on-the-job work
- 27 experience;

- 1 3. Requires a minimum of one hundred forty-four (144) hours of related
2 instruction for each year of the apprenticeship; and
- 3 4. Is approved by the Education and Labor Cabinet;
- 4 (j) "Related instruction" has the same meaning as in KRS 343.010; and
- 5 (k) "Sponsor" has the same meaning as in KRS 343.010.
- 6 (2) Notwithstanding KRS 164.7881, an eligible student who earned a KEES award
7 shall be eligible for a Kentucky educational excellence scholarship if the student
8 meets the requirements of this section and is:
- 9 (a) An apprentice in a registered apprenticeship program;
- 10 (b) Enrolled in a qualified workforce training program that has a current
11 articulation agreement for postsecondary credit hours with a participating
12 institution;
- 13 (c) Enrolled in a qualified proprietary school program;
- 14 (d) Enrolled in an approved workforce solutions training program; or
- 15 (e) Enrolled in an eligible college of art and design.
- 16 (3) (a) Beginning with the 2018-2019 academic year, an eligible student enrolled in a
17 registered apprenticeship program or, for the academic year beginning July 1,
18 2020, an eligible student enrolled in a qualified workforce training program
19 or, for the academic year beginning July 1, 2023, an eligible student enrolled
20 in a qualified proprietary school program, an approved workforce solutions
21 training program, or an eligible college of art and design, may receive
22 reimbursement of tuition, books, required tools, and other approved expenses
23 required for participation in the program, upon certification by the sponsor,
24 school, or college and approval by the authority.
- 25 (b) The reimbursement amount an eligible student may receive in an academic
26 year shall not exceed the student's KEES award maximum.
- 27 (c) The total reimbursement amount an eligible student may receive under this

1 section shall not exceed the student's KEES award maximum multiplied by
2 four (4).

3 (4) Eligibility for a KEES scholarship under this section shall terminate upon the earlier
4 of:

5 (a) The expiration of five (5) years following the eligible student's graduation
6 from high school or receiving a High School Equivalency Diploma, except as
7 provided in KRS 164.7881(5); or

8 (b) The eligible student's successful completion of the registered apprenticeship
9 program, qualified workforce training program, qualified proprietary school
10 program, or approved workforce solutions training program.

11 (5) The authority shall promulgate administrative regulations establishing the
12 procedures for making awards under this section in consultation with the Kentucky
13 Education and Labor Cabinet and the Kentucky Economic Development Cabinet.

14 ➔Section 73. KRS 164.7890 is amended to read as follows:

15 (1) To ensure the public health purpose of access to pharmaceutical services in the
16 coal-producing counties of the Commonwealth, which have been traditionally
17 underserved for pharmaceutical services due to a shortage of pharmacists in the
18 Commonwealth, the General Assembly hereby establishes a coal county scholarship
19 program to provide eligible Kentucky students the opportunity to attend an
20 accredited school of pharmacy or a provisionally accredited school of pharmacy in
21 the Commonwealth, and to become certified pharmacists in the Commonwealth,
22 provided that the scholarship recipient agrees to practice pharmacy in a coal-
23 producing county for each year a scholarship is provided.

24 (2) "Coal-producing county" as used in this section has the same meaning as in KRS
25 42.4592(1)(c).

26 (3) The authority may award scholarships, to the extent funds are available for that
27 purpose, to any person who:

- 1 (a) Is a Kentucky resident;
- 2 (b) Is considered a permanent resident of a coal-producing county for at least one
- 3 (1) year immediately preceding July 1 of the academic year in which the
- 4 scholarship is made for students who first receive a scholarship under this
- 5 section on or after July 1, 2014;
- 6 (c) Is a United States citizen as determined by the institution in accordance with
- 7 criteria established by the Kentucky Higher Education Assistance
- 8 Authority~~[Council on Postsecondary Education]~~ for the purposes of admission
- 9 and tuition assessment;
- 10 (d) Is enrolled or accepted for enrollment in a Pharm.D. program at an accredited
- 11 institution or a provisionally accredited institution in the Commonwealth on a
- 12 full-time basis, or is a student who has a disability defined by Title II of the
- 13 Americans with Disabilities Act, 42 U.S.C. secs. 12131 et seq., certified by a
- 14 licensed physician to be unable to attend the eligible program of study full-
- 15 time because of the disability;
- 16 (e) Agrees to render one (1) year of qualified service in a coal-producing county
- 17 of the Commonwealth for each year the scholarship was awarded. "Qualified
- 18 service" means a full-time practice in a coal-producing county of the
- 19 Commonwealth of Kentucky as a licensed pharmacist for a majority of the
- 20 calendar year, except that an individual having a disability defined by Title II
- 21 of the Americans with Disabilities Act, 42 U.S.C. secs. 12131 et seq., whose
- 22 disability, certified by another licensed physician, prevents him or her from
- 23 practicing full-time, shall be deemed to perform qualified service by
- 24 practicing the maximum time permitted by the attending physician, in the
- 25 coal-producing county; and
- 26 (f) Agrees to sign a promissory note as evidence of the scholarship awarded and
- 27 the obligation to repay the scholarship amount or render pharmacy service as

1 agreed in lieu of payment.

2 (4) (a) Notwithstanding KRS 164.753(3), the amount of the scholarship shall not
3 exceed forty percent (40%) of the approximate average of first professional
4 year in-state tuition for all pharmacy schools in the United States. The
5 authority shall establish, by administrative regulation a procedure for
6 awarding scholarships which shall give preference to students residing in
7 coal-producing counties and which shall establish procedures to award
8 scholarships should funding be insufficient to award scholarships to all
9 eligible students. The authority may also, by administrative regulation,
10 establish scholarship amounts based on demonstration of initial financial need
11 by eligible students.

12 (b) The actual amount of the scholarship awarded to each eligible student by the
13 authority for each semester shall be based on the amount of funds available
14 and the criteria established under paragraph (a) of this subsection.

15 (5) (a) The authority shall require each student receiving a scholarship to execute a
16 promissory note as evidence of the obligation.

17 (b) The recipient shall render one (1) year of qualified service in a coal-producing
18 county for each year the scholarship was awarded. Upon completion of each
19 year of qualified service in a coal-producing county, the authority shall cancel
20 the appropriate number of promissory notes. Promissory notes shall be
21 canceled by qualified service in the order in which the promissory notes were
22 executed. Service credit shall not include residency service.

23 (c) If a recipient fails to complete an eligible program of study, or fails to render
24 service as a pharmacist as agreed in this subsection, the recipient shall be
25 liable for the total repayment of the sum of all outstanding promissory notes
26 and accrued interest.

27 (6) Any person who is in default on any obligation to the authority under any program

1 administered by the authority under KRS 164.740 to 164.785 shall not be awarded a
2 scholarship or have a promissory note canceled until all financial obligations to the
3 authority are satisfied, except that ineligibility for this reason may be waived by the
4 authority for cause.

5 (7) A repayment obligation imposed by this section shall not be voidable by reason of
6 the age of the recipient at the time of executing the promissory note.

7 (8) Failure to meet repayment obligations imposed by this section shall be cause for the
8 revocation of the scholarship recipient's license to practice pharmacy, subject to the
9 procedures set forth in KRS Chapter 311.

10 (9) Notwithstanding KRS 164.753(3), the authority shall establish by administrative
11 regulation procedures for the administration of this program, including but not
12 limited to the execution of appropriate contracts and promissory notes, cancellation
13 of obligations, the rate of repayment, and deferment of repayment of outstanding
14 debt.

15 (10) Notwithstanding any other statute to the contrary, the maximum interest rate
16 applicable to repayment of a promissory note under this section shall be twelve
17 percent (12%) per annum, except that if a judgment is rendered to recover payment,
18 the judgment shall bear interest at the rate of five percent (5%) greater than the rate
19 actually charged on the promissory note.

20 (11) (a) The coal county pharmacy scholarship fund is hereby created as a revolving
21 fund in the State Treasury to be administered by the Kentucky Higher
22 Education Assistance Authority for the purpose of providing scholarships to
23 qualifying students studying pharmacy in schools in the Commonwealth.

24 (b) The fund shall consist of amounts transferred from coal severance tax receipts
25 as provided in paragraph (c) of this subsection and any other proceeds from
26 grants, contributions, appropriations, or other moneys made available for the
27 fund.

- 1 (c) 1. Receipts from the coal severance tax levied under KRS 143.020 shall be
2 transferred to the fund on an annual basis in an amount not to exceed the
3 lesser of:
- 4 a. Four percent (4%) of the total annual coal severance tax revenues
5 collected under KRS 143.020; or
- 6 b. The amount necessary to provide full funding for all students who
7 qualify for a scholarship under this section, considering all other
8 resources available.
- 9 2. Transfers required by subparagraph 1. of this paragraph shall be made as
10 follows:
- 11 a. On or before August 1 of each year, sixty-five percent (65%) of
12 the amount of funding provided for in this paragraph shall be
13 transferred to the fund; and
- 14 b. The remaining thirty-five percent (35%) shall be transferred on or
15 before December 1 of each year.
- 16 3. The amount transferred shall be based upon the prevailing revenue
17 estimate for coal severance tax receipts at the time each transfer is made.
- 18 (d) Any unallotted or unencumbered balances in the trust fund shall be invested
19 as provided in KRS 42.500(9).
- 20 (e) Income earned from the investments shall be credited to the trust fund.
- 21 (f) Notwithstanding KRS 45.229, any fund balance at the close of the fiscal year
22 shall not lapse but shall be transferred to the Osteopathic Medicine
23 Scholarship Program described in KRS 164.7891 within ninety (90) days of
24 the end of the fiscal year.
- 25 (g) All amounts included in the fund shall be continuously appropriated only for
26 the purposes specified in this section.
- 27 (h) A general statement that all continuing appropriations are repealed,

1 discontinued, or suspended shall not operate to repeal, discontinue, or suspend
2 this fund or to repeal this action.

3 (i) All moneys repaid to the authority under this section shall be added to the
4 fund.

5 ➔Section 74. KRS 164.7891 is amended to read as follows:

6 (1) It is the intent of the General Assembly to establish a scholarship program to
7 provide eligible Kentucky students the opportunity to attend an accredited
8 osteopathic school of medicine located in the Commonwealth and become certified
9 practitioners rendering medical service in the Commonwealth.

10 (2) The Kentucky Higher Education Assistance Authority may award scholarships, to
11 the extent funds are available for that purpose, to persons who declare an intent to
12 become osteopaths and practice in the Commonwealth and who are eligible under
13 subsection (4) of this section.

14 (3) The authority may award scholarships to students who meet the following criteria:

15 (a) Kentucky residents who are United States citizens as determined by the
16 institution in accordance with criteria established by the ~~authority~~authority~~Council on~~
17 ~~Postsecondary Education~~ for the purposes of admission and tuition
18 assessment;

19 (b) Students who are enrolled or accepted for enrollment in an eligible program of
20 study accredited by the Bureau of Professional Education of the American
21 Osteopathy Association or its successor, on a full-time basis, or eligible
22 students who have a disability defined by Title II of the Americans with
23 Disabilities Act, 42 U.S.C. secs. 12131 et seq., certified by a licensed
24 physician to be unable to attend the eligible program of study full-time
25 because of the disability;

26 (c) Students who agree to render one (1) year of qualified service in the
27 Commonwealth for each year the scholarship was awarded. "Qualified

1 service" means a full-time practice in the Commonwealth of Kentucky as a
2 licensed doctor of osteopathy for a majority of the calendar year in the fields
3 of family practice, general practice, general internal medicine, general
4 pediatrics, general obstetrics, or gynecology, except that an individual having
5 a disability defined by Title II of the Americans with Disabilities Act, 42
6 U.S.C. secs. 12131 et seq., whose disability, certified by another licensed
7 physician, prevents him or her from practicing full-time, shall be deemed to
8 perform qualified service by practicing the maximum time permitted by the
9 attending physician; and

10 (d) Students who sign a promissory note as evidence of the scholarship awarded
11 and the obligation to repay the scholarship amount or render medical service
12 as agreed in lieu of payment.

13 (4) The amount of the scholarship awarded to an eligible student by the authority shall
14 be equal to the difference between:

15 (a) The average of the prevailing amount charged for in-state tuition at the
16 University of Kentucky School of Medicine and the University of Louisville
17 School of Medicine; and

18 (b) The prevailing amount charged for tuition at the osteopathic school of
19 medicine in which the student is enrolled.

20 (5) The authority shall require a promissory note to be executed by the student as
21 evidence of the obligation. The recipient shall render one (1) year of qualified
22 service for each year the scholarship was awarded. Upon completion of each year of
23 qualified service, the authority shall cancel the appropriate number of promissory
24 notes. Promissory notes shall be canceled by qualified service in the order in which
25 the promissory notes were executed. Service credit shall not include residency
26 service. In the event a recipient fails to complete an eligible program of study, or
27 fails to render qualified medical service as a primary care physician as agreed in

1 subsection (3) of this section, the recipient shall be liable for the total repayment of
2 the sum of all outstanding promissory notes and accrued interest.

3 (6) A scholarship shall not be awarded or a promissory note cancellation shall not be
4 granted to any person who is in default on any obligation to the authority under any
5 program administered by the authority under KRS 164.740 to 164.785 until
6 financial obligations to the authority are satisfied, except that ineligibility for this
7 reason may be waived by the authority for cause.

8 (7) A repayment obligation imposed by this section shall not be voidable by reason of
9 the age of the recipient at the time of executing the promissory note.

10 (8) Failure to meet repayment obligations imposed by this section shall be cause for the
11 revocation of the scholarship recipient's license to practice medicine, subject to the
12 procedures set forth in KRS Chapter 311.

13 (9) Notwithstanding KRS 164.753(3), the authority shall establish by administrative
14 regulation procedures or the terms of promissory notes for the administration of this
15 program, including the execution of appropriate contracts and promissory notes,
16 cancellation of the obligation, the rate of repayment and deferment of repayment of
17 outstanding debt, and the priority of awarding scholarships if funds are insufficient
18 to honor all requests.

19 (10) Notwithstanding any other statute to the contrary, the maximum interest rate
20 applicable to repayment of a promissory note under this section shall be twelve
21 percent (12%) per annum, except that if a judgment is rendered to recover payment,
22 the judgment shall bear interest at the rate of five percent (5%) greater than the rate
23 actually charged on the promissory note.

24 (11) (a) The "Osteopathic Medicine Scholarship Program" is hereby created as a
25 special trust fund in the State Treasury administered by the Kentucky Higher
26 Education Assistance Authority for the purpose of providing funds for
27 scholarships to eligible students studying osteopathic medicine in schools in

1 the Commonwealth.

2 (b) Funding shall be transferred to the special trust fund from the coal severance
3 tax revenues levied under KRS 143.020 in an amount that permits each
4 Kentucky resident eligible under subsection (3) of this section to be awarded a
5 scholarship in the amount established under subsection (4) of this section. No
6 more than four percent (4%) of the coal severance tax revenues levied under
7 KRS 143.020 and collected annually shall be transferred to the trust fund. To
8 the extent this appropriation and other funds are available, the authority shall
9 award scholarships to all renewal applicants and eligible students in
10 accordance with the formula for determining the amount of the scholarship
11 award established in this section.

12 (c) The trust fund may also receive state appropriations, gifts, and grants from
13 public and private sources, and federal funds. Any unallotted or
14 unencumbered balances in the trust fund shall be invested as provided in KRS
15 42.500(9). Income earned from the investments shall be credited to the trust
16 fund. Any fund balance at the close of the fiscal year shall not lapse but shall
17 be carried forward to the next fiscal year and continuously appropriated only
18 for the purposes specified in this section. A general statement that all
19 continuing appropriations are repealed, discontinued, or suspended shall not
20 operate to repeal, discontinue, or suspend this fund or to repeal this section.

21 (d) All moneys repaid to the authority under this section shall be added to the
22 appropriations made for purposes of this section, and the funds and
23 unobligated appropriations shall not lapse.

24 (12) On or before August 1 of each year, sixty-five percent (65%) of the amount of
25 funding provided in subsection (11)(b) of this section shall be transferred to the
26 special trust fund and the remaining thirty-five percent (35%) shall be transferred
27 on or before December 1 of each year. The revenue transfers shall be based upon

1 the revenue estimates prevailing at the time each transfer is due.

2 ➔Section 75. KRS 164.7894 is amended to read as follows:

3 (1) The General Assembly recognizes that the bachelor degree attainment rate in the
4 coal-producing counties of Kentucky is lower than the state average. It is the intent
5 of the General Assembly to establish the Kentucky Coal County College
6 Completion Program to assist residents of coal-producing counties who are
7 attending postsecondary education institutions located in coal-producing counties
8 by providing:

9 (a) Scholarships to:

- 10 1. Decrease the financial barriers to bachelor's degree completion; and
- 11 2. Encourage students to remain in the area; and

12 (b) Grants to community colleges located in coal-producing counties to enhance
13 the extent and quality of student support services and program offerings
14 necessary to increase student success and degree production in the area.

15 (2) For purposes of this section:

16 (a) "District" means the Kentucky Coal County District consisting of coal-
17 producing counties as defined in KRS 42.4592(1)(c);

18 (b) "High school" means a Kentucky public high school or a private, parochial, or
19 church school located in Kentucky that has been certified by the Kentucky
20 Board of Education as voluntarily complying with curriculum, certification,
21 and textbook standards established by the Kentucky Board of Education under
22 KRS 156.160;

23 (c) "Kentucky Coal County College Completion scholarship" or "KCCCC
24 scholarship" means a scholarship described in subsection (1)(a) of this
25 section;

26 (d) "Kentucky Coal County College Completion student services grant" or
27 "KCCCC student services grant" means a grant described in subsection (1)(b)

- 1 of this section; and
- 2 (e) "Tuition" means the in-state tuition and mandatory fees charged to all students
3 as a condition of enrollment in an undergraduate program.
- 4 (3) A participating institution shall:
- 5 (a) Be physically located in the district;
- 6 (b) Offer bachelor's degree programs; and be:
- 7 (c) 1. A regionally accredited, independent nonprofit Kentucky college or
8 university licensed by the Kentucky Higher Education Assistance
9 Authority~~[Council on Postsecondary Education]~~ whose main campus is
10 based in the district, including a work-college as determined by the
11 Kentucky Higher Education Assistance Authority;
- 12 2. A four (4) year public university extension campus; or
- 13 3. A regional postsecondary education center, including the University
14 Center of the Mountains.
- 15 (4) A participating institution may establish extension campuses within the district to
16 offer bachelor degree programs for purposes of this section.
- 17 (5) A nonparticipating institution shall:
- 18 (a) Have its main campus located in Kentucky but not in the district;
- 19 (b) Offer a bachelor's degree program not offered at any participating institution;
- 20 (c) Be accredited by the Southern Association of Colleges and Schools; and
- 21 (d) Be a public or independent, nonprofit college or university that is licensed by
22 the Kentucky Higher Education Assistance Authority~~[Council on~~
23 ~~Postsecondary Education]~~.
- 24 (6) The Kentucky Higher Education Assistance Authority shall administer the
25 Kentucky Coal County College Completion Program and shall promulgate
26 administrative regulations in accordance with KRS Chapter 13A as may be needed
27 for the administration of the program.

- 1 (7) The authority may award a KCCCC scholarship under this section, to the extent
2 funds are available for that purpose, to any person who:
- 3 (a) Is considered a permanent resident of the district for at least one (1) year
4 immediately preceding July 1 of the academic year in which the scholarship is
5 made;
- 6 (b) Is a United States citizen;
- 7 (c) Is a Kentucky resident as determined by the institution in accordance with
8 criteria established by the Kentucky Higher Education Assistance
9 Authority~~[Council on Postsecondary Education]~~ for the purposes of admission
10 and tuition assessment;
- 11 (d) Completes and submits the Free Application for Federal Student Aid for the
12 academic year in which the grant is made;
- 13 (e) Has earned at least sixty (60) credits or the equivalent of completed
14 coursework toward a bachelor's degree;
- 15 (f) Is enrolled at least half-time at a participating institution, or a nonparticipating
16 institution in accordance with subsection (8) of this section, in upper division
17 courses in a program of study that leads to a bachelor's degree;
- 18 (g) Is in good academic standing in accordance with the institution's policy; and
- 19 (h) Is not in default on any obligation to the authority under any program
20 administered by the authority under KRS 164.740 to 164.785, except that
21 ineligibility for this reason may be waived by the authority for cause.
- 22 (8) A student otherwise eligible for the KCCCC scholarship who is enrolled in a
23 nonparticipating institution shall be eligible to receive the KCCCC scholarship if he
24 or she is enrolled in a bachelor's degree program in a field of study that is not
25 offered at any participating institution. A program shall be clearly unlike any degree
26 program offered by a participating institution to be eligible. The authority shall
27 promulgate administrative regulations to establish procedures to designate the

1 approved programs of study at nonparticipating institutions for which an eligible
2 student can receive the KCCCC scholarship, which shall include a program review
3 process that requires fifty percent (50%) or more of the courses offered in a
4 program to be different from courses available in a program offered by a
5 participating institution. The maximum annual total of KCCCC scholarships
6 expended for this purpose, to the extent funds are available, shall not exceed five
7 percent (5%) of the amount appropriated for KCCCC scholarships.

8 (9) (a) The KCCCC scholarship amount provided to a student may be applied to the
9 student's cost of attendance and shall be forty percent (40%), up to the
10 maximum amount defined in subsections (10) and (11) of this section, of the
11 amount remaining after subtracting the student's federal and state grants and
12 scholarships from the institution's published tuition and mandatory fees
13 amount that is used for purposes of packaging federal student aid. Work study
14 and student loan funds shall not be included in the calculation.

15 (b) For purposes of this subsection, the tuition amount for a work-college, as
16 described in subsection (3)(c)1. of this section, shall be the average tuition and
17 mandatory fees amount of the participating institutions that are described in
18 subsection (3)(c)1. of this section and are not work-colleges.

19 (c) Students attending less than full-time shall receive a pro rata amount as
20 determined by the authority.

21 (10) The maximum KCCCC scholarship award amount for the 2014-2015 academic year
22 shall not exceed:

23 (a) Six thousand eight hundred dollars (\$6,800) per academic year for a student
24 attending a participating institution that is a nonprofit, independent college or
25 university;

26 (b) Two thousand three hundred dollars (\$2,300) per academic year for a student
27 attending a participating institution that is a public university extension

1 campus or a regional postsecondary education center; or

2 (c) Three thousand four hundred dollars (\$3,400) per academic year for a student
3 attending a nonparticipating institution as prescribed in subsection (8) of this
4 section.

5 (11) The authority shall calculate the average annual percentage increase in tuition for
6 the six (6) comprehensive universities as defined in KRS 164.001. The maximum
7 KCCCC scholarship amounts in subsection (10) of this section shall be increased
8 for each subsequent academic year by the total average percentage increase since
9 the 2014-2015 academic year.

10 (12) The authority shall award KCCCC scholarships chronologically based on when
11 applicants submit the Free Application for Federal Student Aid until funds are
12 exhausted, except prior recipients shall be awarded before any new KCCCC
13 scholarship recipients. Applicants who received a KCCCC scholarship in the
14 immediately preceding academic semester and apply by the deadline established by
15 the authority shall be awarded first.

16 (13) A student may receive a KCCCC scholarship for a maximum of five (5) full-time
17 fall or spring academic semesters, or their equivalent under a trimester or quarter
18 system, or until the completion of a first bachelor's degree, whichever occurs first.
19 The authority shall determine the equivalent usage of academic semester eligibility
20 for students enrolled less than full-time.

21 (14) The authority may award KCCCC student services grants under this section, to the
22 extent funds are available for that purpose, to a Kentucky Community and
23 Technical College System institution that is physically located in the district.

24 (15) The maximum annual KCCCC student services grant shall be one hundred fifty
25 thousand dollars (\$150,000) per institution.

26 (16) KCCCC student services grants shall be used for the following purposes:

27 (a) To expand outreach services in high schools, in coordination with outreach

- 1 services provided by the authority, to advise students of the advantages and
2 importance of seeking a bachelor's degree and the opportunities to attain a
3 bachelor's degree within the district;
- 4 (b) To expand advising resources to encourage completion of associate degree
5 programs and transfer into bachelor's degree programs;
- 6 (c) To expand career advising resources to better link baccalaureate academic
7 pursuits to career opportunities, especially within the district; and
- 8 (d) To provide multifaceted retention and student transfer initiatives to encourage
9 associate degree completion leading to bachelor's degree programs.
- 10 (17) Beginning November 1, 2015, and each year thereafter, the authority shall make an
11 annual report to the Interim Joint Committee on Education on the status of the
12 Kentucky Coal County College Completion Program.
- 13 (18) Every four (4) years after implementation of the Kentucky Coal County College
14 Completion Program, the authority shall evaluate the program to ensure the policy
15 objectives are being realized and to suggest adjustments to maximize the increase in
16 bachelor's degree completion rates.
- 17 (19) Each participating institution, nonparticipating institution, and recipient of a
18 KCCCC student services grant shall make data available to the authority for the
19 report and evaluation described in subsections (17) and (18) of this section.
- 20 (20) If any participating institution, nonparticipating institution, or recipient of a
21 KCCCC student services grant does not demonstrate improved performance in
22 student performance metrics, including but not limited to graduation and transfer
23 rates, the authority may revoke the institution's eligibility for participation in the
24 KCCCC scholarship or KCCCC student services grant.
- 25 (21) (a) The coal county college completion scholarship fund is hereby created as a
26 trust fund in the State Treasury to be administered by the Kentucky Higher
27 Education Assistance Authority for the purpose of providing scholarships

1 described in subsection (1)(a) of this section.

2 (b) The trust fund shall consist of amounts appropriated annually from coal
3 severance tax receipts to the extent that the enacted biennial budget of the
4 Commonwealth includes such appropriations. The trust fund may also receive
5 gifts and grants from public and private sources and federal funds. No general
6 fund moneys shall be appropriated for this purpose.

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

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

13 (22) (a) The coal county college completion student services grant fund is hereby
14 created as a trust fund in the State Treasury to be administered by the
15 Kentucky Higher Education Assistance Authority for the purpose of providing
16 grants described in subsection (1)(b) of this section.

17 (b) The trust fund shall consist of amounts appropriated annually from coal
18 severance tax receipts to the extent that the enacted biennial budget of the
19 Commonwealth includes such appropriations. The trust fund may also receive
20 gifts and grants from public and private sources and federal funds. No general
21 fund moneys shall be appropriated for this purpose.

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

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

1 ➔Section 76. KRS 164.790 is amended to read as follows:

- 2 (1) For purposes of this section:
- 3 (a) "Authority" means the Kentucky Higher Education Assistance Authority;
- 4 (b) "Full enrollment space amount" means the difference between the out-of-state
5 and in-state tuition amount at a public participating veterinary school or an
6 equivalent amount determined by the authority for a nonpublic participating
7 veterinary school;
- 8 (c) "Kentucky student" means a Kentucky resident as determined by the authority
9 using the criteria established by the *Kentucky Higher Education Assistance*
10 *Authority*~~[Council on Postsecondary Education]~~ for the purposes of
11 postsecondary admission and tuition assessment;
- 12 (d) "Participating veterinary school" means a college of veterinary medicine
13 approved by the authority for participation in the program; and
- 14 (e) "Program" means the Veterinary Contract Spaces Program.
- 15 (2) The General Assembly establishes the Veterinary Contract Spaces Program to
16 provide financial assistance and access to Kentucky students seeking a veterinary
17 education and to help ensure the availability of a sufficient veterinary workforce in
18 the Commonwealth.
- 19 (3) The authority shall administer the program and shall promulgate administrative
20 regulations in accordance with KRS Chapter 13A as may be needed for the
21 administration of the program.
- 22 (4) Subject to the availability of funds, the authority shall contract to purchase at least
23 one hundred sixty-four (164) enrollment spaces annually for Kentucky students at
24 one (1) or more participating veterinary schools. To the extent possible, the contract
25 shall be for the full enrollment space amount.
- 26 (5) Kentucky students enrolled in a participating veterinary school and selected by the
27 school for participation in the program shall receive a tuition credit from the school

1 in the amount required to purchase his or her enrollment space each semester, not to
2 exceed eight (8) semesters.

3 (6) To the extent possible, the authority shall secure enrollment spaces so that
4 Kentucky students participating in the program may continue applying tuition
5 credits at the same participating veterinary school for up to eight (8) semesters.

6 (7) (a) The Veterinary Contract Spaces Program trust fund is hereby created as a trust
7 fund in the State Treasury to be administered by the authority for the purpose
8 of purchasing enrollment spaces for Kentucky students in participating
9 veterinary schools as described in this section.

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

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

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

20 ➔Section 77. KRS 164.7911 is amended to read as follows:

21 (1) There is established and created in the *Kentucky Higher Education Assistance*
22 *Authority*~~[Council on Postsecondary Education]~~ a Strategic Investment and
23 Incentive Funding Program for postsecondary education to consist of a system of
24 strategic financial assistance awards to institutions, systems, agencies, and
25 programs of postsecondary education to advance the goals of postsecondary
26 education as stated in KRS 164.003(2). There are established in the State Treasury
27 the following individual strategic investment and incentive trust funds:

- 1 (a) A research challenge trust fund;
- 2 (b) A comprehensive university excellence trust fund;
- 3 (c) A technology initiative trust fund;
- 4 (d) A physical facilities trust fund;
- 5 (e) A postsecondary workforce development trust fund; and
- 6 (f) A student financial aid and advancement trust fund.

7 (2) The funding program and the individual trust funds are created to provide financial
 8 assistance to the institutions, systems, agencies, and programs of postsecondary
 9 education each fiscal biennium. It is the intent of the General Assembly to make
 10 appropriations, including general fund appropriations, each fiscal biennium to each
 11 of the individual trust funds in the funding program in a form and manner consistent
 12 with the strategic agenda adopted by the *Kentucky Higher Education Assistance*
 13 *Authority*~~[Council on Postsecondary Education]~~. Appropriations made to individual
 14 trust funds in the Strategic Investment and Incentive Funding Program shall not
 15 lapse at the end of a fiscal year but shall be carried forward in the respective trust
 16 fund accounts and shall be available for allotment for their respective purposes in
 17 the next fiscal year.

18 ➔Section 78. KRS 164.7915 is amended to read as follows:

- 19 (1) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~
 20 ~~Education]~~ shall make a biennial budget request to the General Assembly and to the
 21 Governor with regard to:
- 22 (a) Specific funding amounts to be appropriated to each individual trust fund in
 23 the Strategic Investment and Incentive Funding Program;
 - 24 (b) Specific funding amounts of all capital projects to be appropriated and funded
 25 from each individual trust fund in the Strategic Investment and Incentive
 26 Funding Program; and
 - 27 (c) Funding to be appropriated to the base budgets of the institutions, systems,

1 agencies, and programs.

2 (2) Funds appropriated for the Strategic Investment and Incentive Funding Program
3 shall be for the purpose of encouraging the activities of institutions, systems,
4 agencies, and programs of postsecondary education in accordance with the strategic
5 agenda adopted by the *Kentucky Higher Education Assistance Authority*~~[Council
6 on Postsecondary Education]~~.

7 ➔Section 79. KRS 164.7917 is amended to read as follows:

8 (1) (a) The research challenge trust fund created by KRS 164.7911 may include
9 separate, subsidiary programs and related accounts, such as an Endowed
10 Professorship Matching Program, an Endowed Chairs Matching Program, an
11 External Research Grant Matching Program, a Graduate Assistant Program, a
12 Junior Faculty Research Encouragement Program, or other programs and
13 related accounts as determined through the biennial budget process for the
14 *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary
15 Education]~~.

16 (b) Appropriations to the research challenge trust fund are to encourage research
17 activities at the University of Kentucky and at the University of Louisville so
18 that these institutions may achieve the goals established in KRS 164.003(2).

19 (c) Funds appropriated to the research challenge trust fund shall be apportioned
20 two-thirds (2/3) to the University of Kentucky and one-third (1/3) to the
21 University of Louisville.

22 (2) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary
23 Education]~~ shall develop the criteria and process for submission of an application
24 under this section. The evaluation of all applications for support of specific faculty
25 research projects, if such projects are included in the university's plan for use of
26 research trust funds, shall be subject to review and ranking by an external panel of
27 experts appointed according to guidelines and procedures approved by the

1 authority[council] in consultation with the University of Kentucky and the
2 University of Louisville. The University of Kentucky and the University of
3 Louisville may apply to the authority[council] for financial assistance from the
4 research challenge trust fund. The authority[council] shall determine the matching
5 funds or internal reallocation requirements from the applicants to qualify for
6 funding. Financial assistance that may be awarded by the authority[council] shall
7 be consistent with the adopted strategic agenda, the biennial budget process, and the
8 availability of any resources to the research challenge trust fund.

9 ➔Section 80. KRS 164.7919 is amended to read as follows:

- 10 (1) (a) The comprehensive university excellence trust fund created by KRS 164.7911
11 shall consist of six (6) separate accounts: one (1) for Eastern Kentucky
12 University; one (1) for Kentucky State University; one (1) for Morehead State
13 University; one (1) for Murray State University; one (1) for Northern
14 Kentucky University; and one (1) for Western Kentucky University.
- 15 (b) Funds appropriated to the comprehensive university excellence trust fund or
16 any subsidiary fund created by the Kentucky Higher Education Assistance
17 Authority[~~Council on Postsecondary Education~~] shall be apportioned to each
18 of the comprehensive universities proportional to their respective share of
19 total general fund appropriations in each fiscal year, excluding debt service
20 appropriations and specialized, noninstructional appropriations.
- 21 (c) The purpose of the comprehensive university excellence trust fund is to
22 provide financial assistance to encourage comprehensive universities to
23 develop at least one (1) nationally recognized program of distinction or at
24 least one (1) nationally recognized applied research program consistent with
25 the goals established in KRS 164.003(2).
- 26 (2) The authority[council] shall develop the criteria and process for submission of an
27 application under this section. Each university may apply to the authority[council]

1 for financial assistance from the comprehensive university excellence trust fund.
2 The authority~~[council]~~ shall determine the matching funds or internal reallocation
3 requirements from the applicants to qualify for funding. Financial assistance that
4 may be awarded by the authority~~[council]~~ shall be consistent with the adopted
5 strategic agenda, the biennial budget process, and the availability of any resources
6 to the comprehensive university excellence trust fund.

7 ➔Section 81. KRS 164.7921 is amended to read as follows:

- 8 (1) (a) The technology initiative trust fund created by KRS 164.7911 is intended to
9 support investments in electronic technology for postsecondary education
10 throughout the Commonwealth to improve student learning.
- 11 (b) The Kentucky Higher Education Assistance Authority~~[Council on~~
12 ~~Postsecondary Education]~~ may establish separate subsidiary programs and
13 related accounts to provide financial assistance to the postsecondary education
14 system in acquiring the infrastructure necessary to acquire and develop
15 electronic technology capacity; to encourage shared program delivery among
16 libraries, institutions, systems, agencies, and programs; to provide funding for
17 the Commonwealth Virtual University under KRS 164.800; and other
18 programs consistent with the purposes of postsecondary education, the
19 adopted strategic agenda, and the biennial budget process.
- 20 (2) The authority~~[council]~~ shall develop the criteria and process for submission of an
21 application under this section. Any university and the Kentucky Community and
22 Technical College System may apply to the authority~~[council]~~ for financial
23 assistance from the technology initiative trust fund. The authority~~[council]~~ shall
24 determine the matching funds or internal reallocation requirements for the
25 applicants to qualify for funding. Financial assistance that may be awarded by the
26 authority~~[council]~~ shall be consistent with the adopted strategic agenda, the
27 biennial budget process, and the availability of any resources to the technology

1 initiative trust fund.

2 ➔Section 82. KRS 164.7923 is amended to read as follows:

3 (1) The physical facilities trust fund created by KRS 164.7911 is intended to provide
4 sufficient financial assistance for unexpected contingencies for the construction,
5 improvement, renovation, or expansion of the physical facilities of the
6 postsecondary education system.

7 (2) The **Kentucky Higher Education Assistance Authority**~~[Council on Postsecondary~~
8 ~~Education]~~ shall develop the criteria and process for submission of an application
9 under this section. The physical facilities trust fund shall not replace the existing
10 capital construction provisions and appropriation provisions of state law. Each
11 university or the Kentucky Community and Technical College System may apply to
12 the **authority**~~[council]~~ for financial assistance from the physical facilities trust fund.
13 Financial assistance that may be awarded by the **authority**~~[council]~~ shall be
14 consistent with the adopted strategic agenda, the biennial budget process, and the
15 availability of any resources to the physical facilities trust fund.

16 ➔Section 83. KRS 164.7925 is amended to read as follows:

17 (1) The postsecondary workforce development trust fund created by KRS 164.7911 is
18 intended to provide financial assistance to further cooperative efforts among
19 community colleges and technical institutions and for the acquisition of equipment
20 and technology necessary to provide quality education programs.

21 (2) The **Kentucky Higher Education Assistance Authority**~~[Council on Postsecondary~~
22 ~~Education]~~ shall develop the criteria and process for submission of an application
23 under this section. The Kentucky Community and Technical College System may
24 apply to the **authority**~~[council]~~ for financial assistance from the postsecondary
25 workforce development trust fund. Financial assistance shall be awarded for
26 instructional programs ensuring that the community colleges and the technical
27 institutions are able to continually acquire state-of-the-art equipment and

1 technology needed to accomplish their missions.

2 ➔Section 84. KRS 164.7927 is amended to read as follows:

- 3 (1) (a) The student financial aid and advancement trust fund created by KRS
4 164.7911 is intended to provide financial assistance that encourages student
5 access to postsecondary education including regionally accredited or
6 nationally accredited technical institutions and colleges, community colleges,
7 public universities, and regionally accredited private colleges and universities.
- 8 (b) Appropriations shall be made to the trust fund and allotted to universities and
9 the Kentucky Community and Technical College System~~[or to the Kentucky~~
10 ~~Higher Education Assistance Authority]~~ as the **Kentucky Higher Education**
11 **Assistance Authority**~~[Council on Postsecondary Education]~~ deems
12 appropriate. Appropriations made to this trust fund may be used for the
13 College Access Program, the Kentucky Tuition Grant Program, or other
14 student financial aid programs as authorized by the General Assembly.
- 15 (c) The **authority**~~[council]~~ shall establish separate subsidiary programs and
16 related accounts that are consistent with this section, the adopted strategic
17 agenda, the biennial budget process, and the availability of any resources to
18 the student financial aid and advancement trust fund.
- 19 (2) (a) The **Kentucky Higher Education Assistance Authority**~~[Council on~~
20 ~~Postsecondary Education, in consultation with the Kentucky Higher~~
21 ~~Education Assistance Authority,]~~ shall determine the nature and purposes of
22 budget requests for funding support to the student financial aid and
23 advancement trust fund. The determination shall be based upon the financial
24 assistance needs and requirements of students of postsecondary regionally
25 accredited or nationally accredited private or public institutions.
- 26 (b) A minimum of twenty-five percent (25%) of the student financial aid and
27 advancement trust fund appropriation shall be allotted for the purpose of

1 assisting individuals whose available income, determined in accordance with
2 part F of Title IV of the Higher Education Act of 1965 as amended, is at or
3 below one hundred percent (100%) of the federal income poverty guidelines.
4 From the foregoing allotment, administrators of programs funded under this
5 section may exercise discretion in accordance with 20 U.S.C. sec. 1087tt in
6 awarding student financial assistance benefits on a case-by-case basis to
7 individuals with disabilities, as defined by Title II of the Americans with
8 Disabilities Act, 42 U.S.C. secs. 12131 et seq., whose available income is
9 above the federal income poverty guidelines, whether or not the student
10 qualifies for vocational rehabilitation services. Any funds remaining after all
11 eligible students have been served under this paragraph may be used for other
12 purposes as provided in this section.

13 (3) The authority~~[council]~~ shall develop the criteria and process for submission of an
14 application under this section. Financial assistance that may be awarded by the
15 authority~~[council]~~ shall be consistent with the adopted strategic agenda, the
16 biennial budget process, and the availability of any resources to the student
17 financial aid and advancement trust fund.

18 ➔Section 85. KRS 164.800 is amended to read as follows:

19 (1) The Commonwealth Virtual University shall be the academic programs made
20 available to the citizens of the Commonwealth through the use of modern methods
21 of communications and information dissemination as determined by the Kentucky
22 Higher Education Assistance Authority~~[Council on Postsecondary Education]~~
23 after consideration of the recommendations of the Distance Learning Advisory
24 Committee and the needs expressed by the regional advisory groups.

25 (2) The authority~~[council]~~ shall establish a Distance Learning Advisory Committee to
26 advise the authority~~[council]~~ on matters relating to the Commonwealth Virtual
27 University. The members of the advisory committee shall include the presidents of

1 each of the nine (9) state postsecondary education institutions, the executive
2 director of the Kentucky Educational Television Network, a representative of the
3 Association of Independent Kentucky Colleges and Universities, and other
4 representatives as the authority~~[council]~~ deems appropriate. The committee shall
5 elect its chair and other officers as it deems necessary.

6 (3) The authority~~[council]~~, after receiving the recommendations of the Distance
7 Learning Advisory Committee, shall establish policies to control and promote the
8 use of distance learning systems to be used by the Commonwealth Virtual
9 University to increase the availability of all postsecondary education programs
10 throughout the state in the most efficient manner. The comprehensive universities
11 shall be the primary developers and deliverers of baccalaureate and master's degree
12 programs to be delivered by the Commonwealth Virtual University; however, this
13 does not preclude the University of Kentucky, the University of Louisville, or
14 independent colleges from offering baccalaureate and master's degree programs or
15 other course offerings, and community colleges and technical institutions from
16 offering associate and technical degree programs or other courses through the
17 Commonwealth Virtual University.

18 (4) The authority~~[council]~~ shall determine the allocation of tuition, course offerings,
19 source of courses, technology to be used, and other matters relating to the use of
20 distance learning to promote education through the Commonwealth Virtual
21 University.

22 ➔Section 86. KRS 164.810 is amended to read as follows:

23 (1) As used in KRS 164.810 to 164.870, the following terms shall have, unless the
24 context shall otherwise indicate, the following meanings:

25 (a) **"Authority" means the Kentucky Higher Education Assistance Authority;**

26 **and**

27 (b) "University of Louisville" means the university which is situated in a city of

1 the first class, and which has heretofore constituted a municipal university
 2 within the meaning and application of KRS 165.010 et seq[.];

3 (b) ~~"Council" means the [Council on Postsecondary Education in Kentucky]].~~

4 (2) Consistent with the provisions of KRS 164.026 and Chapter 239 of the 1968
 5 Kentucky Acts, the University of Louisville shall be maintained as a state
 6 institution effective July 1, 1970, subject to its qualification to receive the benefits
 7 of such status in the manner set forth in subsection (3) of this section.

8 (3) The University of Louisville, having been chartered by Chapter 137, Acts of 1845-
 9 6, approved February 7, 1846, effective in accordance with its terms on March 15,
 10 1846; having become subject to the laws of the Commonwealth generally
 11 applicable to corporations of the same category according to the import of
 12 subsection seventeen of Section 59 of the present Constitution of the
 13 Commonwealth; and having duly filed in the office of the Secretary of State its
 14 acceptance of the present Constitution of the Commonwealth in accordance with
 15 Section 190 thereof; may qualify to receive the benefits of its status as a state
 16 institution, as provided in KRS 164.810 to 164.870, by action of its board of
 17 trustees in adopting and causing to be filed for public record such proceedings as
 18 are required by law, amending its charter or articles of incorporation in such manner
 19 as to conform to the provisions of KRS 164.810 to 164.870.

20 ➔Section 87. KRS 164.815 is amended to read as follows:

21 (1) The University of Louisville shall provide:

22 (a) Upon approval of the Kentucky Higher Education Assistance
 23 Authority~~[Council on Postsecondary Education]~~, associate and baccalaureate
 24 degree programs of instruction;

25 (b) Upon approval of the Kentucky Higher Education Assistance
 26 Authority~~[Council on Postsecondary Education]~~, master's-degree programs,
 27 specialist degrees above the master's-degree level, doctoral degree programs,

1 and joint doctoral programs in cooperation with other public institutions of
2 higher education;

3 (c) Upon approval of the Kentucky Higher Education Assistance
4 Authority~~[Council on Postsecondary Education]~~, professional degree
5 programs including medicine, dentistry, law, engineering, and social
6 professions.

7 (2) The University of Louisville is authorized to provide programs of a community
8 college nature in its own community comparable to those listed for the community
9 college system as provided in this chapter.

10 (3) The University of Louisville shall continue to be a principal university for the
11 conduct of research and service programs without geographical limitation but
12 subject to the implied limitation of KRS 164.125(2).

13 ➔Section 88. KRS 164.821 is amended to read as follows:

14 (1) The government of the University of Louisville is vested in a board of trustees
15 appointed for a term set by law pursuant to Section 23 of the Constitution of
16 Kentucky. The board shall consist of ten (10) members appointed by the Governor,
17 at least one (1) of whom shall be a graduate of the university; one (1) member of
18 the teaching faculty of the University of Louisville who shall be the chief executive
19 of the ranking unit of faculty government; one (1) member of the permanent staff of
20 the University of Louisville who shall be the chief executive of the staff senate; and
21 one (1) student member who shall be the president of the student body during the
22 appropriate academic year. The members appointed by the Governor shall be
23 subject to confirmation by the Senate.

24 (a) All appointed and elected persons shall be required to attend and complete an
25 orientation and education program prescribed by the authority~~[council]~~ under
26 KRS 164.020(25), as a condition of their service and eligibility for
27 appointment or election to a second term.

1 (b) Board members may be removed by the Governor under the following
2 circumstances:

- 3 1. For cause, pursuant to KRS 63.080(2); or
- 4 2. Pursuant to KRS 63.080(3) or(4).

5 (c) New appointees to the board shall not serve more than two (2) consecutive
6 terms.

7 (2) The student member shall serve a one (1) year term beginning on July 1 after being
8 elected and sworn in as student body president and ending on the following June
9 30. If the student member does not maintain the position of student body president
10 or the status of a full-time student at any time during that academic year, a special
11 election shall be held to select a full-time student member. The elected student
12 member shall serve for the remainder of the unexpired term.

13 (3) The faculty member and staff member shall serve one (1) year terms and cease to
14 be eligible for membership on the board of trustees upon termination of their
15 respective relationships with, or leadership positions within, the university, and
16 vacancies occurring for this reason shall be filled for the remainder of the respective
17 terms in the same manner.

18 (4) The gubernatorial appointments shall serve a term of six (6) years and until their
19 successors are appointed and qualified, unless a member is removed by the
20 Governor pursuant to KRS 63.080(2), (3), or (4), except the initial terms shall be as
21 follows:

- 22 (a) Two (2) members shall serve one (1) year terms;
- 23 (b) Two (2) members shall serve two (2) year terms;
- 24 (c) Two (2) members shall serve three (3) year terms;
- 25 (d) Two (2) members shall serve four (4) year terms;
- 26 (e) One (1) member shall serve a five (5) year term; and
- 27 (f) One (1) member shall serve a six (6) year term.

- 1 (5) The Governor shall make his or her at-large appointments so as to divide the
2 appointed representation upon the board to reflect:
- 3 (a) The proportional representation of the two (2) leading political parties in the
4 Commonwealth based on the state's voter registration and the political
5 affiliation of each appointee as of December 31 of the year preceding the date
6 of his or her appointment. A particular political affiliation shall not be a
7 prerequisite to appointment to the board generally; however, if any person is
8 appointed to the board that does not represent either of the two (2) leading
9 political parties of the Commonwealth, the proportional representation by
10 political affiliation requirement shall be determined and satisfied based on the
11 total number of members on the board less any members not affiliated with
12 either of the two (2) leading political parties; and
- 13 (b) No less than the proportional representation of the minority racial composition
14 of the Commonwealth based on the total minority racial population using the
15 most recent census or estimate data from the United States Census Bureau. If
16 the determination of proportional minority representation does not result in a
17 whole number of minority members, it shall be rounded up to the next whole
18 number.
- 19 (6) Vacancies among the appointed members of the board occurring by death,
20 resignation, or any other cause, other than expiration of a term, shall be filled by
21 appointments made by the Governor for the remainder of the unexpired term,
22 subject to the qualifications set forth in this section.
- 23 (7) Unless specifically approved by the board of trustees under the provisions of KRS
24 164.367, no member of the teaching or administrative staff of the university shall be
25 directly or indirectly interested in any contract with the university for the sale of
26 property, materials, supplies, equipment, or services, with the exception of
27 compensation to the faculty, staff, and student members.

1 (8) The inability of the board to hold regular meetings, to elect a chairperson annually,
2 to establish a quorum, to adopt an annual budget, to set tuition rates, to conduct an
3 annual evaluation of the president of the university, to carry out its primary function
4 to periodically evaluate the institution's progress in implementing its mission, goals,
5 and objectives to conform to the strategic agenda, or to otherwise perform its duties
6 under KRS 164.830 shall be cause for the Governor to remove all appointed
7 members of the board and replace the entire appointed membership pursuant to
8 KRS 63.080(4).

9 ➔Section 89. KRS 164.915 is amended to read as follows:

10 The Colleges of Medicine at the University of Kentucky and the University of Louisville
11 shall submit to the Kentucky Higher Education Assistance Authority~~Council on~~
12 ~~Postsecondary Education~~ a joint plan which defines an optional course of medical
13 education for family practice and general practice physicians in a period of six (6) years
14 following completion of secondary school. Family practice residency programs shall be
15 completed in the two (2) years subsequent to the completion of medical education.

16 ➔Section 90. KRS 164.927 is amended to read as follows:

17 The University of Kentucky and the University of Louisville, and their affiliated
18 programs are hereby authorized to increase the number of residency positions for medical
19 school graduates in primary care disciplines from the fiscal 1976 level by a total of
20 seventy-six (76) additional positions during the 1977-78 biennium. These new positions
21 shall be established in the following manner:

22 (1) For the fiscal year 1977 there shall be established twenty-eight (28) new positions;
23 for fiscal year 1978 there shall be forty-eight (48) new positions.

24 (2) To provide adequate faculty supervision for these new residency positions, one (1)
25 faculty position (1 FTE) is hereby authorized for each additional four (4) new
26 residency positions established under the provisions of KRS 164.925 to 164.933.

27 (3) The number of the residency positions to be established at the University of

1 Kentucky and at the University of Louisville shall be determined by the Kentucky
2 Higher Education Assistance Authority~~[Council on Postsecondary Education]~~,
3 using the policies and procedures for determining the allocation of these new
4 residency positions as provided in KRS 164.929.

5 ➔Section 91. KRS 164.929 is amended to read as follows:

6 (1) All new residency positions shall be sponsored by the University of Kentucky or
7 the University of Louisville. The residency positions created by KRS 164.927 shall
8 be served in sites approved by the appropriate specialty board for certification and
9 by the Kentucky Higher Education Assistance Authority~~[Council on~~
10 ~~Postsecondary Education]~~.

11 (2) Funding priority shall be given to programs in which all or a portion of the
12 residency occurs in sites away from both the University of Kentucky and the
13 University of Louisville.

14 (3) Each individual serving a residency under KRS 164.927 shall, within the total
15 period of residency, undertake a minimum of three (3) months education in a
16 community facility in Kentucky outside the counties of Fayette and Jefferson, or in
17 any institution serving a medically underserved community as designated by the
18 United States Department of Health and Human Services~~[, Education and~~
19 ~~Welfare]~~, subject to the approval of the certifying board in each specialty, provided
20 however that not more than twenty-five percent (25%) of the individuals from each
21 university funded under this section shall be permitted to satisfy the three (3) month
22 requirement in a medically underserved area in the counties of Fayette and
23 Jefferson.

24 (4) The University of Kentucky and the University of Louisville shall recommend
25 policies and procedures for determining the allocation of new residency positions
26 for approval by the Kentucky Higher Education Assistance Authority~~[Council on~~
27 ~~Postsecondary Education]~~ using the following criteria:

- 1 (a) The available or expected number and types of qualified faculty necessary for
2 the proper degree of supervision and teaching;
- 3 (b) The scope and volume of patient care;
- 4 (c) The amount of available physical facilities;
- 5 (d) The current number and types of residency positions offered at each
6 university;
- 7 (e) Regional needs for the manpower trained under the provisions of KRS
8 164.927 to 164.933;
- 9 (f) The extent of involvement in education in primary care in ambulatory care
10 settings; and
- 11 (g) Any other criteria which may be developed by the University of Kentucky and
12 the University of Louisville and accepted by the **Kentucky Higher Education**
13 **Assistance Authority**~~[Council on Postsecondary Education]~~.

14 ➔Section 92. KRS 164.933 is amended to read as follows:

15 The **Kentucky Higher Education Assistance Authority**~~[Council on Postsecondary~~
16 ~~Education]~~ shall coordinate the activities of the participating institutions, as described in
17 KRS 164.925 to 164.931, to insure a comprehensive program for training individuals for
18 the delivery of primary care in the Commonwealth.

19 ➔Section 93. KRS 164.937 is amended to read as follows:

- 20 (1) The University of Kentucky shall maintain a Center of Excellence in Rural Health.
- 21 (2) The mission of the Center of Excellence in Rural Health shall be the improvement
22 of the health of all rural Kentuckians and the improvement of rural health care
23 systems through education, research, and service.
- 24 (3) The Center of Excellence in Rural Health shall:
- 25 (a) Support a site-based director, core faculty, and staff;
- 26 (b) Collect and maintain statistical and other information relating to rural health
27 status, rural health care systems, rural health policy, and other issues affecting

- 1 the health and well-being of rural populations;
- 2 (c) Collect, analyze, interpret, disseminate, and make recommendations regarding
3 the availability, distribution, and sufficiency of the health professions
4 workforce;
- 5 (d) Provide educational opportunities for students committed to rural health care:
- 6 1. To obtain education in needed health professions as determined by the
7 workforce analyses, rotating these programs as necessary;
- 8 2. By testing and developing innovative models for learning; and
- 9 3. By reserving funds budgeted for specific educational programs that in
10 the future are deemed no longer necessary for use for educational
11 programs for other health professions;
- 12 (e) Maintain site-based family practice residencies;
- 13 (f) Serve as the federally designated Office of Rural Health and perform the
14 duties prescribed by the United States Health Resources and Services
15 Administration;
- 16 (g) Administer the Healthcare Worker Loan Relief Program established under
17 KRS 164.936;
- 18 (h) Demonstrate or provide innovative programs that improve the health of rural
19 Kentuckians and strengthen rural health care systems; and
- 20 (i) Advocate for rural health care.
- 21 (4) To the extent additional funds are appropriated, the Center of Excellence in Rural
22 Health shall establish additional sites throughout the Commonwealth as necessary
23 to achieve the mission of the center.
- 24 (5) Nothing in this section shall be construed to restrict the study of rural health
25 policies, workforce analyses, or the training of health professionals in or for rural or
26 medically underserved areas by other state universities.
- 27 (6) The University of Kentucky shall report to the *Kentucky Higher Education*

1 Assistance Authority~~[Council on Postsecondary Education]~~ and the Legislative
2 Research Commission a detailed, audited statement of expenditures for each
3 program function in the Center of Excellence for Rural Health Care by September 1
4 of each year which enumerates expenditures for the preceding fiscal year.

5 ➔Section 94. KRS 164.947 is amended to read as follows:

6 (1) The Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~
7 ~~Education]~~ by regulation shall adopt standards and procedures for the licensing of
8 colleges to ensure that the programs of preparation are comparable to the generally
9 accepted standards of collegiate instruction with respect to faculty, curriculum,
10 facilities, and student cost and that there is full disclosure with respect to the
11 philosophy and purposes of the institutions and their capacity to fulfill these
12 objectives.

13 (2) Nothing contained in KRS 164.945 to 164.947 is intended in any way nor shall be
14 construed to regulate the stated purpose of an independent institution or to restrict
15 religious instruction or training in an independent institution.

16 (3) All colleges as defined in KRS 164.945 shall be required to hold a license issued by
17 the executive director of the Council on Higher Education or his or her successor,
18 under the provisions of KRS 164.945 to 164.947 and under the regulations of the
19 Council on Higher Education, or its successor. Within ninety (90) days of July 13,
20 1990, all colleges shall be required to hold licenses.

21 (4) The designated use of the title "college" or "university" in combination with any
22 series of letters, numbers, or words shall be restricted to the institutions licensed
23 under KRS 164.945 to 164.947 except that new branches, divisions, or additions to
24 existing institutions shall be licensed.

25 ➔Section 95. KRS 164.948 is amended to read as follows:

26 As used in KRS 164.9481, 164.9483, and 164.9485, unless the context requires
27 otherwise:

- 1 (1) "Campus" has the same meaning as in 20 U.S.C. sec. 1092(f)(6)(A)(ii) as amended;
- 2 (2) "Campus security authority" means campus police, security officers, and any
3 official at a postsecondary education institution who has significant responsibility
4 for student and campus activities, including student discipline, student housing,
5 student judicial affairs, and student life administration. Professional mental health,
6 pastoral, and other licensed counselors when functioning in that capacity are not
7 considered campus security authorities;
- 8 (3) "Crime" means any crime listed in 20 U.S.C. sec. 1092(f)(1)(F) as amended;
- 9 (4) "Immediately" means before the last fire unit has left the scene in order for the state
10 fire marshal to have the opportunity to speak with fire unit personnel before they
11 leave the scene, but no later than two (2) hours following the time the fire or threat
12 of fire is discovered. In the event of a minor fire to which the local fire officials are
13 not called or do not respond, "immediately" means no later than one (1) hour
14 following the discovery of the fire;
- 15 (5) "Noncampus building or property" has the same meaning as in 20 U.S.C. sec.
16 1092(f)(6)(A)(iii) as amended;
- 17 (6) "Postsecondary education institution" means any Kentucky public four (4) year
18 institution or two (2) year community college or technical college that grants a
19 postsecondary education credential, and any private college or university that is
20 licensed by the Kentucky Higher Education Assistance Authority~~[Council on~~
21 ~~Postsecondary Education]~~ under KRS 164.945 to 164.947; and
- 22 (7) "Public property" has the same meaning as in 20 U.S.C. sec. 1092(f)(6)(A)(iv) as
23 amended.
- 24 ➔Section 96. KRS 164.9481 is amended to read as follows:
- 25 (1) Crime log:
- 26 (a) Each postsecondary education institution shall make, keep, and maintain a
27 daily log, written in a form approved by the Kentucky Higher Education

1 Assistance Authority~~[Council on Postsecondary Education]~~ that can be easily
2 understood, recording all crimes occurring on campus and reported to campus
3 security authorities or local law enforcement agencies, including:

- 4 1. The category of crime, and a description of the incident, date, time, and
5 general location of each crime; and
- 6 2. The disposition of the complaint if known, including referral for
7 prosecution, institutional disciplinary proceedings, or investigation by
8 another state agency. The disposition shall include a reference to an
9 investigation or incident report number.

10 (b) All entries in the campus crime log shall be made available for public
11 inspection within twenty-four (24) hours after the first report of an incident
12 was made to any campus security authority or local law enforcement officials.

- 13 1. If there is clear and convincing evidence that the release of the
14 information would cause a suspect to flee or evade detection, would
15 result in the destruction of evidence, or is prohibited from release by
16 law, the information may be withheld until that damage is no longer
17 likely to occur from the release of the information. Only the information
18 that is absolutely necessary to withhold for the reasons stated in this
19 paragraph may be withheld; all other information shall be released.

- 20 2. In the event information is withheld under the provisions of paragraph
21 (a) of this subsection, the crime shall still be reported and made
22 available for public inspection.

23 (c) The campus crime log required by this section shall be readily accessible and
24 open for public inspection at all times and shall be made available on campus
25 computer networks to which students, employees, and other campus
26 community members have access. Each semester the institution shall notify
27 currently enrolled students, students applying to the institution, and

1 employees of the availability of the campus crime log, where it can be
2 accessed, and the exact electronic address on the computer network.

3 (2) Special reports: In addition to the campus crime log, each postsecondary education
4 institution shall make timely reports to the campus community on crimes reported
5 to campus security authorities or local law enforcement authorities determined by
6 those authorities to present a safety or security threat to students or employees.

7 (a) The reports shall be made available to students and employees within twenty-
8 four (24) hours after an incident is first reported.

9 (b) The information shall be reported in a manner that will aid in the prevention
10 of similar occurrences.

11 (c) Institutions shall use computer networks and post the reports in each
12 residential facility. The institution may also use flyers and other campus
13 publications including newspapers, and other media.

14 (d) Each institution shall adopt a policy to comply with this requirement and the
15 policy shall be included in the postsecondary education institution's annual
16 campus safety and security report published in compliance with KRS
17 164.9485.

18 ➔Section 97. KRS 164.9483 is amended to read as follows:

19 (1) Under the provisions of KRS Chapter 227, the state fire marshal shall have
20 jurisdiction over all property in the state including property of public postsecondary
21 education institutions and property of any private college or university that is
22 licensed by the Kentucky Higher Education Assistance Authority~~[Council on~~
23 ~~Postsecondary Education]~~ as provided for by KRS 164.945 to 164.947, insofar as it
24 is necessary for the administration and enforcement of any duty imposed on the
25 office by law or administrative regulation and all laws, ordinances, regulations, and
26 orders designed to protect the public from fire loss.

27 (2) The state fire marshal or the state fire marshal's employee or appointee may,

1 without delay or advance notice and at all reasonable hours of the day or night,
2 enter in or upon any property defined under KRS 227.200 located on the campus to
3 make an inspection, investigation, or any other action necessary for the purpose of
4 preventing fire loss or determining the origin of any fire.

5 (3) No person shall obstruct, hinder, or delay such an officer in the performance of his
6 or her duty.

7 (4) Upon learning of a fire or threat of fire, a campus security authority designated by
8 the college or university president to be responsible and liable for reporting shall
9 immediately report each fire or threat of fire to the state fire marshal in Frankfort
10 and the local deputies, assistants, and employees appointed under KRS 227.230. No
11 fire scene located on a campus shall be cleared or cleaned without the express
12 consent of the state fire marshal to do so after a representative of the state fire
13 marshal has had an opportunity to investigate the scene.

14 ➔Section 98. KRS 164.9485 is amended to read as follows:

15 Effective September 1, 2000, and each year thereafter, each postsecondary education
16 institution shall submit to the Kentucky Higher Education Assistance Authority~~Council~~
17 ~~on Postsecondary Education~~ a statement of current policies concerning campus safety
18 and security including, but not limited to:

19 (1) The enforcement authority of security personnel, including their working
20 relationship with state and local police agencies;

21 (2) A description of programs designed to inform students and employees about the
22 campus safety and security procedures and practices, how to report crimes, and how
23 to prevent crimes; and

24 (3) Statistics concerning the occurrence of crimes on campus during the most recent
25 calendar year. The statistical data shall be reported by the number of occurrences
26 based on:

27 (a) Location, broken down in the following classifications:

- 1 1. Total number on campus;
- 2 2. On public property; and
- 3 3. Noncampus buildings and property.
- 4 (b) Category of crime committed:
 - 5 1. As defined in KRS 164.948; and
 - 6 2. By category of prejudice, as described in the Jeanne Clery Disclosure of
 - 7 Campus Security Policy and Campus Crime Statistics Act, 20 U.S.C
 - 8 sec. 1092(f)(1)(F)(ii) as amended.

9 ➔Section 99. KRS 164.9487 is amended to read as follows:

- 10 (1) In complying with the statistical and reporting requirements mandated in KRS
- 11 164.948 to 164.9489 and KRS 164.993, an institution shall make a reasonable,
- 12 good-faith effort to obtain statistics and crime reports from outside agencies. An
- 13 institution that makes such an effort is not responsible for an outside agency's
- 14 failure to provide statistics or crime reports or for verifying the accuracy of the
- 15 statistics or reports that are provided.

- 16 (2) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~
- 17 ~~Education]~~ shall specify formats for reporting to ensure uniformity.

18 ➔Section 100. KRS 164.981 is amended to read as follows:

19 As used in KRS 164.981 to 164.9819:

- 20 (1) *"Authority" means the Kentucky Higher Education Assistance Authority;*

- 21 (2) "Autism" means a developmental disability significantly affecting verbal and
- 22 nonverbal communication and social interaction, generally evident before age three
- 23 (3), that adversely affects educational performance. Characteristics of autism
- 24 include:

- 25 (a) Irregularity and impairment in communication;
- 26 (b) Engagement in repetitive activity and stereotyped movement;
- 27 (c) Resistance to environmental change or change in daily routine; and

1 (d) Unusual responses to sensory experience.

2 The term does not include children with characteristics of an emotional-behavioral
3 disability as defined in KRS 157.200;

4 ~~[(2) "Council" means the Council on Postsecondary Education in Kentucky;]~~

5 (3) "Center" means the autism training center;

6 (4) "Client" means a person with the primary diagnosis of autism or autistic-like
7 behavior; and

8 (5) "Expenses" means those reasonable and customary expenditures related to training
9 and treatment of eligible clients as defined in administrative regulations
10 promulgated by the authority~~[council]~~ pursuant to KRS 13A.

11 ➔Section 101. KRS 164.9811 is amended to read as follows:

12 (1) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary
13 Education in Kentucky]~~ is authorized to operate a state autism training center,
14 including:

15 (a) The acquisition by purchase, lease, gift, or otherwise of necessary lands;

16 (b) The construction of necessary buildings;

17 (c) The expansion, remodeling, altering, or equipping of necessary buildings; and

18 (d) The making of contracts by the authority~~[council]~~ or its designee with any
19 nonprofit institution, or any state, county, or local agency for the equipment,
20 expenses, compensation of personnel, operation, and maintenance of any
21 facility of an agency or institution used for the purposes of KRS 164.981 to
22 164.9819.

23 (2) The authority~~[council]~~ shall select and contract with a public institution of higher
24 education to carry out the provisions of KRS 164.981 to 164.9819.

25 ➔Section 102. KRS 164.9815 is amended to read as follows:

26 The authority~~[council]~~, after consultation with the center, shall promulgate
27 administrative regulations pursuant to KRS Chapter 13A providing for:

- 1 (1) The establishment, operation, eligibility for services, cost reimbursement, fees for
2 services, maintenance, and government control of the center established pursuant to
3 KRS 164.981 to 164.9819;
- 4 (2) Standards necessary for cooperation under and compliance with any federal law
5 with respect to grants-in-aid for client training or facilities; and
- 6 (3) Any other administrative regulations as may be necessary to implement KRS
7 164.981 to 164.9819.

8 ➔Section 103. KRS 164.9819 is amended to read as follows:

- 9 (1) The primary method of providing services through the center shall be by the use of
10 trainee teams. A trainee team shall consist of an eligible client, a professional from
11 a local service agency, and the client's guardian or one or both of the client's
12 parents.
- 13 (2) The authority~~[council]~~, after consultation with the center, shall promulgate
14 administrative regulations relating to:
- 15 (a) Fees charged to sending agencies;
- 16 (b) Reimbursement of trainee team or client expenses; and
- 17 (c) Provision of, or reimbursement for, reasonable and customary expenses
18 incurred by trainee teams, clients, or otherwise eligible persons which are not
19 covered by the fees charged to sending agencies. These expenses may include
20 child care for other children of attending parents, guardians, or other persons
21 pursuant to subsection (1) of this section.

22 ➔Section 104. KRS 164A.050 is amended to read as follows:

- 23 (1) There is hereby created and established an independent de jure municipal
24 corporation and political subdivision of the Commonwealth of Kentucky which
25 shall be a body corporate and politic to be known and identified as the Kentucky
26 Higher Education Student Loan Corporation.
- 27 (2) The Kentucky Higher Education Student Loan Corporation is created and

1 established as an independent de jure municipal corporation and political
2 subdivision of the Commonwealth of Kentucky to perform essential governmental
3 and public functions and purposes in improving and otherwise promoting the
4 educational opportunities of the citizens and inhabitants of the Commonwealth of
5 Kentucky and other qualified students by a program of financing, making, and
6 purchasing of student loans.

7 (3) (a) Subject to paragraph (b) of this subsection, the corporation shall be governed
8 by a board of directors consisting of:

- 9 1. Eight (8) voting members chosen from the general public residing in the
10 Commonwealth of Kentucky; and
- 11 2. Seven (7) voting members of the board of directors of the Kentucky
12 Higher Education Assistance Authority appointed by the Governor
13 pursuant to KRS 164.746(1)(a)1., who shall serve terms of office on the
14 corporation board of directors coextensive with their respective terms of
15 office on the Kentucky Higher Education Assistance Authority board of
16 directors.

17 (b) Upon resignation or expiration of the term of an appointed member of the
18 board of the corporation and the Kentucky Higher Education Assistance
19 Authority, that member's position shall be abolished to reduce the combined
20 number of appointed members of the boards of the corporation and the
21 Kentucky Higher Education Assistance Authority to ten (10) members.

22 (c) In addition, ~~[the president of the Council on Postsecondary Education,]~~ the
23 secretary of the Finance and Administration Cabinet, the president of the
24 Association of Independent Kentucky Colleges and Universities, the State
25 Treasurer, and the commissioner of education, or their designees who shall be
26 another official of the same cabinet or agency, shall serve as ex officio voting
27 members.

- 1 (4) The Governor shall appoint directors according to subsection (3)(a)1. of this section
2 from nominees submitted by the Governor's Higher Education Nominating
3 Committee under KRS 164.005 to take office and to exercise all powers thereof
4 immediately. The terms shall be staggered and shall be for a period of four (4) years
5 each. Each director shall serve for the appointed term and, except as provided in
6 subsection (3)(b) of this section, shall serve until a successor has been appointed
7 and has duly qualified.
- 8 (5) Except as provided in subsection (3)(b) of this section, in the event of a vacancy,
9 the Governor may appoint a replacement director from nominees submitted by the
10 Governor's Higher Education Nominating Committee under KRS 164.005 who
11 shall hold office during the remainder of the term so vacated.
- 12 (6) The Governor may remove any director from the general public in case of
13 incompetency, neglect of duties, gross immorality, or malfeasance in office; and
14 may thereupon declare such office vacant and may appoint a person to fill such
15 vacancy as provided in other cases of vacancy.
- 16 (7) The board shall elect from its voting membership a chair, chair-elect, and secretary-
17 treasurer. The executive director of the Kentucky Higher Education Assistance
18 Authority shall serve as executive director of the corporation.
- 19 (8) The executive director shall administer, manage, and direct the affairs and business
20 of the corporation, subject to the policies, control, and direction of the board of
21 directors of the corporation. The secretary-treasurer of the corporation shall keep a
22 record of the proceedings of the corporation and shall be custodian of all books,
23 documents, and papers filed with the corporation, the minute book or journal of the
24 corporation, and its official seal. The secretary-treasurer may copy all minutes and
25 other records and documents of the corporation and give certificates under the
26 official seal of the corporation to the effect that such copies are true copies and all
27 persons dealing with the corporation may rely upon such certificates.

- 1 (9) A majority of the board of directors of the corporation shall constitute a quorum for
2 the purpose of conducting its business and exercising its powers and for all other
3 purposes notwithstanding the existence of any vacancies in respect of the board of
4 directors.
- 5 (10) Official actions may be taken by the corporation at meetings duly called by the
6 chair upon three (3) days' written notice to each director or upon the concurrence of
7 at least a majority of the directors. In lieu of personal attendance by members of the
8 board of directors at the same location, the board of directors may conduct meetings
9 by teleconference or other available technological means suitable for conducting its
10 business. Meetings of the board shall be open and accessible to the public in
11 accordance with KRS 61.805 to 61.850, and any alternate method of conducting a
12 meeting in lieu of personal attendance shall ensure public access.
- 13 (11) Directors, except officers or employees of the state, shall receive one hundred
14 dollars (\$100) compensation per day for their services and shall be entitled to
15 payment of any reasonable and necessary expense actually incurred in discharging
16 their duties under this chapter.
- 17 (12) Recognizing that the corporation and the Kentucky Higher Education Assistance
18 Authority are governed by identical boards of directors and managed by a common
19 executive director and otherwise share staff functions, the two (2) organizations
20 shall provide technical, clerical, and administrative assistance to each other and for
21 the Asset Resolution Corporation, the Kentucky Educational Savings Plan Trust,
22 and the Commonwealth postsecondary education prepaid tuition trust fund, together
23 with necessary office space and personnel, and shall assist each other in all ways by
24 the performance of any and all actions which may be useful or beneficial in the
25 performance of their public functions.
- 26 (13) The corporation shall enter into contracts with the Kentucky Higher Education
27 Assistance Authority, the Asset Resolution Corporation, the Kentucky Educational

1 Savings Plan Trust, and the Commonwealth postsecondary education prepaid
2 tuition trust fund as may be proper and appropriate in respect to services which may
3 include but not be limited to the servicing and collection of student loans or to
4 facilitate the common administration, operation, and management of the contracting
5 entities.

6 ➔Section 105. KRS 164A.250 is amended to read as follows:

7 (1) It is the intent of the General Assembly to establish a student loan forgiveness
8 program for individuals who receive a bachelor's degree or graduate degree from a
9 Kentucky college or university after August 30, 2007, and who are employed in an
10 energy-related field as engineers, engineering technologists, chemists, geologists, or
11 hydrologists in Kentucky. The loan forgiveness program shall be funded by the
12 Commonwealth of Kentucky using state appropriations and shall be administered
13 by the Kentucky Higher Education Student Loan Corporation. All costs associated
14 with the program shall be paid for by the Commonwealth of Kentucky, including
15 the reimbursement of any expenses incurred by the corporation in its administration
16 of the program.

17 (2) To the extent funds are available, the corporation shall provide eligible individuals
18 forgiveness of loans within the Federal Family Education Loan Program held by the
19 corporation up to a maximum of:

20 (a) Twenty percent (20%) of the loan balance principal; and

21 (b) Accrued interest;

22 for each year of qualified employment in Kentucky after August 30, 2007, in an
23 eligible occupation as set forth in subsection (4) of this section.

24 (3) An individual shall be eligible for the loan forgiveness if he or she:

25 (a) Is a Kentucky resident, as determined by the corporation using the criteria
26 established by the Kentucky Higher Education Assistance Authority~~Council~~
27 ~~on Postsecondary Education~~ for the purposes of postsecondary admission and

1 tuition assessment;

2 (b) Is a citizen of the United States;

3 (c) Received a bachelor's degree or graduate degree after August 30, 2007, from a
4 postsecondary education institution in Kentucky that is accredited by a
5 regional or national accrediting association; and

6 (d) Is employed full-time in Kentucky in an eligible occupation as set forth in
7 subsection (4) of this section.

8 (4) Qualified employment in an eligible occupation shall be employment in an energy-
9 related field as an engineer, including environmental engineer; engineering
10 technologist, including environmental engineering technologist; chemist; geologist;
11 or hydrologist. The corporation shall establish the specific eligible occupational
12 titles within the eligible occupations set forth in this subsection through the
13 promulgation of administrative regulations using the Standard Occupational
14 Classification System of the Bureau of Labor Statistics within the U.S. Department
15 of Labor. The corporation shall consult with the *Kentucky Higher Education*
16 *Assistance Authority*~~[Council on Postsecondary Education]~~ in determining eligible
17 occupational titles.

18 (5) The corporation shall promulgate administrative regulations in accordance with
19 KRS Chapter 13A as may be needed for the administration of the loan forgiveness
20 program.

21 ➔Section 106. KRS 164A.565 is amended to read as follows:

22 (1) The governing board of each postsecondary educational institution making the
23 election authorized in KRS 164A.560 shall as a condition of such election install an
24 accrual basis accounting system conforming with generally accepted accounting
25 principles and procedures established for colleges and universities by the National
26 Association of College and University Business Officers and the American Institute
27 of Certified Public Accountants. The accounting system shall include but not be

1 limited to the following fund structure:

2 (a) An operating fund group (unrestricted current funds), consisting of all moneys
3 not otherwise restricted, available for general operations, including state
4 appropriations, federal funds, and unrestricted institutional receipts. Separate
5 accounting fund groups may be established for auxiliary enterprises, athletics,
6 hospitals, and other similar operations;

7 (b) A restricted fund group consisting of appropriations and other receipts
8 restricted as to purpose which shall not be included in the operating fund;

9 (c) A loan fund group consisting of gifts, grants, and other funds provided and
10 available for loans to students;

11 (d) An endowment fund group consisting of funds, the principal of which is not
12 currently expendable;

13 (e) An agency fund group consisting of resources held by the institutions as
14 custodian or fiscal agent for individual students, faculty, staff members, and
15 organizations;

16 (f) A plant fund group consisting of:

17 1. Unexpended plant funds to be used for the acquisition of long-lived
18 assets for institutional purposes (capital construction funds);

19 2. Funds for renewal, maintenance, and replacement of institutional
20 buildings, equipment, and other properties; and

21 3. Funds set aside for debt service charges and retirement of indebtedness
22 on institutional plant.

23 (2) A record of each general fund appropriation shall be maintained so as to identify the
24 institutional budgets to which such funds are allotted. Any uncommitted state
25 general funds remaining after the close of business on the last day of the fiscal year
26 shall lapse and be returned to the Treasury of the Commonwealth. Each
27 appropriation shall be used for the intended purpose and where questions of intent

1 arise subject to the provisions of KRS 45.750 and 45.800 in the case of capital
2 construction projects and major items of equipment as defined by these sections, the
3 decision of the secretary of finance and administration, based upon budget work
4 papers, shall be final.

5 (3) A separate account showing sources of revenue and all expenditures shall be
6 maintained for each capital construction project. At the end of each fiscal year, a
7 report containing a listing of all capital construction projects, with sources of funds,
8 expenditures, and current status for each, shall be submitted to the Capital Projects
9 and Bond Oversight Committee.

10 (4) Within thirty (30) days after July 15, 1982, the secretary of the Finance and
11 Administration Cabinet shall submit to the Capital Projects and Bond Oversight
12 Committee a complete record of all funds and project records transferred to
13 institutions under the provisions of KRS 164A.555 to 164A.630.

14 (5) Within thirty (30) days after July 15, 1982, the governing boards shall submit to the
15 Capital Projects and Bond Oversight Committee a report containing a complete list
16 of capital construction projects and unexpended plant funds in existence on July 15,
17 1982. The source of funds, expenditures, and current status of each project shall be
18 shown.

19 (6) State general funds appropriated by the General Assembly for capital construction
20 projects and equipment purchases as defined in KRS 45.750 through 45.800 shall
21 not lapse at the end of a fiscal year. They shall be carried forward until the project is
22 completed. Any such unexpended funds remaining after acceptance of the project as
23 complete shall be returned to a surplus account of the capital construction fund for
24 investment until appropriated and allotted as provided in KRS 45.750 through
25 45.800.

26 (7) Long lived assets of the institution, including land, buildings, and capital equipment
27 shall be accounted for in the plant fund group.

1 (8) The governing boards of each institution shall make an annual report of the
2 financial activity to the Kentucky Higher Education Assistance Authority~~Council~~
3 ~~on Postsecondary Education~~. The report shall meet the requirements of the
4 authority's~~council's~~ system of uniform financial reporting for institutions of
5 higher education.

6 (9) By January 1, 2012, the governing boards of each institution shall make available
7 on the institution's website~~Web site~~:

8 (a) The board-approved operating and capital budgets for the current and prior
9 two (2) fiscal years;

10 (b) The institution's audited financial statements for the previous three (3) fiscal
11 years; and

12 (c) The agendas and actions of all meetings of the governing board for the
13 previous three (3) years.

14 ➔Section 107. KRS 164A.570 is amended to read as follows:

15 The governing board of any postsecondary educational institution making the election
16 prescribed in KRS 164A.560 shall engage a qualified firm of certified public accountants
17 experienced in the auditing of institutions to conduct an annual examination of the
18 institution's financial statements in accordance with generally accepted auditing standards
19 for the purpose of submitting an independent opinion, and preparing a report of findings
20 and recommendations concerning internal accounting controls and procedures, and
21 compliance with KRS 164A.555 to 164A.630. The secretary of the Finance and
22 Administration Cabinet may prescribe the minimum scope of any such audit. The
23 opinion, with the findings and recommendations, shall be forwarded to the Governor, the
24 secretary of the Finance and Administration Cabinet, the Auditor of Public Accounts, the
25 director of the Legislative Research Commission, the executive director~~president~~ of the
26 Kentucky Higher Education Assistance Authority~~Council on Postsecondary~~
27 ~~Education~~, and members of the governing board.

1 ➔Section 108. KRS 165.015 is amended to read as follows:

2 It shall be a public purpose for a city of any class to support postsecondary education
3 through the appropriation of funds for postsecondary educational facilities located or to
4 be located within the city and for postsecondary educational programs offered within the
5 city. Nothing in this section and KRS 165.160, 165.165, 165.180, 165.190, and 165.195
6 shall create an obligation or liability for the *Kentucky Higher Education Assistance*
7 *Authority*~~[Council on Postsecondary Education]~~.

8 ➔Section 109. KRS 165A.310 is amended to read as follows:

9 As used in this chapter:

- 10 (1) "Agent" means any person employed by a proprietary school to act as agent,
11 solicitor, broker, or independent contractor to procure students for the school by
12 solicitation of enrollment in any form made at any place other than the main office
13 or principal place of business of the school;
- 14 (2) "CDL" means a commercial driver's license as defined in KRS 281A.010;
- 15 (3) "CDL driver training" means a course of study that complies with the provisions of
16 KRS 332.095 governing the instruction of persons in the operation of commercial
17 motor vehicles;
- 18 (4) "CDL driver training school" means any person, firm, partnership, association,
19 educational institution, establishment, agency, organization, or corporation, with the
20 exception of an entry level driver training provider, that offers CDL driver training
21 to persons desiring to obtain a Kentucky CDL in order to operate a commercial
22 motor vehicle and for which a fee or tuition is charged;
- 23 (5) "Commercial motor vehicle" has the same meaning as in KRS 281A.010;
- 24 (6) "Commission" means the Kentucky Commission on Proprietary Education;
- 25 (7) "Entry level driver training" means a federally mandated course of instruction for
26 new CDL applicants as outlined in 49 C.F.R. secs. 380.600 to 380.609;
- 27 (8) "Entry level driver training provider" means an entity that is certified by the Federal

- 1 Motor Carrier Safety Administration as a training provider under 49 C.F.R. secs.
2 380.700 to 380.725 that is limited solely to providing entry level driver training;
- 3 (9) "Formal complaint" means a written statement filed on a form specified by the
4 commission in which the complainant alleges that a school has violated a Kentucky
5 statute or administrative regulation and has negatively impacted the complainant,
6 and resolution is requested by the commission;
- 7 (10) "License" means authorization issued by the commission to operate or to contract to
8 operate a proprietary school in Kentucky as described in this chapter and does not
9 reflect accreditation, supervision, endorsement, or recommendation by the
10 commission;
- 11 (11) "Person" means an individual, corporation, business trust, estate, partnership,
12 unincorporated association, two (2) or more of any of the foregoing having a joint
13 or common interest, or any other legal or commercial entity;
- 14 (12) "Proprietary school" or "school" means a privately owned educational institution,
15 establishment, agency, organization, or person maintained on either a for-profit or
16 not-for-profit basis, offering or administering a plan, course, or program of
17 instruction in business, trade, technical, industrial, or related areas for which a fee
18 or tuition is charged whether conducted in person, by mail, or by any other method,
19 and does not include:
- 20 (a) A school or educational institution supported entirely or partly by taxation
21 from either a local or state source;
- 22 (b) A parochial, denominational, or eleemosynary school or institution;
- 23 (c) A training program which offers instruction for payment by participants
24 primarily in pursuit of a hobby, recreation, or entertainment, and does not
25 result in the granting of postsecondary credits nor lead to an industry-
26 recognized credential, academic certificate, or degree;
- 27 (d) A course or courses of instruction or study sponsored by an employer for the

1 training and preparation of its own employees for the benefit of the employer
2 and without charge to the employee; or

3 (e) A school or educational institution licensed or approved by or a course or
4 courses of study or instruction sponsored by the Kentucky Board of Barbering
5 established by KRS 317.430, the Kentucky Board of Cosmetology established
6 by KRS 317A.030, the Kentucky Board of Nursing established by KRS
7 314.121, the Kentucky Board of Embalmers and Funeral Directors established
8 by KRS 316.170, or the Kentucky Higher Education Assistance
9 Authority~~[Kentucky Council on Postsecondary Education established by KRS~~
10 ~~164.011]~~;

11 (13) "Resident" means any person who has established Kentucky as his or her state of
12 domicile. Proof of residency shall include but not be limited to a deed or property
13 tax bill, utility agreement or utility bill, or rental housing agreement;

14 (14) "School year" is beginning the first day of July and ending the thirtieth day of June
15 next following, except when approval shall be suspended or canceled pursuant to
16 KRS 165A.350; and

17 (15) "Statement of quality assurance" means a statement required by the commission
18 from a non-degree granting institution, in a form and manner determined by the
19 commission, that attests to the institution meeting the minimum standards required
20 for receiving and maintaining a license.

21 ➔Section 110. KRS 165A.320 is amended to read as follows:

22 KRS 165A.310 to 165A.410 shall not apply to any institution offering a four (4) year
23 bachelor's degree recognized by the Kentucky Higher Education Assistance
24 Authority~~[Council on Postsecondary Education]~~, nor shall it apply to any religious
25 institution exempt from taxation under the laws of this state or which is subject to the
26 provisions of KRS 164.945. KRS 165A.310 to 165A.410 is intended to apply to and
27 regulate for-profit and not-for-profit proprietary schools, including but not limited to

1 traditional, web-based, distance learning, or correspondence schools, which are operated
2 as or are organized for a profit, or on a not-for-profit basis.

3 ➔Section 111. KRS 165A.340 is amended to read as follows:

4 (1) The Kentucky Commission on Proprietary Education is hereby created as an
5 independent agency of the Commonwealth and shall be attached to the Education
6 and Labor Cabinet for administrative purposes. The commission shall be composed
7 of the following members:

8 (a) Two (2) members who are representative of privately owned postsecondary
9 educational institutions licensed by the commission and appointed by the
10 Governor from a list of seven (7) names submitted by the Kentucky
11 Association of Career Colleges and Schools;

12 (b) Two (2) members who are representative of privately owned postsecondary
13 technical schools licensed by the commission and appointed by the Governor
14 from a list of seven (7) names submitted by the Kentucky Association of
15 Career Colleges and Schools;

16 (c) Four (4) members who are representative of the public at large with a
17 background in education, business, or industry in Kentucky and appointed by
18 the Governor;

19 (d) The secretary of the Education and Labor Cabinet, or the secretary's designee;

20 (e) The executive director~~[president]~~ of the Kentucky Higher Education
21 Assistance Authority~~[Council on Postsecondary Education]~~, or ~~[the~~
22 ~~president's]~~designee; and

23 (f) The commissioner of education, or the commissioner's designee.

24 (2) Terms of appointed members shall be four (4) years or until successors are duly
25 appointed and qualified. A vacancy on the commission shall be filled for the
26 remainder of the unexpired term in the same manner as the original appointment.
27 An appointed member shall not serve more than two (2) consecutive full terms,

1 except that a member may be reappointed after a break in service of one (1) full
2 term.

3 (3) The commission shall employ and fix the compensation of an executive director,
4 who shall be its secretary and principal executive officer. The executive director
5 shall have a background in the regulation of commerce, business, or education, and
6 shall be responsible for:

- 7 (a) Organizing and staffing meetings of the commission;
- 8 (b) Establishing policies to ensure retention of original licensing documentation;
- 9 (c) Ensuring that minutes and other financial, procedural, complaint, and
10 operational records are securely maintained and archived;
- 11 (d) Internal and external correspondence and communication;
- 12 (e) Submitting reports and strategic agenda items for review and approval;
- 13 (f) Assisting the commission in the promulgation of administrative regulations;
- 14 (g) Carrying out policy and program directives of the commission;
- 15 (h) Preparing budget submissions;
- 16 (i) Ensuring that formal complaints are provided to the complaint committee and
17 arranging for independent investigations as needed;
- 18 (j) Ensuring that an independent audit of the commission's finances is conducted
19 biennially;
- 20 (k) Ensuring that formal written agreements are executed for the procurement of
21 administrative and legal services;
- 22 (l) Formalizing office policies and procedures relating to licensing and financial
23 operations;
- 24 (m) Developing and implementing a process for monitoring expenditures and
25 reconciling on a monthly basis commission and student protection fund
26 receipts reported in the Enhanced Management Administrative Reporting
27 System (EMARS); and

1 (n) Other activities necessary to ensure that the commission meets its designated
2 duties and responsibilities.

3 (4) The commission shall have full authority to employ and fix the compensation for
4 any personnel, including counsel, as it may deem necessary to effectively
5 administer and enforce the provisions of this chapter. The commission shall obtain
6 office space, furniture, stationery, and any other proper supplies and conveniences
7 reasonably necessary to carry out the provisions of this chapter.

8 (5) The commission shall annually elect a chairperson. The chairperson shall not be a
9 school representative appointed pursuant to subsection (1)(a) or (b) of this section.

10 (6) (a) The commission shall promulgate administrative regulations in accordance
11 with KRS Chapter 13A to establish:

- 12 1. Commission operating and accountability procedures;
- 13 2. Requirements for each licensed institution to publicly disclose according
14 to standardized protocols, both in print and web-based materials,
15 information about:
 - 16 a. Any information that the schools are required to report by the
17 federal Higher Education Opportunity Act, Pub. L. No. 110-315,
18 using the Integrated Postsecondary Education Data System
19 (IPEDS) of the National Center for Educational Statistics as a
20 condition of participating in Title IV federal financial aid
21 programs;
 - 22 b. The job placement rate of program graduates in the field of study
23 and the types of jobs for which graduates are eligible;
 - 24 c. Articulation agreements with other postsecondary educational
25 institutions and the rights and responsibilities of students regarding
26 transfer of credits;
 - 27 d. The complaint procedures available to students; and

- 1 e. The existence of the student protection fund created in KRS
2 165A.450, and procedures for students to file a claim, including
3 but not limited to the documentation required for submission of a
4 claim;
- 5 3. Quality standards and compliance monitoring schedules of traditional
6 programs, correspondence courses, and web-based, distance learning
7 courses offered over the internet;
- 8 4. Advertising requirements for schools issued a license, including no
9 distribution of materials containing untrue, deceptive, or misleading
10 statements and no representation that the commission is an accrediting
11 agency for the school or its programs;
- 12 5. A schedule for reviewing advertisements and recruitment materials and
13 practices of member institutions to ensure compliance with this chapter;
- 14 6. An equitable structure of licensure and renewal fees, to be paid by
15 licensed schools, necessary to carry out the provisions and purposes of
16 this chapter and to support adequate staffing of commission
17 responsibilities. The fee structure shall be based on the gross revenue of
18 licensed schools, number of students enrolled, and whether the school is
19 located within the state or outside the state; and
- 20 7. The method for calculating placement rates that are to be disclosed
21 pursuant to this subsection.
- 22 (b) The commission shall have the authority to promulgate other administrative
23 regulations, in cooperation with the Kentucky Department of Education and
24 the Kentucky Higher Education Assistance Authority~~[Council on~~
25 ~~Postsecondary Education]~~, as it deems necessary for the proper administration
26 of this chapter.
- 27 (7) The commission shall hold meetings at least four (4) times a year and as frequently

1 as it deems necessary at the times and places within this state as the commission
2 may designate. The majority of the members shall constitute a quorum, and all
3 meetings shall be conducted in accordance with the Open Meetings Act, KRS
4 61.805 to 61.850.

5 (8) The commission may sue and be sued in its own name.

6 (9) Commission members shall receive a per diem of one hundred dollars (\$100) for
7 attendance at each commission meeting and may be reimbursed for ordinary travel
8 and other expenses while engaged in the business of the commission.

9 (10) The commission shall administer and enforce the provisions of this chapter
10 pertaining to the conduct, operation, maintenance, and establishment of proprietary
11 education institutions, and the activities of agents thereof when acting as such.

12 (11) The commission shall have the power to subpoena witnesses and school records as
13 it deems necessary.

14 (12) The commission chairperson shall appoint a complaint committee and designate its
15 chairperson. The chairperson of the complaint committee shall not be employed by,
16 have ownership interest in, or be otherwise affiliated with a licensed institution.
17 School representatives appointed pursuant to subsection (1)(a) or (b) of this section
18 shall not constitute a majority of the committee's membership. A committee
19 member shall not vote on a matter in which a conflict of interest exists. The
20 committee shall review each formal complaint and, if evidence supports an alleged
21 violation of this chapter or any administrative regulation promulgated thereunder,
22 the committee shall:

23 (a) Authorize an investigative report;

24 (b) Participate in informal procedures to resolve complaints;

25 (c) Ensure timely correspondence to parties involved in complaints; and

26 (d) After review of all evidence and investigative reports, make recommendations
27 for the disposition of complaints to the full commission.

1 (13) No later than November 30, 2013, and annually thereafter, the commission shall
2 provide a status report on the requirements of this section to the Interim Joint
3 Committee on Licensing and Occupations and the Interim Joint Committee on
4 Education. The report shall include a summary of the data, including school
5 performance information, relating to the requirements of subsection (6)(a) of this
6 section.

7 ➔Section 112. KRS 168.020 is amended to read as follows:

8 As used in KRS 168.010 to 168.100, the following words and terms have the following
9 meanings, unless in any instance, the context shall clearly indicate another meaning, in
10 which event the context shall be controlling:

- 11 (1) "Authority" means the Kentucky Authority for Educational Television;
- 12 (2) "Board" means the Kentucky Board of Education;
- 13 (3) "Department" means the Kentucky Department of Education;
- 14 (4) "Public schools" means the state-supported schools of the elementary and
15 secondary levels, as defined in KRS 157.320;
- 16 (5) "Commission" means the State Property and Buildings Commission of Kentucky;
- 17 (6) ~~["Council" means the Council on Postsecondary Education in Kentucky;~~
- 18 ~~(7)]~~"University of Kentucky" means the University of Kentucky as one (1) entity,
19 including its present and future extensions;
- 20 ~~(7)]~~(8) "State colleges and universities" means and includes Eastern Kentucky
21 University, Kentucky State University, Morehead State University, Murray State
22 University, Northern Kentucky University, Western Kentucky University, and the
23 University of Louisville, and institutions in the Kentucky Community and
24 Technical College System;
- 25 ~~(8)]~~(9) "Educational television" means and includes the production of television
26 programs, the filming or taping thereof, the purchase or lease of filmed or taped
27 programs produced by others, and the transmission or relaying of them for

1 utilization:

2 (a) Which may be used in aid of education in the public schools and public
3 institutions of higher education; and

4 (b) For limited and incidental use in furtherance of other proper public functions;

5 ~~(9)~~~~(10)~~ "Television facilities" means and includes sites, buildings, structures,
6 machinery, equipment, and installations, each with necessary or appropriate
7 appurtenances, used or useful in the furtherance of educational television;

8 ~~(10)~~~~(11)~~ "Related functions" or "related services" means and includes the use of
9 facilities operated or leased by the authority, or which may be added or connected
10 to such facilities as permitted by applicable statutes, and to prepare, transmit, or
11 enable the exchange of nontelevision programs, services, or functions for and
12 among the public schools, public institutions of higher education, and other state
13 agencies:

14 (a) In aid of education; and

15 (b) For use in other proper public functions; provided, however, that such related
16 functions or related services may include, but are not limited to, the following
17 examples: computer-assisted instruction, data for teaching or administrative
18 purposes, and educational noncommercial radio; *and*

19 ~~(11)~~~~(12)~~ "Related facilities" means and includes sites, buildings, structures, machinery,
20 equipment, and installations, each with necessary or appropriate appurtenances,
21 used or useful in the furtherance of related functions or services.

22 ➔Section 113. KRS 168.040 is amended to read as follows:

23 (1) The authority shall consist of nine (9) members, as follows:

24 The chief state school officer, ex officio, who shall initially serve as temporary
25 chairman and shall call and preside over the organizational meeting or meetings
26 until the members of the authority shall elect a chairman from among their number;
27 a member of the staff or personnel of the department elected by the board upon

1 recommendation of the chief state school officer as being qualified to serve as
2 liaison and coordinator between the authority and the department on matters of
3 curriculum, and his or her term shall be the same as that of the chief state school
4 officer by whom he or she is recommended, but terminable by the board in the
5 event he or she is transferred to other duties in the department, and automatically
6 terminated in the event of his or her severance from the department for any reason;
7 a representative of the University of Kentucky and a representative of the state
8 universities to be elected by the Kentucky Higher Education Assistance
9 Authority~~[Council on Postsecondary Education]~~; and five (5) additional members
10 appointed by the Governor who need possess no special or prescribed qualifications
11 except that they shall be citizens of Kentucky.

12 (2) Effective at 11:59 p.m. on June 30, 1994, all terms of gubernatorial appointees to
13 the authority shall expire. Effective July 1, 1994, five (5) appointees nominated
14 pursuant to KRS 164.005 and appointed by the Governor shall become members of
15 the authority.

16 ➔Section 114. KRS 171.420 is amended to read as follows:

17 (1) The State Libraries, Archives, and Records Commission is hereby created and shall
18 be a seventeen (17) member body constituted as follows:

19 (a) The state librarian or his or her designee, who shall be the chairperson of the
20 commission;

21 (b) The secretary of the Education and Labor Cabinet or his or her designee, who
22 shall serve as vice chairperson;

23 (c) The Auditor of Public Accounts or his or her designee;

24 (d) The state law librarian or his or her designee;

25 (e) The director of the Legislative Research Commission or his or her designee;

26 (f) The Attorney General or his or her designee;

27 (g) The executive director of the Kentucky Military Heritage Commission or a

- 1 designee of the commission;
- 2 (h) The executive director of the Commonwealth Office of Technology or his or
- 3 her designee;
- 4 (i) The president of the Kentucky Association of School Librarians or his or her
- 5 designee;
- 6 (j) The executive director of the Kentucky Historical Society or his or her
- 7 designee;
- 8 (k) The executive director of the Kentucky Library Association or his or her
- 9 designee;
- 10 (l) The executive director~~[president]~~ of the Kentucky Higher Education
- 11 Assistance Authority~~[Council on Postsecondary Education]~~ or his or her
- 12 designee;
- 13 (m) Four (4) citizens at large appointed by the Governor, including one (1)
- 14 member representing library users with disabilities, one (1) member
- 15 representing disadvantaged persons, and two (2) members representing library
- 16 users; and
- 17 (n) One (1) member, who shall not be an elected official, appointed by the
- 18 Governor from a list of three (3) persons, with one (1) name submitted by
- 19 each of the presidents of the Kentucky League of Cities, the Kentucky
- 20 Association of Counties, and the Kentucky Association of School
- 21 Administrators.
- 22 (2) Vacancies for appointed members shall be filled by the Governor in the same
- 23 manner as initial appointments are made. All appointed members shall serve for a
- 24 term of three (3) years, except when making the appointments under subsection (3)
- 25 of this section, two (2) shall be for a term of three (3) years, two (2) for two (2)
- 26 years, and one (1) for one (1) year.
- 27 (3) On July 14, 2018, all terms of gubernatorial appointees made prior to July 14, 2018,

1 shall expire, and the Governor shall appoint five (5) members to the commission in
2 accordance with paragraphs (m) and (n) of subsection (1) of this section.

3 (4) The commission shall be the state advisory council on libraries and shall advise the
4 Department for Libraries and Archives on matters relating to federal and state
5 library development issues, archives and records management, federal and state
6 funding, public library standards, and other federal and state library service issues.
7 The commission shall have the authority to review and approve schedules for
8 retention and destruction of records submitted by state and local agencies. In all
9 cases, the commission shall determine questions which relate to destruction of
10 public records, and their decision shall be binding on the parties concerned and
11 final, except that the commission may reconsider or modify its actions upon the
12 agreement of a simple majority of the membership present and voting.

13 ➔Section 115. KRS 183.132 is amended to read as follows:

14 (1) Any urban-county government, city, or county, or city and county acting jointly, or
15 any combination of two (2) or more cities, counties, or both, may establish a
16 nonpartisan air board composed of six (6) members or, under subsection (7) of this
17 section, of eleven (11), twelve (12), or thirteen (13) members. Any city other than
18 the first class and county jointly or an urban-county government established
19 pursuant to KRS Chapter 67A may establish a nonpartisan board composed of ten
20 (10) members. Any existing six (6) member board, including a board established in
21 an urban-county government, may be expanded to ten (10) members by action of
22 the government entity or entities that established the six (6) member board.

23 (2) Any city of the first class, jointly with the county containing the city or a
24 consolidated local government, may establish or maintain a nonpartisan air board.
25 Membership of the board shall be appointed in accordance with subsection (9) or
26 (14) of this section. Any air board established or maintained in a county containing
27 a city of the first class or consolidated local government shall be composed of

1 eleven (11) members.

2 (3) In the case where a nonpartisan air board composed of six (6) members is created
3 by cities, counties, or both, those cities, counties, or both may pass ordinances and
4 adjust any existing memorandum of agreement to allow a state university which
5 operates an aviation degree program approved by the Kentucky Higher Education
6 Assistance Authority~~[Council on Postsecondary Education]~~ under KRS 164.020 to
7 be a constituent party to the air board. In that case, the board shall be eight (8)
8 members in total, and the university shall nominate for appointment two (2)
9 members to the air board as set out in subsection (6) of this section.

10 (4) The board shall be a body politic and corporate with the usual corporate attributes,
11 and in its corporate name may sue and be sued, contract and be contracted with, and
12 do all things reasonable or necessary to effectively carry out the duties prescribed
13 by statute. The board shall constitute a legislative body for the purposes of KRS
14 183.630 to 183.740.

15 (5) The members of an air board composed of six (6) members shall be appointed as
16 follows:

17 (a) If the air board is established by a city, the members shall be appointed by the
18 mayor of the city;

19 (b) If the air board is established as a joint city-county air board, the members
20 shall be appointed jointly by the mayor of the city and the county
21 judge/executive;

22 (c) If a combination of cities, counties, or both, establishes a joint air board, the
23 mayors and county judges/executive involved shall jointly choose six (6)
24 members and shall jointly choose successors;

25 (d) If the air board is established by an urban-county government, the mayor of
26 the urban-county government or an officer of the urban-county government
27 designated by the mayor shall serve as one (1) member of the board. The

1 remaining five (5) members shall be appointed by the mayor. One (1) of the
2 members appointed by the mayor shall live within a three (3) mile radius of
3 the airport.

4 (6) If an air board is composed of eight (8) members that are a combination of cities,
5 counties, or both, and an eligible state university as set out in subsection (3) of this
6 section, then the mayors, county judges/executive, and university board of regents
7 involved shall jointly choose eight (8) members and shall jointly choose successors.
8 In making the appointment for the university, the president of the university shall
9 submit for confirmation the name of the individual and the university's board of
10 regents shall confirm his or her nomination before the individual's name is
11 submitted for joint appointment.

12 (7) If the air board is established by a county, the members shall be appointed by the
13 county judge/executive, except that in the event that an airport is located outside the
14 boundary of the county establishing the airport board, the voting members of the air
15 board are appointed as follows:

16 (a) One (1) member appointed by the Governor of the Commonwealth;

17 (b) Ten (10), eleven (11), or twelve (12) members appointed from the following
18 jurisdictions located within a twenty (20) mile radius of the airport operations:

19 1. Eight (8) members appointed by the judge/executive of the county
20 establishing the air board, with the approval of the county fiscal court. If
21 the air board is located within a metropolitan statistical area, as defined
22 by the United States Bureau of the Census, the county judge/executive,
23 with the approval of the county fiscal court, may choose to appoint two
24 (2) of these members as follows:

25 a. One (1) member may be appointed following nomination by the
26 chief executive officer of the largest city within the metropolitan
27 statistical area;

- 1 b. One (1) member may be appointed following nomination by the
2 chief executive officer of the county containing the largest city
3 within the metropolitan statistical area, if that county does not
4 already have representation on the board; and
- 5 c. The county judge/executive of the county establishing the air
6 board may choose whether to invite the chief executive officers
7 identified in subdivisions a. and b. of this subparagraph to
8 nominate members. If the county judge/executive does invite a
9 chief executive officer to make a nomination and the chief
10 executive officer makes a nomination, the county judge/executive
11 may choose whether to appoint that nominee or to appoint another
12 person instead;
- 13 2. Two (2) members appointed by the county judge/executive of the county
14 containing the majority of territory encompassing the airport. This
15 appointment shall be made with the approval of both the fiscal court of
16 the county containing the majority of territory encompassing the airport
17 and the fiscal court of the county establishing the air board; and
- 18 3. One (1) or two (2) additional members, if there are any counties within
19 the prescribed geographic limits that do not otherwise have an
20 appointment to the air board. If there is one (1) such county, this
21 appointment shall be made by the county judge/executive of that county,
22 with the approval of that county's fiscal court. If there are two (2) or
23 more such counties, these appointments shall be made by the county
24 judges/executive of the two (2) counties among them having the largest
25 population, and the appointments shall receive the approval of those
26 respective counties' fiscal courts and the fiscal court of the county
27 establishing the air board; and

1 (c) Board members of any air board established prior to June 24, 2015, that is
2 operating an airport that is located outside the boundary of the county
3 establishing the airport board shall serve out the remainder of their terms.
4 Additional voting members shall assume their offices on the July 1 following
5 June 24, 2015, and be appointed as follows:

- 6 1. The member appointed by the Governor shall be appointed for an initial
7 term of one (1) year;
- 8 2. One (1) member from the county containing the majority of territory
9 encompassing the airport shall be appointed for an initial term of two (2)
10 years;
- 11 3. One (1) member from the county containing the majority of territory
12 encompassing the airport shall be appointed for an initial term of three
13 (3) years;
- 14 4. One (1) member from the county establishing the airport board shall be
15 appointed for an initial term of four (4) years; and
- 16 5. If there are any, the members from the counties that are not otherwise
17 represented on the air board within the prescribed geographic limit shall
18 be appointed for an initial term of four (4) years.

19 Thereafter, their replacements shall serve a full four (4) year term. All
20 members may be reappointed for subsequent terms. The majority of all air
21 board appointees shall be residents of the county establishing the air board.

22 (8) The members of an air board composed of ten (10) members in a city other than a
23 city of the first class and county jointly other than an urban-county government
24 established pursuant to KRS Chapter 67A shall be appointed as follows:

- 25 (a) Five (5) members shall be appointed by the mayor of the city, without
26 approval of the legislative body;
- 27 (b) Five (5) members shall be appointed by the county judge/executive without

1 approval of the other members of the fiscal court.

2 (9) An air board consisting of eleven (11) members and established jointly by a city of
3 the first class and the county containing the first class city shall be composed of
4 members as follows:

5 (a) The mayor of the city of the first class;

6 (b) The county judge/executive of the county containing the city of the first class;

7 (c) Three (3) members appointed by the mayor of the city of the first class;

8 (d) Three (3) members appointed by the county judge/executive of the county,
9 with the approval of the fiscal court;

10 (e) Two (2) members, who shall be residents of the county containing a city of
11 the first class or of counties contiguous thereto, appointed by the Governor;
12 and

13 (f) One (1) member, who shall be a member of the executive board of an
14 incorporated alliance of incorporated neighborhood associations and cities
15 with a population of less than three thousand (3,000) based upon the most
16 recent federal decennial census which represents citizens living within a five
17 (5) mile radius of airport operations, appointed by the Governor. If more than
18 one (1) incorporated alliance exists, the Governor shall select the appointee
19 from the executive boards of any of the incorporated alliances. If no alliances
20 exist, the Governor shall appoint a citizen of the county who resides within a
21 five (5) mile radius of airport operations.

22 (10) An air board consisting of eleven (11) members and established or maintained by a
23 consolidated local government upon its establishment shall be composed of
24 members as follows:

25 (a) The mayor of the consolidated local government;

26 (b) Seven (7) members appointed by the mayor of the consolidated local
27 government;

- 1 (c) Two (2) members who shall be residents of the county containing the
2 consolidated local government or residents of counties contiguous to the
3 county containing the consolidated local government, appointed by the
4 Governor; and
- 5 (d) One (1) member who shall be a member of the executive board of an
6 incorporated alliance of incorporated neighborhood associations and cities
7 with a population of less than three thousand (3,000) based upon the most
8 recent federal decennial census which represents citizens living within a five
9 (5) mile radius of airport operations, appointed by the Governor. If more than
10 one (1) incorporated alliance exists, the Governor shall select the appointee
11 from the executive boards of any of the incorporated alliances. If no alliances
12 exist, the Governor shall appoint a citizen of the county who resides within a
13 five (5) mile radius of airport operations.
- 14 (11) The members of an air board composed of ten (10) members established by an
15 urban-county government shall be composed of the mayor of the urban-county
16 government or an officer of the urban-county government designated by the mayor.
17 The remaining nine (9) members shall be appointed by the mayor. Two (2) of the
18 members appointed by the mayor shall live within a three (3) mile radius of the
19 airport.
- 20 (12) Members of the board composed of six (6) members, or eight (8) members as set
21 out in subsection (3) of this section, shall serve for a term of four (4) years each and
22 until their successors are appointed and qualified. The initial appointments shall be
23 made so that two (2) members are appointed for two (2) years, two (2) members for
24 three (3) years, and two (2) members for four (4) years. The initial terms of the
25 members nominated by a state university and jointly appointed by the cities and
26 county comprising the air board under subsection (3) of this section shall be one (1)
27 appointee serving a two (2) year term and one (1) appointee serving a four (4) year

1 term. Upon expiration of the staggered terms, successors shall be appointed for a
2 term of four (4) years.

3 (13) Members of the board composed of ten (10) members in a city other than a city of
4 the first class and county jointly shall serve for a term of four (4) years each and
5 until their successors are appointed and qualified. The initial appointments made by
6 the mayor and the county judge/executive shall be made so that one (1) member is
7 appointed for two (2) years, two (2) members are appointed for three (3) years, and
8 two (2) members are appointed for four (4) years. If an existing six (6) member
9 board is being increased to a ten (10) member board, initial appointments of the
10 four (4) new members shall be made so that the mayor and the county
11 judge/executive, or the mayor if the board is established by an urban-county
12 government, each appoint one (1) member for two (2) years and one (1) member for
13 four (4) years. Upon expiration of the initial terms, successors shall be appointed
14 for a term of four (4) years. In the case of a board established by an urban-county
15 government, the term of the mayor for the urban-county government, or the officer
16 of the urban-county government designated by the mayor, shall be coextensive with
17 the term of the mayor.

18 (14) Members of an air board composed of eleven (11) members and established or
19 maintained jointly by a city of the first class and the county containing a city of the
20 first class shall serve for a term of three (3) years each and until their successors are
21 appointed and qualified. The terms of the mayor and the county judge/executive
22 shall be coextensive with their terms of office. The mayor and the county
23 judge/executive shall each make their initial appointments to a board established
24 jointly by a city of the first class and the county containing a city of the first class so
25 that one (1) member is appointed for one (1) year, one (1) member is appointed for
26 two (2) years, and one (1) member is appointed for three (3) years. The Governor
27 shall make the initial appointments so that one (1) member is appointed for two (2)

1 years and one (1) member is appointed for three (3) years. Upon the expiration of
2 the initial terms, successors shall be appointed for a term of four (4) years.

3 (15) Members of an air board composed of eleven (11) members in a county that has
4 established a consolidated local government in a county containing a former city of
5 the first class shall serve until their successors are appointed and qualified. The
6 terms of office on the air board of the mayor of the previously existing city of the
7 first class and the county judge/executive of this county shall expire upon the
8 establishment of a consolidated local government. Upon the establishment of a
9 consolidated local government, if the consolidated local government maintains the
10 previously existing air board, the incumbent members, except the mayor of the
11 previously existing city of the first class and the county judge/executive of that
12 county, shall continue to serve as members of the board for the time remaining of
13 their current terms of appointment. The Governor shall appoint members pursuant
14 to subsection (10)(c) and (d) of this section. The mayor of the consolidated local
15 government shall serve on the board for a term which shall be coextensive with his
16 or her term of office. Incumbent members shall be eligible for reappointment upon
17 the expiration of their terms. The terms of all other board members shall be for four
18 (4) years. Upon the establishment of a consolidated local government and
19 maintenance of a previously existing air board, any incumbent member whose term
20 had expired but who had continued to serve because the member's successor had
21 not been appointed, shall continue to serve until a successor is appointed.
22 Successors shall be appointed by the mayor or the Governor as provided by law
23 within sixty (60) days after the establishment of the consolidated local government.
24 As the terms of the previously serving members of an air board being maintained by
25 a consolidated local government expire, the mayor of the consolidated local
26 government and the Governor shall respectively make their new appointments.

27 (16) Members of the board shall serve without compensation but shall be allowed any

1 reasonable expenses incurred by them in the conduct of the affairs of the board. The
2 board shall, upon the appointment of its members, organize and elect officers. The
3 board, except for a board composed of eleven (11) members, shall choose a
4 chairman and vice chairman who shall serve for terms of one (1) year. Where the
5 board is composed of eleven (11) members and established jointly by a city of the
6 first class and the county containing a city of the first class, the mayor of the city of
7 the first class and the county judge/executive shall jointly appoint the chairman
8 from among the membership of the board. Where the board is composed of eleven
9 (11) members and is in a county containing a consolidated local government, the
10 mayor shall appoint the chairman from among the membership of the board. The
11 board shall also choose a secretary-treasurer who may or may not be a member of
12 the board. The board may fix a salary for the secretary-treasurer and the secretary-
13 treasurer shall execute an official bond to be set and approved by the board, and the
14 cost of the bond shall be paid by the board.

15 (17) The board may employ necessary counsel, agents, and employees to carry out its
16 work and functions and prescribe rules and regulations as it deems necessary.

17 (18) The secretary-treasurer shall keep the minutes of all meetings of the board and shall
18 also keep a set of books showing the receipts and expenditures of the board. The
19 secretary-treasurer shall preserve on file duplicate vouchers for all expenditures and
20 shall present to the board, upon request, complete reports of all financial
21 transactions and the financial condition of the board. The books and vouchers shall
22 at all times be subject to examination by the legislative body or bodies by whom the
23 board was created. The secretary-treasurer shall transmit at least once annually a
24 detailed report of all acts and doings of the board to the legislative body or bodies
25 by whom the board was created.

26 (19) In the event that a joint air board is created by cities, counties, or both, and has
27 authorized an eligible state university to become party to the air board under

1 subsection (3) of this section, and thereafter a city, county, or state university
2 desires to withdraw from participation, then the remaining participants may jointly
3 choose a successor member or members of the board. A local government or state
4 university wanting to withdraw from participation in the board shall not be entitled
5 to return of any moneys or property advanced to the board.

6 (20) A quorum for the transacting of the business of a six (6) member board shall consist
7 of four (4) members, an eight (8) member board shall consist of five (5) members, a
8 ten (10) member board shall consist of six (6) members, and an eleven (11) member
9 board shall consist of six (6) members. Meetings of the board may be called by the
10 chairman or by four (4) members. In case of tie voting by the board, the issue shall
11 be deemed to have failed passage.

12 (21) A board member may be replaced by the appointing authority upon a showing to
13 the authority of misconduct as a board member or upon conviction of a felony. A
14 board member shall not hold any official office with the appointing authority,
15 except for the mayor of a city of the first class and the county judge/executive on a
16 board made up of eleven (11) members and established jointly by a city of the first
17 class and the county containing a city of the first class, or the mayor of an urban-
18 county government or a consolidated local government, or an officer of the urban-
19 county government designated by the mayor on a board established by an urban-
20 county government.

21 ➔Section 116. KRS 200.505 is amended to read as follows:

22 There is hereby created a State Interagency Council for Services and Supports to
23 Children and Transition-Age Youth. The chairperson of the council shall be designated
24 by the Governor and shall establish procedures for the council's internal procedures.

25 (1) This council shall be composed of the following:

26 (a) Members who shall serve by virtue of their positions: the commissioner of the
27 Department of Education, the commissioner of the Department for Behavioral

1 Health, Developmental and Intellectual Disabilities, the commissioner of the
2 Department for Community Based Services, the commissioner of the
3 Department for Public Health, the commissioner of the Department for
4 Medicaid Services, the commissioner of the Department of Juvenile Justice,
5 the director of the Division of Family Resource and Youth Services Centers,
6 the executive director of the Office for Children with Special Health Care
7 Needs, the executive officer of the Department of Family and Juvenile
8 Services of the Administrative Office of the Courts, the chair of the
9 Subcommittee for Equity and Justice for all Youth of the Juvenile Justice
10 Advisory Board, the executive director of the Kentucky Housing Corporation,
11 the executive director of the Kentucky Office of Vocational Rehabilitation,
12 and the executive director~~[president]~~ of the Kentucky Higher Education
13 Assistance Authority~~[Council on Postsecondary Education]~~, or their
14 designees;

- 15 (b) The chairperson of the council shall appoint one (1) parent of a child or
16 transition-age youth with a behavioral health need, who is a consumer of
17 services and supports within the system of care to serve as a member of the
18 council, and one (1) parent who meets the same criteria to serve as the parent
19 member's alternate to serve in the absence of the parent member. For each
20 appointment to be made, the State Interagency Council for Services and
21 Supports to Children and Transition-Age Youth shall vote on nominations
22 submitted by members. The nominee receiving the most votes shall be
23 appointed. Appointees shall serve a term of two (2) years and may be
24 reappointed to additional two (2) year terms. If the child of the parent member
25 or alternate parent member ceases to be a consumer of services and supports
26 within the system of care during the term of appointment, the member shall be
27 eligible to serve out the remainder of the term of appointment. The alternate

1 parent member may attend and participate in all council meetings but shall
2 vote only in the absence of the parent member. The parent member and
3 alternate parent member shall receive no compensation in addition to that
4 which they may already receive as service providers or state employees who
5 are required to attend as part of their duties, but the parent member and
6 alternate parent member shall be reimbursed for expenses incurred through
7 the performance of their duties as council members if it is outside the scope of
8 their job duties;

- 9 (c) The chairperson of the council shall appoint one (1) youth between the ages of
10 sixteen (16) and twenty-five (25), who has a behavioral health disorder and
11 who is receiving or has received services to address mental health, substance
12 use, or co-occurring mental health and substance use disorder, to serve as a
13 member of the council, and one (1) youth who meets the same criteria to serve
14 as the youth member's alternate in the absence of the youth member. For each
15 appointment to be made, the State Interagency Council for Services and
16 Supports to Children and Transition-Age Youth shall vote on nominations
17 submitted by members. The nominee receiving the most votes shall be
18 appointed. Appointees shall serve a term of two (2) years and may be
19 reappointed to additional two (2) year terms, and the youth member and the
20 youth member's alternate shall be eligible to serve out the remainder of their
21 term of appointment regardless of age. The alternate youth member may
22 attend and participate in all council meetings but shall vote only in the
23 absence of the youth member. The youth member and alternate youth member
24 shall receive no compensation in addition to that which they may already
25 receive as service providers or state employees who are required to attend as
26 part of their duties, but the youth member and alternate youth member shall be
27 reimbursed for expenses incurred through the performance of their duties as

- 1 council members if it is outside the scope of their job duties;
- 2 (d) The chairperson of the council shall appoint one (1) member of a nonprofit
3 family organization representing consumers of services and supports within
4 the system of care whose membership, leadership, and governance include
5 parents, primary caregivers, or children or transition-age youth with serious
6 emotional, behavioral, or mental health needs, to serve as a member of the
7 council. For each appointment to be made, the chair shall publicly post on the
8 State Interagency Council for Services and Supports to Children and
9 Transition-Age Youth website~~[web site]~~ a solicitation for letters of interest
10 from qualified organizations and submit all qualified responses to a vote of
11 the full membership. The organization which receives the most votes shall
12 designate a representative to serve a term of two (2) years, and may be
13 reappointed to additional two (2) year terms. The family organization member
14 shall receive no compensation in addition to that which the member may
15 already receive as an employee who is required to attend as part of his or her
16 duties, but shall be reimbursed for expenses incurred through the performance
17 of duties as a council member if it is outside the scope of his or her job duties;
18 and
- 19 (e) At the end of a term, a member shall continue to serve until a successor is
20 appointed.
- 21 (2) The State Interagency Council for Services and Supports to Children and
22 Transition-Age Youth shall:
- 23 (a) Make recommendations annually to the Governor and the Legislative
24 Research Commission regarding the system of care for children and
25 transition-age youth with or at risk of behavioral health needs;
- 26 (b) Direct each regional interagency council to:
- 27 1. Operate as the regional locus of accountability for the system of care;

1 and

2 2. Participate in family accountability, intervention, and response teams
3 established pursuant to KRS 605.035;

4 (c) Assess the effectiveness of regional councils in serving as the locus of
5 accountability for the system of care for children and transition-age youth
6 with or at risk of behavioral health needs;

7 (d) Meet at least monthly and maintain records of meetings; and

8 (e) Develop a comprehensive array of services and supports to meet the needs of
9 children and transition-age youth with or at risk of developing behavioral
10 health needs.

11 (3) Agencies represented on the state council shall adopt interagency agreements as
12 necessary to advance the system of care.

13 (4) The State Interagency Council for Services and Supports to Children and
14 Transition-Age Youth may promulgate administrative regulations necessary to
15 comply with the requirements of KRS 200.501 to 200.509.

16 ➔Section 117. KRS 210.051 is amended to read as follows:

17 (1) The Kentucky Eating Disorder Council is hereby established in the Cabinet for
18 Health and Family Services and shall be attached to the cabinet for administrative
19 purposes.

20 (2) The following members shall be appointed to the council:

21 (a) The secretary of the Cabinet for Health and Family Services or his or her
22 designee;

23 (b) The commissioner of the Department for Medicaid Services or his or her
24 designee;

25 (c) The commissioner of the Department for Behavioral Health, Developmental
26 and Intellectual Disabilities or his or her designee;

27 (d) The commissioner of the Department for Public Health or his or her designee;

- 1 (e) The commissioner of the Department of Insurance or his or her designee;
- 2 (f) The commissioner of the Department of Education or his or her designee;
- 3 (g) The executive director~~[president]~~ of the Kentucky Higher Education
4 Assistance Authority~~[Council on Postsecondary Education]~~ or his or her
5 designee;
- 6 (h) One (1) representative to be appointed by the Governor from a list of three (3)
7 individuals submitted by the Kentucky Hospital Association;
- 8 (i) One (1) psychologist who works with individuals who have eating disorders
9 to be appointed by the Governor from a list of three (3) individuals provided
10 by the Kentucky Psychological Association;
- 11 (j) One (1) pediatrician who works with individuals who have eating disorders to
12 be appointed by the Governor from a list of three (3) individuals provided by
13 the Kentucky Chapter of the American Academy of Pediatrics;
- 14 (k) One (1) psychiatrist who works with individuals who have eating disorders to
15 be appointed by the Governor from a list of three (3) individuals provided by
16 the Kentucky Psychiatric Medical Association;
- 17 (l) One (1) licensed clinical social worker who works with individuals who have
18 eating disorders to be appointed by the Governor from a list of three (3)
19 individuals provided by the Kentucky Chapter of the National Association of
20 Social Workers;
- 21 (m) One (1) psychiatric nurse practitioner who works with individuals who have
22 eating disorders to be appointed by the Governor from a list of three (3)
23 individuals provided by the Kentucky Association of Nurse Practitioners and
24 Nurse-Midwives;
- 25 (n) One (1) registered and licensed dietician who works with individuals who
26 have eating disorders to be appointed by the Governor from a list of three (3)
27 individuals provided by the Kentucky Dietetics Association;

- 1 (o) One (1) eating disorder researcher to be appointed by the Governor from a list
2 of three (3) individuals provided by the Kentucky Psychological Association;
- 3 (p) One (1) public health policy researcher to be appointed by the Governor from
4 a list of three (3) individuals provided by the Kentucky Public Health
5 Association; and
- 6 (q) Three (3) individuals who have an eating disorder or who have experience
7 with individuals who have eating disorders to be appointed by the Governor
8 from a list of five (5) individuals provided by the Louisville Center for Eating
9 Disorders until a statewide consumer and family advocacy organization is
10 established.
- 11 (3) The members of the council shall elect a chair and vice chair to serve one (1) year.
- 12 (4) The council shall meet at least quarterly or upon the call of the chair.
- 13 (5) After the initial appointments, members of the council shall serve terms of two (2)
14 years, beginning the day of appointment. Members of the council shall be eligible
15 to succeed themselves and shall serve until their successors are appointed.
- 16 (6) Members of the council shall serve without compensation but shall be reimbursed
17 for reasonable and necessary expenses in accordance with state travel expenses and
18 reimbursement administrative regulations.
- 19 (7) The council shall:
- 20 (a) Oversee the development and implementation of eating disorder awareness,
21 education, and prevention programs;
- 22 (b) Identify strategies for improving access to adequate diagnosis and treatment
23 services;
- 24 (c) Assist the cabinet in identifying eating disorder research projects;
- 25 (d) Work with the Cabinet for Health and Family Services and other appropriate
26 entities to routinely examine existing surveillance systems, data collection
27 systems, and administrative databases to determine the best strategies for

- 1 implementing evidence-based eating disorder measures that provide data for
2 program and policy planning purposes;
- 3 (e) As reasonably as possible, collaborate and coordinate on data research
4 projects with the Cabinet for Health and Family Services and other
5 appropriate entities; and
- 6 (f) Make recommendations regarding legislative and regulatory changes as
7 appropriate.
- 8 (8) The council shall apply for grants from the federal government, private foundations,
9 or other sources that may be available for programs related to eating disorders.
- 10 (9) The council shall report annually beginning December 1, 2020, on its activities,
11 findings, and recommendations to the Governor and the Legislative Research
12 Commission.
- 13 (10) The Kentucky Eating Disorder Council shall cease to exist on December 1, 2030,
14 unless otherwise reestablished by the General Assembly.
- 15 ➔Section 118. KRS 214.544 is amended to read as follows:
- 16 (1) A Colon Cancer Screening and Prevention Advisory Committee shall be
17 established. The advisory committee shall include:
- 18 (a) One (1) member of the House of Representatives who shall be appointed by
19 the Speaker of the House;
- 20 (b) One (1) member of the Senate who shall be appointed by the President of the
21 Senate;
- 22 (c) The deputy commissioner of the Department for Public Health;
- 23 (d) The commissioner of the Department of Insurance, or his or her designee;
- 24 (e) The commissioner of the Department for Medicaid Services, or his or her
25 designee;
- 26 (f) Two (2) at-large members who shall be appointed by the Governor;
- 27 (g) One (1) member who shall be appointed by the Governor from a list of three

- 1 (3) names provided by the American Cancer Society;
- 2 (h) The director of the Kentucky Cancer Program at the University of Kentucky;
- 3 (i) The director of the Kentucky Cancer Program at the University of Louisville;
- 4 (j) The director of the Kentucky Cancer Registry;
- 5 (k) The director of the Colon Cancer Prevention Project;
- 6 (l) The chair of Kentucky African Americans Against Cancer; and
- 7 (m) The director of the Kentucky Cancer Consortium.

8 Members of the advisory committee shall be appointed for a term of four (4) years.

9 (2) (a) Members appointed under subsection (1)(a) to (g) of this section shall be
10 appointed as follows:

- 11 1. Members shall be appointed for a term of four (4) years, except as
12 provided in subparagraph 2. of this paragraph;
- 13 2. The initial appointments shall be for a period of two (2) years;
14 thereafter, the appointments shall be for a term of four (4) years; and
- 15 3. Members shall not serve more than two (2) terms of four (4) years.

16 (b) Members serving under subsection (1)(h) to (m) of this section shall serve by
17 virtue of their positions and shall not be subject to term limits.

18 (3) The chair of the advisory committee shall be elected from the membership of the
19 advisory committee to serve for a two (2) year term. A member of the advisory
20 committee may designate an alternate to attend meetings in his or her place.

21 (4) The advisory committee may add members from other organizations as deemed
22 appropriate.

23 (5) The advisory committee shall provide recommendations for the overall
24 implementation and conduct of the Colon Cancer Screening and Prevention
25 Program.

26 (6) The advisory committee shall establish and provide oversight for a colon cancer
27 screening public awareness campaign. The Cabinet for Health and Family Services

1 shall contract with the Kentucky Cancer Consortium at the University of Kentucky
2 to provide the required support. The amount of the contract shall not be included in
3 the base budget of the university as used by the *Kentucky Higher Education*
4 *Assistance Authority*~~[Council on Postsecondary Education]~~ in determining the
5 funding formula for the university.

6 (7) The Colon Cancer Screening and Prevention Advisory Committee shall provide an
7 annual report on implementation and outcomes from the Colon Cancer Screening
8 and Prevention Program and recommendations to the Legislative Research
9 Commission, the Interim Joint Committee on Health Services, the Interim Joint
10 Committee on Appropriations and Revenue, the Governor, the secretary of the
11 Cabinet for Health and Family Services, and the commissioner of the Department
12 for Public Health.

13 (8) The Kentucky Cancer Program, jointly administered by the University of Kentucky
14 and the University of Louisville, shall establish a colon cancer screening, education,
15 and outreach program in each of the state area development districts. The colon
16 cancer screening, education, and outreach program shall focus on individuals who
17 lack access to colon cancer screening. The Cabinet for Health and Family Services
18 shall contract with the University of Louisville and the University of Kentucky to
19 provide the required support. The amount of the contract shall not be included in
20 the base budgets of the universities as used by the *Kentucky Higher Education*
21 *Assistance Authority*~~[Council on Postsecondary Education]~~ in determining the
22 funding formula for the universities.

23 ➔Section 119. KRS 309.363 is amended to read as follows:

24 (1) A person, institution, or business entity offering a massage therapy program of
25 instruction shall file a completed application for a certificate of good standing with
26 the board on a form prescribed by the board and pay a fee as specified in KRS
27 309.357. The completed application shall provide proof acceptable to the board that

1 the following criteria have been met:

2 (a) The school is licensed to operate by the Kentucky Commission on Proprietary
3 Education, the Kentucky Higher Education Assistance Authority~~[Council on~~
4 ~~Postsecondary Education]~~, or their equivalent in another state;

5 (b) A curriculum statement showing clock hours devoted to each subject with the
6 following minimums:

7 1. One hundred twenty-five (125) hours of anatomy, physiology, or
8 kinesiology;

9 2. A two hundred (200) hour course to include massage theory, technique,
10 and practice focusing on gliding strokes, kneading, direct pressure, deep
11 friction, joint movement, superficial warming techniques, percussion,
12 compression, vibration, jostling, shaking, and rocking;

13 3. Two hundred (200) hours of approach to the business of massage,
14 specifically including contraindications, benefits, business, history,
15 ethics, client documentation, legalities of massage, and modality courses
16 designed to meet the school's specific program objectives;

17 4. Forty (40) hours of pathology; and

18 5. The school may use its discretion in allotting the additional thirty-five
19 (35) curricular hours that are required under KRS 309.358; and

20 (c) A listing of instructional staff and their qualifications as follows:

21 1. Instructors of the practical courses shall be licensed massage therapists
22 and shall have three (3) years of experience in the practice of massage
23 therapy;

24 2. Instructors of science courses shall be either licensed massage therapists
25 with three (3) years of experience in the practice of massage therapy or
26 have certification or specific higher education in the subject they are
27 teaching; and

1 3. Instructors in adjunctive courses shall have subject-specific education
2 and experience.

3 (2) A school may be presumed to have met the qualifications in subsection (1)(b) and
4 (c) of this section if it holds a current designation of "Approved School" from the
5 National Certification Board of Therapeutic Massage and Bodywork or has the
6 designation of "accredited" or "COMTA-endorsed curriculum" from the Council for
7 Massage Therapy Accreditation.

8 (3) The board shall accept National Certification Board for Therapeutic Massage and
9 Bodywork guidelines in approving continuing education.

10 ➔Section 120. KRS 309.464 is amended to read as follows:

11 The department shall:

12 (1) Promulgate administrative regulations, in accordance with KRS Chapter 13A,
13 necessary to carry out the provisions of KRS 309.462, including establishing:

14 (a) The core competencies of community health work;

15 (b) The community health worker certification application and renewal process,
16 including training, mentorship, and continuing education requirements;

17 (c) A certification application and renewal fee;

18 (d) Procedures for certification denial, suspension, and revocation; and

19 (e) The scope of practice for certified community health workers;

20 (2) Approve competency-based training programs and training providers, which shall
21 include the Kentucky Community and Technical College System;

22 (3) Approve organizations to provide continuing education for certified community
23 health workers; and

24 (4) Work with the Kentucky Higher Education Assistance Authority ~~Kentucky~~
25 ~~Council on Postsecondary Education~~ and the Kentucky Community and Technical
26 College System to ensure that appropriate college course credits are awarded to
27 individuals who complete certified community health worker training, mentorship,

1 and continuing education provided by competency-based providers approved by the
2 department.

3 ➔Section 121. KRS 367.660 is amended to read as follows:

4 The following solicitations are exempt from the provisions of KRS 367.650 to 367.670:

- 5 (1) Solicitations by an organization of contributions from its members and their
6 families only, if membership is not included in a solicitation to avoid the provisions
7 of KRS 367.650 to 367.670, is not granted upon the basis of contributions alone,
8 and is within the exception of KRS 367.650(3).
- 9 (2) Solicitations by a religious organization for funds for religious purposes such as
10 maintenance of a house of worship, conduct of services, and propagation of its faith
11 and tenets as distinguished from other charitable and civic purposes employed by
12 nonreligious organizations.
- 13 (3) Solicitations by a publicly-owned or nonprofit privately-endowed educational
14 institution regulated by the Kentucky Board of Education, the Kentucky Higher
15 Education Assistance Authority~~[Council on Postsecondary Education]~~, or an
16 equivalent public authority of the jurisdiction where the institution is located, from
17 the alumni, faculty members, student body of the institution and their families, and
18 from corporations, for the continuance of an established educational program.
- 19 (4) Local solicitations by a student group or parent-teacher association for its campus
20 or group connected activities with the approval of the administration of the
21 educational institution.

22 ➔Section 122. KRS 11A.010 is amended to read as follows:

23 As used in this chapter, unless the context otherwise requires:

- 24 (1) "Business" means any corporation, limited liability company, partnership, limited
25 partnership, sole proprietorship, firm, enterprise, franchise, association,
26 organization, self-employed individual, holding company, joint stock company,
27 receivership, trust, or any legal entity through which business is conducted, whether

- 1 or not for profit;
- 2 (2) "Commission" means the Executive Branch Ethics Commission;
- 3 (3) "Compensation" means any money, thing of value, or economic benefit conferred
4 on, or received by, any person in return for services rendered, or to be rendered, by
5 himself or herself or another;
- 6 (4) "Family" means spouse and children, as well as a person who is related to a public
7 servant as any of the following, whether by blood or adoption: parent, brother,
8 sister, grandparent, grandchild, father-in-law, mother-in-law, brother-in-law, sister-
9 in-law, son-in-law, daughter-in-law, stepfather, stepmother, stepson, stepdaughter,
10 stepbrother, stepsister, half brother, half sister;
- 11 (5) "Gift" means a payment, loan, subscription, advance, deposit of money, services, or
12 anything of value, unless consideration of equal or greater value is received; "gift"
13 does not include gifts from family members, campaign contributions, the waiver of
14 a registration fee for a presenter at a conference or training described in KRS
15 45A.097(5), or door prizes available to the public;
- 16 (6) "Income" means any money or thing of value received or to be received as a claim
17 on future services, whether in the form of a fee, salary, expense allowance,
18 forbearance, forgiveness, interest, dividend, royalty, rent, capital gain, or any other
19 form of compensation or any combination thereof;
- 20 (7) "Officer" means:
- 21 (a) All major management personnel in the executive branch of state government,
22 including the secretary of the cabinet, the Governor's chief executive officers,
23 cabinet secretaries, deputy cabinet secretaries, general counsels,
24 commissioners, deputy commissioners, executive directors, executive
25 assistants, policy advisors, special assistants, administrative coordinators,
26 executive advisors, staff assistants, and division directors;
- 27 (b) Members and full-time chief administrative officers of:

- 1 1. The Parole Board;
- 2 2. Office of Claims and Appeals;
- 3 3. Board of Tax Appeals;
- 4 4. Board of Claims;
- 5 5. Crime Victims Compensation Board;
- 6 6. Kentucky Retirement Systems board of trustees;
- 7 7. Kentucky Teachers' Retirement System board of trustees;
- 8 8. The Kentucky Public Employees Deferred Compensation Authority
- 9 board of trustees;
- 10 9. Public Service Commission;
- 11 10. Worker's Compensation Board and its administrative law judges;
- 12 11. The Kentucky Occupational Safety and Health Review Commission;
- 13 12. The Kentucky Board of Education;
- 14 13. The Kentucky Higher Education Assistance Authority~~[Council on~~
- 15 ~~Postsecondary Education]~~;
- 16 14. County Employees Retirement System board of trustees;
- 17 15. Kentucky Public Pensions Authority; and
- 18 16. The Kentucky Horse Racing Commission;
- 19 (c) Salaried members of executive branch boards and commissions; and
- 20 (d) Any person who, through a personal service contract or any other contractual
- 21 employment arrangement with an agency, performs on a full-time,
- 22 nonseasonal basis a function of any major management position listed in this
- 23 subsection;
- 24 (8) "Official duty" means any responsibility imposed on a public servant by virtue of
- 25 his or her position in the state service;
- 26 (9) "Public servant" means:
- 27 (a) The Governor;

- 1 (b) The Lieutenant Governor;
- 2 (c) The Secretary of State;
- 3 (d) The Attorney General;
- 4 (e) The Treasurer;
- 5 (f) The Commissioner of Agriculture;
- 6 (g) The Auditor of Public Accounts;
- 7 (h) All employees in the executive branch including officers as defined in
- 8 subsection (7) of this section and merit employees; and
- 9 (i) Any person who, through any contractual arrangement with an agency, is
- 10 employed to perform a function of a position within an executive branch
- 11 agency on a full-time, nonseasonal basis;
- 12 (10) "Agency" means every state office, cabinet, department, board, commission, public
- 13 corporation, or authority in the executive branch of state government. A public
- 14 servant is employed by the agency by which his or her appointing authority is
- 15 employed, unless his or her agency is attached to the appointing authority's agency
- 16 for administrative purposes only, or unless the agency's characteristics are of a
- 17 separate independent nature distinct from the appointing authority and it is
- 18 considered an agency on its own, such as an independent department;
- 19 (11) "Lobbyist" means any person employed as a legislative agent as defined in KRS
- 20 6.611(23) or any person employed as an executive agency lobbyist as defined in
- 21 KRS 11A.201(9);
- 22 (12) "Lobbyist's principal" means the entity in whose behalf the lobbyist promotes,
- 23 opposes, or acts;
- 24 (13) "Candidate" means those persons who have officially filed candidacy papers or who
- 25 have been nominated by their political party pursuant to KRS 118.105, 118.115,
- 26 118.325, or 118.760 for any of the offices enumerated in subsections (9)(a) to (g) of
- 27 this section;

- 1 (14) "Does business with" or "doing business with" means contracting, entering into an
2 agreement, leasing, or otherwise exchanging services or goods with a state agency
3 in return for payment by the state, including accepting a grant, but not including
4 accepting a state entitlement fund disbursement;
- 5 (15) "Public agency" means any governmental entity;
- 6 (16) "Appointing authority" means the agency head or any person whom he or she has
7 authorized by law to act on behalf of the agency with respect to employee
8 appointments;
- 9 (17) "Represent" means to attend an agency proceeding, write a letter, or communicate
10 with an employee of an agency on behalf of someone else;
- 11 (18) "Directly involved" means to work on personally or to supervise someone who
12 works on personally;
- 13 (19) "Sporting event" means any professional or amateur sport, athletic game, contest,
14 event, or race involving machines, persons, or animals, for which admission tickets
15 are offered for sale and that is viewed by the public;
- 16 (20) "Person" means an individual, proprietorship, firm, partnership, limited partnership,
17 joint venture, joint stock company, syndicate, business or statutory trust, donative
18 trust, estate, company, corporation, limited liability company, association, club,
19 committee, organization, or group of persons acting in concert; and
- 20 (21) "Salaried" means receiving a fixed compensation or benefit reserved for full-time
21 employees, which is paid on a regular basis without regard to the actual number of
22 hours worked.

23 ➔Section 123. KRS 12.020 (Effective between July 1, 2024, and July 1, 2025) is
24 amended to read as follows:

25 Departments, program cabinets and their departments, and the respective major
26 administrative bodies that they include are enumerated in this section. It is not intended
27 that this enumeration of administrative bodies be all-inclusive. Every authority, board,

1 bureau, interstate compact, commission, committee, conference, council, office, or any
2 other form of organization shall be included in or attached to the department or program
3 cabinet in which they are included or to which they are attached by statute or statutorily
4 authorized executive order; except in the case of the Personnel Board and where the
5 attached department or administrative body is headed by a constitutionally elected
6 officer, the attachment shall be solely for the purpose of dissemination of information and
7 coordination of activities and shall not include any authority over the functions,
8 personnel, funds, equipment, facilities, or records of the department or administrative
9 body.

10 I. Cabinet for General Government - Departments headed by elected officers:

- 11 (1) The Governor.
12 (2) Lieutenant Governor.
13 (3) Department of State.
14 (a) Secretary of State.
15 (b) Board of Elections.
16 (c) Registry of Election Finance.
17 (4) Department of Law.
18 (a) Attorney General.
19 (5) Department of the Treasury.
20 (a) Treasurer.
21 (6) Department of Agriculture.
22 (a) Commissioner of Agriculture.
23 (b) Agricultural Development Board.
24 (c) Kentucky Agricultural Finance Corporation.
25 (7) Auditor of Public Accounts.
26 (a) Commonwealth Office of the Ombudsman.

27 II. Program cabinets headed by appointed officers:

- 1 (1) Justice and Public Safety Cabinet:
- 2 (a) Department of Kentucky State Police.
- 3 1. Office of Administrative Services.
- 4 a. Division of Operational Support.
- 5 b. Division of Management Services.
- 6 2. Office of Operations.
- 7 a. Division of West Troops.
- 8 b. Division of East Troops.
- 9 c. Division of Special Enforcement.
- 10 d. Division of Commercial Vehicle Enforcement.
- 11 3. Office of Technical Services.
- 12 a. Division of Forensic Sciences.
- 13 b. Division of Electronic Services.
- 14 c. Division of Records Management.
- 15 (b) Department of Criminal Justice Training.
- 16 (c) Department of Corrections.
- 17 (d) Department of Juvenile Justice.
- 18 (e) Office of the Secretary.
- 19 (f) Office of Drug Control Policy.
- 20 (g) Office of Legal Services.
- 21 (h) Office of the Kentucky State Medical Examiner.
- 22 (i) Parole Board.
- 23 (j) Kentucky State Corrections Commission.
- 24 (k) Office of Legislative and Intergovernmental Services.
- 25 (l) Office of Human Resource Management.
- 26 1. Division of Human Resource Administration.
- 27 2. Division of Employee Management.

- 1 (m) Department of Public Advocacy.
- 2 (n) Office of Communications.
- 3 1. Information Technology Services Division.
- 4 (o) Office of Financial Management Services.
- 5 1. Division of Financial Management.
- 6 (p) Grants Management Division.
- 7 (2) Energy and Environment Cabinet:
- 8 (a) Office of the Secretary.
- 9 1. Office of Legislative and Intergovernmental Affairs.
- 10 2. Office of Legal Services.
- 11 a. Legal Division I.
- 12 b. Legal Division II.
- 13 3. Office of Administrative Hearings.
- 14 4. Office of Communication.
- 15 5. Mine Safety Review Commission.
- 16 6. Office of Kentucky Nature Preserves.
- 17 7. Kentucky Public Service Commission.
- 18 (b) Department for Environmental Protection.
- 19 1. Office of the Commissioner.
- 20 2. Division for Air Quality.
- 21 3. Division of Water.
- 22 4. Division of Environmental Program Support.
- 23 5. Division of Waste Management.
- 24 6. Division of Enforcement.
- 25 7. Division of Compliance Assistance.
- 26 (c) Department for Natural Resources.
- 27 1. Office of the Commissioner.

- 1 2. Division of Mine Permits.
- 2 3. Division of Mine Reclamation and Enforcement.
- 3 4. Division of Abandoned Mine Lands.
- 4 5. Division of Oil and Gas.
- 5 6. Division of Mine Safety.
- 6 7. Division of Forestry.
- 7 8. Division of Conservation.
- 8 9. Office of the Reclamation Guaranty Fund.
- 9 (d) Office of Energy Policy.
 - 10 1. Division of Energy Assistance.
- 11 (e) Office of Administrative Services.
 - 12 1. Division of Human Resources Management.
 - 13 2. Division of Financial Management.
 - 14 3. Division of Information Services.
- 15 (3) Public Protection Cabinet.
 - 16 (a) Office of the Secretary.
 - 17 1. Office of Communications and Public Outreach.
 - 18 2. Office of Legal Services.
 - 19 a. Insurance Legal Division.
 - 20 b. Charitable Gaming Legal Division.
 - 21 c. Alcoholic Beverage Control Legal Division.
 - 22 d. Housing, Buildings and Construction Legal Division.
 - 23 e. Financial Institutions Legal Division.
 - 24 f. Professional Licensing Legal Division.
 - 25 3. Office of Administrative Hearings.
 - 26 4. Office of Administrative Services.
 - 27 a. Division of Human Resources.

- 1 b. Division of Fiscal Responsibility.
- 2 (b) Office of Claims and Appeals.
- 3 1. Board of Tax Appeals.
- 4 2. Board of Claims.
- 5 3. Crime Victims Compensation Board.
- 6 (c) Kentucky Boxing and Wrestling Commission.
- 7 (d) Kentucky Horse Racing Commission.
- 8 1. Office of Executive Director.
- 9 a. Division of Pari-mutuel Wagering and Compliance.
- 10 b. Division of Stewards.
- 11 c. Division of Licensing.
- 12 d. Division of Enforcement.
- 13 e. Division of Incentives and Development.
- 14 f. Division of Veterinary Services.
- 15 (e) Department of Alcoholic Beverage Control.
- 16 1. Division of Distilled Spirits.
- 17 2. Division of Malt Beverages.
- 18 3. Division of Enforcement.
- 19 (f) Department of Charitable Gaming.
- 20 1. Division of Licensing and Compliance.
- 21 2. Division of Enforcement.
- 22 (g) Department of Financial Institutions.
- 23 1. Division of Depository Institutions.
- 24 2. Division of Non-Depository Institutions.
- 25 3. Division of Securities.
- 26 (h) Department of Housing, Buildings and Construction.
- 27 1. Division of Fire Prevention.

- 1 2. Division of Plumbing.
- 2 3. Division of Heating, Ventilation, and Air Conditioning.
- 3 4. Division of Building Code Enforcement.
- 4 (i) Department of Insurance.
 - 5 1. Division of Health and Life Insurance and Managed Care.
 - 6 2. Division of Property and Casualty Insurance.
 - 7 3. Division of Administrative Services.
 - 8 4. Division of Financial Standards and Examination.
 - 9 5. Division of Licensing.
 - 10 6. Division of Insurance Fraud Investigation.
 - 11 7. Division of Consumer Protection.
- 12 (j) Department of Professional Licensing.
 - 13 1. Real Estate Authority.
- 14 (4) Transportation Cabinet:
 - 15 (a) Department of Highways.
 - 16 1. Office of Project Development.
 - 17 2. Office of Project Delivery and Preservation.
 - 18 3. Office of Highway Safety.
 - 19 4. Highway District Offices One through Twelve.
 - 20 (b) Department of Vehicle Regulation.
 - 21 (c) Department of Aviation.
 - 22 (d) Department of Rural and Municipal Aid.
 - 23 1. Office of Local Programs.
 - 24 2. Office of Rural and Secondary Roads.
 - 25 (e) Office of the Secretary.
 - 26 1. Office of Public Affairs.
 - 27 2. Office for Civil Rights and Small Business Development.

- 1 3. Office of Budget and Fiscal Management.
- 2 4. Office of Inspector General.
- 3 5. Secretary's Office of Safety.
- 4 (f) Office of Support Services.
- 5 (g) Office of Transportation Delivery.
- 6 (h) Office of Audits.
- 7 (i) Office of Human Resource Management.
- 8 (j) Office of Information Technology.
- 9 (k) Office of Legal Services.
- 10 (5) Cabinet for Economic Development:
- 11 (a) Office of the Secretary.
- 12 1. Office of Legal Services.
- 13 2. Department for Business and Community Development.
- 14 a. Development and Retention Division – West Kentucky.
- 15 b. Development, Retention, and Administrative Division –
- 16 Central and East Kentucky.
- 17 c. Community and Workforce Development Division.
- 18 3. Department for Financial Services.
- 19 a. Kentucky Economic Development Finance Authority.
- 20 b. Finance and Personnel Division.
- 21 c. IT and Resource Management Division.
- 22 d. Compliance Division.
- 23 e. Program Administration Division.
- 24 f. Bluegrass State Skills Corporation.
- 25 4. Office of Strategy and Public Affairs.
- 26 a. Marketing and Communications Division.
- 27 b. Research and Strategy Division.

- 1 5. Office of Entrepreneurship and Innovation.
- 2 a. Commission on Small Business Innovation and Advocacy.
- 3 (6) Cabinet for Health and Family Services:
- 4 (a) Office of the Secretary.
- 5 1. Office of Public Affairs.
- 6 2. Office of Legal Services.
- 7 3. Office of Inspector General.
- 8 4. Office of Human Resource Management.
- 9 5. Office of Finance and Budget.
- 10 6. Office of Legislative and Regulatory Affairs.
- 11 7. Office of Administrative Services.
- 12 8. Office of Application Technology Services.
- 13 9. Office of Data Analytics.
- 14 (b) Department for Public Health.
- 15 (c) Department for Medicaid Services.
- 16 (d) Department for Behavioral Health, Developmental and Intellectual
- 17 Disabilities.
- 18 (e) Department for Aging and Independent Living.
- 19 (f) Department for Community Based Services.
- 20 (g) Department for Income Support.
- 21 (h) Department for Family Resource Centers and Volunteer Services.
- 22 (7) Finance and Administration Cabinet:
- 23 (a) Office of the Secretary.
- 24 (b) Office of the Inspector General.
- 25 (c) Office of Legislative and Intergovernmental Affairs.
- 26 (d) Office of General Counsel.
- 27 (e) Office of the Controller.

- 1 (f) Office of Administrative Services.
- 2 (g) Office of Policy and Audit.
- 3 (h) Department for Facilities and Support Services.
- 4 (i) Department of Revenue.
- 5 (j) Commonwealth Office of Technology.
- 6 (k) State Property and Buildings Commission.
- 7 (l) Office of Equal Employment Opportunity and Contract Compliance.
- 8 (m) Kentucky Employees Retirement Systems.
- 9 (n) Commonwealth Credit Union.
- 10 (o) State Investment Commission.
- 11 (p) Kentucky Housing Corporation.
- 12 (q) Kentucky Local Correctional Facilities Construction Authority.
- 13 (r) Kentucky Turnpike Authority.
- 14 (s) Historic Properties Advisory Commission.
- 15 (t) Kentucky Higher Education Assistance Authority.
- 16 (u) Kentucky River Authority.
- 17 (v) Kentucky Teachers' Retirement System Board of Trustees.
- 18 (w) Executive Branch Ethics Commission.
- 19 (x) Office of Fleet Management.
- 20 (8) Tourism, Arts and Heritage Cabinet:
 - 21 (a) Kentucky Department of Tourism.
 - 22 1. Division of Tourism Services.
 - 23 2. Division of Marketing and Administration.
 - 24 3. Division of Communications and Promotions.
 - 25 (b) Kentucky Department of Parks.
 - 26 1. Division of Information Technology.
 - 27 2. Division of Human Resources.

- 1 3. Division of Financial Operations.
- 2 4. Division of Purchasing.
- 3 5. Division of Facilities.
- 4 6. Division of Park Operations.
- 5 7. Division of Sales, Marketing, and Customer Service.
- 6 8. Division of Engagement.
- 7 9. Division of Food Services.
- 8 10. Division of Rangers.
- 9 (c) Department of Fish and Wildlife Resources.
- 10 1. Division of Law Enforcement.
- 11 2. Division of Administrative Services.
- 12 3. Division of Engineering, Infrastructure, and Technology.
- 13 4. Division of Fisheries.
- 14 5. Division of Information and Education.
- 15 6. Division of Wildlife.
- 16 7. Division of Marketing.
- 17 (d) Kentucky Horse Park.
- 18 1. Division of Support Services.
- 19 2. Division of Buildings and Grounds.
- 20 3. Division of Operational Services.
- 21 (e) Kentucky State Fair Board.
- 22 1. Office of Administrative and Information Technology Services.
- 23 2. Office of Human Resources and Access Control.
- 24 3. Division of Expositions.
- 25 4. Division of Kentucky Exposition Center Operations.
- 26 5. Division of Kentucky International Convention Center.
- 27 6. Division of Public Relations and Media.

- 1 7. Division of Venue Services.
- 2 8. Division of Personnel Management and Staff Development.
- 3 9. Division of Sales.
- 4 10. Division of Security and Traffic Control.
- 5 11. Division of Information Technology.
- 6 12. Division of the Louisville Arena.
- 7 13. Division of Fiscal and Contract Management.
- 8 14. Division of Access Control.
- 9 (f) Office of the Secretary.
 - 10 1. Office of Finance.
 - 11 2. Office of Government Relations and Administration.
- 12 (g) Office of Legal Affairs.
- 13 (h) Office of Human Resources.
- 14 (i) Office of Public Affairs and Constituent Services.
- 15 (j) Office of Arts and Cultural Heritage.
- 16 (k) Kentucky African-American Heritage Commission.
- 17 (l) Kentucky Foundation for the Arts.
- 18 (m) Kentucky Humanities Council.
- 19 (n) Kentucky Heritage Council.
- 20 (o) Kentucky Arts Council.
- 21 (p) Kentucky Historical Society.
 - 22 1. Division of Museums.
 - 23 2. Division of Oral History and Educational Outreach.
 - 24 3. Division of Research and Publications.
 - 25 4. Division of Administration.
- 26 (q) Kentucky Center for the Arts.
 - 27 1. Division of Governor's School for the Arts.

- 1 (r) Kentucky Artisans Center at Berea.
- 2 (s) Northern Kentucky Convention Center.
- 3 (t) Eastern Kentucky Exposition Center.
- 4 (9) Personnel Cabinet:
- 5 (a) Office of the Secretary.
- 6 (b) Department of Human Resources Administration.
- 7 (c) Office of Employee Relations.
- 8 (d) Kentucky Public Employees Deferred Compensation Authority.
- 9 (e) Office of Administrative Services.
- 10 (f) Office of Legal Services.
- 11 (g) Governmental Services Center.
- 12 (h) Department of Employee Insurance.
- 13 (i) Office of Diversity, Equality, and Training.
- 14 (j) Office of Public Affairs.
- 15 (10) Education and Labor Cabinet:
- 16 (a) Office of the Secretary.
- 17 1. Office of Legal Services.
- 18 a. Workplace Standards Legal Division.
- 19 b. Workers' Claims Legal Division.
- 20 c. Workforce Development Legal Division.
- 21 2. Office of Administrative Services.
- 22 a. Division of Human Resources Management.
- 23 b. Division of Fiscal Management.
- 24 c. Division of Operations and Support Services.
- 25 3. Office of Technology Services.
- 26 a. Division of Information Technology Services.
- 27 4. Office of Policy and Audit.

- 1 5. Office of Legislative Services.
- 2 6. Office of Communications.
- 3 7. Office of the Kentucky Center for Statistics.
- 4 8. Board of the Kentucky Center for Statistics.
- 5 9. Early Childhood Advisory Council.
- 6 10. Governors' Scholars Program.
- 7 11. Governor's School for Entrepreneurs Program.
- 8 12. Foundation for Adult Education.
- 9 (b) Department of Education.
- 10 1. Kentucky Board of Education.
- 11 2. Kentucky Technical Education Personnel Board.
- 12 3. Education Professional Standards Board.
- 13 (c) Board of Directors for the Center for School Safety.
- 14 (d) Department for Libraries and Archives.
- 15 (e) Kentucky Environmental Education Council.
- 16 (f) Kentucky Educational Television.
- 17 (g) Kentucky Commission on the Deaf and Hard of Hearing.
- 18 (h) Department of Workforce Development.
- 19 1. Career Development Office.
- 20 2. Office of Vocational Rehabilitation.
- 21 a. Division of Kentucky Business Enterprise.
- 22 b. Division of the Carl D. Perkins Vocational Training Center.
- 23 c. Division of Blind Services.
- 24 d. Division of Field Services.
- 25 e. Statewide Council for Vocational Rehabilitation.
- 26 f. Employment First Council.
- 27 3. Office of Employer and Apprenticeship Services.

- 1 a. Division of Apprenticeship.
- 2 4. Kentucky Apprenticeship Council.
- 3 5. Division of Technical Assistance.
- 4 6. Office of Adult Education.
- 5 7. Office of the Kentucky Workforce Innovation Board.
- 6 (i) Department of Workplace Standards.
 - 7 1. Division of Occupational Safety and Health Compliance.
 - 8 2. Division of Occupational Safety and Health Education and
 - 9 Training.
 - 10 3. Division of Wages and Hours.
- 11 (j) Office of Unemployment Insurance.
- 12 (k) Kentucky Unemployment Insurance Commission.
- 13 (l) Department of Workers' Claims.
 - 14 1. Division of Workers' Compensation Funds.
 - 15 2. Office of Administrative Law Judges.
 - 16 3. Division of Claims Processing.
 - 17 4. Division of Security and Compliance.
 - 18 5. Division of Specialist and Medical Services.
 - 19 6. Workers' Compensation Board.
- 20 (m) Workers' Compensation Funding Commission.
- 21 (n) Kentucky Occupational Safety and Health Standards Board.
- 22 (o) State Labor Relations Board.
- 23 (p) Employers' Mutual Insurance Authority.
- 24 (q) Kentucky Occupational Safety and Health Review Commission.
- 25 (r) Workers' Compensation Nominating Committee.
- 26 (s) Office of Educational Programs.
- 27 (t) Kentucky Workforce Innovation Board.

- 1 (u) Kentucky Commission on Proprietary Education.
- 2 (v) Kentucky Work Ready Skills Advisory Committee.
- 3 (w) Kentucky Geographic Education Board.
- 4 (x) Disability Determination Services Program.

5 III. Other departments headed by appointed officers:

- 6 (1) ~~{Council on Postsecondary Education.~~
- 7 ~~(2) — }Department of Military Affairs.~~
- 8 ~~(2){(3)}~~ Department for Local Government.
- 9 ~~(3){(4)}~~ Kentucky Commission on Human Rights.
- 10 ~~(4){(5)}~~ Kentucky Commission on Women.
- 11 ~~(5){(6)}~~ Department of Veterans' Affairs.
- 12 ~~(6){(7)}~~ Kentucky Commission on Military Affairs.
- 13 ~~(7){(8)}~~ Office of Minority Empowerment.
- 14 ~~(8){(9)}~~ Governor's Council on Wellness and Physical Activity.
- 15 ~~(9){(10)}~~ Kentucky Communications Network Authority.

16 ➔Section 124. KRS 12.020 (Effective July 1, 2025) is amended to read as
17 follows:

18 Departments, program cabinets and their departments, and the respective major
19 administrative bodies that they include are enumerated in this section. It is not intended
20 that this enumeration of administrative bodies be all-inclusive. Every authority, board,
21 bureau, interstate compact, commission, committee, conference, council, office, or any
22 other form of organization shall be included in or attached to the department or program
23 cabinet in which they are included or to which they are attached by statute or statutorily
24 authorized executive order; except in the case of the Personnel Board and where the
25 attached department or administrative body is headed by a constitutionally elected
26 officer, the attachment shall be solely for the purpose of dissemination of information and
27 coordination of activities and shall not include any authority over the functions,

1 personnel, funds, equipment, facilities, or records of the department or administrative
2 body.

3 I. Cabinet for General Government - Departments headed by elected officers:

4 (1) The Governor.

5 (2) Lieutenant Governor.

6 (3) Department of State.

7 (a) Secretary of State.

8 (b) Board of Elections.

9 (c) Registry of Election Finance.

10 (4) Department of Law.

11 (a) Attorney General.

12 (5) Department of the Treasury.

13 (a) Treasurer.

14 (6) Department of Agriculture.

15 (a) Commissioner of Agriculture.

16 (b) Agricultural Development Board.

17 (c) Kentucky Agricultural Finance Corporation.

18 (7) Auditor of Public Accounts.

19 (a) Commonwealth Office of the Ombudsman.

20 II. Program cabinets headed by appointed officers:

21 (1) Justice and Public Safety Cabinet:

22 (a) Department of Kentucky State Police.

23 1. Office of Administrative Services.

24 a. Division of Operational Support.

25 b. Division of Management Services.

26 2. Office of Operations.

27 a. Division of West Troops.

- 1 b. Division of East Troops.
- 2 c. Division of Special Enforcement.
- 3 d. Division of Commercial Vehicle Enforcement.
- 4 3. Office of Technical Services.
- 5 a. Division of Forensic Sciences.
- 6 b. Division of Electronic Services.
- 7 c. Division of Records Management.
- 8 (b) Department of Criminal Justice Training.
- 9 (c) Department of Corrections.
- 10 (d) Department of Juvenile Justice.
- 11 (e) Office of the Secretary.
- 12 (f) Office of Drug Control Policy.
- 13 (g) Office of Legal Services.
- 14 (h) Office of the Kentucky State Medical Examiner.
- 15 (i) Parole Board.
- 16 (j) Kentucky State Corrections Commission.
- 17 (k) Office of Legislative and Intergovernmental Services.
- 18 (l) Office of Human Resource Management.
- 19 1. Division of Human Resource Administration.
- 20 2. Division of Employee Management.
- 21 (m) Department of Public Advocacy.
- 22 (n) Office of Communications.
- 23 1. Information Technology Services Division.
- 24 (o) Office of Financial Management Services.
- 25 1. Division of Financial Management.
- 26 (p) Grants Management Division.
- 27 (2) Energy and Environment Cabinet:

- 1 (a) Office of the Secretary.
- 2 1. Office of Legislative and Intergovernmental Affairs.
- 3 2. Office of Legal Services.
- 4 a. Legal Division I.
- 5 b. Legal Division II.
- 6 3. Office of Administrative Hearings.
- 7 4. Office of Communication.
- 8 5. Mine Safety Review Commission.
- 9 6. Office of Kentucky Nature Preserves.
- 10 7. Kentucky Public Service Commission.
- 11 (b) Department for Environmental Protection.
- 12 1. Office of the Commissioner.
- 13 2. Division for Air Quality.
- 14 3. Division of Water.
- 15 4. Division of Environmental Program Support.
- 16 5. Division of Waste Management.
- 17 6. Division of Enforcement.
- 18 7. Division of Compliance Assistance.
- 19 (c) Department for Natural Resources.
- 20 1. Office of the Commissioner.
- 21 2. Division of Mine Permits.
- 22 3. Division of Mine Reclamation and Enforcement.
- 23 4. Division of Abandoned Mine Lands.
- 24 5. Division of Oil and Gas.
- 25 6. Division of Mine Safety.
- 26 7. Division of Forestry.
- 27 8. Division of Conservation.

- 1 9. Office of the Reclamation Guaranty Fund.
- 2 (d) Office of Energy Policy.
- 3 1. Division of Energy Assistance.
- 4 (e) Office of Administrative Services.
- 5 1. Division of Human Resources Management.
- 6 2. Division of Financial Management.
- 7 3. Division of Information Services.
- 8 (3) Public Protection Cabinet.
- 9 (a) Office of the Secretary.
- 10 1. Office of Communications and Public Outreach.
- 11 2. Office of Legal Services.
- 12 a. Insurance Legal Division.
- 13 b. Charitable Gaming Legal Division.
- 14 c. Alcoholic Beverage Control Legal Division.
- 15 d. Housing, Buildings and Construction Legal Division.
- 16 e. Financial Institutions Legal Division.
- 17 f. Professional Licensing Legal Division.
- 18 3. Office of Administrative Hearings.
- 19 4. Office of Administrative Services.
- 20 a. Division of Human Resources.
- 21 b. Division of Fiscal Responsibility.
- 22 (b) Office of Claims and Appeals.
- 23 1. Board of Tax Appeals.
- 24 2. Board of Claims.
- 25 3. Crime Victims Compensation Board.
- 26 (c) Kentucky Boxing and Wrestling Commission.
- 27 (d) Kentucky Horse Racing Commission.

- 1 1. Office of Executive Director.
- 2 a. Division of Pari-mutuel Wagering and Compliance.
- 3 b. Division of Stewards.
- 4 c. Division of Licensing.
- 5 d. Division of Enforcement.
- 6 e. Division of Incentives and Development.
- 7 f. Division of Veterinary Services.
- 8 (e) Department of Alcoholic Beverage Control.
- 9 1. Division of Distilled Spirits.
- 10 2. Division of Malt Beverages.
- 11 3. Division of Enforcement.
- 12 (f) Department of Charitable Gaming.
- 13 1. Division of Licensing and Compliance.
- 14 2. Division of Enforcement.
- 15 (g) Department of Financial Institutions.
- 16 1. Division of Depository Institutions.
- 17 2. Division of Non-Depository Institutions.
- 18 3. Division of Securities.
- 19 (h) Department of Housing, Buildings and Construction.
- 20 1. Division of Fire Prevention.
- 21 2. Division of Plumbing.
- 22 3. Division of Heating, Ventilation, and Air Conditioning.
- 23 4. Division of Building Code Enforcement.
- 24 (i) Department of Insurance.
- 25 1. Division of Health and Life Insurance and Managed Care.
- 26 2. Division of Property and Casualty Insurance.
- 27 3. Division of Administrative Services.

- 1 4. Division of Financial Standards and Examination.
- 2 5. Division of Licensing.
- 3 6. Division of Insurance Fraud Investigation.
- 4 7. Division of Consumer Protection.
- 5 (j) Department of Professional Licensing.
- 6 1. Real Estate Authority.
- 7 (4) Transportation Cabinet:
- 8 (a) Department of Highways.
- 9 1. Office of Project Development.
- 10 2. Office of Project Delivery and Preservation.
- 11 3. Office of Highway Safety.
- 12 4. Highway District Offices One through Twelve.
- 13 (b) Department of Vehicle Regulation.
- 14 (c) Department of Aviation.
- 15 (d) Department of Rural and Municipal Aid.
- 16 1. Office of Local Programs.
- 17 2. Office of Rural and Secondary Roads.
- 18 (e) Office of the Secretary.
- 19 1. Office of Public Affairs.
- 20 2. Office for Civil Rights and Small Business Development.
- 21 3. Office of Budget and Fiscal Management.
- 22 4. Office of Inspector General.
- 23 5. Secretary's Office of Safety.
- 24 (f) Office of Support Services.
- 25 (g) Office of Transportation Delivery.
- 26 (h) Office of Audits.
- 27 (i) Office of Human Resource Management.

- 1 (j) Office of Information Technology.
- 2 (k) Office of Legal Services.
- 3 (5) Cabinet for Economic Development:
- 4 (a) Office of the Secretary.
- 5 1. Office of Legal Services.
- 6 2. Department for Business and Community Development.
- 7 a. Development and Retention Division – West Kentucky.
- 8 b. Development, Retention, and Administrative Division –
- 9 Central and East Kentucky.
- 10 c. Community and Workforce Development Division.
- 11 3. Department for Financial Services.
- 12 a. Kentucky Economic Development Finance Authority.
- 13 b. Finance and Personnel Division.
- 14 c. IT and Resource Management Division.
- 15 d. Compliance Division.
- 16 e. Program Administration Division.
- 17 f. Bluegrass State Skills Corporation.
- 18 4. Office of Strategy and Public Affairs.
- 19 a. Marketing and Communications Division.
- 20 b. Research and Strategy Division.
- 21 5. Office of Entrepreneurship and Innovation.
- 22 a. Commission on Small Business Innovation and Advocacy.
- 23 (6) Cabinet for Health and Family Services:
- 24 (a) Office of the Secretary.
- 25 1. Office of Public Affairs.
- 26 2. Office of Legal Services.
- 27 3. Office of Inspector General.

- 1 4. Office of Human Resource Management.
- 2 5. Office of Finance and Budget.
- 3 6. Office of Legislative and Regulatory Affairs.
- 4 7. Office of Administrative Services.
- 5 8. Office of Application Technology Services.
- 6 9. Office of Data Analytics.
- 7 (b) Department for Public Health.
- 8 (c) Department for Medicaid Services.
- 9 (d) Department for Behavioral Health, Developmental and Intellectual
- 10 Disabilities.
- 11 (e) Department for Aging and Independent Living.
- 12 (f) Department for Community Based Services.
- 13 (g) Department for Family Resource Centers and Volunteer Services.
- 14 (7) Finance and Administration Cabinet:
- 15 (a) Office of the Secretary.
- 16 (b) Office of the Inspector General.
- 17 (c) Office of Legislative and Intergovernmental Affairs.
- 18 (d) Office of General Counsel.
- 19 (e) Office of the Controller.
- 20 (f) Office of Administrative Services.
- 21 (g) Office of Policy and Audit.
- 22 (h) Department for Facilities and Support Services.
- 23 (i) Department of Revenue.
- 24 (j) Commonwealth Office of Technology.
- 25 (k) State Property and Buildings Commission.
- 26 (l) Office of Equal Employment Opportunity and Contract Compliance.
- 27 (m) Kentucky Employees Retirement Systems.

- 1 (n) Commonwealth Credit Union.
- 2 (o) State Investment Commission.
- 3 (p) Kentucky Housing Corporation.
- 4 (q) Kentucky Local Correctional Facilities Construction Authority.
- 5 (r) Kentucky Turnpike Authority.
- 6 (s) Historic Properties Advisory Commission.
- 7 (t) Kentucky Higher Education Assistance Authority.
- 8 (u) Kentucky River Authority.
- 9 (v) Kentucky Teachers' Retirement System Board of Trustees.
- 10 (w) Executive Branch Ethics Commission.
- 11 (x) Office of Fleet Management.
- 12 (8) Tourism, Arts and Heritage Cabinet:
 - 13 (a) Kentucky Department of Tourism.
 - 14 1. Division of Tourism Services.
 - 15 2. Division of Marketing and Administration.
 - 16 3. Division of Communications and Promotions.
 - 17 (b) Kentucky Department of Parks.
 - 18 1. Division of Information Technology.
 - 19 2. Division of Human Resources.
 - 20 3. Division of Financial Operations.
 - 21 4. Division of Purchasing.
 - 22 5. Division of Facilities.
 - 23 6. Division of Park Operations.
 - 24 7. Division of Sales, Marketing, and Customer Service.
 - 25 8. Division of Engagement.
 - 26 9. Division of Food Services.
 - 27 10. Division of Rangers.

- 1 (c) Department of Fish and Wildlife Resources.
- 2 1. Division of Law Enforcement.
- 3 2. Division of Administrative Services.
- 4 3. Division of Engineering, Infrastructure, and Technology.
- 5 4. Division of Fisheries.
- 6 5. Division of Information and Education.
- 7 6. Division of Wildlife.
- 8 7. Division of Marketing.
- 9 (d) Kentucky Horse Park.
- 10 1. Division of Support Services.
- 11 2. Division of Buildings and Grounds.
- 12 3. Division of Operational Services.
- 13 (e) Kentucky State Fair Board.
- 14 1. Office of Administrative and Information Technology Services.
- 15 2. Office of Human Resources and Access Control.
- 16 3. Division of Expositions.
- 17 4. Division of Kentucky Exposition Center Operations.
- 18 5. Division of Kentucky International Convention Center.
- 19 6. Division of Public Relations and Media.
- 20 7. Division of Venue Services.
- 21 8. Division of Personnel Management and Staff Development.
- 22 9. Division of Sales.
- 23 10. Division of Security and Traffic Control.
- 24 11. Division of Information Technology.
- 25 12. Division of the Louisville Arena.
- 26 13. Division of Fiscal and Contract Management.
- 27 14. Division of Access Control.

- 1 (f) Office of the Secretary.
- 2 1. Office of Finance.
- 3 2. Office of Government Relations and Administration.
- 4 (g) Office of Legal Affairs.
- 5 (h) Office of Human Resources.
- 6 (i) Office of Public Affairs and Constituent Services.
- 7 (j) Office of Arts and Cultural Heritage.
- 8 (k) Kentucky African-American Heritage Commission.
- 9 (l) Kentucky Foundation for the Arts.
- 10 (m) Kentucky Humanities Council.
- 11 (n) Kentucky Heritage Council.
- 12 (o) Kentucky Arts Council.
- 13 (p) Kentucky Historical Society.
- 14 1. Division of Museums.
- 15 2. Division of Oral History and Educational Outreach.
- 16 3. Division of Research and Publications.
- 17 4. Division of Administration.
- 18 (q) Kentucky Center for the Arts.
- 19 1. Division of Governor's School for the Arts.
- 20 (r) Kentucky Artisans Center at Berea.
- 21 (s) Northern Kentucky Convention Center.
- 22 (t) Eastern Kentucky Exposition Center.
- 23 (9) Personnel Cabinet:
- 24 (a) Office of the Secretary.
- 25 (b) Department of Human Resources Administration.
- 26 (c) Office of Employee Relations.
- 27 (d) Kentucky Public Employees Deferred Compensation Authority.

- 1 (e) Office of Administrative Services.
- 2 (f) Office of Legal Services.
- 3 (g) Governmental Services Center.
- 4 (h) Department of Employee Insurance.
- 5 (i) Office of Diversity, Equality, and Training.
- 6 (j) Office of Public Affairs.
- 7 (10) Education and Labor Cabinet:
- 8 (a) Office of the Secretary.
- 9 1. Office of Legal Services.
- 10 a. Workplace Standards Legal Division.
- 11 b. Workers' Claims Legal Division.
- 12 c. Workforce Development Legal Division.
- 13 2. Office of Administrative Services.
- 14 a. Division of Human Resources Management.
- 15 b. Division of Fiscal Management.
- 16 c. Division of Operations and Support Services.
- 17 3. Office of Technology Services.
- 18 a. Division of Information Technology Services.
- 19 4. Office of Policy and Audit.
- 20 5. Office of Legislative Services.
- 21 6. Office of Communications.
- 22 7. Office of the Kentucky Center for Statistics.
- 23 8. Board of the Kentucky Center for Statistics.
- 24 9. Early Childhood Advisory Council.
- 25 10. Governors' Scholars Program.
- 26 11. Governor's School for Entrepreneurs Program.
- 27 12. Foundation for Adult Education.

- 1 (b) Department of Education.
 - 2 1. Kentucky Board of Education.
 - 3 2. Kentucky Technical Education Personnel Board.
 - 4 3. Education Professional Standards Board.
- 5 (c) Board of Directors for the Center for School Safety.
- 6 (d) Department for Libraries and Archives.
- 7 (e) Kentucky Environmental Education Council.
- 8 (f) Kentucky Educational Television.
- 9 (g) Kentucky Commission on the Deaf and Hard of Hearing.
- 10 (h) Department of Workforce Development.
 - 11 1. Career Development Office.
 - 12 2. Office of Vocational Rehabilitation.
 - 13 a. Division of Kentucky Business Enterprise.
 - 14 b. Division of the Carl D. Perkins Vocational Training Center.
 - 15 c. Division of Blind Services.
 - 16 d. Division of Field Services.
 - 17 e. Statewide Council for Vocational Rehabilitation.
 - 18 f. Employment First Council.
 - 19 3. Office of Employer and Apprenticeship Services.
 - 20 a. Division of Apprenticeship.
 - 21 4. Kentucky Apprenticeship Council.
 - 22 5. Division of Technical Assistance.
 - 23 6. Office of Adult Education.
 - 24 7. Office of the Kentucky Workforce Innovation Board.
- 25 (i) Department of Workplace Standards.
 - 26 1. Division of Occupational Safety and Health Compliance.
 - 27 2. Division of Occupational Safety and Health Education and

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Training.

3. Division of Wages and Hours.

(j) Office of Unemployment Insurance.

(k) Kentucky Unemployment Insurance Commission.

(l) Department of Workers' Claims.

1. Division of Workers' Compensation Funds.

2. Office of Administrative Law Judges.

3. Division of Claims Processing.

4. Division of Security and Compliance.

5. Division of Specialist and Medical Services.

6. Workers' Compensation Board.

(m) Workers' Compensation Funding Commission.

(n) Kentucky Occupational Safety and Health Standards Board.

(o) State Labor Relations Board.

(p) Employers' Mutual Insurance Authority.

(q) Kentucky Occupational Safety and Health Review Commission.

(r) Workers' Compensation Nominating Committee.

(s) Office of Educational Programs.

(t) Kentucky Workforce Innovation Board.

(u) Kentucky Commission on Proprietary Education.

(v) Kentucky Work Ready Skills Advisory Committee.

(w) Kentucky Geographic Education Board.

(x) Disability Determination Services Program.

III. Other departments headed by appointed officers:

(1) ~~{Council on Postsecondary Education.~~

~~(2) }Department of Military Affairs.~~

~~(2){(3)}~~ Department for Local Government.

- 1 ~~(3)~~~~(4)~~ Kentucky Commission on Human Rights.
- 2 ~~(4)~~~~(5)~~ Kentucky Commission on Women.
- 3 ~~(5)~~~~(6)~~ Department of Veterans' Affairs.
- 4 ~~(6)~~~~(7)~~ Kentucky Commission on Military Affairs.
- 5 ~~(7)~~~~(8)~~ Office of Minority Empowerment.
- 6 ~~(8)~~~~(9)~~ Governor's Council on Wellness and Physical Activity.
- 7 ~~(9)~~~~(10)~~ Kentucky Communications Network Authority.

8 ➔Section 125. KRS 12.023 is amended to read as follows:

9 The following organizational units and administrative bodies shall be attached to the
10 Office of the Governor:

- 11 (1) **Kentucky Higher Education Assistance Authority**~~[Council on Postsecondary~~
12 ~~Education]~~;
- 13 (2) Department of Military Affairs;
- 14 (3) Department for Local Government;
- 15 (4) Kentucky Commission on Human Rights;
- 16 (5) Kentucky Commission on Women;
- 17 (6) Kentucky Commission on Military Affairs;
- 18 (7) Office of Minority Empowerment;
- 19 (a) The Martin Luther King Commission;
- 20 (8) Office of Homeland Security; and
- 21 (9) Kentucky Communications Network Authority.

22 ➔Section 126. KRS 12.295 is amended to read as follows:

23 The following organizational units and administrative bodies shall be governed by their
24 respective substantive chapters as set out below:

- 25 (1) Board of Directors for the Center for School Safety under KRS Chapter 158;
- 26 (2) **Kentucky Higher Education Assistance Authority**~~[Council on Postsecondary~~
27 ~~Education]~~ under KRS Chapter 164 **and KRS Chapter 164A**;

- 1 (3) Department of Education under KRS Chapters 156, 157, 158, 161, 163, and 167;
- 2 (4) Education Professional Standards Board under KRS Chapter 161;
- 3 (5) Kentucky Board of Education under KRS Chapters 156 and 157;
- 4 (6) Kentucky Commission on Deaf and Hard of Hearing under KRS Chapter 163; and
- 5 (7) Kentucky Educational Television under KRS Chapter 168.

6 ➔Section 127. KRS 18A.115 is amended to read as follows:

- 7 (1) The classified service to which KRS 18A.005 to 18A.200 shall apply shall comprise
8 all positions in the state service now existing or hereafter established, except the
9 following:
 - 10 (a) The General Assembly and employees of the General Assembly, including the
11 employees of the Legislative Research Commission;
 - 12 (b) Officers elected by popular vote and persons appointed to fill vacancies in
13 elective offices;
 - 14 (c) Members of boards and commissions;
 - 15 (d) Officers and employees on the staff of the Governor, the Lieutenant
16 Governor, the Office of the Secretary of the Governor's Cabinet, and the
17 Office of Program Administration;
 - 18 (e) Cabinet secretaries, commissioners, office heads, and the administrative heads
19 of all boards and commissions, including the executive director of Kentucky
20 Educational Television;
 - 21 (f) Employees of Kentucky Educational Television who have been determined to
22 be exempt from classified service by the Kentucky Authority for Educational
23 Television, which shall have sole authority over such exempt employees for
24 employment, dismissal, and setting of compensation, up to the maximum
25 established for the executive director and his ***or her*** principal assistants;
 - 26 (g) One (1) principal assistant or deputy for each person exempted under
27 subsection (1)(e) of this section;

- 1 (h) One (1) additional principal assistant or deputy as may be necessary for
2 making and carrying out policy for each person exempted under subsection
3 (1)(e) of this section in those instances in which the nature of the functions,
4 size, or complexity of the unit involved are such that the secretary approves
5 such an addition on petition of the relevant cabinet secretary or department
6 head and such other principal assistants, deputies, or other major assistants as
7 may be necessary for making and carrying out policy for each person
8 exempted under subsection (1)(e) of this section in those instances in which
9 the nature of the functions, size, or complexity of the unit involved are such
10 that the board may approve such an addition or additions on petition of the
11 department head approved by the secretary. Effective August 1, 2010:
- 12 1. All positions approved under this paragraph prior to August 1, 2010,
13 shall be abolished effective December 31, 2010, unless reapproved
14 under subparagraph 2. of this paragraph; and
 - 15 2. A position approved under this paragraph on or after August 1, 2010,
16 shall be approved for a period of five (5) years, after which time the
17 position shall be abolished unless reapproved under this subparagraph
18 for an additional five (5) year period;
- 19 (i) Division directors subject to the provisions of KRS 18A.170. Division
20 directors in the classified service as of January 1, 1980, shall remain in the
21 classified service;
- 22 (j) Physicians employed as such;
- 23 (k) One (1) private secretary for each person exempted under subsection (1)(e),
24 (g), and (h) of this section;
- 25 (l) The judicial department, referees, receivers, jurors, and notaries public;
- 26 (m) Officers and members of the staffs of state universities and colleges and
27 student employees of such institutions; officers and employees of the

- 1 Teachers' Retirement System; and officers, teachers, and employees of local
2 boards of education;
- 3 (n) Patients or inmates employed in state institutions;
- 4 (o) Persons employed in a professional or scientific capacity to make or conduct a
5 temporary or special inquiry, investigation, or examination on behalf of the
6 General Assembly, or a committee thereof, or by authority of the Governor,
7 and persons employed by state agencies for a specified, limited period to
8 provide professional, technical, scientific, or artistic services under the
9 provisions of KRS 45A.690 to 45A.725;
- 10 (p) Interim employees;
- 11 (q) Officers and members of the state militia;
- 12 (r) Department of Kentucky State Police troopers;
- 13 (s) University or college engineering students or other students employed part-
14 time or part-year by the state through special personnel recruitment programs;
15 provided that while so employed such aides shall be under contract to work
16 full-time for the state after graduation for a period of time approved by the
17 commissioner or shall be participants in a cooperative education program
18 approved by the commissioner;
- 19 (t) Superintendents of state mental institutions, including heads of centers for
20 individuals with an intellectual disability, and penal and correctional
21 institutions as referred to in KRS 196.180(2);
- 22 (u) Staff members of the Kentucky Historical Society, if they are hired in
23 accordance with KRS 171.311;
- 24 (v) County and Commonwealth's attorneys and their respective appointees;
- 25 (w) Chief district engineers and the state highway engineer;
- 26 (x) Veterinarians employed as such by the Kentucky Horse Racing Commission;
- 27 (y) Employees of the Kentucky Peace Corps;

- 1 (z) Employees of the Kentucky Higher Education Assistance Authority ~~Council~~
2 ~~on Postsecondary Education~~];
- 3 (aa) Executive director of the Commonwealth Office of Technology;
- 4 (ab) Employees of Serve Kentucky;
- 5 (ac) Persons employed in certified teaching positions at the Kentucky School for
6 the Blind and the Kentucky School for the Deaf;
- 7 (ad) Federally funded time-limited employees as defined in KRS 18A.005; and
- 8 (ae) Employees of the Department of Agriculture who are employed to support the
9 Agricultural Development Board and the Kentucky Agricultural Finance
10 Corporation.
- 11 (2) Nothing in KRS 18A.005 to 18A.200 is intended, or shall be construed, to alter or
12 amend the provisions of KRS 150.022 and 150.061.
- 13 (3) Nothing in KRS 18A.005 to 18A.200 is intended or shall be construed to affect any
14 nonmanagement, nonpolicy-making position which must be included in the
15 classified service as a prerequisite to the grant of federal funds to a state agency.
- 16 (4) Career employees within the classified service promoted to positions exempted
17 from classified service shall, upon termination of their employment in the exempted
18 service, revert to a position in that class in the agency from which they were
19 terminated if a vacancy in that class exists. If no such vacancy exists, they shall be
20 considered for employment in any vacant position for which they were qualified
21 pursuant to KRS 18A.130 and 18A.135.
- 22 (5) Nothing in KRS 18A.005 to 18A.200 shall be construed as precluding appointing
23 officers from filling unclassified positions in the manner in which positions in the
24 classified service are filled except as otherwise provided in KRS 18A.005 to
25 18A.200.
- 26 (6) The positions of employees who are transferred, effective July 1, 1998, from the
27 Cabinet for Workforce Development to the Kentucky Community and Technical

1 College System shall be abolished and the employees' names removed from the
2 roster of state employees. Employees that are transferred, effective July 1, 1998, to
3 the Kentucky Community and Technical College System under KRS Chapter 164
4 shall have the same benefits and rights as they had under KRS Chapter 18A and
5 have under KRS 164.5805; however, they shall have no guaranteed reemployment
6 rights in the KRS Chapter 151B or KRS Chapter 18A personnel systems. An
7 employee who seeks reemployment in a state position under KRS Chapter 151B or
8 KRS Chapter 18A shall have years of service in the Kentucky Community and
9 Technical College System counted towards years of experience for calculating
10 benefits and compensation.

11 (7) On August 15, 2000, all certified and equivalent personnel, all unclassified
12 personnel, and all certified and equivalent and unclassified vacant positions in the
13 Department for Adult Education and Literacy shall be transferred from the
14 personnel system under KRS Chapter 151B to the personnel system under KRS
15 Chapter 18A. The positions shall be deleted from the KRS Chapter 151B personnel
16 system. All records shall be transferred including accumulated annual leave, sick
17 leave, compensatory time, and service credit for each affected employee. The
18 personnel officers who administer the personnel systems under KRS Chapter 151B
19 and KRS Chapter 18A shall exercise the necessary administrative procedures to
20 effect the change in personnel authority. No certified or equivalent employee in the
21 Department for Adult Education and Literacy shall suffer any penalty in the
22 transfer.

23 (8) On August 15, 2000, secretaries and assistants attached to policymaking positions
24 in the Department for Technical Education and the Department for Adult Education
25 and Literacy shall be transferred from the personnel system under KRS Chapter
26 151B to the personnel system under KRS Chapter 18A. The positions shall be
27 deleted from the KRS Chapter 151B system. All records shall be transferred

1 including accumulated annual leave, sick leave, compensatory time, and service
2 credit for each affected employee. No employee shall suffer any penalty in the
3 transfer.

4 (9) On May 1, 2017, all contract employees of Eastern Kentucky University who are
5 engaged in providing instructional and support services to the Department of
6 Criminal Justice Training shall be transferred to the personnel system under KRS
7 Chapter 18A. All records shall be transferred, including accumulated annual leave,
8 sick leave, compensatory time, and service credit for each affected employee. The
9 personnel officers who administer the personnel systems for Eastern Kentucky
10 University and under KRS Chapter 18A shall exercise the necessary administrative
11 procedures to effect the change in personnel authority. No employee shall suffer
12 any penalty in the transfer.

13 ➔Section 128. KRS 42.732 is amended to read as follows:

- 14 (1) There is hereby created the Kentucky Information Technology Advisory Council to:
- 15 (a) Advise the executive director of the Commonwealth Office of Technology on
16 approaches to coordinating information technology solutions among libraries,
17 public schools, local governments, universities, and other public entities;
- 18 (b) Advise the executive director of the Commonwealth Office of Technology on
19 coordination among and across the organizational units of the executive
20 branch of state government to prepare for, respond to, and prevent attacks;
21 and
- 22 (c) Provide a forum for the discussion of emerging technologies that enhance
23 electronic accessibility to various publicly funded sources of information and
24 services.
- 25 (2) The Kentucky Information Technology Advisory Council shall consist of:
- 26 (a) The state budget director or a designee;
- 27 (b) The state librarian or a designee;

- 1 (c) One (1) representative from the public universities to be appointed by the
2 Governor from a list of three (3) persons submitted by the *Kentucky Higher*
3 *Education Assistance Authority*~~[Council on Postsecondary Education]~~;
- 4 (d) Three (3) citizen members from the private sector with information
5 technology knowledge and experience appointed by the Governor;
- 6 (e) Two (2) representatives of local government appointed by the Governor;
- 7 (f) One (1) representative from the area development districts appointed by the
8 Governor from a list of names submitted by the executive directors of the area
9 development districts;
- 10 (g) One (1) member of the media appointed by the Governor;
- 11 (h) The executive director of the Kentucky Authority for Educational Television;
- 12 (i) The chair of the Public Service Commission or a designee;
- 13 (j) Two (2) members of the Kentucky General Assembly, one (1) from each
14 chamber, selected by the Legislative Research Commission;
- 15 (k) One (1) representative of the Administrative Office of the Courts;
- 16 (l) One (1) representative from the public schools system appointed by the
17 Governor;
- 18 (m) One (1) representative of the Kentucky Chamber of Commerce;
- 19 (n) The executive director of the Commonwealth Office of Technology; and
- 20 (o) The executive director of the Kentucky Communications Network Authority
21 or designee.
- 22 (3) Appointed members of the council shall serve for a term of two (2) years. Members
23 who serve by virtue of an office shall serve on the council while they hold the
24 office.
- 25 (4) Vacancies on the council shall be filled in the same manner as the original
26 appointments. If a nominating organization changes its name, its successor
27 organization having the same responsibilities and purposes shall be the nominating

1 organization.

2 (5) Members shall receive no compensation but shall receive reimbursement for actual
3 and necessary expenses in accordance with travel and subsistence requirements
4 established by the Finance and Administration Cabinet.

5 ➔Section 129. KRS 42.738 is amended to read as follows:

6 (1) The executive director shall establish and implement a statewide public safety
7 interoperability plan. This plan shall include the development of required
8 architecture and standards that will ensure~~insure~~ that new or upgraded
9 Commonwealth public safety communications systems will interoperate. The
10 Kentucky Wireless Interoperability Executive Committee shall be responsible for
11 the evaluation and recommendation of all wireless communications architecture,
12 standards, and strategies. The executive director shall provide direction,
13 stewardship, leadership, and general oversight of information technology and
14 information resources. The executive director shall report by September 15
15 annually to the Interim Joint Committee on ~~Seniors,~~ Veterans, Military Affairs,
16 and Public Protection and the Interim Joint Committee on State Government on
17 progress and activity by agencies of the Commonwealth to comply with standards
18 to achieve public safety communications interoperability.

19 (2) The Kentucky Wireless Interoperability Executive Committee shall serve as the
20 advisory body for all wireless communications strategies presented by agencies of
21 the Commonwealth and local governments. All state agencies in the
22 Commonwealth shall present all project plans for primary wireless public safety
23 voice or data communications systems for review and recommendation by the
24 committee, and the committee shall forward the plans to the executive director for
25 final approval. Local government entities shall present project plans for primary
26 wireless public safety voice or data communications systems for review and
27 recommendation by the Kentucky Wireless Interoperability Executive Committee.

- 1 (3) The committee shall develop funding and support plans that provide for the
2 maintenance of and technological upgrades to the public safety shared
3 infrastructure, and shall make recommendations to the executive director, the
4 Governor's Office for Policy and Management, and the General Assembly.
- 5 (4) The executive director shall examine the project plans for primary wireless public
6 safety voice or data communications systems of state agencies as required by
7 subsection (2) of this section, and shall determine whether they meet the required
8 architecture and standards for primary wireless public safety voice or data
9 communications systems.
- 10 (5) The Kentucky Wireless Interoperability Executive Committee shall consist of
11 twenty (20) members as follows:
- 12 (a) A person knowledgeable in the field of wireless communications appointed by
13 the executive director who shall serve as chair;
 - 14 (b) The executive director of the Office of Infrastructure Services,
15 Commonwealth Office of Technology;
 - 16 (c) The executive director of Kentucky Educational Television, or the executive
17 director's designee;
 - 18 (d) The information technology lead of the Transportation Cabinet;
 - 19 (e) The information technology lead of the Justice and Public Safety Cabinet;
 - 20 (f) The information technology lead of the Department of Kentucky State Police;
 - 21 (g) The commissioner of the Department of Fish and Wildlife Resources, or the
22 commissioner's designee;
 - 23 (h) The information technology lead of the Energy and Environment Cabinet;
 - 24 (i) The director of the Division of Emergency Management, Department of
25 Military Affairs;
 - 26 (j) The executive director of the Kentucky Office of Homeland Security;
 - 27 (k) The information technology lead of the Department for Public Health, Cabinet

- 1 for Health and Family Services;
- 2 (l) A representative from an institution of postsecondary education appointed by
3 the Governor from a list of three (3) names submitted by the executive
4 director~~[president]~~ of the Kentucky Higher Education Assistance
5 Authority~~[Council on Postsecondary Education]~~;
- 6 (m) The executive director of the Center for Rural Development, or the executive
7 director's designee;
- 8 (n) A representative from a municipal government to be appointed by the
9 Governor from a list of three (3) names submitted by the Kentucky League of
10 Cities;
- 11 (o) A representative from a county government to be appointed by the Governor
12 from a list of three (3) names submitted by the Kentucky Association of
13 Counties;
- 14 (p) A representative from a municipal police department to be appointed by the
15 Governor from a list of three (3) names submitted by the Kentucky
16 Association of Chiefs of Police;
- 17 (q) A representative from a local fire department to be appointed by the Governor
18 from a list of three (3) names submitted by the Kentucky Association of Fire
19 Chiefs;
- 20 (r) A representative from a county sheriff's department to be appointed by the
21 Governor from a list of three (3) names submitted by the Kentucky Sheriffs'
22 Association;
- 23 (s) A representative from a local Emergency Medical Services agency to be
24 appointed by the Governor from a list of three (3) names submitted by the
25 Kentucky Board of Emergency Medical Services; and
- 26 (t) A representative from a local 911 dispatch center to be appointed by the
27 Governor from a list of three (3) names submitted by the Kentucky Chapter of

1 the National Emergency Number Association/Association of Public Safety
2 Communications Officials.

3 (6) Appointed members of the committee shall serve for a two (2) year term. Members
4 who serve by virtue of an office shall serve on the committee while they hold that
5 office.

6 (7) The committee shall meet quarterly, or as often as necessary for the conduct of its
7 business. A majority of the members shall constitute a quorum for the transaction of
8 business. Members' designees shall have voting privileges at committee meetings.

9 (8) The committee shall be attached to the Commonwealth Office of Technology for
10 administrative purposes only. Members shall not be paid and shall not be
11 reimbursed for travel expenses.

12 (9) The Public Safety Working Group is hereby created for the primary purpose of
13 fostering cooperation, planning, and development of the public safety frequency
14 spectrum as regulated by the Federal Communications Commission, including the
15 700 MHz public safety band. The group shall endeavor to bring about a seamless,
16 coordinated, and integrated public safety communications network for the safe,
17 effective, and efficient protection of life and property. The Public Safety Working
18 Group membership and other working group memberships deemed necessary shall
19 be appointed by the chair of the Kentucky Wireless Interoperability Executive
20 Committee.

21 (10) The committee may establish additional working groups as determined by the
22 committee.

23 ➔Section 130. KRS 42.740 is amended to read as follows:

24 (1) There is hereby established a Geographic Information Advisory Council, attached
25 to the Commonwealth Office of Technology for administrative purposes, to advise
26 the executive director of the Commonwealth Office of Technology on issues
27 relating to geographic information and geographic information systems.

- 1 (2) The council shall recommend policies and procedures that assist state and local
2 jurisdictions in developing, deploying, and leveraging geographic information
3 resources and geographic information systems technology for the purpose of
4 improving public administration.
- 5 (3) The council shall closely coordinate with users of geographic information systems
6 to recommend policies and procedures that ensure the maximum use of geographic
7 information by minimizing the redundancy of geographic information and
8 geographic information resources, as well as to ensure that the geographic
9 information clearinghouse maintained by the Division of Geographic Information
10 Systems meets the needs of all state agencies.
- 11 (4) (a) The Geographic Information Advisory Council shall consist of twenty-five
12 (25) members and one (1) legislative liaison. The members shall be
13 knowledgeable in the use and application of geographic information systems
14 technology and shall have sufficient authority within their organizations to
15 influence the implementation of council recommendations.
- 16 (b) The council shall consist of:
- 17 1. The secretary of the Transportation Cabinet or his or her designee;
 - 18 2. The secretary of the Cabinet for Health and Family Services or his or
19 her designee;
 - 20 3. The director of the Kentucky Geological Survey or his or her designee;
 - 21 4. The secretary of the Finance and Administration Cabinet or his or her
22 designee;
 - 23 5. The executive director of the Commonwealth Office of Technology or
24 her or his designee, who shall serve as chair;
 - 25 6. The secretary of the Cabinet for Economic Development~~[-Cabinet]~~ or
26 his or her designee;
 - 27 7. The commissioner of the Department for Local Government or his or

- 1 her designee;
- 2 8. The secretary of the Justice and Public Safety Cabinet or his or her
- 3 designee;
- 4 9. One (1) member appointed by the Governor from a list of three (3)
- 5 persons submitted by the executive director~~[president]~~ of the Kentucky
- 6 Higher Education Assistance Authority~~[Council on Postsecondary~~
- 7 ~~Education]~~;
- 8 10. The adjutant general of the Department of Military Affairs or his or her
- 9 designee;
- 10 11. The commissioner of the Department of Education or his or her
- 11 designee;
- 12 12. The secretary of the Energy and Environment Cabinet or his or her
- 13 designee;
- 14 13. The Commissioner of the Department of Agriculture or his or her
- 15 designee;
- 16 14. The secretary of the Tourism, Arts and Heritage Cabinet or his or her
- 17 designee;
- 18 15. The executive director of the Office of Property Valuation or his or her
- 19 designee;
- 20 16. One (1) member appointed by the Governor from a list of six (6)
- 21 persons submitted by the president of the Kentucky League of Cities;
- 22 17. One (1) member appointed by the Governor from a list of six (6)
- 23 persons submitted by the president of the Kentucky Association of
- 24 Counties;
- 25 18. One (1) member appointed by the Governor from a list of three (3)
- 26 persons submitted by the president of the Kentucky Chapter of the
- 27 American Planning Association;

- 1 19. One (1) member appointed by the Governor from a list of three (3)
2 persons submitted by the president of the Kentucky Association of
3 Professional Surveyors;
- 4 20. One (1) member appointed by the Governor from a list of three (3)
5 persons submitted by the president of the Kentucky Society of
6 Professional Engineers;
- 7 21. One (1) member appointed by the Governor from a list of three (3)
8 persons submitted by the chairman of the Kentucky Board of Registered
9 Geologists;
- 10 22. One (1) member appointed by the Governor from a list of three (3)
11 persons submitted by the president of the Council of Area Development
12 Districts;
- 13 23. One (1) member appointed by the Governor from a list of three (3)
14 persons submitted by the president of the Kentucky Association of
15 Mapping Professionals;
- 16 24. One (1) member appointed by the Governor from a list of three (3)
17 persons submitted by the executive director of the Kentucky Property
18 Valuation Administrators Association; and
- 19 25. The executive director of the Kentucky Office of Homeland Security.
- 20 (c) The council shall have one (1) nonvoting legislative liaison, to be appointed
21 by the Legislative Research Commission.
- 22 (5) The council may have committees and subcommittees as determined by the council
23 or an executive committee, if an executive committee exists.
- 24 (6) A member of the council shall not:
- 25 (a) Be an officer, employee, or paid consultant of a business entity that has, or of
26 a trade association for business entities that have, a substantial interest in the
27 geographic information industry and is doing business in the Commonwealth;

- 1 (b) Own, control, or have, directly or indirectly, more than ten percent (10%)
2 interest in a business entity that has a substantial interest in the geographic
3 information industry;
- 4 (c) Be in any manner connected with any contract or bid for furnishing any
5 governmental body of the Commonwealth with geographic information
6 systems, the computers on which they are automated, or a service related to
7 geographic information systems;
- 8 (d) Be a person required to register as a lobbyist because of activities for
9 compensation on behalf of a business entity that has, or on behalf of a trade
10 association of business entities that have, substantial interest in the geographic
11 information industry;
- 12 (e) Accept or receive money or another thing of value from an individual, firm, or
13 corporation to whom a contract may be awarded, directly or indirectly, by
14 rebate, gift, or otherwise; or
- 15 (f) Be liable to civil action or any action performed in good faith in the
16 performance of duties as a council member.
- 17 (7) Those council members specified in subsection (4)(a) of this section who serve by
18 virtue of an office shall serve on the board while they hold that office.
- 19 (8) Appointed members of the council shall serve for a term of four (4) years.
20 Vacancies in the membership of the council shall be filled in the same manner as
21 the original appointments. If a nominating organization changes its name, its
22 successor organization having the same responsibilities and purposes shall be the
23 nominating organization.
- 24 (9) The council shall have no funds of its own, and council members shall not receive
25 compensation of any kind from the council.
- 26 (10) A majority of the members shall constitute a quorum for the transaction of business.
27 Members' designees shall have voting privileges at council meetings.

1 ➔Section 131. KRS 56.777 is amended to read as follows:

- 2 (1) A High-Performance Buildings Advisory Committee is hereby created and shall be
3 administratively staffed by the cabinet.
- 4 (2) The committee shall consist of sixteen (16) members and shall include:
- 5 (a) A representative of the cabinet designated by the secretary;
- 6 (b) A representative of the Tourism, Arts and Heritage Cabinet designated by the
7 secretary;
- 8 (c) A representative of the Department of Education designated by the
9 commissioner;
- 10 (d) A representative of the *Kentucky Higher Education Assistance*
11 *Authority*~~[Council on Postsecondary Education]~~ designated by the *executive*
12 *director*~~[president]~~;
- 13 (e) A representative of the Office of Energy Policy designated by the executive
14 director; and
- 15 (f) A representative appointed by the Governor from each of the following:
- 16 1. The design and construction industry involved in public works
17 contracting;
- 18 2. The Kentucky Chapter of the U. S. Green Building Council;
- 19 3. The University of Kentucky College of Design;
- 20 4. The Kentucky Forest Industries Association;
- 21 5. The Kentucky Society of the American Institute of Architects;
- 22 6. The American Society of Heating, Refrigerating, and Air-Conditioning
23 Engineers;
- 24 7. The Associated General Contractors of Kentucky;
- 25 8. The West Kentucky Construction Association;
- 26 9. The Kentucky Manufactured Housing Institute;
- 27 10. The Kentucky Ready Mixed Concrete Association; and

- 1 11. The Plantmix Asphalt Industry of Kentucky.
- 2 (3) The representative of the cabinet shall serve as the chairperson of the committee.
- 3 All appointments shall be for a term of two (2) years. Committee members shall
- 4 serve until their successors are appointed and shall be eligible for reappointment.
- 5 (4) The committee shall meet at least monthly or as convened by the chairperson.
- 6 (5) The members of the committee shall receive reimbursement for the cost of travel to
- 7 and from the meetings and any costs necessarily incurred in carrying out their
- 8 duties.
- 9 (6) The committee shall:
- 10 (a) Consult with architects, engineers, builders, energy and conservation
- 11 organizations, and other interested stakeholders, and make recommendations
- 12 to the cabinet regarding:
- 13 1. Standards and benchmarks developed under existing high-performance
- 14 building programs, including the ENERGY STAR rating system, Green
- 15 Globes rating system, and Leadership in Energy and Environmental
- 16 Design (LEED) Green Building rating system; and
- 17 2. Standards and guidelines developed and adopted by the U.S. Green
- 18 Building Council, the American Society of Heating, Refrigerating and
- 19 Air-Conditioning Engineers, and the Illuminating Engineering Society
- 20 of North America partnership concerning the design of sustainable
- 21 buildings to balance environmental responsibility, resource efficiency,
- 22 occupant comfort and well-being, and community sensitivity;
- 23 (b) Assist the cabinet in the review of state building projects to ensure that
- 24 building performance and efficiency are maximized to the extent
- 25 economically feasible using a life-cycle cost analysis;
- 26 (c) Assist the cabinet in developing a process of documentation of the attainment
- 27 of high-performance building standards; and

- 1 (d) Assist the cabinet in conducting an ongoing professional development
2 program for state and local building designers, construction companies,
3 school districts, building managers, and the general public on high-
4 performance building design, construction, maintenance, and operation.
- 5 (7) Prior to the implementation of KRS 56.770 to 56.784, the cabinet shall promulgate
6 administrative regulations pursuant to KRS Chapter 13A necessary to implement
7 this section. The cabinet shall consider the recommendations made by the High-
8 Performance Buildings Advisory Committee pursuant to subsection (6) of this
9 section and shall establish the criteria for the high-performance building standards
10 and the benchmarks by which the high-performance building standards will be
11 measured. At a minimum, the cabinet shall:
- 12 (a) Include the standards for site selection and management, water efficiency,
13 energy conservation, waste reduction, material and resource use, and indoor
14 air quality; and
- 15 (b) Require that each high-performance building be designed, constructed, or
16 renovated so that it is capable of being rated as an ENERGY STAR building
17 in accordance with the criteria and rating system adopted by the United States
18 Environmental Protection Agency and in effect at the time the building is
19 designed or, in the case of leased buildings, at the time the lease is entered
20 into on or after July 1, 2018.
- 21 (8) In developing the criteria for the high-performance building standards, the cabinet
22 shall consider and encourage the use of:
- 23 (a) Locally grown lumber from forest lands implementing sustainable practices
24 established by the American Tree Farm System's Sustainable Forest Initiative
25 or the Kentucky Forest Stewardship Program established under KRS 149.330
26 to 149.355;
- 27 (b) Building materials manufactured with recycled content within the

1 Commonwealth; and

2 (c) Renewable energy sources.

3 ➔Section 132. KRS 61.932 is amended to read as follows:

4 (1) (a) An agency or nonaffiliated third party that maintains or otherwise possesses
5 personal information, regardless of the form in which the personal
6 information is maintained, shall implement, maintain, and update security
7 procedures and practices, including taking any appropriate corrective action,
8 to protect and safeguard against security breaches.

9 (b) Reasonable security and breach investigation procedures and practices
10 established and implemented by organizational units of the executive branch
11 of state government shall be in accordance with relevant enterprise policies
12 established by the Commonwealth Office of Technology. Reasonable security
13 and breach investigation procedures and practices established and
14 implemented by units of government listed under KRS 61.931(1)(b) and (c)
15 that are not organizational units of the executive branch of state government
16 shall be in accordance with policies established by the Department for Local
17 Government. The Department for Local Government shall consult with public
18 entities as defined in KRS 65.310 in the development of policies establishing
19 reasonable security and breach investigation procedures and practices for
20 units of local government pursuant to this subsection. Reasonable security and
21 breach investigation procedures and practices established and implemented by
22 public school districts listed under KRS 61.931(1)(d) shall be in accordance
23 with administrative regulations promulgated by the Kentucky Board of
24 Education. Reasonable security and breach investigation procedures and
25 practices established and implemented by educational entities listed under
26 KRS 61.931(1)(e) shall be in accordance with policies established by the
27 *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~

1 ~~Education~~. The Commonwealth Office of Technology shall, upon request of
2 an agency, make available technical assistance for the establishment and
3 implementation of reasonable security and breach investigation procedures
4 and practices.

- 5 (c) 1. If an agency is subject to any additional requirements under the
6 Kentucky Revised Statutes or under federal law, protocols, or
7 agreements relating to the protection and privacy of personal
8 information, the agency shall comply with these additional
9 requirements, in addition to the requirements of KRS 61.931 to 61.934.
- 10 2. If a nonaffiliated third party is required by federal law or regulation to
11 conduct security breach investigations or to make notifications of
12 security breaches, or both, as a result of the nonaffiliated third party's
13 unauthorized disclosure of one (1) or more data elements of personal
14 information that is the same as one (1) or more of the data elements of
15 personal information listed in KRS 61.931(6)(a) to (f), the nonaffiliated
16 third party shall meet the requirements of KRS 61.931 to 61.934 by
17 providing to the agency a copy of any and all reports and investigations
18 relating to such security breach investigations or notifications that are
19 required to be made by federal law or regulations. This subparagraph
20 shall not apply if the security breach includes the unauthorized
21 disclosure of data elements that are not covered by federal law or
22 regulation but are listed in KRS 61.931(6)(a) to (f).
- 23 (2) (a) For agreements executed or amended on or after January 1, 2015, any agency
24 that contracts with a nonaffiliated third party and that discloses personal
25 information to the nonaffiliated third party shall require as part of that
26 agreement that the nonaffiliated third party implement, maintain, and update
27 security and breach investigation procedures that are appropriate to the nature

1 of the information disclosed, that are at least as stringent as the security and
2 breach investigation procedures and practices referenced in subsection (1)(b)
3 of this section, and that are reasonably designed to protect the personal
4 information from unauthorized access, use, modification, disclosure,
5 manipulation, or destruction.

6 (b) 1. A nonaffiliated third party that is provided access to personal
7 information by an agency, or that collects and maintains personal
8 information on behalf of an agency shall notify the agency in the most
9 expedient time possible and without unreasonable delay but within
10 seventy-two (72) hours of determination of a security breach relating to
11 the personal information in the possession of the nonaffiliated third
12 party. The notice to the agency shall include all information the
13 nonaffiliated third party has with regard to the security breach at the
14 time of notification. Agreements referenced in paragraph (a) of this
15 subsection shall specify how the cost of the notification and
16 investigation requirements under KRS 61.933 are to be apportioned
17 when a security breach is suffered by the agency or nonaffiliated third
18 party.

19 2. The notice required by subparagraph 1. of this paragraph may be
20 delayed if a law enforcement agency notifies the nonaffiliated third
21 party that notification will impede a criminal investigation or jeopardize
22 homeland or national security. If notice is delayed pursuant to this
23 subparagraph, notification shall be given as soon as reasonably feasible
24 by the nonaffiliated third party to the agency with which the
25 nonaffiliated third party is contracting. The agency shall then record the
26 notification in writing on a form developed by the Commonwealth
27 Office of Technology that the notification will not impede a criminal

1 investigation and will not jeopardize homeland or national security. The
2 Commonwealth Office of Technology shall promulgate administrative
3 regulations under KRS 61.931 to 61.934 regarding the content of the
4 form.

5 ➔Section 133. KRS 61.933 is amended to read as follows:

6 (1) (a) Any agency that collects, maintains, or stores personal information that
7 determines or is notified of a security breach relating to personal information
8 collected, maintained, or stored by the agency or by a nonaffiliated third party
9 on behalf of the agency shall as soon as possible, but within seventy-two (72)
10 hours of determination or notification of the security breach:

11 1. Notify the commissioner of the Kentucky State Police, the Auditor of
12 Public Accounts, and the Attorney General. In addition, an agency shall
13 notify the secretary of the Finance and Administration Cabinet or his or
14 her designee if an agency is an organizational unit of the executive
15 branch of state government; notify the commissioner of the Department
16 for Local Government if the agency is a unit of government listed in
17 KRS 61.931(1)(b) or (c) that is not an organizational unit of the
18 executive branch of state government; notify the commissioner of the
19 Kentucky Department of Education if the agency is a public school
20 district listed in KRS 61.931(1)(d); and notify the executive
21 director~~[president]~~ of the Kentucky Higher Education Assistance
22 Authority~~[Council on Postsecondary Education]~~ if the agency is an
23 educational entity listed under KRS 61.931(1)(e). Notification shall be
24 in writing on a form developed by the Commonwealth Office of
25 Technology. The Commonwealth Office of Technology shall
26 promulgate administrative regulations under KRS 61.931 to 61.934
27 regarding the contents of the form; and

- 1 2. Begin conducting a reasonable and prompt investigation in accordance
2 with the security and breach investigation procedures and practices
3 referenced in KRS 61.932(1)(b) to determine whether the security
4 breach has resulted in or is likely to result in the misuse of the personal
5 information.
- 6 (b) Upon conclusion of the agency's investigation:
- 7 1. If the agency determined that a security breach has occurred and that the
8 misuse of personal information has occurred or is reasonably likely to
9 occur, the agency shall:
- 10 a. Within forty-eight (48) hours of completion of the investigation,
11 notify in writing all officers listed in paragraph (a)1. of this
12 subsection, and the commissioner of the Department for Libraries
13 and Archives, unless the provisions of subsection (3) of this
14 section apply;
- 15 b. Within thirty-five (35) days of providing the notifications required
16 by subdivision a. of this subparagraph, notify all individuals
17 impacted by the security breach as provided in subsection (2) of
18 this section, unless the provisions of subsection (3) of this section
19 apply; and
- 20 c. If the number of individuals to be notified exceeds one thousand
21 (1,000), the agency shall notify, at least seven (7) days prior to
22 providing notice to individuals under subdivision b. of this
23 subparagraph, the Commonwealth Office of Technology if the
24 agency is an organizational unit of the executive branch of state
25 government, the Department for Local Government if the agency
26 is a unit of government listed under KRS 61.931(1)(b) or (c) that is
27 not an organizational unit of the executive branch of state

1 government, the Kentucky Department of Education if the agency
2 is a public school district listed under KRS 61.931(1)(d), or the
3 Kentucky Higher Education Assistance Authority~~[Council on~~
4 ~~Postsecondary Education]~~ if the agency is an educational entity
5 listed under KRS 61.931(1)(e); and notify all consumer credit
6 reporting agencies included on the list maintained by the Office of
7 the Attorney General that compile and maintain files on consumers
8 on a nationwide basis, as defined in 15 U.S.C. sec. 1681a(p), of
9 the timing, distribution, and content of the notice; or

10 2. If the agency determines that the misuse of personal information has not
11 occurred and is not likely to occur, the agency is not required to give
12 notice, but shall maintain records that reflect the basis for its decision
13 for a retention period set by the State Archives and Records
14 Commission as established by KRS 171.420. The agency shall notify
15 the appropriate entities listed in paragraph (a)1. of this subsection that
16 the misuse of personal information has not occurred.

17 (2) (a) The provisions of this subsection establish the requirements for providing
18 notice to individuals under subsection (1)(b)1.b. of this section. Notice shall
19 be provided as follows:

- 20 1. Conspicuous posting of the notice on the website~~[web site]~~ of the
21 agency;
- 22 2. Notification to regional or local media if the security breach is localized,
23 and also to major statewide media if the security breach is widespread,
24 including broadcast media, such as radio and television; and
- 25 3. Personal communication to individuals whose data has been breached
26 using the method listed in subdivision a., b., or c. of this subparagraph
27 that the agency believes is most likely to result in actual notification to

- 1 those individuals, if the agency has the information available:
- 2 a. In writing, sent to the most recent address for the individual as
- 3 reflected in the records of the agency;
- 4 b. By electronic mail, sent to the most recent electronic mail address
- 5 for the individual as reflected in the records of the agency, unless
- 6 the individual has communicated to the agency in writing that they
- 7 do not want email notification; or
- 8 c. By telephone, to the most recent telephone number for the
- 9 individual as reflected in the records of the agency.

10 (b) The notice shall be clear and conspicuous, and shall include:

- 11 1. To the extent possible, a description of the categories of information that
- 12 were subject to the security breach, including the elements of personal
- 13 information that were or were believed to be acquired;
- 14 2. Contact information for the notifying agency, including the address,
- 15 telephone number, and toll-free number if a toll-free number is
- 16 maintained;
- 17 3. A description of the general acts of the agency, excluding disclosure of
- 18 defenses used for the protection of information, to protect the personal
- 19 information from further security breach; and
- 20 4. The toll-free numbers, addresses, and website~~[web site]~~ addresses, along
- 21 with a statement that the individual can obtain information from the
- 22 following sources about steps the individual may take to avoid identity
- 23 theft, for:
- 24 a. The major consumer credit reporting agencies;
- 25 b. The Federal Trade Commission; and
- 26 c. The Office of the Kentucky Attorney General.

27 (c) The agency providing notice pursuant to this subsection shall cooperate with

1 any investigation conducted by the agencies notified under subsection (1)(a)
2 of this section and with reasonable requests from the Office of Consumer
3 Protection of the Office of the Attorney General, consumer credit reporting
4 agencies, and recipients of the notice, to verify the authenticity of the notice.

5 (3) (a) The notices required by subsection (1) of this section shall not be made if,
6 after consultation with a law enforcement agency, the agency receives a
7 written request from a law enforcement agency for a delay in notification
8 because the notice may impede a criminal investigation. The written request
9 may apply to some or all of the required notifications, as specified in the
10 written request from the law enforcement agency. Upon written notification
11 from the law enforcement agency that the criminal investigation has been
12 completed, or that the sending of the required notifications will no longer
13 impede a criminal investigation, the agency shall send the notices required by
14 subsection (1)(b)1. of this section.

15 (b) The notice required by subsection (1)(b)1.b. of this section may be delayed if
16 the agency determines that measures necessary to restore the reasonable
17 integrity of the data system cannot be implemented within the timeframe
18 established by subsection (1)(b)1.b. of this section, and the delay is approved
19 in writing by the Office of the Attorney General. If notice is delayed pursuant
20 to this subsection, notice shall be made immediately after actions necessary to
21 restore the integrity of the data system have been completed.

22 (4) Any waiver of the provisions of this section is contrary to public policy and shall be
23 void and unenforceable.

24 (5) This section shall not apply to:

25 (a) Personal information that has been redacted;

26 (b) Personal information disclosed to a federal, state, or local government entity,
27 including a law enforcement agency or court, or their agents, assigns,

- 1 employees, or subcontractors, to investigate or conduct criminal investigations
2 and arrests or delinquent tax assessments, or to perform any other statutory
3 duties and responsibilities;
- 4 (c) Personal information that is publicly and lawfully made available to the
5 general public from federal, state, or local government records;
- 6 (d) Personal information that an individual has consented to have publicly
7 disseminated or listed; or
- 8 (e) Any document recorded in the records of either a county clerk or circuit clerk
9 of a county, or in the records of a United States District Court.
- 10 (6) The Office of the Attorney General may bring an action in the Franklin Circuit
11 Court against an agency or a nonaffiliated third party that is not an agency, or both,
12 for injunctive relief, and for other legal remedies against a nonaffiliated third party
13 that is not an agency to enforce the provisions of KRS 61.931 to 61.934. Nothing in
14 KRS 61.931 to 61.934 shall create a private right of action.
- 15 ➔Section 134. KRS 63.080 is amended to read as follows:
- 16 (1) Except as provided in subsection (2) of this section and otherwise provided by law,
17 any person appointed by the Governor, either with or without the advice and
18 consent of the Senate, may be removed from office by the Governor for any cause
19 the Governor deems sufficient, by an order of the Governor entered in the executive
20 journal removing the officer.
- 21 (2) (a) Except as provided in subsections (3) and (4) of this section, members of the
22 Kentucky Board of Education; the board of trustees of the University of
23 Kentucky; the board of trustees of the University of Louisville; and the board
24 of regents respectively of Eastern Kentucky University, Western Kentucky
25 University, Morehead State University, Kentucky State University, Northern
26 Kentucky University, Murray State University, and the Kentucky Community
27 and Technical College System shall not be removed except for cause.

- 1 (b) Members of the *Kentucky Higher Education Assistance Authority*~~[Council~~
2 ~~on Postsecondary Education]~~ shall not be removed except for cause.
- 3 (c) A member of a board of trustees or board of regents specified in paragraph (a)
4 of this subsection may be removed for cause as follows:
- 5 1. The Governor or the board of trustees or board of regents, as applicable,
6 shall notify, in writing, the member and the *Kentucky Higher*
7 *Education Assistance Authority*~~[Council on Postsecondary Education]~~
8 that the member should be removed for cause and shall specify the
9 conduct warranting removal;
 - 10 2. The member shall have seven (7) days to voluntarily resign or to provide
11 evidence to the *Kentucky Higher Education Assistance*
12 *Authority*~~[Council on Postsecondary Education]~~ that the member's
13 conduct does not warrant removal;
 - 14 3. Within thirty (30) days after receipt of notice from the Governor or the
15 board, the *Kentucky Higher Education Assistance Authority*~~[Council~~
16 ~~on Postsecondary Education]~~ shall review the written notice, investigate
17 the member and the conduct alleged to support removal, and make a
18 nonbinding recommendation, in writing, to the Governor as to whether
19 the member should be removed, a copy of which shall also be provided
20 to the Legislative Research Commission;
 - 21 4. The Governor shall then make a determination, in writing, whether the
22 member should be removed and shall notify the member, the applicable
23 board, the *Kentucky Higher Education Assistance Authority*~~[Council~~
24 ~~on Postsecondary Education]~~, and the Legislative Research Commission
25 of the determination; and
 - 26 5. If the Governor's determination is to remove the member, the Governor
27 shall remove the member by executive order, and shall replace the

1 member with a new appointment according to the applicable statutes for
2 the board of trustees or board of regents.

3 (d) For the purposes of this subsection, a member may be removed for cause for
4 conduct including but not limited to malfeasance, misfeasance, incompetence,
5 or gross neglect of duty.

6 (3) For a board specified in subsection (2)(a) of this section that is required by law to
7 have proportional representation in its membership based on residence, political
8 affiliation, gender, minority racial composition, or professional qualifications, the
9 Governor or other appointing authority may remove any member of the board and
10 replace him or her with another individual in order to bring the membership into
11 compliance with the statutory proportional representation requirement for the board,
12 provided that the Governor or other appointing authority shall:

13 (a) Only exercise the removal authority granted in this subsection if appointment
14 at the end of the next expiring term of a member, or at the end of the next
15 expiring term of members if two (2) or more members' terms expire at the
16 same time, cannot cure the deficiency in the proportional representation
17 requirement;

18 (b) Remove the fewest number of members necessary to bring the membership
19 into compliance with the proportional representation requirement for the
20 board;

21 (c) Identify the order in which the members were appointed to their current terms
22 on the board and, beginning with the most recently appointed member who
23 may be removed and replaced to bring the membership into compliance with
24 the proportional representation requirement, remove the member or members
25 according to the length of their tenure on the board, without taking into
26 account any prior term of service on the board by the member;

27 (d) Provide any member proposed to be removed with the following:

- 1 1. Written notice, at least seven (7) days prior to the member's removal
2 from the board, stating the statutory proportional representation
3 requirement that the member does not satisfy; and
- 4 2. An opportunity during the seven (7) day notice period for the member to
5 voluntarily resign or to provide evidence to the Governor or other
6 appointing authority that the member does satisfy the proportional
7 representation requirement or that another member on the board who
8 also does not satisfy the requirement has a shorter tenure than the
9 member proposed to be removed;
- 10 (e) Replace any removed member with only those individuals who will bring the
11 board into compliance with the proportional representation requirement; and
- 12 (f) Appoint any new member in the same manner as provided by law for the
13 member being removed and to fill the remainder of the removed member's
14 unexpired term.
- 15 (4) For a board of trustees or board of regents specified in subsection (2)(a) of this
16 section, the Governor may remove for cause all appointed members of the board
17 and replace the entire appointed membership as follows:
- 18 (a) The Governor shall notify, in writing, the board and the *Kentucky Higher*
19 *Education Assistance Authority*~~[Council on Postsecondary Education]~~ that
20 the entire appointed membership of the board should be removed for cause
21 and shall specify the conduct warranting removal;
- 22 (b) The board or its members shall have seven (7) days to voluntarily resign or to
23 provide evidence to the *Kentucky Higher Education Assistance*
24 *Authority*~~[Council on Postsecondary Education]~~ that the conduct of the board
25 or of individual members does not warrant removal;
- 26 (c) Within thirty (30) days after receipt of notice from the Governor, the
27 *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~

1 ~~Education]~~ shall review the written notice, investigate the board and the
2 conduct alleged to support removal, and make a nonbinding recommendation,
3 in writing, to the Governor as to whether the appointed board membership
4 should be removed, a copy of which shall also be provided to the Legislative
5 Research Commission;

6 (d) The Governor shall then make a determination, in writing, whether the entire
7 appointed board membership should be removed and shall notify the
8 members, the *Kentucky Higher Education Assistance Authority*~~[Council on~~
9 ~~Postsecondary Education]~~, and the Legislative Research Commission of the
10 determination; and

11 (e) If the Governor's determination is to remove the entire appointed membership
12 of the board, the Governor shall remove the members by executive order, and
13 shall replace the members with new appointments according to the applicable
14 statutes for the board of trustees or board or regents.

15 For the purposes of this subsection, the entire appointed membership of a board of
16 trustees or board of regents may be removed for cause if the board is no longer
17 functioning according to its statutory mandate as specified in the enabling statutes
18 applicable to the board, or if the board membership's conduct as a whole constitutes
19 malfeasance, misfeasance, incompetence, or gross neglect of duty, such that the
20 conduct cannot be attributed to any single member or members.

21 ➔Section 135. KRS 64.475 is amended to read as follows:

22 (1) There is hereby established an advisory council to be known as the Executive
23 Branch Compensation Advisory Council.

24 (a) The council shall consist of three (3) voting members: the state budget
25 director, the secretary of the Governor's Executive Cabinet, and the secretary
26 of the Finance and Administration Cabinet.

27 (b) The state budget director shall serve as the chair of the council.

- 1 (c) If a voting member is unable to attend a meeting of the council, he or she shall
2 designate, in writing, a member of his or her staff to attend in his or her place,
3 and such designation shall confer on such designee, for that meeting only, the
4 authority to act, including the right to vote on any matter coming before the
5 council.
- 6 (2) The council shall be attached to the Personnel Cabinet for administrative purposes.
7 Personnel Cabinet staff shall provide necessary administrative and operational
8 support for the council. The council may, from time to time, utilize the services of
9 professional and technical personnel employed by other agencies of state
10 government, if the need arises. The council shall meet on a quarterly basis at a time
11 and place to be determined by the council. Additional meetings may be called upon
12 request of two (2) voting members of the council.
- 13 (3) The duties of the council shall include the following:
- 14 (a) Advise and make recommendations to the secretary of the Personnel Cabinet
15 on appropriate salaries for the following:
- 16 1. The heads of the various departments in the executive branch of state
17 government, with the exception of:
 - 18 a. Departments headed by constitutionally elected officers;
 - 19 b. The Department of Education;
 - 20 c. The Kentucky Higher Education Assistance Authority~~Council~~
21 ~~on Postsecondary Education~~; and
 - 22 d. The Kentucky Authority for Educational Television;
 - 23 2. The heads of offices, as defined in KRS 12.010;
 - 24 3. The administrative heads of boards and commissions and for their
25 employees, if they are not covered by the salary schedules set forth in
26 KRS Chapter 16, KRS Chapter 18A, or KRS Chapter 151B,
27 notwithstanding any other statute to the contrary empowering a board,

1 commission, authority, or other administrative body for which the
2 Personnel Cabinet provides personnel and payroll services except for
3 any board governing any of the Kentucky Retirement Systems, the
4 County Employees Retirement System, the Kentucky Public Pensions
5 Authority, the Kentucky Higher Education Assistance Authority, or the
6 Kentucky Authority for Educational Television~~, or the Council on~~
7 ~~Postsecondary Education~~ to establish, set, or approve the salaries of its
8 administrative head and other employees;

9 4. Requests from boards, commissions, or cabinet heads to approve salary
10 increases in excess of those increases provided other state employees to
11 individuals in the positions listed in paragraphs (a), (b), and (c) of this
12 subsection;

13 (b) Advise the secretary of the Personnel Cabinet on requests from agencies to
14 establish or abolish a separate salary schedule, or schedules, reflective of the
15 marketplace need to recruit and hire classified employees in technical or
16 professional fields when the classified service salary schedule is inadequate.
17 A positive recommendation of such requests shall not be granted unless
18 significant credible evidence exists of a job market shortage and an
19 inadequacy of the classified or unclassified salary schedules to recruit and
20 retain competent, qualified applicants for such positions; and

21 (c) Recommend that the Personnel Cabinet conduct salary surveys of the
22 executive branch positions outlined in subsection (3)(a)1., 2., and 3. of this
23 section, using state governments in the seven (7) states contiguous to the
24 Commonwealth, other states in the southeastern United States, and private
25 sector employers, where appropriate.

26 (4) The council's recommendations shall:

27 (a) Take into consideration the provisions of KRS 64.640, if the specific position

1 in question is subject to the provisions of KRS 64.640; and

2 (b) Not take into consideration the provisions of KRS 64.640, if the specific
3 position in question is exempt from the provisions of KRS 64.640.

4 ➔Section 136. KRS 64.640 is amended to read as follows:

5 (1) Except as otherwise provided in subsection (2) of this section, and excepting
6 officers elected by popular vote, employees of the General Assembly, including
7 employees of the Legislative Research Commission, members of boards and
8 commissions, those officers and employees of Kentucky Educational Television
9 exempt from classified service as provided in KRS 18A.115, presidents and
10 employees of the state universities and the state colleges, officers employed by the
11 Department of Kentucky State Police under KRS Chapter 16, and persons
12 employed by the commissioner of parks on a temporary basis under KRS 148.026,
13 the Personnel Cabinet shall prepare schedules of compensation, payable out of the
14 State Treasury, with a minimum salary rate, and other salary rates as are deemed
15 necessary or advisable, for the office or position of employment of every state
16 officer and employee, including specifically the offices and positions of
17 employment in every constitutional administrative department, statutory
18 administrative department, independent agency, board, commission, or other unit of
19 state government. The language of any statute empowering a board, commission,
20 authority, or other administrative body for which the Personnel Cabinet provides
21 personnel and payroll services, except for any board governing any of the Kentucky
22 Retirement Systems, the County Employees Retirement System, the Kentucky
23 Public Pensions Authority, the Kentucky Higher Education Assistance Authority,
24 or the Kentucky Authority for Educational Television~~[, or the Council on~~
25 ~~Postsecondary Education,]~~ to establish, set, or approve the salaries of its
26 administrative head and other employees to the contrary notwithstanding, the
27 establishment or setting of salaries for administrative heads or other employees

1 shall be subject to the approval of the secretary of the Personnel Cabinet. The
2 schedules and rates shall be based upon studies of the duties and responsibilities of
3 the offices and positions and upon a comparison with rates being paid for similar or
4 comparable services elsewhere, and in the preparation of such schedules, the
5 Personnel Cabinet shall ascertain and record the duties, responsibilities, and
6 authority pertaining to the various offices and positions in the state service, and
7 classify such positions in the manner provided in KRS 18A.030, 18A.035, 18A.110,
8 18A.130, 18A.135, and 18A.150 to 18A.160. No such schedule shall become
9 effective until it has been approved by the Governor by executive order.

10 (2) The Governor shall set the compensation payable out of the State Treasury to each
11 officer or position in the state service, which officer or position heads a statutory
12 administrative department, independent agency, or other unit of state government,
13 except for those excluded under subsection (1) of this section. Such compensation
14 shall be based upon studies of the duties and responsibilities and classification of
15 the positions by the Governor and upon a comparison with compensation being paid
16 for similar or comparable services elsewhere, provided, however, such
17 compensation shall not exceed the total taxable compensation of the Governor
18 derived from state sources, the provisions of KRS 64.660 to the contrary
19 notwithstanding. For the purposes of this section, the total taxable compensation of
20 the Governor from state sources shall include the amount provided for
21 compensation to the Governor under KRS 64.480 and any benefits or discretionary
22 spending accounts that are imputed as taxable income for federal tax purposes.

23 (3) The compensation payable out of the State Treasury to officers and employees
24 subordinate to any office or position covered by subsection (2) of this section shall
25 not exceed the maximum rate established pursuant to subsection (2) of this section
26 for such office or position, except with respect to physicians as provided in KRS
27 64.655 and employees of the Public Service Commission of Kentucky whose

1 compensation shall be fixed, within constitutional limits, by the Personnel Cabinet
2 with the approval of the Governor as provided in subsection (1) of this section.

3 (4) Nothing in this section shall preclude the allowance of maintenance to officers and
4 employees of the state.

5 ➔Section 137. KRS 138.510 is amended to read as follows:

6 (1) (a) Before August 1, 2022, except as provided in paragraph (e) of this subsection
7 and subsection (3) of this section, an excise tax is imposed on all tracks
8 conducting pari-mutuel wagering on live racing under the jurisdiction of the
9 commission as follows:

10 1. For each track with a daily average live handle of one million two
11 hundred thousand dollars (\$1,200,000) or above, the tax shall be in the
12 amount of three and one-half percent (3.5%) of all money wagered on
13 live races at the track during the fiscal year; and

14 2. For each track with a daily average live handle under one million two
15 hundred thousand dollars (\$1,200,000), the tax shall be one and one-half
16 percent (1.5%) of all money wagered on live races at the track during
17 the fiscal year.

18 (b) Beginning August 1, 2022, the excise tax imposed on all tracks conducting
19 pari-mutuel wagering on live racing under jurisdiction of the commission
20 shall be one and one-half percent (1.5%) of all money wagered on live races
21 at the track during the fiscal year.

22 (c) Beginning on April 1, 2014, an excise tax is imposed on all tracks conducting
23 pari-mutuel wagering on historical horse races under the jurisdiction of the
24 commission at a rate of one and one-half percent (1.5%) of all money wagered
25 on historical horse races at the track during the fiscal year.

26 (d) Money shall be deducted from the tax paid under paragraphs (a), (b), and (c)
27 of this subsection and deposited as follows:

- 1 1. a. Before August 1, 2022, an amount equal to three-quarters of one
2 percent (0.75%) of all money wagered on live races and historical
3 horse races at the track for Thoroughbred racing shall be deposited
4 in the Thoroughbred development fund established in KRS
5 230.400; and
- 6 b. Beginning August 1, 2022, an amount equal to three-quarters of
7 one percent (0.75%) of all money wagered on live races and
8 historical horse races at the track for Thoroughbred racing shall be
9 deposited in the Thoroughbred development fund established in
10 KRS 230.400 until forty-five million dollars (\$45,000,000) has
11 been deposited during a fiscal year, at which point the amount
12 deposited in the fund shall decrease to four-tenths of one percent
13 (0.4%) of all money wagered on live and historical horse races at
14 the track for Thoroughbred racing for the remainder of the fiscal
15 year;
- 16 2. a. Before August 1, 2022, an amount equal to one percent (1%) of all
17 money wagered on live races and historical horse races at the track
18 for harness racing shall be deposited in the Kentucky standardbred
19 development fund established in KRS 230.770. Beginning August
20 1, 2022, an amount equal to one percent (1%) of all money
21 wagered on live races at the track for harness racing shall be
22 deposited in the Kentucky standardbred development fund until a
23 total of twenty million dollars (\$20,000,000) has been deposited
24 during a fiscal year from this subparagraph, at which point the
25 amount deposited shall decrease to four-tenths of one percent
26 (0.4%) of all money wagered for the remainder of the fiscal year;
27 and

- 1 b. Beginning August 1, 2022, an amount equal to one percent (1%)
2 of all money wagered on historical horse races at the track for
3 harness racing shall be distributed in the exact amounts based
4 upon contracts between the parties that have been filed with the
5 commission, but at least one-half (1/2) of the funds shall be
6 deposited into the Kentucky standardbred development fund
7 established in KRS 230.770 until a total of twenty million dollars
8 (\$20,000,000) has been deposited into the Kentucky standardbred
9 development fund during a fiscal year from this subparagraph, at
10 which point the amount deposited in this subdivision shall
11 decrease to four-tenths of one percent (0.4%) of all money
12 wagered for the remainder of the fiscal year. The commission shall
13 provide the department all information necessary from the
14 contracts in order for the funds in this subparagraph to be
15 distributed;
- 16 3. An amount equal to one percent (1%) of all money wagered on live
17 races and historical horse races at the track for quarter horse, paint
18 horse, Appaloosa, and Arabian horse racing shall be deposited in the
19 Kentucky quarter horse, paint horse, Appaloosa, and Arabian
20 development fund established by KRS 230.445;
- 21 4. An amount equal to two-tenths of one percent (0.2%) of all money
22 wagered on live races and historical horse races at the track shall be paid
23 out in equal amounts as follows:
- 24 a. To the equine industry program trust and revolving fund
25 established by KRS 230.550 to support the Equine Industry
26 Program at the University of Louisville, except that the amount
27 deposited from money wagered on historical horse races in any

- 1 fiscal year shall not exceed eight hundred fifty thousand dollars
2 (\$850,000);
- 3 b. To the University of Kentucky for equine industry programs at the
4 university, except that the amount paid from money wagered on
5 historical horse races in any fiscal year shall not exceed four
6 hundred thousand dollars (\$400,000);
- 7 c. To the Bluegrass Community and Technical College for the
8 provision of equine industry programs by the system, except that
9 the amount paid from money wagered on historical horse races in
10 any fiscal year shall not exceed two hundred fifty thousand dollars
11 (\$250,000);
- 12 d. Amounts remaining from money wagered on historical horse races
13 in a fiscal year after payments are made in accordance with
14 subdivisions a., b., and c. of this subparagraph shall be distributed
15 in equal amounts to:
- 16 i. The Kentucky Thoroughbred breeders incentive fund
17 established in KRS 230.800, in an amount not to exceed four
18 hundred thousand dollars (\$400,000); and
- 19 ii. The Kentucky standardbred breeders incentive fund
20 established in KRS 230.802, in an amount not to exceed one
21 hundred thousand dollars (\$100,000); and
- 22 e. Any amounts remaining from money wagered on historical horse
23 races in a fiscal year after payments are made in accordance with
24 subdivisions a., b., c., and d. of this subparagraph shall be paid to
25 the general fund;
- 26 5. a. An amount equal to one-tenth of one percent (0.1%) of all money
27 wagered on live races and historical horse races at the track shall

1 be deposited in a trust and revolving fund to be used for the
 2 construction, expansion, or renovation of facilities or the purchase
 3 of equipment for equine programs at state universities, except that
 4 the amount deposited from money wagered on historical horse
 5 races in any fiscal year shall not exceed three hundred twenty
 6 thousand dollars (\$320,000).

7 b. These funds shall not be used for salaries or for operating funds
 8 for teaching, research, or administration. Funds allocated under
 9 this subparagraph shall not replace other funds for capital purposes
 10 or operation of equine programs at state universities.

11 c. The *Kentucky Higher Education Assistance Authority*~~[Kentucky~~
 12 ~~Council on Postsecondary Education]~~ shall serve as the
 13 administrative agent and shall establish an advisory committee of
 14 interested parties, including all universities with established equine
 15 programs, to evaluate proposals and make recommendations for
 16 the awarding of funds.

17 d. The *Kentucky Higher Education Assistance Authority*~~[Kentucky~~
 18 ~~Council on Postsecondary Education]~~ may promulgate
 19 administrative regulations to establish procedures for
 20 administering the program and criteria for evaluating and awarding
 21 grants; and

22 6. An amount equal to one-tenth of one percent (0.1%) of all money
 23 wagered on live races and historical horse races shall be distributed to
 24 the commission to support equine drug testing as provided in KRS
 25 230.265(3), except that the amount deposited from money wagered on
 26 historical horse races in any fiscal year shall not exceed three hundred
 27 twenty thousand dollars (\$320,000).

- 1 (e) The excise tax imposed by paragraphs (a) and (b) of this subsection shall not
2 apply to pari-mutuel wagering on live harness racing at a county fair.
- 3 (2) (a) Except as provided in paragraph (c) of this subsection, an excise tax is
4 imposed on:
- 5 1. All tracks conducting telephone account wagering;
 - 6 2. All tracks participating as receiving tracks in intertrack wagering under
7 the jurisdiction of the commission; and
 - 8 3. All tracks participating as receiving tracks displaying simulcasts and
9 conducting interstate wagering thereon.
- 10 (b) 1. Before August 1, 2022, the tax shall be three percent (3%) of all money
11 wagered on races as provided in paragraph (a) of this subsection during
12 the fiscal year.
- 13 2. Beginning August 1, 2022, the tax shall be one and one-half percent
14 (1.5%) of all money wagered on races as provided in paragraph (a) of
15 this subsection during the fiscal year.
- 16 (c) A noncontiguous track facility approved by the commission on or after
17 January 1, 1999, shall be exempt from the tax imposed under this subsection,
18 if the facility is established and operated by a licensed track which has a total
19 annual handle on live racing of two hundred fifty thousand dollars (\$250,000)
20 or less. The amount of money exempted under this paragraph shall be retained
21 by the noncontiguous track facility, KRS 230.3771 and 230.378
22 notwithstanding.
- 23 (d) Money shall be deducted from the tax paid under paragraphs (a) and (b) of
24 this subsection as follows:
- 25 1. An amount equal to one percent (1%) of the amount wagered shall be
26 deposited as follows:
 - 27 a. In the Thoroughbred development fund established in KRS

- 1 230.400 if the host track is conducting a Thoroughbred race
2 meeting or the interstate wagering is conducted on a Thoroughbred
3 race meeting;
- 4 b. In the Kentucky standardbred development fund established in
5 KRS 230.770, if the host track is conducting a harness race
6 meeting or the interstate wagering is conducted on a harness race
7 meeting; or
- 8 c. In the Kentucky quarter horse, paint horse, Appaloosa, and
9 Arabian development fund established by KRS 230.445, if the host
10 track is conducting a quarter horse, paint horse, Appaloosa, or
11 Arabian horse race meeting or the interstate wagering is conducted
12 on a quarter horse, paint horse, Appaloosa, or Arabian horse race
13 meeting;
- 14 2. An amount equal to twenty-five thousandths of one percent (0.025%) of
15 the amount wagered shall be allocated to the equine industry program
16 trust and revolving fund established by KRS 230.550 to be used to
17 support the Equine Industry Program at the University of Louisville;
- 18 3. An amount equal to one-twentieth of one percent (0.05%) of the amount
19 wagered shall be deposited in a trust and revolving fund to be used for
20 the construction, expansion, or renovation of facilities or the purchase of
21 equipment for equine programs at state universities, as detailed in
22 subsection (1)(d)5. of this section; and
- 23 4. An amount equal to one-twentieth of one percent (0.05%) of the amount
24 wagered shall be distributed to the commission to support equine drug
25 testing as provided in KRS 230.265(3).
- 26 (3) If a host track in this state is the location for the conduct of a two (2) day
27 international horse racing event that distributes in excess of a total of twenty million

1 dollars (\$20,000,000) in purses and awards:

2 (a) The excise tax imposed by subsection (1)(a) and (b) of this section shall not
3 apply to money wagered at the track on live races conducted at the track
4 during the two (2) day international horse racing event; and

5 (b) Amounts wagered at the track on live races conducted at the track during the
6 two (2) day international horse racing event shall not be included in
7 calculating the daily average live handle for purposes of subsection (1) of this
8 section.

9 (4) The taxes imposed by this section shall be paid, collected, and administered as
10 provided in KRS 138.530.

11 ➔Section 138. KRS 151B.132 is amended to read as follows:

12 (1) The Office of the Kentucky Center for Statistics is hereby established and attached
13 to the Education and Labor Cabinet, Office of the Secretary.

14 (2) The office's purpose is to collect accurate data in the Kentucky Longitudinal Data
15 System in order to link the data and generate timely reports about student
16 performance through employment to be used to guide decision makers in improving
17 the Commonwealth of Kentucky's education system and training programs.

18 (3) The office shall be headed by an executive director appointed by the Governor
19 pursuant to KRS 12.050. The executive director shall be appointed from
20 nominations made to the Governor by the board. The office may employ additional
21 staff necessary to carry out the office's duties consistent with available funding and
22 state personnel laws.

23 (4) The public agencies providing data to the Kentucky Longitudinal Data System shall
24 be:

25 (a) ~~{The Council on Postsecondary Education;~~

26 ~~(b)}The Department of Education;~~

27 (b)~~(c)}~~ The Early Childhood Advisory Council;

1 ~~(c)~~~~(d)~~ The Kentucky Higher Education Assistance Authority;

2 ~~(d)~~~~(e)~~ The Kentucky Commission on Proprietary Education; and

3 ~~(e)~~~~(f)~~ Other agencies of the Education and Labor Cabinet.

4 (5) The Kentucky Longitudinal Data System, upon approval of the board, may include
5 data from any additional public agency.

6 (6) Any private institution of higher education, private school, or parochial school,
7 upon approval of the board, may provide data to the Kentucky Longitudinal Data
8 System.

9 (7) Any data provided to the Kentucky Longitudinal Data System shall be certified to
10 be accurate by the providing agency, institution, or school. Ownership of data
11 provided shall be retained by the providing entity.

12 (8) The office may receive funding for its operation of the Kentucky Longitudinal Data
13 System from the following sources:

14 (a) State appropriations;

15 (b) Federal grants;

16 (c) User fees; and

17 (d) Any other grants or contributions from public agencies or other entities.

18 ➔Section 139. KRS 151B.133 is amended to read as follows:

19 The duties of the Office of the Kentucky Center for Statistics shall be to:

20 (1) Oversee and maintain the warehouse of data in the Kentucky Longitudinal Data
21 System;

22 (2) Develop de-identification standards and processes using modern statistical methods;

23 (3) Conduct research and evaluation regarding federal, state, and local education and
24 training programs at all levels;

25 (4) Audit and ensure compliance of education and training programs with applicable
26 federal and state requirements as authorized by federal and state law;

27 (5) Work with public agencies and other entities to define statewide education,

- 1 workforce development, and employment metrics and ensure the integrity and
2 quality of data being collected;
- 3 (6) Link data from multiple sources for consideration in developing broad public policy
4 initiatives;
- 5 (7) Develop requirements and definitions for data to be provided by any public agency,
6 private institution of higher education, private school, or parochial school, as
7 directed by the Board of the Kentucky Center for Statistics;
- 8 (8) Develop a reasonable fee schedule for services provided;
- 9 (9) Establish data quality standards;
- 10 (10) Promulgate administrative regulations necessary for the proper administration of
11 the Kentucky Longitudinal Data System;
- 12 (11) Ensure compliance with the federal Family Educational Rights and Privacy Act, 20
13 U.S.C. sec 1232g, and all other relevant federal and state privacy laws;
- 14 (12) Respond to approved research data requests in accordance with the data access and
15 use policy established by the board;
- 16 (13) Develop and disseminate, in cooperation with the **Kentucky Higher Education**
17 **Assistance Authority**~~[Council on Postsecondary Education]~~ and the Department of
18 Education, information on the employment and earnings of the public
19 postsecondary institution graduates in Kentucky. This information shall be updated
20 at least every three (3) years and shall be:
- 21 (a) Posted on the **website**~~[Web site]~~ of the Office of the Kentucky Center for
22 Statistics;
- 23 (b) Posted on the **website**~~[Web site]~~ of the **Kentucky Higher Education**
24 **Assistance Authority**~~[Council on Postsecondary Education]~~;
- 25 (c) Posted on the **website**~~[Web site]~~ of each public postsecondary institution, with
26 the **website**~~[Web site]~~ address published in each institution's catalogue; and
- 27 (d) Made available to every high school guidance and career counselor, who shall

1 be notified of its availability for the purpose of informing all high school
2 students preparing for postsecondary education; and

3 (14) Enter into contracts or other agreements with appropriate entities, including but not
4 limited to federal, state, and local agencies, to the extent necessary to carry out its
5 duties and responsibilities only if such contracts or agreements incorporate adequate
6 protections with respect to the confidentiality of any information to be shared.

7 ➔Section 140. KRS 151B.134 is amended to read as follows:

8 (1) The Board of the Kentucky Center for Statistics is hereby established and attached
9 to the Education and Labor Cabinet, Office of the Secretary.

10 (2) The board shall be composed of:

11 (a) The commissioner of the Department of Education or designee;

12 (b) The secretary of the Cabinet for Health and Family Services or designee;

13 (c) The executive director~~[president]~~ of the Kentucky Higher Education
14 Assistance Authority~~[Council on Postsecondary Education]~~ or designee;

15 and

16 (d) The secretary of the Education and Labor Cabinet or designee~~;~~ ~~and~~

17 ~~(e) The executive director of the Kentucky Higher Education Assistance~~
18 ~~Authority or designee].~~

19 (3) The duties and functions of the board shall be to:

20 (a) Develop a detailed data access and use policy for requests that shall include
21 but not be limited to the following:

22 1. Direct access to data in the Kentucky Longitudinal Data System shall be
23 restricted to authorized staff of the office;

24 2. Data or information that may result in any individual or employer being
25 identifiable based on the size or uniqueness of the population under
26 consideration may not be reported in any form by the office; and

27 3. The office may not release data or information if disclosure is prohibited

- 1 under relevant federal or state privacy laws;
- 2 (b) Establish the research agenda of the office;
- 3 (c) Make nominations to the Governor for the appointment of an executive
- 4 director;
- 5 (d) Oversee compliance by the office with the federal Family Educational Rights
- 6 and Privacy Act, 20 U.S.C. sec. 1232g, and other relevant federal and state
- 7 privacy laws;
- 8 (e) Ensure that reports generated by the Office of the Kentucky Center for
- 9 Statistics are distributed to appropriate personnel within the agencies
- 10 represented by the board members; and
- 11 (f) Provide general oversight of the office.
- 12 (4) The secretary of the Education and Labor Cabinet shall serve as chair of the board.
- 13 (5) The board shall meet at least semiannually and at other times upon the call of the
- 14 chair. The meetings shall be subject to the open meetings requirements of KRS
- 15 61.800 to 61.850 and 61.991.
- 16 (6) The board may form committees, work groups, or advisory councils to accomplish
- 17 its purposes.
- 18 ➔Section 141. KRS 151B.290 is amended to read as follows:
- 19 (1) The Kentucky Education and Workforce Collaborative is hereby created for the
- 20 purpose of ensuring the continued implementation of the Kentucky Workforce
- 21 Innovation Board's strategic plan.
- 22 (2) The Kentucky Education and Workforce Collaborative shall consist of the
- 23 following twenty-one (21) members:
- 24 (a) The Governor or his or her designee, who shall serve as chair;
- 25 (b) The secretary of the Education and Labor Cabinet or his or her designee;
- 26 (c) The secretary of the Cabinet for Health and Family Services or his or her
- 27 designee;

- 1 (d) The president of the Kentucky Community and Technical College System or
2 his or her designee;
- 3 (e) The executive director~~[president]~~ for the Kentucky Higher Education
4 Assistance Authority~~[Council on Postsecondary Education]~~ or his or her
5 designee;
- 6 (f) The commissioner of the Kentucky Department of Education or his or her
7 designee;
- 8 (g) The president of the Kentucky Chamber of Commerce or his or her designee;
- 9 (h) A representative of the board of directors from each of the Commonwealth's
10 ten (10) local workforce development areas as selected by the board of
11 directors;
- 12 (i) A representative selected by the Kentucky Association of Counties;
- 13 (j) A representative selected by the Kentucky Farm Bureau;
- 14 (k) The chair of the Kentucky Workforce Innovation Board or his or her
15 designee; and
- 16 (l) The executive director/CEO of the Kentucky League of Cities or his or her
17 designee.
- 18 (3) Meetings shall be held at least quarterly or at the call of the chair.
- 19 (4) The Kentucky Education and Workforce Collaborative shall submit quarterly
20 reports to the Legislative Research Commission summarizing its progress.
- 21 (5) The Kentucky Education and Workforce Collaborative shall designate one (1)
22 member as its legislative liaison to communicate with the General Assembly about
23 the collaborative's progress and ensure that the work of the collaborative is separate
24 and distinct from the work of the Kentucky Workforce Innovation Board. The
25 liaison shall not be a member who is also a representative of a local workforce
26 development area.
- 27 (6) The Kentucky Education and Workforce Collaborative shall reach the following

1 milestones and report findings, determinations, and procedures to the Kentucky
2 Workforce Innovation Board:

3 (a) Identification of all federal and state-funded workforce programs in the
4 Commonwealth by September 30, 2023;

5 (b) Development of a complete framework for implementation and transition by
6 September 30, 2023; and

7 (c) Evaluation and preparation of a determination of viability concerning the
8 transfer of child-care services to local workforce development boards.

9 (7) The Commonwealth shall reach the following milestones:

10 (a) Procurement of a replacement for the UI and Case Management/Reporting
11 System by December 31, 2023; and

12 (b) Transition and consolidation of all federal and state workforce training,
13 employment, and employment-related programs into one (1) entity that shall
14 have primary responsibility for the operation of and management of funding
15 for the newly created consolidated entity by December 31, 2023.

16 (8) The local workforce development boards shall each reach the following milestones:

17 (a) By July 1, 2024, assumption of fiscal and administrative responsibilities for
18 planning, oversight, and evaluation of all public workforce programs in the
19 board's local workforce development area in the state. Each plan shall include:

20 1. Governor-certified local workforce development boards to provide local
21 control;

22 2. Designated Kentucky Career Centers (KCCs) throughout the local
23 workforce development area to provide the entire array of program
24 services at each identified location;

25 3. Integrated cross-program, functional service delivery systems to provide
26 ease of access to local businesses and job seekers, with individual
27 programs that are not apparent, but are defined by service requested by

1 customer; and

2 4. An emphasis on core competencies such that:

3 a. Local workforce development boards are focused on fiscal and
4 program administration;

5 b. KCCs are focused on service delivery; and

6 c. Educational entities are focused on providing data-driven,
7 workforce preparation services and competencies; and

8 5. Functional services that include but are not limited to business services,
9 job search, group training and assessment services, intensive job search
10 preparation, and training with case management;

11 (b) By July 1, 2024, development of comprehensive system-wide budgets,
12 strategic plans, implementation plans, supervision agreements with different
13 programmatic employers, memoranda of understanding for the KCCs, and
14 any infrastructure funding agreements required by the Workforce Innovation
15 and Opportunity Act; and

16 (c) By July 1, 2025, and annually thereafter, preparation and transmission of a
17 report to the Kentucky Education and Workforce Collaborative and Kentucky
18 Workforce Innovation Board, detailing its attainment of the policies and goals
19 contained in the Governor's current executive order issued pursuant to the
20 Workforce Innovation and Opportunity Act.

21 ➔Section 142. KRS 154.12-205 is amended to read as follows:

22 (1) There is hereby created an independent, de jure corporation of the Commonwealth
23 with all the general corporate powers incidental thereto which shall be known as the
24 "Bluegrass State Skills Corporation." The corporation shall be a political
25 subdivision of the state and shall be attached to the Cabinet for Economic
26 Development.

27 (2) The corporation is created and established to improve and promote the employment

1 opportunities of the citizens of the Commonwealth by creating and expanding
2 programs of skills training and education which meet the needs of qualified
3 companies.

4 (3) The corporation shall be governed by a board of directors consisting of seventeen
5 (17) members, including the following five (5) ex officio members: the
6 commissioner of the Department of Workforce Development or his or her designee,
7 the secretary of the Cabinet for Economic Development, the secretary of the
8 Education and Labor Cabinet, the executive director~~[president]~~ of the Kentucky
9 Higher Education Assistance Authority~~[Council on Postsecondary Education]~~, and
10 the president of the Kentucky Community and Technical College System. The
11 twelve (12) other members shall be appointed by the Governor, including persons
12 having knowledge and experience in business and industry, skills training,
13 education, and minority employment; and at least one (1) of the twelve (12)
14 members shall be appointed to represent labor organizations. Each member
15 appointed by the Governor shall serve for a term of four (4) years, except that in
16 making the initial appointments, the Governor shall appoint three (3) members to
17 serve for one (1) year, three (3) members to serve for two (2) years, three (3)
18 members to serve for three (3) years, and three (3) members to serve for four (4)
19 years. All succeeding appointments shall be for a term of four (4) years.

20 (4) In the event of a vacancy, the Governor may appoint a replacement member who
21 shall hold office during the remainder of the term so vacated.

22 (5) Any member may be removed from his or her appointment by the Governor for
23 cause.

24 (6) The Governor shall designate a member of the board as its chairman.

25 (7) Members of the board of directors of the corporation, except for ex officio
26 members, shall be entitled to compensation for their services in the amount of one
27 hundred dollars (\$100) for each regular or special called meeting of the corporation,

1 and all members shall be entitled to reimbursement for any actual and necessary
2 expenses incurred in the performance of their duties.

3 (8) The board of directors of the corporation shall annually elect a vice chairman, a
4 secretary, and a treasurer. The secretary shall keep a record of the proceedings of
5 the corporation and shall be custodian of all books, documents, and papers filed
6 with the corporation, and its official seal.

7 (9) The Cabinet for Economic Development shall provide staff and support services to
8 the corporation and shall direct and supervise its administrative affairs and general
9 management subject to the policies, control, and direction of the board.

10 (10) All officers and employees of the corporation having access to its funding shall give
11 bond to the corporation, at its expense, in the amount and with the surety as the
12 board may prescribe.

13 ➔Section 143. KRS 154.15-020 is amended to read as follows:

14 (1) The Kentucky Communications Network Authority is established and shall be
15 attached to the Office of the Governor. The authority shall be headed by an
16 executive director who shall be hired by the board and approved by the Governor.

17 (2) Notwithstanding KRS 42.726, the duties of the authority shall be to:

18 (a) Oversee and maintain KentuckyWired, the Commonwealth's open-access
19 broadband network;

20 (b) Manage the master agreement establishing the public-private partnership
21 between the Commonwealth and its private industry partner or partners. The
22 purpose of the agreement is to design, engineer, build, operate, maintain, and
23 upgrade the network;

24 (c) Provide network connectivity to public agencies;

25 (d) Offer access to entities eligible to utilize excess capacity on the network;

26 (e) Manage other aspects of the network and its utilization through the executive
27 director and with oversight and input from the board established in KRS

- 1 154.15-030 and the advisory group established in this section;
- 2 (f) Promulgate administrative regulations pursuant to KRS Chapter 13A
- 3 necessary to implement the purposes of this subchapter;
- 4 (g) Enter into contracts with public and private entities to carry out its duties and
- 5 responsibilities. A contract or other agreement involving the acquisition or
- 6 disposition of a property interest by the Commonwealth shall be signed by the
- 7 secretary of the Finance and Administration Cabinet. KRS Chapters 45A and
- 8 56 may require the secretary's signature on other contracts or agreements;
- 9 (h) Provide program management services ensuring the financial viability of the
- 10 master agreement and related contracts and agreements, including grant
- 11 administration, contract compliance and oversight, community planning
- 12 support, and constituent services;
- 13 (i) Seek out, secure, and manage funding sources for the network; and
- 14 (j) Create an advisory group, including major stakeholders, to provide input and
- 15 feedback on issues important to the user community and to the long-term
- 16 sustainability of the project and the network. The advisory group shall be
- 17 administratively attached to and managed by the authority. The advisory
- 18 group shall include but not be limited to representatives of:
- 19 1. The Department of Education;
- 20 2. The Kentucky Higher Education Assistance Authority~~[Council on~~
- 21 ~~Postsecondary Education]~~;
- 22 3. The Cabinet for Economic Development;
- 23 4. The Cabinet for Health and Family Services;
- 24 5. The Transportation Cabinet;
- 25 6. The Justice and Public Safety Cabinet;
- 26 7. The Finance and Administration Cabinet;
- 27 8. The Administrative Office of the Courts;

- 1 9. The Legislative Research Commission;
 - 2 10. Institutions of higher education;
 - 3 11. Local government entities;
 - 4 12. Libraries;
 - 5 13. Public health care institutions or agencies;
 - 6 14. Kentucky Educational Television; and
 - 7 15. Others whose input will benefit the network.
- 8 (3) With the approval of the board, the executive director may hire additional officers
9 and other personnel necessary for the proper functioning of the authority, fix their
10 salaries, and prescribe their duties. The executive director and persons employed by
11 the authority shall not be subject to the provisions of KRS Chapter 18A.
- 12 (4) (a) With the approval of the board, the executive director may make, execute, and
13 effectuate contracts, leveraging future revenues from provision of
14 government-to-government services and sale or lease of excess capacity, to
15 incur debt in the name of the authority and enter into financing agreements
16 with the Commonwealth, agencies of the Commonwealth, lending
17 institutions, investors, or investing entities.
- 18 (b) The total amount of debt or financing under this subsection shall not exceed
19 one hundred ten million dollars (\$110,000,000), and shall not leverage any
20 future revenues committed to the repayment of any other debt, or expected to
21 be used for the repayment of any other debt, as of the time the debt or
22 financing is entered into.
- 23 (c) Any proposed debt or financing under this subsection shall be submitted to the
24 Capital Projects and Bond Oversight Committee for review at least fourteen
25 (14) days prior to the committee meeting.
- 26 (d) If any debt or financing is incurred under this subsection, the authority shall
27 provide to the Legislative Research Commission:

- 1 1. Within thirty (30) days of entering into a debt or financing agreement, a
- 2 copy of the agreement; and
- 3 2. On January 1, April 1, July 1, and October 1 of each year that the debt
- 4 or financing is outstanding:
- 5 a. The amount of principal and interest remaining on the debt or
- 6 financing;
- 7 b. The use to which the capital gained from the debt or financing has
- 8 been put; and
- 9 c. Any amendments, if any, to the original debt or financing
- 10 instruments or agreements.

11 ➔Section 144. KRS 156.029 is amended to read as follows:

12 (1) There is hereby established a Kentucky Board of Education, which shall consist of

13 eleven (11) voting members appointed by the Governor and confirmed by the

14 Senate of the General Assembly, with the executive director~~[president]~~ of the

15 Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~

16 ~~Education]~~ and the secretary of the Education and Labor Cabinet serving as ex

17 officio nonvoting members, and an active public elementary or secondary school

18 teacher and a public high school student appointed by the board as described in

19 subsection (3) of this section serving as nonvoting members. Seven (7) voting

20 members shall represent each of the Supreme Court districts as established by KRS

21 21A.010, and four (4) voting members shall represent the state at large. Each of the

22 voting members shall serve for a four (4) year term, except the initial appointments

23 shall be as follows: the seven (7) members representing Supreme Court districts

24 shall serve a term which shall expire on April 14, 1994; and the four (4) at-large

25 members shall serve a term which shall expire on April 14, 1992. Subsequent

26 appointments shall be submitted to the Senate for confirmation in accordance with

27 KRS 11.160.

- 1 (2) Appointments of the voting members shall be made without reference to
2 occupation. No voting member at the time of his or her appointment or during the
3 term of his or her service shall be engaged as a professional educator. Beginning
4 with voting members appointed on or after June 29, 2021, appointments to the
5 group of members representing Supreme Court districts and to the group of at-large
6 members, respectively, shall reflect equal representation of the two (2) sexes,
7 inasmuch as possible; reflect no less than proportional representation of the two (2)
8 leading political parties of the Commonwealth based on the state's voter registration
9 and the political affiliation of each appointee as of December 31 of the year
10 preceding the date of his or her appointment; and reflect the minority racial
11 composition of the Commonwealth based on the total minority racial population
12 using the most recent census or estimate data from the United States Census
13 Bureau. If the determination of proportional minority representation does not result
14 in a whole number of minority members, it shall be rounded up to the next whole
15 number. A particular political affiliation shall not be a prerequisite to appointment
16 to the board generally; however, if any person is appointed to the board that does
17 not represent either of the two (2) leading political parties of the Commonwealth,
18 the proportional representation by political affiliation requirement shall be
19 determined and satisfied based on the total number of members on the board less
20 any members not affiliated with either of the two (2) leading political parties.
21 Pursuant to KRS 63.080, a member shall not be removed except for cause or,
22 beginning with voting members appointed on or after June 29, 2021, in accordance
23 with KRS 63.080(3). Notwithstanding KRS 12.028, the board shall not be subject to
24 reorganization by the Governor.
- 25 (3) Ex officio and other nonvoting members shall not be represented by proxy at any
26 meeting of the board.
- 27 (4) The nonvoting teacher and student members shall be selected by the board from the

1 state's six (6) congressional districts on a rotating basis from different districts. The
2 public high school student shall be classified as a junior at the time of appointment.
3 The teacher and student members shall serve for a one (1) year term, except the
4 initial appointments shall serve a term which shall expire on April 14, 2022. The
5 board shall promulgate an administrative regulation establishing the process for
6 selecting the nonvoting teacher and student members.

7 (5) A vacancy in the voting membership of the board shall be filled by the Governor
8 for the unexpired term with the consent of the Senate. In the event that the General
9 Assembly is not in session at the time of the appointment, the consent of the Senate
10 shall be obtained during the time the General Assembly next convenes.

11 (6) At the first regular meeting of the board in each fiscal year, a chairperson shall be
12 elected from its voting membership.

13 (7) The members shall be reimbursed for actual and necessary expenses incurred in the
14 performance of their duties.

15 (8) The commissioner of education shall serve as the executive secretary to the board.

16 (9) The primary function of the board shall be to develop and adopt policies and
17 administrative regulations, with the advice of the Local Superintendents Advisory
18 Council, by which the Department of Education shall be governed in planning,
19 coordinating, administering, supervising, operating, and evaluating the educational
20 programs, services, and activities within the Department of Education which are
21 within the jurisdiction of the board.

22 ➔Section 145. KRS 156.555 is amended to read as follows:

23 (1) The Center for Middle School Academic Achievement is created to improve the
24 content knowledge and instructional practice of middle school teachers through the
25 coordination of professional development programs for middle school teachers, the
26 provision of technical assistance to schools and teachers, and the collection and
27 dissemination of information and research regarding effective models of teaching

1 the core disciplines to middle school students.

2 (2) The center shall:

3 (a) Foster collaboration between the center, the Department of Education, the
4 Education Professional Standards Board, postsecondary institutions of
5 education, postsecondary departments or colleges of arts and sciences, and
6 other entities to develop content-based teacher preparation programs and
7 ongoing professional development programs for middle school teachers,
8 aligned with the Department of Education's core content for assessment;

9 (b) Assist school districts in assessing and addressing their needs and deficiencies
10 in middle school curriculum and instruction;

11 (c) Assist grant recipients of the Middle School Mathematics and Science
12 Scholars Program established under KRS 158.848 with professional
13 development for participating teachers;

14 (d) Assist middle school teachers in establishing and maintaining networks of
15 communication to share information regarding middle school instructional
16 practice, curriculum development, and other areas of common interest,
17 building upon existing networks;

18 (e) Develop and maintain a clearinghouse for information about:

19 1. Educational models addressing content knowledge and skills of middle
20 school students, based on reliable, replicable research;

21 2. Core content achievement levels of Kentucky students in relation to
22 students in other states and other countries; and

23 3. The relationship between student achievement levels and curriculum
24 content, curriculum structure and alignment with content, teacher
25 training, and teaching methods;

26 (f) Develop and implement a research structure, in collaboration with the
27 Department of Education, to evaluate the effectiveness of different middle

1 school instructional models; and

2 (g) Submit an annual report to the Governor and the Legislative Research
3 Commission by September 1 of each year. The report shall include
4 information outlining the center's activities, information provided by the
5 Kentucky Department of Education regarding the use of money from the
6 Teachers' Professional Growth Fund, and other information regarding efforts
7 to improve the quality of middle school instruction in Kentucky.

8 (3) With the advice of the commissioner of education and the Education Professional
9 Standards Board, the Kentucky Higher Education Assistance Authority~~[Council on~~
10 ~~Postsecondary Education]~~ shall develop a process to solicit, review, and approve
11 a proposal for locating the Center for Middle School Academic Achievement at a
12 public or private college or university. The authority~~[council]~~ shall choose a
13 college or university that has demonstrated the coordination of course delivery
14 between the faculties of the college of education and arts and sciences departments
15 within the college or university. The authority~~[council]~~ shall approve the location
16 for the center no later than November 15, 2000.

17 ➔Section 146. KRS 156.671 is amended to read as follows:

18 The chief state school officer shall convene the Commissioner of the Department for
19 Information Systems, one (1) representative of Kentucky Educational Television, one (1)
20 representative of the Kentucky Higher Education Assistance Authority~~[Council on~~
21 ~~Postsecondary Education]~~, and one (1) representative of the Department of Education to
22 create a strategic plan for distance learning in the Commonwealth and submit it to the
23 Legislative Research Commission by July 1, 1993. The plan shall set forth the
24 Commonwealth's vision for developing a long-term and statewide distance learning
25 strategy. It shall include, but not be limited to, definitions of the types of distance
26 learning delivery systems, an evaluation process for determining and certifying the
27 educational and cost effectiveness of each type of delivery system, comparisons of the

1 various types of delivery systems, and recommendations for implementation.

2 ➔Section 147. KRS 156.740 is amended to read as follows:

3 (1) The Interagency Commission on Educational and Job Training Coordination is
4 hereby created. Its membership shall be composed of the following individuals,
5 serving in an ex officio capacity:

6 (a) The chairman of the Kentucky Higher Education Assistance
7 Authority~~[Council on Postsecondary Education]~~;

8 (b) The executive director~~[president]~~ of the Kentucky Higher Education
9 Assistance Authority~~[Council on Postsecondary Education]~~;

10 (c) The chairman of the Kentucky Board of Education;

11 (d) The commissioner of the Department of Education;

12 (e) The commissioner of the Department of Workforce Development; and

13 (f) ~~[The chairman of the Board for the Kentucky Higher Education Assistance~~
14 ~~Authority; and~~

15 ~~(g)]~~The president of the Kentucky Community and Technical College System.

16 (2) Members shall serve by virtue of their office. The chairman of the commission shall
17 be chosen annually by a simple majority vote of the members. A quorum for
18 conducting business shall be one-half (1/2) of the members plus one (1). The chair
19 shall rotate annually, so that no person or agency holds the chairmanship in
20 successive years.

21 ➔Section 148. KRS 156.856 is amended to read as follows:

22 Tuition and fees for secondary pupils enrolled in the state secondary area vocational
23 education and technology centers operated by the Office of Career and Technical
24 Education shall be free to all residents of Kentucky. The Kentucky Board of Education
25 shall fix the rate of tuition and fees for adults who are enrolled in secondary programs in
26 the state-operated area vocational education and technology centers under its control.
27 Adult students enrolled in full-time postsecondary programs under the jurisdiction of the

1 Kentucky Community and Technical College System that are physically located in an
2 area vocational education or technology center shall pay the tuition as established by the
3 Kentucky Higher Education Assistance Authority~~[Council on Postsecondary Education]~~
4 and fees as established by the board of regents for the Kentucky Community and
5 Technical College System.

6 ➔Section 149. KRS 157.921 is amended to read as follows:

- 7 (1) The Kentucky Geographic Education Board is established to provide leadership and
8 planning for geography education for the population of Kentucky through the
9 efforts of elementary, secondary, and postsecondary educators, government
10 agencies, and public interests. The board shall be an independent agency and be
11 attached to the Education and Labor Cabinet for administrative purposes.
- 12 (2) The twelve (12) member board shall be appointed to two (2) year terms, initially
13 appointed by the Governor, and composed of the following members:
- 14 (a) Three (3) representatives from postsecondary institutions;
 - 15 (b) One (1) representative from the Council for Social Sciences;
 - 16 (c) Six (6) representatives from elementary and secondary schools;
 - 17 (d) One (1) representative of the Department of Education; and
 - 18 (e) One (1) representative of the Kentucky Higher Education Assistance
19 Authority~~[Council on Postsecondary Education]~~.
- 20 (3) The board shall select from its membership a chair and establish bylaws, including
21 bylaws governing board membership and length of terms. Upon expiration of the
22 initial appointments and adoption of bylaws governing membership and length of
23 terms by the board, the board shall be self-perpetuating, and the appointment and
24 length of terms shall be made in accordance with the board's bylaws. Vacancies that
25 occur before the expiration of the initial appointments shall be filled by the
26 Governor for the remaining term of the vacancy.
- 27 (4) The board members shall receive no compensation but shall be reimbursed for

1 actual expenses incurred in accordance with state procedures and policies.

2 ➔Section 150. KRS 157.922 is amended to read as follows:

3 The functions of the board shall be to:

- 4 (1) Create an annual plan to improve assessment, curriculums, outreach, and
5 professional development related to geography education in Kentucky;
- 6 (2) Establish a competitive system for awarding grants for programs to encourage and
7 support geography education;
- 8 (3) Seek and receive private support to fund state programs to encourage and support
9 geography education;
- 10 (4) Prepare an annual report of its activities and annual plan, forward copies of the
11 report to the Governor, the Legislative Research Commission, the Kentucky Board
12 of Education, and the Kentucky Higher Education Assistance Authority~~Council~~
13 ~~on Postsecondary Education~~, and make copies available to citizens of the
14 Commonwealth; and
- 15 (5) Make recommendations and seek changes through administrative regulations,
16 legislation, and other means to promote geography education in Kentucky.

17 ➔Section 151. KRS 158.007 is amended to read as follows:

18 As used in KRS Chapter 158 unless the context requires otherwise:

- 19 (1) "Advanced placement" or "AP" means a college-level course that incorporates all
20 topics and instructional strategies specified by the College Board on its standard
21 syllabus for a given subject area and is licensed by the College Board.
- 22 (2) "Advanced science and mathematics" means Advanced Placement or AP biology,
23 calculus, chemistry, computer science, environmental science, and physics, and
24 International Baccalaureate or IB biology, chemistry, computer science,
25 environmental systems, mathematical studies, further mathematics, and physics.
- 26 (3) "Board" means the Kentucky Board of Education.
- 27 (4) "College Board Advanced Placement examination" means the advanced placement

1 test administered by the College Entrance Examination Board.

2 (5) "College Board" means the College Entrance Examination Board, a national
3 nonprofit association that provides college admission guidance and advanced
4 placement examinations.

5 (6) "Core curriculum" means at least one (1) course in science, one (1) course in
6 mathematics, and at least one (1) course in two (2) of the following subject areas:
7 English, social studies, foreign language, and the arts.

8 (7) "Department" means the Kentucky Department of Education.

9 (8) "Dual credit" means a college-level course of study developed in accordance with
10 KRS 164.098 in which a high school student receives credit from both the high
11 school and postsecondary institution in which the student is enrolled upon
12 completion of a single class or designated program of study.

13 (9) "Dual enrollment" means a college-level course of study developed in accordance
14 with KRS 164.098 in which a student is enrolled in a high school and
15 postsecondary institution simultaneously.

16 (10) "International Baccalaureate" or "IB" means the International Baccalaureate
17 Organization's Diploma Programme, a comprehensive two (2) year program
18 designed for highly motivated students.

19 (11) "Kentucky Virtual High School" means secondary-level instructional programs or
20 courses offered by the Kentucky Department of Education through the internet and
21 other on-line, computer-based methods.

22 (12) "Kentucky Virtual University" means a college-level instructional program offered
23 by the Kentucky Higher Education Assistance Authority~~[Council on~~
24 ~~Postsecondary Education]~~ through the internet or other on-line, computer-based
25 methods.

26 ➔Section 152. KRS 158.305 (Effective July 1, 2024) is amended to read as
27 follows:

- 1 (1) As used in this section:
- 2 (a) "Aphasia" means a condition characterized by either partial or total loss of the
3 ability to communicate verbally or through written words. A person with
4 aphasia may have difficulty speaking, reading, writing, recognizing the names
5 of objects, or understanding what other people have said. The condition may
6 be temporary or permanent and does not include speech problems caused by
7 loss of muscle control;
- 8 (b) "Dyscalculia" means the inability to understand the meaning of numbers, the
9 basic operations of addition and subtraction, the complex operations of
10 multiplication and division, or to apply math principles to solve practical or
11 abstract problems;
- 12 (c) "Dysgraphia" means difficulty in automatically remembering and mastering
13 the sequence of muscle motor movements needed to accurately write letters or
14 numbers;
- 15 (d) "Dyslexia" has the same meaning as in KRS 158.307;
- 16 (e) "Enrichment program" means accelerated intervention within the school day
17 or outside of the school day or school calendar led by individuals most
18 qualified to provide the intervention that includes evidence-based reading
19 instructional programming related to reading instruction in the areas of
20 phonemic awareness, phonics, fluency, vocabulary, and comprehension, and
21 other instructional strategies aligned to reading and writing standards required
22 by KRS 158.6453 and outlined in administrative regulation promulgated by
23 the Kentucky Board of Education;
- 24 (f) "Evidence-based" has the same meaning as in 20 U.S.C. sec. 7801(21);
- 25 (g) "Phonemic awareness" has the same meaning as in KRS 158.307;
- 26 (h) "Reading diagnostic assessment" has the same meaning as in KRS 158.792;
- 27 (i) "Reading improvement plan" means an accelerated intervention plan for a

1 student in kindergarten through grade four (4) that is developed to increase a
2 student's rate of progress toward proficient performance in reading that is
3 identified as necessary based on the student's results on an approved reading
4 diagnostic assessment. This plan should be developed in collaboration and
5 accordance with any existing program services plan, individualized education
6 program, or Section 504 Plan unless the program services plan, individualized
7 education program, or Section 504 Plan already addresses improving reading;

8 (j) "Reading improvement team" means a team that develops and oversees the
9 progress of a reading improvement plan and includes:

- 10 1. The parent or guardian of the student that is the subject of the reading
11 improvement plan;
- 12 2. No less than one (1) regular education teacher of the student to provide
13 information about the general curriculum for same-aged peers;
- 14 3. A representative of the local education agency who is knowledgeable
15 about the reading curriculum and the availability of the evidence-based
16 literacy resources of the local education agency; and
- 17 4. Any specialized certified school employees for students receiving
18 language instruction educational programming or special education
19 services; and

20 (k) "Universal screener" means a process of providing a brief assessment to all
21 students within a grade level to assess the students' performance on the
22 essential components of reading.

23 (2) Notwithstanding any other statute or administrative regulation to the contrary, the
24 Kentucky Board of Education shall promulgate administrative regulations to further
25 define a multitiered system of supports for district-wide use of a system for students
26 in kindergarten through grade three (3), that includes a tiered continuum of
27 interventions with varying levels of intensity and duration and which connects

1 general, compensatory, and special education programs to provide interventions
2 implemented with fidelity to evidence-based research and matched to individual
3 student strengths and needs. At a minimum, evidence of implementation shall be
4 submitted by the district to the department by October 1 of each year and shall
5 include but not be limited to the activities required under KRS 158.649.

6 (3) The Department of Education shall provide technical assistance and training, if
7 requested by a local district, to assist in the implementation of the district-wide,
8 multitiered system of supports as a means to identify and assist any student
9 experiencing difficulty in reading, writing, mathematics, or behavior and to
10 determine appropriate instructional modifications needed by advanced learners to
11 make continuous progress.

12 (4) The technical assistance and training shall be designed to improve:

13 (a) The use of specific screening processes and programs to identify student
14 strengths and needs;

15 (b) The use of screening data for designing instructional interventions;

16 (c) The use of multisensory instructional strategies and other interventions
17 validated for effectiveness by evidence-based research;

18 (d) Progress monitoring of student performance; and

19 (e) Accelerated, intensive, direct instruction that addresses students' individual
20 differences, including advanced learners, and enables students that are
21 experiencing difficulty to catch up with typically performing peers.

22 (5) (a) By January 1, 2023, each superintendent or public charter school board of
23 directors shall select:

24 1. At least one (1) universal screener for reading that is determined by the
25 department to be reliable and valid to be administered to all students in
26 kindergarten through grade three (3); and

27 2. At least one (1) reading diagnostic assessment for reading that is

1 determined by the department to be reliable and valid to be administered
2 as part of a multitiered system of supports for students in kindergarten
3 through grade three (3).

4 (b) Notwithstanding KRS 158.6453(19) and 160.345, each superintendent or
5 public charter school board shall adopt a common comprehensive reading
6 program that is determined by the department to be reliable, valid, and aligned
7 to reading and writing standards required by KRS 158.6453 and outlined in
8 administrative regulation promulgated by the Kentucky Board of Education
9 for kindergarten through grade three (3) for all schools or a subset of schools,
10 with consultation of all affected elementary school councils.

11 (c) All teachers of students in kindergarten through grade three (3), including
12 public charter school teachers, shall be trained on any reading diagnostic
13 assessment and universal screener selected by the superintendent or public
14 charter school board prior to administration of the assessment. The training
15 shall address:

- 16 1. How to properly administer the reading diagnostic assessment;
- 17 2. How to interpret the results of the reading diagnostic assessment to
18 identify students needing interventions;
- 19 3. How to use the assessment results to design instruction and
20 interventions;
- 21 4. The use of the assessment to monitor the progress of student
22 performance; and
- 23 5. The use of accelerated, intensive, and direct instruction that addresses
24 students' individual differences and enables students to achieve
25 proficiency in reading, including but not limited to daily, one-on-one
26 instruction.

27 (6) Beginning with the 2023-2024 school year, a universal screener determined by the

1 Department of Education to be reliable and valid shall be:

2 (a) Given in the first forty-five (45) days of the school year for all kindergarten
3 students at a public school or public charter school; and

4 (b) Given in the first thirty (30) days of the school year for grades one (1) through
5 three (3) at a public school or public charter school.

6 (7) A reading improvement plan shall be developed and implemented by a reading
7 improvement team for any student in kindergarten through grade three (3) identified
8 as needing accelerated interventions to progress toward proficient performance in
9 reading. The reading improvement plan shall require:

10 (a) Intensive intervention that includes effective instructional strategies and
11 appropriate instructional materials necessary to help the student make
12 accelerated progress toward proficient performance in reading and become
13 ready for the next grade, including but not limited to daily, one-on-one
14 instruction with students the most in need provided by certified teachers
15 specifically trained to provide one-on-one instruction;

16 (b) A school to provide a written quarterly progress report containing the
17 information required by paragraph (a) of this subsection to a parent or
18 guardian of any student subject to a reading improvement plan. The written
19 quarterly progress report for the reading improvement plan may be included
20 in the school's existing quarterly progress report; and

21 (c) Individual placement decisions for children who are eligible for special
22 education and related services to be determined by the appropriate admissions
23 and release committee in accordance with administrative regulations
24 promulgated by the Kentucky Board of Education.

25 (8) Beginning in the 2023-2024 school year, if a student's rate of progress toward
26 proficient performance in reading needs accelerated interventions as demonstrated
27 by the results of an approved reading diagnostic assessment, the local school district

1 shall provide:

2 (a) Enrichment programs through grade three (3) using evidence-based reading
3 instruction and other strategies;

4 (b) Intensive instructional services, progress monitoring measures, and supports
5 to students through grade three (3); and

6 (c) Parents and legal guardians of students identified for accelerated interventions
7 in reading in kindergarten through grade three (3) with a "Read at Home"
8 plan, including information on how to participate in regular parent-guided
9 home reading.

10 (9) Beginning in the 2024-2025 school year, if a student does not score in the proficient
11 performance level or higher in reading, as defined in KRS 158.791(2), on the state
12 annually required grade three (3) assessment, the local school district shall provide:

13 (a) 1. Enrichment programs in grade four (4) using evidence-based reading
14 instruction and other strategies; or

15 2. Intensive instructional services, progress monitoring measures, and
16 supports to students in grade four (4); and

17 (b) Written notification of the interventions and supports described in paragraph
18 (a) of this subsection to the parent or legal guardian of the student, including a
19 description of proposed interventions and supports to be provided.

20 (10) By September 1, 2023, if funds are appropriated, the department shall establish
21 required teacher academies or coaching models for teachers of students in
22 prekindergarten through grade three (3). The teacher academies or coaching models
23 shall be related to evidence-based practices in instruction, instructional materials,
24 and assessment in reading.

25 (11) The department shall develop and maintain a web-based resource providing
26 teachers access to:

27 (a) Information on the use of specific screening processes and programs to

- 1 identify student strengths and needs, including those for advanced learners;
- 2 (b) Current, evidence-based research and age-appropriate instructional tools that
3 may be used for substantial, steady improvement in:
- 4 1. Reading when a student is experiencing difficulty with phonemic
5 awareness, phonics, vocabulary, fluency, general reading
6 comprehension, or reading in specific content areas, or is exhibiting
7 characteristics of dyslexia, aphasia, or other reading difficulties;
- 8 2. Writing when a student is experiencing difficulty with consistently
9 producing letters or numbers with accuracy or is exhibiting
10 characteristics of dysgraphia;
- 11 3. Mathematics when a student is experiencing difficulty with basic math
12 facts, calculations, or application through problem solving, or is
13 exhibiting characteristics of dyscalculia or other mathematical
14 difficulties; or
- 15 4. Behavior when a student is exhibiting behaviors that interfere with his
16 or her learning or the learning of other students; and
- 17 (c) Current, evidence-based research and age-appropriate instructional tools that
18 may be used for continuous progress of advanced learners.
- 19 (12) The department shall encourage districts to utilize both state and federal funds as
20 appropriate to implement a district-wide multitiered system of supports.
- 21 (13) The department is encouraged to coordinate technical assistance and training on
22 current best practice interventions with state postsecondary education institutions.
- 23 (14) The department shall collaborate with the statewide reading research center
24 established under KRS 164.0207, the Kentucky Center for Mathematics, the
25 Kentucky Center for Instructional Discipline, the Education Professional Standards
26 Board, the Kentucky Higher Education Assistance Authority~~[Council on~~
27 ~~Postsecondary Education]~~, postsecondary teacher education programs, and other

1 agencies and organizations as deemed appropriate to ensure that teachers are
2 prepared to utilize evidence-based interventions in reading, writing, mathematics,
3 and behavior.

4 (15) In compliance with 20 U.S.C. sec. 1414(a)(1)(E), screening of a student to
5 determine appropriate instructional strategies for curriculum implementation shall
6 not be considered to be an evaluation for eligibility for special education and related
7 services and nothing in this section shall limit a school district from completing an
8 initial evaluation of a student suspected of having a disability.

9 ➔Section 153. KRS 158.307 is amended to read as follows:

10 (1) As used in this section:

11 (a) "Dyslexia" means a specific learning disability that is neurological in origin. It
12 is characterized by difficulties with accurate or fluent word recognition and by
13 poor spelling and decoding abilities. These difficulties typically result from a
14 deficit in the phonological component of language that is often unexpected in
15 relation to other cognitive abilities and the provision of effective classroom
16 instruction. Secondary consequences may include problems in reading
17 comprehension and reduced reading experience that can impede the growth of
18 vocabulary and background knowledge;

19 (b) "Evidence-based" has the same meaning as in 20 U.S.C. sec. 7801(21); and

20 (c) "Phonemic awareness" means the ability to recognize that a spoken word
21 consists of a sequence of individual sounds and the ability to manipulate
22 individual sounds in speaking.

23 (2) By January 1, 2019, the Department of Education shall make available a dyslexia
24 toolkit that includes guidance, technical assistance, and training to assist all local
25 school districts in the implementation of evidence-based practices for instructing
26 students identified with or displaying characteristics of dyslexia.

27 (3) The dyslexia toolkit shall include but not be limited to the following guidance for

- 1 local districts targeting students in kindergarten through grade three (3) who have
2 been identified with or displaying characteristics of dyslexia:
- 3 (a) Evidence-based practices designed specifically for students with dyslexia;
 - 4 (b) Characteristics of targeted instruction for dyslexia;
 - 5 (c) Guidance on developing instructional plans for students with dyslexia;
 - 6 (d) Best practices toward meaning-centered reading and writing;
 - 7 (e) Structured multisensory and literacy approaches to teaching language and
8 reading skills; and
 - 9 (f) Suggested professional development activities.
- 10 (4) The department shall collaborate with the Education Professional Standards Board,
11 Kentucky Higher Education Assistance Authority~~Council on Postsecondary~~
12 ~~Education~~, and other groups as necessary to improve and update professional
13 development opportunities for teachers specifically related to dyslexia. Professional
14 development opportunities may focus on:
- 15 (a) Development and ongoing implementation of training and coaching for
16 teachers;
 - 17 (b) Identifying high-quality trainers to provide support to local districts utilizing a
18 coaching model to develop building level dyslexia experts;
 - 19 (c) Developing awareness training modules for all instructional staff to include
20 information about characteristics of dyslexia; and
 - 21 (d) Evidence-based interventions, structured multisensory and literacy approaches
22 to teach language and reading skills, and accommodations for dyslexia and
23 other specific learning disabilities.
- 24 (5) Each local board of education may develop a policy addressing the implementation
25 of a program for the identification of and strategies for assisting students in
26 kindergarten through grade three (3) with dyslexia.
- 27 (6) The local board policies may include but not be limited to:

- 1 (a) The definition and characteristics of dyslexia;
- 2 (b) A process for identifying students who are displaying characteristics of
3 dyslexia;
- 4 (c) A process for the utilization of evaluation tools to accurately identify students
5 who are displaying characteristics of dyslexia. Any qualified dyslexia
6 evaluation tool utilized by a local district shall address but not be limited to
7 the following components:
- 8 1. Phonological awareness and phonemic awareness;
- 9 2. Sound symbol recognition;
- 10 3. Alphabet knowledge;
- 11 4. Decoding skills;
- 12 5. Encoding skills; and
- 13 6. Rapid naming;
- 14 (d) A process for how evaluation tools are administered and evaluated by trained
15 district personnel or licensed professionals;
- 16 (e) A process for outreach to parents of students identified with or displaying the
17 characteristics of dyslexia with information and resource materials and how
18 dyslexia may be addressed in the student's educational setting;
- 19 (f) Identification of evidence-based interventions, structured multisensory and
20 literacy approaches to teach language and reading skills, and accommodations
21 that schools may utilize to provide services to students identified as having
22 dyslexia; and
- 23 (g) A process for monitoring a student's progress after the positive identification,
24 including assessments to ascertain whether the intervention services improve
25 the student's language processing and reading skills.
- 26 (7) By June 30 of each year, each local school district that developed a policy
27 addressing the implementation of a program for the identification of and strategies

- 1 for assisting students in kindergarten through grade three (3) with dyslexia shall
2 provide the department the following data for the current school year:
- 3 (a) The number of students in kindergarten through grade three (3) that were
4 identified as displaying characteristics of dyslexia;
 - 5 (b) The number of students in paragraph (a) of this subsection that were identified
6 through the response-to-intervention process;
 - 7 (c) The number of students in kindergarten through grade three (3) that were
8 evaluated for dyslexia;
 - 9 (d) The number of students in kindergarten through grade three (3) that were
10 identified with dyslexia;
 - 11 (e) The dyslexia evaluation tools used to identify students;
 - 12 (f) The number of students in kindergarten through grade three (3) that were
13 participating in interventions within the school setting;
 - 14 (g) The process or tools used to evaluate student progress; and
 - 15 (h) The number of trained district personnel or licensed professionals used to
16 administer the dyslexia evaluation tools.
- 17 (8) (a) The department shall establish a study project to gather information on early
18 screening and intervention services for children with characteristics of
19 dyslexia. The commissioner of education shall select three (3) school districts
20 to participate in the study project, one (1) of which shall be located in an
21 urban setting, one (1) of which shall be located in a suburban setting, and one
22 (1) of which shall be located in a rural setting.
- 23 (b) The department shall establish guidelines and procedures for the study
24 project.
 - 25 (c) The study project shall operate for three (3) full school years, beginning with
26 the school year that begins at least three (3) months after July 14, 2018.
 - 27 (d) The goal of the study project shall be to evaluate the effectiveness of early

1 reading assistance programs for children with characteristics of dyslexia.

2 (e) The commissioner may consult with recognized organizations that specialize
3 in structured literacy programs for the treatment of dyslexia in establishing
4 and operating the study project.

5 (f) The department shall submit a final report outlining the findings of the study
6 to the Interim Joint Committee on Education by November 1 after the final
7 academic year of the study project.

8 ➔Section 154. KRS 158.622 is amended to read as follows:

9 (1) The Kentucky Board of Education shall promulgate administrative regulations
10 establishing the criteria a school shall meet in order to designate a course an
11 advanced placement course, including content and program standards concerning
12 student admission criteria, data collection, and reporting.

13 (2) Upon receipt of adequate federal funding for these purposes, the Department of
14 Education shall:

15 (a) Expand advanced placement teacher training institutes, including offering
16 advanced placement teacher training instruction and assistance through the
17 Kentucky Virtual High School or in conjunction with the Kentucky Higher
18 Education Assistance Authority~~[Council on Postsecondary Education]~~
19 through the Kentucky Virtual University;

20 (b) Require teachers who are planning to participate in advanced placement
21 teacher training and complete advanced placement training at advanced
22 placement institutes facilitated by the department to sign an agreement to
23 teach at least one (1) advanced placement course in a Kentucky public school
24 or the Kentucky Virtual High School when assigned by the school principal;

25 (c) Develop the Kentucky Virtual Advanced Placement Academy which shall
26 offer school districts and their students access to a core advanced placement
27 curriculum through the Kentucky Virtual High School;

- 1 (d) Identify, in conjunction with the Kentucky Higher Education Assistance
2 Authority~~[Council on Postsecondary Education]~~, resources at the secondary
3 and postsecondary levels that can be directed toward advanced placement or
4 dual enrollment instruction;
- 5 (e) Compare the costs of offering advanced placement courses through traditional
6 on-site instruction, the Kentucky Virtual High School, and other methods and
7 shall offer each school district assistance, if requested, in analyzing how the
8 school district can most cost-effectively offer the largest number of advanced
9 placement courses;
- 10 (f) Identify current and future funding sources for advanced placement or dual
11 enrollment instructional programs and the amount of funds available or
12 anticipated from those sources; and
- 13 (g) Submit a report to the Kentucky General Assembly outlining compliance with
14 this section.
- 15 (3) Each school district shall:
- 16 (a) Accept for credit toward graduation any course a student successfully
17 completes through the Kentucky Virtual High School and incorporate the
18 grade the student receives in a Kentucky Virtual High School course in
19 calculating that student's grade point average without distinction between the
20 grade received in the Kentucky Virtual High School course and courses taught
21 within the school district for which the student receives a grade;
- 22 (b) Accept for credit toward graduation and completion of high school course
23 requirements an advanced placement, a high school equivalent, or a Kentucky
24 Virtual High School course taken by a student in grades 5, 6, 7, or 8 if that
25 student attains performance levels expected of high school students in that
26 district as determined by achieving a score of "3" or higher on a College
27 Board Advanced Placement examination or a grade of "B" or better in a high

1 school equivalent or a Kentucky Virtual High School course; and
2 (c) Pay tuition and other costs for students from their districts who are enrolled in
3 a Kentucky Virtual High School course for credit that is part of the student's
4 regular school day coursework by proportionately sharing funds generated
5 under KRS 157.360 or other funding sources.

6 ➔Section 155. KRS 158.6453 is amended to read as follows:

- 7 (1) As used in this section:
- 8 (a) "Accelerated learning" means an organized way of helping students meet
9 individual academic goals by providing direct instruction to eliminate student
10 performance deficiencies or enable students to move more quickly through
11 course requirements and pursue higher level skill development;
 - 12 (b) "Constructed-response items" or "performance-based items" means individual
13 test items that require the student to create an answer rather than select a
14 response and may include fill-in-the-blank, short-answer, extended-answer,
15 open-response, and writing-on-demand formats;
 - 16 (c) "Criterion-referenced test" means a test that is aligned with defined academic
17 content standards and measures an individual student's level of performance
18 against the standards;
 - 19 (d) "End-of-course examination" means the same as defined in KRS 158.860;
 - 20 (e) "Formative assessment" means a process used by teachers and students during
21 instruction to adjust ongoing teaching and learning to improve students'
22 achievement of intended instructional outcomes. Formative assessments may
23 include the use of commercial assessments, classroom observations, teacher-
24 designed classroom tests and assessments, and other processes and
25 assignments to gain information about individual student learning;
 - 26 (f) "Interim assessments" means assessments that are given periodically
27 throughout the year to provide diagnostic information and to show individual

1 student performance against content standards;

2 (g) "Summative assessment" means an assessment given at the end of the school
3 year, semester, or other period of time to evaluate students' performance
4 against content standards within a unit of instruction or a course; and

5 (h) "Writing" means a purposeful act of thinking and expression that uses
6 language to explore ideas and communicate meaning to others. Writing is a
7 complex, multifaceted act of communication.

8 (2) (a) Beginning in fiscal year 2017-2018, and every six (6) years thereafter, the
9 Kentucky Department of Education shall implement a process for reviewing
10 Kentucky's academic standards and the alignment of corresponding
11 assessments for possible revision or replacement to ensure alignment with
12 transition readiness standards necessary for global competitiveness, state
13 career and technical education standards, and KRS 158.196.

14 (b) The revisions to the content standards shall:

- 15 1. Focus on critical knowledge, skills, and capacities needed for success in
16 the global economy;
- 17 2. Result in fewer but more in-depth standards to facilitate mastery
18 learning;
- 19 3. Communicate expectations more clearly and concisely to teachers,
20 parents, students, and citizens;
- 21 4. Be based on evidence-based research;
- 22 5. Consider international benchmarks; and
- 23 6. Ensure that the standards are aligned from elementary to high school to
24 postsecondary education so that students can be successful at each
25 education level.

26 (c) 1. The department shall establish four (4) standards and assessments
27 review committees, with each committee composed of a minimum of six

- 1 (6) Kentucky public school teachers and a minimum of two (2)
2 representatives from Kentucky institutions of higher education,
3 including at least one (1) representative from a public institution of
4 higher education. Each committee member shall teach in the subject
5 area that his or her committee is assigned to review and have no prior or
6 current affiliation with a curriculum or assessment resources vendor.
- 7 2. One (1) of the four (4) committees shall be assigned to focus on the
8 review of language arts and writing academic standards and
9 assessments, one (1) on the review of mathematics academic standards
10 and assessments, one (1) on the review of science academic standards
11 and assessments, and one (1) on the review of social studies academic
12 standards and assessments.
- 13 (d) 1. The department shall establish twelve (12) advisory panels to advise and
14 assist each of the four (4) standards and assessments review committees.
- 15 2. Three (3) advisory panels shall be assigned to each standards and
16 assessments review committee. One (1) panel shall review the standards
17 and assessments for kindergarten through grade five (5), one (1) shall
18 review the standards and assessments for grades six (6) through eight
19 (8), and one (1) shall review the standards and assessments for grades
20 nine (9) through twelve (12).
- 21 3. Each advisory panel shall be composed of at least one (1) representative
22 from a Kentucky institution of higher education and a minimum of six
23 (6) Kentucky public school teachers who teach in the grade level and
24 subject reviewed by the advisory panel to which they are assigned and
25 have no prior or current affiliation with a curriculum or assessment
26 resources vendor.
- 27 (e) The commissioner of education and the executive director~~[president]~~ of the

1 *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~
2 ~~Education]~~ shall also provide consultants for the standards and assessments
3 review committees and the advisory panels who are business and industry
4 professionals actively engaged in career fields that depend on the various
5 content areas.

- 6 (f) 1. The standards and assessments process review committee is hereby
7 established and shall be composed of the commissioner of education or
8 designee as a nonvoting member and nine (9) voting representatives of
9 public schools, of whom at least two (2) shall be parents of public
10 school students, appointed by the Governor and confirmed by the Senate
11 in accordance with KRS 11.160 as follows:
- 12 a. One (1) language arts teacher;
 - 13 b. One (1) math teacher;
 - 14 c. One (1) science teacher;
 - 15 d. One (1) social studies teacher;
 - 16 e. Two (2) school principals;
 - 17 f. Two (2) school superintendents; and
 - 18 g. One (1) school board member.
- 19 2. On making appointments to the committee, the Governor shall ensure
20 broad geographical urban and rural representation and representation of
21 elementary, middle, and high school levels; ensure equal representation
22 of the two (2) sexes, inasmuch as possible; and ensure that appointments
23 reflect the minority racial composition of the Commonwealth.
- 24 3. The review of the committee shall be limited to the procedural aspects
25 of the review process undertaken prior to its consideration.
- 26 4. Notwithstanding KRS 12.028, the committee shall not be subject to
27 reorganization by the Governor.

- 1 (g) 1. The review process implemented under this subsection shall be an open,
2 transparent process that allows all Kentuckians an opportunity to
3 participate. The department shall ensure the public's assistance in
4 reviewing and suggesting changes to the standards and alignment
5 adjustments to corresponding state assessments by establishing a
6 website~~[Web site]~~ dedicated to collecting comments by the public and
7 educators. An independent third party, which has no prior or current
8 affiliation with a curriculum or assessment resources vendor, shall be
9 selected by the department to collect and transmit the comments to the
10 department for dissemination to the appropriate advisory panel for
11 review and consideration.
- 12 2. Each advisory panel shall review the standards and assessments for its
13 assigned subject matter and grade level and the suggestions made by the
14 public and educators. After completing its review, each advisory panel
15 shall make recommendations for changes to the standards and alignment
16 adjustments for assessments to the appropriate standards and
17 assessments review committee.
- 18 3. Each standards and assessments review committee shall review the
19 findings and make recommendations to revise or replace existing
20 standards and to adjust alignment of assessments.
- 21 4. The recommendations shall be published on the website~~[Web site]~~
22 established in this subsection for the purpose of gathering additional
23 feedback from the public. The commissioner shall subsequently present
24 the recommendations and the public feedback to the Interim Joint
25 Committee on Education.
- 26 5. The commissioner shall subsequently provide a report to the standards
27 and assessments process review committee summarizing the process

1 conducted under this subsection and the resulting recommendations. The
2 report shall include but not be limited to the timeline of the review
3 process, public feedback, and responses from the Interim Joint
4 Committee on Education.

5 6. After receiving the commissioner's report, the standards and assessments
6 process review committee shall either concur that stakeholders have had
7 adequate opportunity to provide input on standards and the
8 corresponding alignment of state assessments or find the input process
9 deficient. If the process is found deficient, the recommendations may be
10 returned to the appropriate standards and assessments review committee
11 for review as described in subparagraph 3. of this paragraph. If the
12 process is found sufficient, the recommendations shall be forwarded
13 without amendment to the Kentucky Board of Education.

14 (h) The Kentucky Board of Education shall promulgate administrative regulations
15 in accordance with KRS Chapter 13A as may be needed for the administration
16 of the review process, including staggering the timing and sequence of the
17 review process by subject area and remuneration of the review committees
18 and advisory panels described in paragraphs (c) and (d) of this subsection.

19 (i) 1. The Kentucky Board of Education shall consider for approval the
20 revisions to academic standards for a content area and the alignment of
21 the corresponding state assessment once recommendations are received
22 from the standards and assessments process review committee. Existing
23 state academic standards shall remain in place until the board approves
24 new standards.

25 2. Any revision to, or replacement of, the academic standards and
26 assessments as a result of the review process conducted under this
27 subsection shall be implemented in Kentucky public schools no later

1 than the second academic year following the review process. Existing
2 academic standards shall be used until new standards are implemented.

3 3. The Department of Education shall disseminate the academic content
4 standards to the schools and teacher preparation programs.

5 (j) The Department of Education shall provide or facilitate statewide training
6 sessions for existing teachers and administrators on how to:

- 7 1. Integrate the revised content standards into classroom instruction;
- 8 2. Better integrate performance assessment of students within their
9 instructional practices; and
- 10 3. Help all students use higher-order thinking and communication skills.

11 (k) The Education Professional Standards Board in cooperation with the
12 Kentucky Board of Education and the *Kentucky Higher Education*
13 *Assistance Authority*~~[Council on Postsecondary Education]~~ shall coordinate
14 information and training sessions for faculty and staff in all of the teacher
15 preparation programs in the use of the revised academic content standards.
16 The Education Professional Standards Board shall ensure that each teacher
17 preparation program includes use of the academic standards in the pre-service
18 education programs and that all teacher interns will have experience planning
19 classroom instruction based on the revised standards.

20 (l) The *Kentucky Higher Education Assistance Authority*~~[Council on~~
21 ~~Postsecondary Education]~~ in cooperation with the Kentucky Department of
22 Education and the postsecondary education institutions in the state shall
23 coordinate information sessions regarding the academic content standards for
24 faculty who teach in the various content areas.

25 (3) (a) The Kentucky Board of Education shall be responsible for creating and
26 implementing a balanced statewide assessment program that measures the
27 students', schools', and districts' achievement of the goals set forth in KRS

1 158.645 and 158.6451, to ensure compliance with the federal Every Student
2 Succeeds Act of 2015, Pub. L. No. 114-95, or its successor, and to ensure
3 school accountability.

4 (b) The board shall revise the annual statewide assessment program as needed in
5 accordance with revised academic standards and corresponding assessment
6 alignment adjustments approved by the board under subsection (2) of this
7 section.

8 (c) The statewide assessments shall not include any academic standards not
9 approved by the board under subsection (2) of this section.

10 (d) The board shall seek the advice of the Office of Education Accountability; the
11 School Curriculum, Assessment, and Accountability Council; the Education
12 Assessment and Accountability Review Subcommittee, and the department's
13 technical advisory committee in the development of the assessment program.
14 The statewide assessment program shall not include measurement of a
15 student's ability to become a self-sufficient individual or to become a
16 responsible member of a family, work group, or community.

17 (4) (a) The academic components of the statewide assessment program shall be
18 composed of annual student summative tests, which may include a
19 combination of multiple competency-based assessment and performance
20 measures approved by the Kentucky Board of Education.

21 (b) The annual student summative tests shall:
22 1. Measure individual student achievement in language, reading, English,
23 mathematics, science, and social studies at designated grades;
24 2. Provide teachers and parents a valid and reliable comprehensive analysis
25 of skills mastered by individual students;
26 3. Provide diagnostic information that identifies strengths and academic
27 deficiencies of individual students in the content areas;

- 1 4. Provide information to teachers that can enable them to improve
2 instruction for current and future students;
- 3 5. Provide longitudinal profiles for students; and
- 4 6. Ensure school and district accountability for student achievement of the
5 goals set forth in KRS 158.645 and 158.6451, except the statewide
6 assessment program shall not include measurement of a student's ability
7 to become a self-sufficient individual or to become a responsible
8 member of a family, work group, or community.

9 (5) The state student assessments shall include the following components:

10 (a) Elementary and middle grades requirements are:

- 11 1. A criterion-referenced test each in mathematics and reading in grades
12 three (3) through eight (8) that is valid and reliable for an individual
13 student and that measures the depth and breadth of Kentucky's academic
14 content standards;
- 15 2. A criterion-referenced test each in science and social studies that is valid
16 and reliable for an individual student as necessary to measure the depth
17 and breadth of Kentucky's academic content standards to be
18 administered one (1) time within the elementary and middle grades,
19 respectively;
- 20 3. An on-demand assessment of student writing to be administered one (1)
21 time within the elementary grades and one (1) time within the middle
22 grades; and
- 23 4. An editing and mechanics test relating to writing, using multiple choice
24 and constructed response items, to be administered one (1) time within
25 the elementary and the middle grades, respectively;

26 (b) High school requirements are:

- 27 1. A criterion-referenced test in mathematics, reading, and science that is

- 1 valid and reliable for an individual student and that measures the depth
2 and breadth of Kentucky's academic content standards to be
3 administered one (1) time within the high school grades;
- 4 2. A criterion-referenced test in social studies that is valid and reliable for
5 an individual student as necessary to measure the depth and breadth of
6 Kentucky's academic content standards to be administered one (1) time
7 within the high school grades;
- 8 3. An on-demand assessment of student writing to be administered one (1)
9 time within the high school grades;
- 10 4. An editing and mechanics test relating to writing, using multiple choice
11 and constructed response items, to be administered one (1) time within
12 the high school grades; and
- 13 5. A college admissions examination to assess English, reading,
14 mathematics, and science in the spring of grade eleven (11);
- 15 (c) The Kentucky Board of Education shall add any other component necessary
16 to comply with the Every Student Succeeds Act of 2015, Pub. L. No. 114-95,
17 or its successor, as determined by the United States Department of Education;
- 18 (d) The criterion-referenced components required in this subsection shall be
19 composed of constructed response items and multiple choice items;
- 20 (e) The Kentucky Board of Education may incorporate end-of-course
21 examinations into the assessment program to be used in lieu of requirements
22 for criterion-referenced tests required under paragraph (b) of this subsection;
23 and
- 24 (f) The results of the assessment program developed under this subsection shall
25 be used by schools and districts to determine appropriate instructional
26 modifications for all students in order for students to make continuous
27 progress, including that needed by advanced learners.

- 1 (6) Each school district shall administer the statewide student assessment during the
2 last fourteen (14) days of school in the district's instructional calendar. The
3 Kentucky Board of Education may change the testing window to allow for
4 innovative assessment systems or other online test administration and shall
5 promulgate administrative regulations that minimize the number of days of testing
6 and outline the procedures to be used during the testing process to ensure test
7 security, including procedures for testing makeup days, and to comply with federal
8 assessment requirements.
- 9 (7) A student enrolled in a district-operated or district-contracted alternative program
10 shall participate in the appropriate assessments required by this section.
- 11 (8) A local school district may select and use commercial interim or formative
12 assessments or develop and use its own formative assessments to provide data on
13 how well its students are growing toward mastery of Kentucky academic standards,
14 so long as the district's local school board develops a policy minimizing the
15 reduction in instructional time related to the administration of the interim
16 assessments. Nothing in this section precludes teachers from using ongoing teacher-
17 developed formative processes.
- 18 (9) Each school that enrolls primary students shall use diagnostic assessments and
19 prompts that measure readiness in reading and mathematics for its primary students
20 as determined by the school to be developmentally appropriate. The schools may
21 use commercial products, use products and procedures developed by the district, or
22 develop their own diagnostic procedures. The results shall be used to inform the
23 teachers and parents or guardians of each student's skill level.
- 24 (10) The state board shall ensure that a technically sound longitudinal comparison of the
25 assessment results for the same students shall be made available.
- 26 (11) The following provisions shall apply to the college admissions examination
27 described in subsection (5)(b)5. of this section:

- 1 (a) The cost of the college admissions examination administered to students in
2 high school shall be paid for by the Kentucky Department of Education. The
3 costs of additional college admissions examinations shall be the responsibility
4 of the student;
- 5 (b) If funds are available, the Kentucky Department of Education shall provide a
6 college admissions examination preparation program to all public high school
7 juniors. The department may contract for necessary services; and
- 8 (c) Accommodations provided to a student with a disability taking the college
9 admissions assessment under this subsection shall consist of:
- 10 1. Accommodations provided in a manner allowed by the college
11 admissions assessment provider when results in test scores are
12 reportable to a postsecondary institution for admissions and placement
13 purposes, except as provided in subparagraph 2. of this paragraph; or
- 14 2. Accommodations provided in a manner allowed by a student's
15 individualized education program as defined in KRS 158.281 for a
16 student whose disability precludes valid assessment of his or her
17 academic abilities using the accommodations provided under
18 subparagraph 1. of this paragraph when the student's scores are not
19 reportable to a postsecondary institution for admissions and placement
20 purposes.
- 21 (12) Kentucky teachers shall have a significant role in providing feedback about the
22 design of the assessments, except for the college admissions exam described in
23 subsection (5)(b)5. of this section. The assessments shall be designed to:
- 24 (a) Measure grade appropriate core academic content, basic skills, and higher-
25 order thinking skills and their application;
- 26 (b) Provide valid and reliable scores for schools. If scores are reported for
27 students individually, they shall be valid and reliable;

1 (c) Minimize the time spent by teachers and students on assessment; and

2 (d) Assess Kentucky academic standards only.

3 (13) The results from assessment under subsections (3) and (5) of this section shall be
4 reported to the school districts and schools no later than seventy-five (75) days
5 following the last day the assessment can be administered. Assessment reports
6 provided to the school districts and schools shall include an electronic copy of an
7 operational subset of test items from each assessment administered to their students
8 and the results for each of those test items by student and by school.

9 (14) The Department of Education shall gather information to establish the validity of
10 the assessment and accountability program. It shall develop a biennial plan for
11 validation studies that shall include but not be limited to the consistency of student
12 results across multiple measures, the congruence of school scores with documented
13 improvements in instructional practice and the school learning environment, and the
14 potential for all scores to yield fair, consistent, and accurate student performance
15 level and school accountability decisions. Validation activities shall take place in a
16 timely manner and shall include a review of the accuracy of scores assigned to
17 students and schools, as well as of the testing materials. The plan shall be submitted
18 to the Commission by July 1 of the first year of each biennium. A summary of the
19 findings shall be submitted to the Legislative Research Commission by September
20 1 of the second year of the biennium.

21 (15) The Department of Education and the state board shall offer optional assistance to
22 local school districts and schools in developing and using continuous assessment
23 strategies needed to ensure student progress. The continuous assessment shall
24 provide diagnostic information to improve instruction to meet the needs of
25 individual students.

26 (16) The Administration Code for Kentucky's Assessment Program shall include
27 prohibitions of inappropriate test preparation activities by school district employees

1 charged with test administration and oversight, including but not limited to the issue
2 of teachers being required to do test practice in lieu of regular classroom instruction
3 and test practice outside the normal work day. The code shall include disciplinary
4 sanctions that may be taken toward a school or individuals.

5 (17) The Kentucky Board of Education, after the Department of Education has received
6 advice from the Office of Education Accountability; the School Curriculum,
7 Assessment, and Accountability Council; and the department's technical advisory
8 committee, shall promulgate an administrative regulation under KRS Chapter 13A
9 to establish the components of a reporting structure for assessments administered
10 under this section. The reporting structure shall include the following components:

11 (a) A school report card that clearly communicates with parents and the public
12 about school performance. The school report card shall be sent to the parents
13 of the students of the districts, and information on electronic access to a
14 summary of the results for the district shall be published in the newspaper
15 with the largest circulation in the county. It shall include but not be limited to
16 the following components reported by race, gender, and disability when
17 appropriate:

- 18 1. Student academic achievement, including the results from each of the
19 assessments administered under this section;
- 20 2. For Advanced Placement, Cambridge Advanced International, and
21 International Baccalaureate, the courses offered, the number of students
22 enrolled, completing, and taking the examination for each course, and
23 the percentage of examinees receiving a score of three (3) or better on
24 AP examinations, a score of "e" or better on Cambridge Advanced
25 International examinations, or a score of four (4) or better on IB
26 examinations. The data shall be disaggregated by gender, race, students
27 with disabilities, and economic status;

- 1 3. Nonacademic achievement, including the school's attendance, retention,
2 graduation rates, and student transition to postsecondary;
- 3 4. School learning environment, including measures of parental
4 involvement; and
- 5 5. Any other school performance data required by the Every Student
6 Succeeds Act of 2015, Pub. L. No. 114-95, or its successor;
- 7 (b) An individual student report to parents for each student in grades three (3)
8 through eight (8) summarizing the student's skills in reading, science, social
9 studies, and mathematics. The school's staff shall develop a plan for
10 accelerated learning for any student with identified deficiencies or strengths;
11 and
- 12 (c) A student's score on the college admissions assessment administered under
13 subsection (5)(b)5. of this section.
- 14 (18) (a) Beginning in fiscal year 2017-2018, and every six (6) years thereafter, the
15 Kentucky Department of Education shall implement a comprehensive process
16 for reviewing and revising the academic standards in visual and performing
17 arts and practical living skills and career studies for all levels and in foreign
18 language for middle and high schools. The department shall develop review
19 committees for the standards for each of the content areas that include
20 representation from certified specialist public school teachers and
21 postsecondary teachers in those subject areas.
- 22 (b) The academic standards in practical living skills for elementary, middle, and
23 high school levels shall include a focus on drug abuse prevention, with an
24 emphasis on the prescription drug epidemic and the connection between
25 prescription opioid abuse and addiction to other drugs, such as heroin and
26 synthetic drugs.
- 27 (c) The department shall provide to all schools guidelines for programs that

1 incorporate the adopted academic standards in visual and performing arts and
2 practical living and career studies. The department shall provide to middle and
3 high schools guidelines for including a foreign language program. The
4 guidelines shall address program length and time, courses offered, staffing,
5 resources, and facilities.

6 (d) The Kentucky Department of Education, in consultation with certified public
7 school teachers of visual and performing arts, may develop program standards
8 for the visual and performing arts.

9 (19) The Kentucky Department of Education shall provide to all school districts
10 guidelines for including an effective writing program within the curriculum.

11 (20) (a) The Kentucky Department of Education, in consultation with the review
12 committees described in subsection (18) of this section, shall develop a school
13 profile report to be used by all schools to document how they will address the
14 adopted academic standards in their implementation of the programs as
15 described in subsection (18) of this section, which may include student
16 opportunities and experiences in extracurricular activities. The department
17 shall include the essential workplace ethics program on the school profile
18 report.

19 (b) By October 1 of each year, each school principal shall complete the school
20 profile report, which shall be signed by the members of the school council, or
21 the principal if no school council exists, and the superintendent. The report
22 shall be electronically transmitted to the Kentucky Department of Education,
23 and the original shall be maintained on file at the local board office and made
24 available to the public upon request. The department shall include a link to
25 each school's profile report on its website~~[Web site]~~.

26 (c) If a school staff member, student, or a student's parent has concerns regarding
27 deficiencies in a school's implementation of the programs described in

1 subsection (18) of this section, he or she may submit a written inquiry to the
2 school council.

3 ➔Section 156. KRS 158.6455 is amended to read as follows:

4 It is the intent of the General Assembly that schools succeed with all students and receive
5 the appropriate consequences in proportion to that success.

6 (1) (a) The Kentucky Board of Education shall create an accountability system to
7 classify districts and schools in accordance with the academic standards and
8 student assessment program developed pursuant to KRS 158.6453.

9 (b) The accountability system shall include an annual meaningful differentiation
10 of all public schools in the state using multiple measures that describe the
11 overall performance of each district, school, and student subgroup.
12 Performance shall be based on a combination of academic and school quality
13 indicators and measures, hereinafter called "state indicators." The state
14 indicators shall exclusively include:

- 15 1. Student assessment results;
- 16 2. Progress toward achieving English proficiency by limited English
17 proficiency students;
- 18 3. Quality of school climate and safety;
- 19 4. High school graduation rates;
- 20 5. Postsecondary readiness for each high school student, which shall be
21 included as an academic indicator, and shall be measured by one (1) of
22 the following:

23 a. Meeting or exceeding a college readiness benchmark score on the
24 college admissions examination used as the statewide assessment
25 in KRS 158.6453(5)(b)5. or a college placement examination
26 approved by the Kentucky Higher Education Assistance
27 Authority~~[Council on Postsecondary Education]~~. The college

- 1 readiness benchmark score shall be established by the Kentucky
2 Higher Education Assistance Authority~~[Council — on~~
3 ~~Postsecondary Education]~~;
- 4 b. Achieving a minimum of three (3) hours of dual credit by
5 completing a course approved by the Kentucky Board of
6 Education or qualifying for a minimum of three (3) hours of
7 postsecondary articulated credit associated with a statewide
8 articulation agreement;
- 9 c. Achieving a benchmark score on an Advanced Placement,
10 International Baccalaureate, Cambridge Advanced International,
11 or other nationally recognized exam approved by the Kentucky
12 Board of Education that generally qualifies the student for three
13 (3) or more hours of college credit;
- 14 d. Completing a required number of hours or achieving a benchmark
15 within an apprenticeship, cooperative, or internship that is:
- 16 i. Not required to be offered as a high school course or during
17 the regular school day, week, or year;
- 18 ii. Aligned with a credential or associate degree; and
- 19 iii. Approved by the Kentucky Board of Education after
20 receiving input from the Local Superintendents Advisory
21 Council; or
- 22 e. Achieving any industry-recognized certifications, licensures, or
23 credentials, with more weight in accountability for industry-
24 recognized certifications, licensures, or credentials identified as
25 high demand in accordance with the process described in
26 paragraph (e) of this subsection. Eligible industry-recognized
27 certifications, licensures, or credentials shall not be limited to

1 those earned in conjunction with a minimum sequence of courses.
2 Each high school shall publicly report the credits, hours, and
3 credentials on an annual basis; and

4 6. Any other factor mandated by the federal Every Student Succeeds Act
5 of 2015, Pub. L. No. 114-95, or its successor.

6 (c) 1. Beginning with data from the 2020-2021 and 2021-2022 school years,
7 the accountability system performance for each district, school, and
8 student subgroup determined by the state indicators shall be based on a
9 combination of annual performance, hereinafter called "status," and
10 improvement over time, hereinafter called "change."

11 2. Status and change shall receive equal weight in determining overall
12 performance. For all students as a group and separately for individual
13 subgroups, status shall be determined, beginning with the data from the
14 2020-2021 academic year, by using the current year performance and
15 change shall be determined, beginning with the data from the 2021-2022
16 academic year, by using the difference in performance from the prior to
17 current year, except change shall be based on the difference in
18 performance for the prior three (3) years for the purpose of determining
19 the lowest-performing five percent (5%) of schools under KRS
20 160.346(2) and (3).

21 3. For each state indicator, there shall be five (5) status levels ranging from
22 very high to very low and five (5) change levels ranging from increased
23 significantly to declined significantly.

24 4. The percentile cut scores for status and change levels shall be based on
25 distribution and shall be approved by the Kentucky Department of
26 Education and the Local Superintendents Advisory Council. The cut
27 scores shall remain in place for at least six (6) years unless existing cut

1 scores no longer support meaningful differentiation of schools as
2 required by the federal Every Student Succeeds Act of 2015, Pub. L. No.
3 114-95, or its successor.

4 (d) Beginning in the fall of 2022, the Kentucky Department of Education shall
5 develop an online display of the accountability system results hereinafter
6 called a "dashboard." A color-coded performance level for each state indicator
7 shall be displayed in a straightforward manner on the dashboard for overall
8 performance, status, and change by district, school, and individual subgroups.
9 Overall performance shall aggregate all available data for the state indicators.

10 (e) Based on data from the Kentucky Center for Education and Workforce
11 Statistics, each local workforce investment board, in conjunction with local
12 economic development organizations from its state regional sector, shall
13 annually compile a list of industry-recognized certifications, licensures, and
14 credentials specific to the state and regional workforce area, rank them by
15 demand for the state and regional area, and provide the list to the Kentucky
16 Workforce Innovation Board. The Kentucky Workforce Innovation Board, in
17 conjunction with the Kentucky Department of Education, may revise the lists
18 before the Kentucky Department of Education disseminates the lists to all
19 school districts to be used as postsecondary readiness indicators.

20 (f) 1. The Kentucky Department of Education shall pay for the cost of an
21 assessment taken by a high school student for attaining an industry-
22 recognized certification, credential, or licensure if the student
23 consecutively completes at least two (2) related career pathway courses
24 approved by the department prior to taking the assessment.

25 2. If a high school student has not completed the two (2) course
26 requirement described in subparagraph 1. of this paragraph but meets
27 performance-based experience eligibility and passes an assessment, the

1 department shall provide a weighted reimbursement amount to the
2 school district for the cost of the assessment based on the level of
3 demand of the certificate, credential, or license earned. The Kentucky
4 Board of Education shall promulgate regulations establishing the
5 performance-based experience eligibility requirements and weighted
6 reimbursement amounts.

7 (g) Prior to promulgating administrative regulations to revise the accountability
8 system, the board shall seek advice from the School Curriculum, Assessment,
9 and Accountability Council; the Office of Education Accountability; the
10 Education Assessment and Accountability Review Subcommittee; and the
11 department's technical advisory committee.

12 (2) A student's test scores shall be counted in the accountability measure of:

13 (a) 1. The school in which the student is currently enrolled if the student has
14 been enrolled in that school for at least a full academic year as defined
15 by the Kentucky Board of Education; or

16 2. The school in which the student was previously enrolled if the student
17 was enrolled in that school for at least a full academic year as defined by
18 the Kentucky Board of Education; and

19 (b) The school district if the student is enrolled in the district for at least a full
20 academic year as defined by the Kentucky Board of Education; and

21 (c) The state if the student is enrolled in a Kentucky public school prior to the
22 beginning of the statewide testing period.

23 (3) After receiving the advice of the Office of Education Accountability; the School
24 Curriculum, Assessment, and Accountability Council; and the department's
25 technical advisory committee, the Kentucky Board of Education shall promulgate
26 an administrative regulation in conformity with KRS 158.6471 and 158.6472 and
27 KRS Chapter 13A to establish more rigorous action, intervention, and appropriate

1 consequences for schools that fail to exit comprehensive support and improvement
2 status described in KRS 160.346. The consequences shall be designed to improve
3 the academic performance and learning environment of identified schools and may
4 include but not be limited to:

- 5 (a) A review and audit process to determine the appropriateness of a school's or
6 district's classification and to recommend needed assistance;
- 7 (b) School and district improvement plans;
- 8 (c) Eligibility to receive Commonwealth school improvement funds under KRS
9 158.805;
- 10 (d) Education assistance from highly skilled certified staff; and
- 11 (e) Observation of school personnel.

12 (4) All students who drop out of school during a school year shall be included in a
13 school's annual average school graduation rate calculation.

14 (5) After receiving the advice of the Education Assessment and Accountability Review
15 Subcommittee, the Office of Education Accountability; the School Curriculum,
16 Assessment, and Accountability Council; and the department's technical advisory
17 committee, the Kentucky Board of Education may promulgate by administrative
18 regulation, in conformity with KRS 158.6471 and 158.6472 and KRS Chapter 13A,
19 a system of district accountability that includes establishing a formula for
20 accountability, goals for improvement over a three (3) year period, rewards for
21 leadership in improving teaching and learning in the district, and consequences that
22 address the problems and provide assistance when one (1) or more schools in the
23 district fail to exit comprehensive support and improvement status after three (3)
24 consecutive years of implementing the turnaround intervention process described in
25 KRS 160.346.

26 (6) After receiving the advice of the Office of Education Accountability; the School
27 Curriculum, Assessment, and Accountability Council; and the department's

1 technical advisory committee, the Kentucky Board of Education shall promulgate
2 administrative regulations in conformity with KRS 158.6471 and 158.6472 and
3 KRS Chapter 13A to establish a process whereby a school or school district shall be
4 allowed to appeal any performance judgment made by the department under this
5 section or KRS 160.346 of a principal, superintendent, school, or school district
6 which it considers grossly unfair. Upon appeal, an administrative hearing shall be
7 conducted in accordance with KRS Chapter 13B. The state board may adjust a
8 performance judgment on appeal when evidence of unusual circumstances warrants
9 the conclusion that the performance judgment is based on fraud or a mistake in
10 computations, is arbitrary, is lacking any reasonable basis, or when there are
11 significant new circumstances occurring during the three (3) year assessment period
12 which are beyond the control of the appellant school or school district.

13 (7) Advice and recommendations provided by the department's technical advisory
14 committee shall be summarized and reported by the department by July 1 and
15 December 1 of each year to the Office of Education Accountability. The report shall
16 include:

17 (a) Advice and recommendations provided by panel members relating to:

- 18 1. Development and modification to the assessment and accountability
19 system;
- 20 2. The development of administrative regulations governing the
21 assessment and accountability system;
- 22 3. The setting of standards used in the assessment and accountability
23 system; and
- 24 4. KRS 158.6453, 158.6455, 158.782, or 158.860; and

25 (b) Any documentation used by the panel in support of the panel's advice and
26 recommendations.

27 Upon receipt of the report, the Office of Education Accountability shall forward the

1 report to the Education Assessment and Accountability Review Subcommittee and
2 the co-chairs of the Interim Joint Committee on Education.

3 ➔Section 157. KRS 158.6459 is amended to read as follows:

4 (1) A high school student whose highest score on the college admissions examination
5 under KRS 158.6453(5)(b)5. in English, reading, or mathematics is below the
6 systemwide standard established by the *Kentucky Higher Education Assistance*
7 *Authority*~~[Council on Postsecondary Education]~~ for entry into a credit-bearing
8 course at a public postsecondary institution without placement in a remedial course
9 or an entry-level course with supplementary academic support shall be provided the
10 opportunity to participate in accelerated learning designed to address his or her
11 identified academic deficiencies prior to high school graduation.

12 (2) A high school, in collaboration with its school district, shall develop and implement
13 accelerated learning that:

14 (a) Allows a student's learning plan to be individualized to meet the student's
15 academic needs based on an assessment of test results and consultation among
16 parents, teachers, and the student; and

17 (b) May include changes in a student's class schedule.

18 (3) The Kentucky Department of Education, the *Kentucky Higher Education*
19 *Assistance Authority*~~[Council on Postsecondary Education]~~, and public
20 postsecondary institutions shall offer support and technical assistance to schools
21 and school districts in the development of accelerated learning.

22 ➔Section 158. KRS 158.646 is amended to read as follows:

23 (1) The Kentucky Institute for Education Research Board is hereby created.

24 (2) The board shall establish a corporation which can qualify and obtain status under
25 Section 501(c)(3) of the Internal Revenue Code. The purpose and mission of the
26 corporation shall be to solicit and raise funds through private foundations, grants,
27 and government agencies to support the independent evaluation of the Kentucky

1 Education Reform Act and related activities. The corporation shall serve as a
2 stimulus and clearinghouse for Kentucky Education Reform Act related research
3 projects.

4 (3) (a) The board shall cause an in-depth evaluation of the impact of Kentucky
5 Education Reform Act to be performed. This evaluation shall include, but not
6 be limited to, the effect of the reforms on students, individual schools, school
7 systems, and educators. The evaluation shall also include an analysis of the
8 reliability and validity of the changes in scores between baseline scores and
9 scores from subsequent administrations of tests.

10 (b) The board shall make recommendations to the citizens and elected leaders of
11 the Commonwealth concerning the enhancement of the benefits of the
12 Kentucky Education Reform Act and the expansion and improvement of
13 services to students.

14 (c) The board shall establish an organizational capacity to:

- 15 1. Develop and manage implementation of a research design to include the
16 issuing of requests for proposals; awarding of contracts; and general
17 oversight and coordination of the quality and quantity of research;
- 18 2. Conduct research in accordance with a comprehensive research design
19 and establish priorities; and
- 20 3. Design and implement a comprehensive educational data information
21 system.

22 (d) The board shall prepare an annual report of its activities and the activities of
23 the corporation and forward copies to the Governor, the Legislative Research
24 Commission, the Kentucky Board of Education, and the *Kentucky Higher*
25 *Education Assistance Authority*~~[Council on Postsecondary Education]~~ and
26 make copies available to the citizens of the Commonwealth.

27 (e) The board shall hire an executive officer and other necessary personnel to

1 carry out its responsibilities.

2 (f) The board shall consist of ten (10) members who shall initially be appointed
3 to two (2) year terms by the Governor. The board shall select from its
4 membership a chairperson and establish bylaws, including bylaws governing
5 board membership and length of terms. Upon expiration of the initial
6 appointments and adoption of bylaws governing membership and length of
7 terms by the board, the board shall be self-perpetuating, and the appointment
8 and length of terms shall be made in accordance with the board's bylaws.
9 Vacancies which occur before the expiration of the initial appointments shall
10 be filled by the Governor for the remaining term of the vacancy.

11 ➔Section 159. KRS 158.648 is amended to read as follows:

12 (1) The State Advisory Council for Gifted and Talented Education is hereby created
13 and attached to the Kentucky Department of Education. The council's purpose is to
14 make recommendations regarding the provisions of services for gifted and talented
15 students in Kentucky's education system.

16 (a) The council shall be composed of nineteen (19) voting members who shall be
17 appointed by the Governor and three (3) nonvoting, ex officio members. The
18 members shall be appointed representing various constituencies as follows:

19 1. Four (4) members shall be teachers within local school districts
20 representing elementary, middle, and high school levels with at least one
21 (1) full-time teacher of gifted and talented students and one (1) full-time
22 teacher who teaches in a regular classroom;

23 2. Four (4) members shall be parents of students in local school districts,
24 including two (2) parents of students identified as gifted and talented
25 and at least one (1) who serves or has served on a school council;

26 3. Three (3) members shall be from postsecondary education institutions,
27 including one (1) from an independent college or university;

- 1 4. One (1) member shall be a superintendent of a local school district;
- 2 5. Two (2) members shall be principals, including one (1) from an
- 3 elementary or middle school and one (1) from a high school;
- 4 6. Two (2) members shall be coordinators of gifted and talented programs
- 5 and services in local school districts;
- 6 7. One (1) member shall be a local board of education member;
- 7 8. One (1) member shall represent the visual and performing arts; and
- 8 9. One (1) member shall be appointed from the private business sector.
- 9 (b) The three (3) nonvoting ex officio members shall be: the state consultant for
- 10 gifted and talented education in the Kentucky Department of Education, a
- 11 staff person designated by the executive secretary of the Education
- 12 Professional Standards Board, and a staff person designated by the executive
- 13 director~~president~~ of the Kentucky Higher Education Assistance
- 14 Authority~~Council on Postsecondary Education~~. Vacancies shall be filled by
- 15 the Governor as they occur in a manner consistent with the provisions for
- 16 initial appointment.
- 17 (c) Each board member shall serve a three (3) year term or until a successor is
- 18 appointed, except that for initial appointments to the board, three (3) of the
- 19 members shall be appointed to serve a one (1) year term, eight (8) of the
- 20 members shall be appointed to serve a two (2) year term, and eight (8) of the
- 21 members shall be appointed to serve a three (3) year term. A member may be
- 22 reappointed but may not serve more than two (2) consecutive terms.
- 23 (2) The council shall advise the commissioner of education, the Kentucky Board of
- 24 Education, and the Education Professional Standards Board concerning the
- 25 development of administrative regulations and education policy regarding gifted
- 26 and talented students. The commissioner of education and the executive secretary
- 27 for the Education Professional Standards Board shall submit proposed

1 administrative regulations and educational policies relating to gifted and talented
2 education and other administrative regulations that impact gifted and talented
3 students for review by the advisory council prior to seeking approval of the
4 appropriate board.

5 (3) As the advisory council considers issues relating to gifted and talented students, it
6 shall seek dialogue with other agencies and organizations, including the Parent
7 Teachers Association, the Governor's Scholars Program, the Governor's School for
8 the Arts, the Governor's School for Entrepreneurs Program, the Kentucky
9 Association of School Councils, the Kentucky Association for Gifted Education, the
10 Kentucky School Boards Association, the Kentucky Association of School
11 Administrators, and the Kentucky Council for Exceptional Children.

12 (4) The advisory council shall annually elect a chair from its membership, establish
13 meeting operational procedures, and meet at least two (2) times annually.

14 (5) The Department of Education shall provide staff and administrative support and
15 shall administer the funds appropriated to support the expenses of the council.

16 (6) The members of the advisory council shall serve without compensation but shall be
17 reimbursed for necessary expenses in the same manner as state employees.

18 ➔Section 160. KRS 158.6485 is amended to read as follows:

19 (1) The Governor's School for Entrepreneurs Program is established as a statewide
20 summer experiential education program for creative and enterprising students to
21 enhance the next generation of business and economic leaders and enrich future
22 economic development across the Commonwealth. The Governor's School for
23 Entrepreneurs Program shall be attached to the Office of the Secretary in the
24 Education and Labor Cabinet for administrative purposes.

25 (2) As used in this section, "entrepreneurship education organization" means a not-for-
26 profit organization that has:

27 (a) Received tax-exempt status from the United States Internal Revenue Service;

- 1 (b) Registered with the Office of the Kentucky Secretary of State;
- 2 (c) A statewide mission to generate interest and knowledge in entrepreneurship;
- 3 and
- 4 (d) A history of operating education programs focused on entrepreneurship.
- 5 (3) (a) The Governor or the Governor's designee from the executive cabinet, the
- 6 commissioner of education, the executive director~~[president]~~ of the Kentucky
- 7 Higher Education Assistance Authority~~[Council on Postsecondary~~
- 8 ~~Education]~~, and the secretary of the Education and Labor Cabinet shall serve
- 9 as ex officio members of an advisory board to the Governor's School for
- 10 Entrepreneurs Program. In addition, the Governor shall appoint five (5)
- 11 members to the advisory board as provided in paragraph (b) of this
- 12 subsection.
- 13 (b) By July 31, 2016, the Governor shall appoint five (5) initial members of the
- 14 advisory board to serve as follows:
- 15 1. One (1) shall be appointed to serve a three (3) year term;
- 16 2. Two (2) shall be appointed to serve a (2) year term; and
- 17 3. Two (2) shall be appointed to serve a (1) year term.

18 Members appointed by the Governor may be reappointed by the Governor to serve

19 successive terms. In making gubernatorial appointments, the Governor shall

20 consider recommendations and information on business and entrepreneurial

21 experience provided by a nominating committee of the board and shall attempt to

22 promote geographic balance on the board. The Governor shall make appointments

23 to fill gubernatorial vacancies as they occur. Each appointment after the initial

24 appointment shall be for a three (3) year term unless the appointment is to fill the

25 unexpired portion of a term.

- 26 (4) The Education and Labor Cabinet shall contract with an entrepreneurship education
- 27 organization to administer and operate the statewide Governor's School for

1 Entrepreneurs Program created in this section. The Education and Labor Cabinet
2 shall approve the contract application criteria, the process for submission of a
3 contract application, and the structure and type of evaluation criteria used in the
4 contract application review process.

5 (5) The annual appropriation for the statewide Governor's School for Entrepreneurs
6 Program from the general fund shall be transmitted to an entrepreneurship
7 education organization on July 1 of each year to facilitate the operation of the
8 summer program. Funds shall be used only for the purposes of the statewide
9 Governor's School for Entrepreneurs Program and, notwithstanding KRS 45.229,
10 shall not lapse at the end of the fiscal year.

11 (6) (a) The entrepreneurship education organization shall follow standard accounting
12 practices and shall submit the following financial reports to the Office of the
13 Secretary of the Education and Labor Cabinet, the Finance and
14 Administration Cabinet, and the Legislative Research Commission:

- 15 1. Quarterly reports of expenditures of state funds for the Governor's
16 School for Entrepreneurs Program, submitted on or before the thirtieth
17 day after the end of each quarter in the organization's fiscal year;
- 18 2. Annual reports of receipts and expenditures for the Governor's School
19 for Entrepreneurs Program, submitted on or before the sixtieth day after
20 the end of the fiscal year of the organization; and
- 21 3. The report of an annual financial compilation or review conducted by an
22 independent accounting firm, submitted on or before September 1 of
23 each year.

24 (b) On or before March 1 of each year, the entrepreneurship education
25 organization shall file a report detailing the operations of the Governor's
26 School for Entrepreneurs Program for the preceding year with the Office of
27 the Secretary of the Education and Labor Cabinet, the Finance and

1 Administration Cabinet, and the Legislative Research Commission. The report
2 shall include information concerning the program, student and faculty
3 demographics, and program outcomes according to such measures of success
4 as the advisory board to the statewide Governor's School for Entrepreneurs
5 Program, in collaboration with the entrepreneurship education organization,
6 may develop.

7 (c) Nothing in this section shall prevent the entrepreneurship education
8 organization from soliciting program support, cooperation, and funds from
9 private businesses, foundations, industries, and government agencies with an
10 interest in technological innovations, economic development, and
11 entrepreneurial education. Funds may be solicited, accepted, received, and
12 expended from public and private sources for the purpose of implementing
13 this section.

14 (7) The entrepreneurship education organization may perform other programs and
15 initiatives pertaining to its mission so long as all funds appropriated for the
16 statewide Governor's School for Entrepreneurs Program are restricted solely for the
17 design, development, and operation of the statewide Governor's School for
18 Entrepreneurs Program.

19 ➔Section 161. KRS 158.796 is amended to read as follows:

20 (1) The Governor's Scholars Program is established to implement an enrichment
21 program for academically gifted students to enhance the next generation of civic
22 and economic leaders and create models of educational excellence. Governor's
23 Scholars Program, Inc. is authorized to operate the Governor's Scholars Program.
24 The Governor's Scholars Program shall be attached to the Office of the Secretary in
25 the Education and Labor Cabinet for administrative purposes.

26 (2) (a) The Governor or the Governor's designee from the executive cabinet, the
27 commissioner of education, and the executive director~~president~~ of the

1 *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~
2 ~~Education]~~ shall serve as ex officio voting members of the board of directors
3 of Governor's Scholars Program, Inc. In addition, the Governor shall appoint
4 five (5) members of the board as provided in paragraph (b) of this subsection.
5 Other board members of Governor's Scholars Program, Inc. shall be selected
6 in the manner set forth in the articles of incorporation and bylaws of the
7 corporation.

- 8 (b) After June 20, 2005, the Governor shall appoint board members as follows:
- 9 1. In 2005, the Governor shall appoint two (2) board members to serve
10 three (3) year terms;
 - 11 2. In 2006, the Governor shall appoint two (2) members to serve three (3)
12 year terms; and
 - 13 3. In 2007, the Governor shall appoint one (1) member to serve a three (3)
14 year term.

15 Members appointed by the Governor may be reappointed by the Governor to
16 serve successive terms. In making gubernatorial appointments, the Governor
17 shall consider recommendations and information provided by the nominating
18 committee of the board and shall attempt to promote geographic balance on
19 the board. One (1) of the gubernatorial appointees shall be designated by the
20 board to serve on the committee that functions as the executive committee of
21 Governor's Scholars Program, Inc. The Governor shall make appointments to
22 fill gubernatorial vacancies as they occur. Each appointment after the initial
23 appointment shall be for a three (3) year term unless the appointment is to fill
24 the unexpired portion of a term.

- 25 (c) The board of directors shall have the authority to hire, fire, and manage all
26 program personnel, including the executive director.

27 (3) The annual appropriation for the Governor's Scholars Program from the general

1 fund shall be transmitted to Governor's Scholars Program, Inc. on July 1 of each
2 year to facilitate the operation of the summer program. Funds shall be used only for
3 the purposes of the Governor's Scholars Program and shall not lapse at the end of
4 the fiscal year.

5 (4) (a) Governor's Scholars Program, Inc. shall follow standard accounting practices
6 and shall submit the following financial reports to the Office of the Governor,
7 the Finance and Administration Cabinet, and the Legislative Research
8 Commission:

9 1. Quarterly reports of expenditures of state funds, submitted on or before
10 the thirtieth day after the end of each quarter in the corporation's fiscal
11 year;

12 2. Annual reports of receipts and expenditures for the Governor's Scholars
13 Program, submitted on or before the sixtieth day after the end of the
14 fiscal year of the corporation; and

15 3. The report of an annual financial audit conducted by an independent
16 auditor, submitted on or before September 1 of each year.

17 (b) On or before March 1 of each year, Governor's Scholars Program, Inc. shall
18 file with the Office of the Governor, the Finance and Administration Cabinet,
19 and the Legislative Research Commission a report detailing the operations of
20 the Governor's Scholars Program for the preceding year. The report shall
21 include information concerning the summer program, student and faculty
22 demographics, and program outcomes according to such measures of success
23 as the board may adopt.

24 ➔Section 162. KRS 158.799 is amended to read as follows:

25 The Kentucky Science and Technology Council, Inc., shall, in cooperation with the
26 Department of Education and the Kentucky Higher Education Assistance
27 Authority~~[Council on Postsecondary Education]~~, develop and conduct a competition

1 among Kentucky middle and high school students for the purpose of choosing a
2 Kentuckian of national or international acclaim as a scientist, mathematician, or engineer
3 for whom the programs developed under KRS 158.798 shall be named.

4 ➔Section 163. KRS 158.803 is amended to read as follows:

5 (1) The Kentucky Early Mathematics Testing Program is created to lower the number
6 of high school graduates in Kentucky who require remediation in mathematics upon
7 enrollment in postsecondary education institutions, by providing information to
8 primarily high school sophomores and juniors statewide regarding their level of
9 mathematics knowledge in relation to standards required for community and
10 technical colleges and university level mathematics courses early enough for
11 students to address deficiencies while still in high school.

12 (2) The testing program shall be a computer website-based program that incorporates a
13 variety of diagnostic mathematics tests to identify knowledge and skills needed for
14 postsecondary education courses.

15 (3) The testing program shall be developed and conducted by a public university. The
16 Kentucky Higher Education Assistance Authority~~Council on Postsecondary~~
17 ~~Education~~, with the advice of the Department of Education, shall develop a process
18 to solicit, review, and select a proposal for the development and implementation of
19 the computer website-based testing program. The authority~~council~~ shall approve
20 the location of the program at a public university no later than September 1, 2000.
21 The university shall be the fiscal agent for the testing program and shall receive the
22 funds appropriated by the General Assembly.

23 (4) The program shall be available to all interested Kentucky public and private high
24 school students in grades ten (10) and eleven (11). Student participation in the
25 program shall be voluntary, and program test scores shall not be:

26 (a) Placed on a student's high school transcript; or

27 (b) Used by postsecondary education institutions in the admissions process.

- 1 (5) The computer website testing program shall be available to all Kentuckians for
2 evaluation of an individual's mathematics knowledge and skills.
- 3 (6) The program shall encourage the active participation of all public and private high
4 schools in Kentucky.
- 5 (7) The computer website testing program shall:
- 6 (a) Develop or adopt appropriate tests to determine the level of mathematics
7 knowledge of high school students in relation to the standards of placement
8 tests given at the community and technical colleges and undergraduate public
9 universities. In the development or adoption of the tests, consideration shall
10 be given to the program of studies and the minimum requirements for high
11 school graduation established in KRS 156.160 and the alignment of these
12 standards with postsecondary course standards;
- 13 (b) Develop a structure to permit each participating student the opportunity to
14 take the computer-based test at school in the presence of school personnel or
15 at the student's home in the presence of his or her parents or guardian;
- 16 (c) Score the completed tests and provide the test scores and diagnostic
17 information on a student's knowledge and skills electronically to the student
18 and the high school upon completion of the test in the form of electronic mail
19 or printable files or screens.
- 20 (d) Provide the following information for up to three (3) participating
21 postsecondary education institutions specified by the student as a possible
22 college choice:
- 23 1. The student's test score;
- 24 2. A list of mathematics courses required for the student's intended major
25 at a postsecondary education institution;
- 26 3. A list of any remedial courses the student might be required to take
27 based on the student's current level of mathematics knowledge as

1 demonstrated on the test;

2 4. The estimated cost of the remedial courses the student might be required
3 to take; and

4 5. The high school courses and the specific mathematical concepts or
5 functions a student should consider studying in order to address any
6 deficiencies;

7 (e) Encourage the chair of the mathematics department or the academic dean at
8 each of the participating postsecondary education institutions specified by the
9 student as a possible college choice to send a personalized letter to the student
10 that:

11 1. Encourages the student to take additional high school mathematics
12 courses to address deficiencies in mathematics knowledge; or

13 2. Congratulates the student who does well on the test for his or her
14 achievement and encourages continued study in mathematics; and

15 (f) Develop and implement a strategy to raise awareness and encourage
16 participation in the program, targeting high school students, parents, high
17 school faculty and administrators, mathematics departments or faculty at
18 postsecondary education institutions, and the general public.

19 (8) The Kentucky Department of Education shall provide assistance as necessary to the
20 Kentucky Early Mathematics Testing Program to implement the provisions of this
21 section and KRS 158.801.

22 (9) The public university that conducts the testing program shall submit an annual
23 report to the Kentucky Board of Education and the **Kentucky Higher Education**
24 **Assistance Authority**~~[Council on Postsecondary Education]~~ regarding its activities,
25 and the effects of the program on levels of remediation required by participating
26 students.

27 ➔Section 164. KRS 158.807 is amended to read as follows:

1 (1) There is hereby created the Kentucky data research initiative, a partnership between
2 elementary and secondary schools and postsecondary education research
3 institutions to maximize research capabilities through computer resources. The
4 initiative shall be jointly facilitated by the Kentucky Department of Education and
5 the Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~
6 ~~Education]~~.

7 (2) The purposes of the data research initiative are to expand the availability of
8 computing resources not available at the research institutions at a relatively low
9 cost, to do education outreach to students and teachers in Kentucky's K-12 system,
10 to expand the research institutions' presence throughout the state, and to maximize
11 the use of computer assets that have already been purchased in K-12 systems but
12 are often underused.

13 (3) By December 1, 2005, the commissioner of the Department of Education and the
14 executive director~~[president]~~ of the Kentucky Higher Education Assistance
15 Authority~~[Council on Postsecondary Education]~~ shall convene appropriate
16 postsecondary education and elementary and secondary educators and
17 administrators to determine how this initiative might be developed, funded, and
18 utilized to enhance research capabilities in the sciences and health-related fields or
19 other appropriate fields of research.

20 ➔Section 165. KRS 158.840 (Effective July 1, 2024) is amended to read as
21 follows:

22 (1) The General Assembly hereby finds that reading and mathematics proficiency are
23 gateway skills necessary for all Kentucky students to achieve the academic goals
24 established in KRS 158.6451. It is the General Assembly's intent that:

25 (a) All students in kindergarten through grade three (3) having difficulty in
26 reading and mathematics receive early diagnosis and intervention services
27 from highly trained teachers;

1 (b) All students demonstrate proficiency in reading and mathematics as they
2 progress through the relevant curricula and complete each assessment level
3 required by the Kentucky Board of Education for the state assessment
4 program established under KRS 158.6453 and in compliance with the
5 requirements of the federal Every Student Succeeds Act of 2015, Pub. L. No.
6 114-95, or its successor; and

7 (c) Students who are struggling in reading and mathematics or are not at the
8 proficient level on statewide assessments be provided evidence-based and
9 developmentally appropriate diagnostic and intervention services, and
10 instructional modifications necessary to learn.

11 The General Assembly, the Kentucky Board of Education, the Kentucky
12 Department of Education, the *Kentucky Higher Education Assistance*
13 *Authority*~~[Council on Postsecondary Education]~~, colleges and universities, local
14 boards of education, school administrators, school councils, teachers, parents, and
15 other educational entities, such as the Education Professional Standards Board, P-16
16 councils, the statewide reading research center established under KRS 164.0207,
17 and the Center for Middle School Achievement must collaborate if the intentions
18 specified in this subsection are to be met. Intensive focus on student achievement in
19 reading and mathematics does not negate the responsibility of any entity to help
20 students obtain proficiency in other core curriculum content areas.

21 (2) The General Assembly's role is to set policies that address the achievement levels of
22 all students and provide resources for the professional growth of teachers and
23 administrators, assessing students' academic achievement, including diagnostic
24 assessment and instructional interventions, technology innovations, targeted reading
25 and mathematics statewide initiatives, research and the distribution of research
26 findings, services for students beyond the regular school day, and other services
27 needed to help struggling learners.

- 1 (3) The Kentucky Board of Education shall regularly review and modify, when
2 appropriate, its statewide assessment policies and practices to enable local school
3 districts and schools to carry out the provisions of the statewide assessment and
4 accountability system, required under KRS 158.6453 to improve student
5 achievement in mathematics and reading.
- 6 (4) The Kentucky Department of Education shall:
- 7 (a) Provide assistance to schools and teachers, including publicizing professional
8 development opportunities, methods of measuring effective professional
9 development, the availability of high quality instructional materials, and
10 developmentally appropriate screening and diagnostic assessments of student
11 competency in mathematics and reading. The department shall provide access
12 to samples of units of study, annotated student work, diagnostic instruments,
13 and research findings, and give guidance on parental engagement;
- 14 (b) Work with state and national educators and subject-matter experts to identify
15 student reading skills in each subject area that align with the state content
16 standards adopted under KRS 158.6453 and identify teaching strategies in
17 each subject area that can be used explicitly to develop the identified reading
18 skills under this paragraph;
- 19 (c) Encourage the development of comprehensive middle and high school
20 adolescent reading plans to be incorporated into the curricula of each subject
21 area to improve the reading comprehension of all students;
- 22 (d) Conduct an annual review of the state grant programs it manages and make
23 recommendations, when needed, to the Interim Joint Committee on Education
24 for changes to statutory requirements that are necessary to gain a greater
25 return on investment;
- 26 (e) Provide administrative support and oversight to programs to train classroom
27 coaches and mentors to help teachers with reading and mathematics

1 instruction; and

2 (f) Require no reporting of instructional plans, formative assessment results, staff
3 effectiveness processes, or interventions implemented in the classroom,
4 except for:

5 1. Interventions implemented under KRS 158.305(2);

6 2. Funds provided under KRS 158.792 or 158.844; or

7 3. Schools that are identified for comprehensive support and improvement
8 and fail to exit comprehensive support and improvement status after
9 three (3) consecutive years of implementing the turnaround intervention
10 process as described in KRS 160.346.

11 (5) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~
12 ~~Education]~~, in cooperation with the Education Professional Standards Board, shall
13 exercise its duties and functions under KRS 164.020 to ensure that teacher
14 education programs are fulfilling the needs of Kentucky for highly skilled teachers.

15 The *authority*~~[council]~~ shall:

16 (a) Coordinate the federal and state grant programs it administers with other
17 statewide initiatives relating to improving student achievement in reading and
18 mathematics to avoid duplication of effort and to make efficient use of
19 resources;

20 (b) Submit a report to the Interim Joint Committee on Education no later than
21 November 1 of each year summarizing the compliance of each teacher
22 preparation program for interdisciplinary early childhood education or
23 elementary regular education to the instructional requirements set forth in
24 KRS 164.306(1); and

25 (c) Regularly report program data to an external evaluator for an analysis of the
26 progress of teacher preparation programs for interdisciplinary early childhood
27 education and elementary regular education to increase the success of new

- 1 teacher candidates in demonstrating reading instruction knowledge and skills.
- 2 (6) The Education Professional Standards Board shall exercise its duties and
3 responsibilities under KRS 161.030 and 161.048 to ensure highly qualified
4 teachers.
- 5 (7) Colleges and universities shall:
- 6 (a) Utilize institution-wide resources to work with elementary and secondary
7 educators and other entities to align curriculum content to ensure that students
8 who achieve proficiency on standards established at the prekindergarten
9 through secondary levels will require no remediation to successfully enter a
10 postsecondary education program;
- 11 (b) Provide quality undergraduate teacher preparation programs to ensure that
12 those preparing to teach reading or mathematics at all grade levels have the
13 necessary content knowledge, assessment and diagnostic skills, and teaching
14 methodologies and that teachers in all subject areas have the requisite skills
15 for helping students at all grade levels develop critical strategies and skills for
16 reading and comprehending subject matter;
- 17 (c) Deliver appropriate continuing education for teachers in reading and
18 mathematics through institutes, graduate level courses, and other professional
19 development activities that support a statewide agenda for improving student
20 achievement in reading and mathematics;
- 21 (d) Conduct or assist with research on best practices in assessment, intervention
22 strategies, teaching methodologies, costs and effectiveness of instructional
23 models, and other factors as appropriate to reading and mathematics;
- 24 (e) Provide staff to consult and provide technical assistance to teachers, staff, and
25 administrators at elementary, middle, and secondary school sites;
- 26 (f) Assume active roles in the statewide initiatives referenced in KRS 156.553
27 and 158.842; and

1 (g) Develop written procedures for measuring the effectiveness of activities
2 outlined in paragraphs (a) to (e) of this subsection.

3 (8) School councils at all school levels are encouraged to identify and allocate
4 resources to qualified teachers to become coaches or mentors in mathematics or
5 coaches or mentors in reading with a focus on improving student achievement in
6 their respective schools.

7 (9) Local school boards and superintendents shall provide local resources, whenever
8 possible, to supplement or match state and federal resources to support teachers,
9 school administrators, and school councils in helping students achieve proficiency
10 in reading and mathematics.

11 (10) Local school superintendents shall provide leadership and resources to the
12 principals of all schools to facilitate curriculum alignment, communications, and
13 technical support among schools to ensure that students are academically prepared
14 to move to the next level of schooling.

15 ➔Section 166. KRS 158.842 is amended to read as follows:

16 (1) As used in KRS 158.840 to 158.844, unless the context requires otherwise:

17 (a) "Concepts" means mathematical ideas that serve as the basis for
18 understanding mathematics;

19 (b) "Mathematics" means the curriculum of numbers and computations, geometry
20 and measurements, probability and statistics, and algebraic ideas;

21 (c) "Mathematics coach" means a mathematics leader whose primary
22 responsibility is to provide ongoing support for one (1) or more mathematics
23 teachers. The role of the coach is to improve mathematics teaching practices
24 by working with teachers in their classrooms, observing and providing
25 feedback to them, modeling appropriate teaching practices, conducting
26 workshops or institutes, establishing learning communities, and gathering
27 appropriate and useful resources;

- 1 (d) "Mathematics diagnostic assessment" means an assessment that identifies a
2 student at risk of failure in mathematics or a student with major deficits in
3 numeracy and other mathematical concepts and skills;
- 4 (e) "Mathematics intervention program" means an intensive instructional
5 program that is based on valid research and is provided by a highly trained
6 teacher to specifically meet individual students' needs;
- 7 (f) "Mathematics leader" means any educator with a specialization in
8 mathematics who:
- 9 1. Serves in a supervisory capacity, such as mathematics department chair,
10 school-based mathematics specialist, or district mathematics supervisor
11 or coordinator; or
- 12 2. Regularly conducts or facilitates teacher professional development, such
13 as higher education faculty or other mathematics teachers;
- 14 (g) "Mathematics mentor" means an experienced mathematics coach who
15 typically works with beginning or novice teachers only. The responsibilities
16 and roles of the mentor are the same as those of the coach;
- 17 (h) "Numeracy" means the development of the basic concepts which include
18 counting, place value, addition and subtraction strategies, multiplication and
19 division strategies, and the concepts of time, money, and length. To be
20 numerate is to have and be able to use appropriate mathematical knowledge,
21 concepts, skills, intuition, and experience in relationship to every day life;
- 22 (i) "Relationships" means connections of mathematical concepts and skills within
23 mathematics; and
- 24 (j) "Skills" means actions of mathematics.
- 25 (2) The Committee for Mathematics Achievement is hereby created for the purposes of
26 developing a multifaceted strategic plan to improve student achievement in
27 mathematics at all levels of schooling, prekindergarten through postsecondary and

1 adult. At a minimum the plan shall address:

- 2 (a) Challenging curriculum that is aligned prekindergarten through
3 postsecondary, including consensus among high school teachers and
4 postsecondary education faculty about expectations, curriculum, and
5 assessment;
- 6 (b) Attitudes and beliefs of teachers about mathematics;
- 7 (c) Teachers' knowledge of mathematics;
- 8 (d) Diagnostic assessment, intervention services, and instructional strategies;
- 9 (e) Shortages of teachers of mathematics, including incentives to attract strong
10 candidates to mathematics teaching;
- 11 (f) Statewide institutes that prepare cadres of mathematics leaders in local school
12 districts, which may include highly skilled retired mathematics teachers, to
13 serve as coaches and mentors in districts and schools;
- 14 (g) Cohesive continuing education options for experienced mathematics
15 classroom teachers;
- 16 (h) Closing the student achievement gap among various student subpopulations;
- 17 (i) Curriculum expectations and assessments of students among the various
18 school levels, prekindergarten, primary, elementary, middle, and high school;
- 19 (j) Content standards for adult education centers providing mathematics
20 curricula;
- 21 (k) Introductory postsecondary education mathematics courses that are
22 appropriate to the wide array of academic programs and majors;
- 23 (l) Research to analyze further the issues of transition from high school or High
24 School Equivalency Diploma programs to postsecondary education
25 mathematics; and
- 26 (m) The early mathematics testing program under KRS 158.803.

27 Other factors may be included in the strategic plan as deemed appropriate by the

1 committee to improve mathematics achievement of Kentucky students.

2 (3) In carrying out its responsibility under subsection (2)(f) of this section, the
3 committee shall:

4 (a) Design a statewide professional development program that includes summer
5 mathematics institutes at colleges and universities, follow-up, and school-
6 based support services, beginning no later than June 1, 2006, to prepare teams
7 of teachers as coaches and mentors of mathematics at all school levels to
8 improve student achievement. Teachers shall receive training in diagnostic
9 assessment and intervention. The statewide initiative shall be funded, based
10 on available funds, from the Teachers' Professional Growth Fund described in
11 KRS 156.553. The design shall:

- 12 1. Define the curricula focus;
- 13 2. Build on the expertise of specific colleges and universities;
- 14 3. Place emphasis on mathematics concepts, skills and relationships,
15 diagnostic assessment, intervention services, and instructional strategies;
- 16 4. Identify quality control measures for the delivery of each institute;
- 17 5. Establish evaluation procedures for the summer institutes and the other
18 professional development components;
- 19 6. Provide updates and networking opportunities for coaches and mentors
20 throughout the school year; and
- 21 7. Define other components within the initiative that are necessary to meet
22 the goal of increasing student achievement in mathematics;

23 (b) Require schools and districts approved to have participants in the mathematics
24 leader institutes to provide assurances that:

- 25 1. The district and schools have, or will develop, local mathematics
26 curricula and assessments that align with state standards for
27 mathematics;

- 1 2. There is a local commitment to build a cadre of mathematics leaders
2 within the district;
- 3 3. The district and participating schools will provide in-school support for
4 coaching and mentoring activities;
- 5 4. The mathematics teachers are willing to develop classroom assessments
6 that align with state assessments; and
- 7 5. Students who need modified instructional and intervention services will
8 have opportunity for continuing education services beyond the regular
9 school day, week, or year; and
- 10 (c) In addition to the conditions specified in paragraph (b) of this subsection, the
11 committee shall make recommendations to the Kentucky Department of
12 Education and the Kentucky Board of Education for criteria to be included in
13 administrative regulations promulgated by the board which define:
- 14 1. Eligible grant recipients, taking into consideration how this program
15 relates to other funded mathematics initiatives;
- 16 2. The application process and review;
- 17 3. The responsibilities of schools and districts, including but not limited to
18 matching funds requirements, released or extended time for coaches and
19 mentors during the school year, continuing education requirements for
20 teachers and administrators in participating schools, data to be collected,
21 and local evaluation requirements; and
- 22 4. Other recommendations requested by the Kentucky Department of
23 Education.
- 24 (4) The committee shall initially be composed of twenty-five (25) members as follows:
- 25 (a) The commissioner of education or his or her designee;
- 26 (b) The executive director~~[president]~~ of the Kentucky Higher Education
27 Assistance Authority~~[Council on Postsecondary Education]~~ or his or her

- 1 designee;
- 2 (c) The president of the Association of Independent Kentucky Colleges and
3 Universities or his or her designee;
- 4 (d) The executive director of the Education Professional Standards Board or his
5 or her designee;
- 6 (e) The secretary of the Education and Labor Cabinet or his or her designee;
- 7 (f) A representative with a specialty in mathematics or mathematics education
8 who has expertise and experience in professional development, especially
9 with coaching and mentoring of teachers, from each of the nine (9) public
10 postsecondary education institutions defined in KRS 164.001. The
11 representatives shall be selected by mutual agreement of the executive
12 director~~president~~ of the Kentucky Higher Education Assistance
13 Authority~~Council on Postsecondary Education~~ and the commissioner of
14 education;
- 15 (g) Two (2) adult education instructors selected by the secretary of the Education
16 and Labor Cabinet;
- 17 (h) Two (2) elementary, two (2) middle, and two (2) high school mathematics
18 teachers, appointed by the board of the statewide professional education
19 association having the largest paid membership with approval from their
20 respective local principals and superintendents of schools; and
- 21 (i) Three (3) school administrators, with one (1) each representing elementary,
22 middle, and high school, appointed by the board of the statewide
23 administrators' association having the largest paid membership with approval
24 from their respective local superintendents of schools.

25 When the Center for Mathematics created under KRS 164.525 becomes operational,
26 the executive director of the center shall be added to the committee, which shall
27 then be composed of twenty-six (26) members. Appointments to the committee

1 shall be made no later than thirty (30) days following March 18, 2005, and the first
2 meeting of the committee shall occur no later than thirty (30) days following
3 appointment of the members.

4 (5) A majority of the full membership shall constitute a quorum.

5 (6) Each member of the committee, other than members who serve by virtue of their
6 positions, shall serve for a term of three (3) years or until a successor is appointed
7 and qualified, except that the initial appointments shall be made in the following
8 manner: six (6) members shall serve a one (1) year term, six (6) members shall
9 serve a two (2) year term, and eight (8) members shall serve a three (3) year term.

10 (7) A temporary chair of the committee shall be appointed prior to the first meeting of
11 the committee through consensus of the executive director~~[president]~~ of the
12 Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~
13 ~~Education]~~ and the commissioner of education, to serve ninety (90) days after his or
14 her appointment. Prior to the end of the ninety (90) days, the committee shall elect a
15 chair by majority vote. The temporary chair may be a nominee for the chair by
16 majority vote. Thereafter, a chair shall be elected each calendar year. An individual
17 may not serve as chair for more than three (3) consecutive years. The chair shall be
18 the presiding officer of the committee, and coordinate the functions and activities of
19 the committee.

20 (8) The committee shall be attached to the Kentucky Department of Education for
21 administrative purposes. The commissioner of education may contract with a
22 mathematics-trained professional to provide part-time staff support to the
23 committee. The commissioner of education and the executive director~~[president]~~ of
24 the authority~~[council]~~ shall reach consensus in the selection of a person to fill the
25 position. The person selected shall have a graduate degree, a mathematics major,
26 and teaching or administrative experience in elementary and secondary education.
27 The person shall not be a current employee of any entity represented on the

1 committee. The department shall provide office space and other resources necessary
2 to support the staff position and the work of the committee.

3 (9) The committee, under the leadership of the chair, may organize itself into
4 appropriate subcommittees and work structures to accomplish the purposes of the
5 committee.

6 (10) Members of the committee shall serve without compensation but shall be
7 reimbursed for necessary travel and expenses while attending meetings at the same
8 per diem rate promulgated in administrative regulation for state employees under
9 provisions of KRS Chapter 45. Funds shall be provided school districts to cover the
10 cost of substitute teachers for those teachers on the committee at each district's
11 established rate for substitute teachers.

12 (11) If a vacancy occurs within the committee during its duration, the board of the
13 statewide professional education association having the largest paid membership or
14 the board of the statewide administrators association having the largest paid
15 membership or the executive director~~[president]~~ of the Kentucky Higher
16 Education Assistance Authority~~[Council on Postsecondary Education]~~, as
17 appropriate, shall appoint a person to fill the vacancy.

18 (12) The committee shall:

19 (a) Present a draft strategic plan addressing the requirements in subsection (1) of
20 this section and other issues that arose during the work of the committee to the
21 Education Assessment and Accountability Review Subcommittee no later
22 than August 2005;

23 (b) Present the strategic plan for improving mathematics achievement to the
24 Interim Joint Committee on Education by July 15, 2006, which shall include
25 any recommendations that require legislative action; and

26 (c) Provide a final written report of committee activities to the Interim Joint
27 Committee on Education and the Legislative Research Commission by

1 December 1, 2006.

2 (13) The committee shall have ongoing responsibility for providing advice and guidance
3 to policymakers in the development of statewide policies and in the identification
4 and allocation of resources to improve mathematics achievement. In carrying out
5 this responsibility, the committee shall periodically review the strategic plan and
6 make modifications as deemed appropriate and report those to the Interim Joint
7 Committee on Education.

8 (14) The committee shall collaborate with the Center for Mathematics to ensure that
9 there is ongoing identification of research-based intervention programs for K-12
10 students who have fallen behind in mathematics, rigorous mathematics curricula
11 that prepare students for the next level of schooling, research-based professional
12 development models that prepare teachers in mathematics and pedagogy, and
13 strategies for closing the gap between high school or a High School Equivalency
14 Diploma program and postsecondary mathematics preparation.

15 ➔Section 167. KRS 158.844 is amended to read as follows:

16 (1) The mathematics achievement fund is hereby created to provide developmentally
17 appropriate diagnostic assessment and intervention services to students, primary
18 through grade 12, to help them reach proficiency in mathematics on the state
19 assessments under KRS 158.6453 and in compliance with the "No Child Left
20 Behind Act of 2001," 20 U.S.C. secs. 6301 et seq., as required under KRS 158.840.

21 (2) The grant funds may be used to support the implementation of diagnostic and
22 intervention services in mathematics. The use of funds may include: pay for
23 extended time for teachers, released time for teachers to serve as coaches and
24 mentors or to carry out other responsibilities needed in the implementation of
25 intervention services, payment of substitute teachers needed for the support of
26 mathematics teachers, purchase of materials needed for modification of instruction,
27 and other costs associated with diagnostic and intervention services or to cover

- 1 other costs deemed appropriate by the Kentucky Board of Education.
- 2 (3) The fund shall:
- 3 (a) Provide funding for the Center for Mathematics created in KRS 164.525 and
- 4 the costs of training selected teachers in the diagnostic assessment and
- 5 intervention skills that are needed to assist struggling students in the primary
- 6 program and other grade levels;
- 7 (b) Provide renewable, two (2) year local grants to school districts and for
- 8 purposes described in subsection (2) of this section; and
- 9 (c) Provide operational funding for the Committee for Mathematics Achievement
- 10 created in KRS 158.842.
- 11 (4) Any funds appropriated to the mathematics achievement fund that are specifically
- 12 designated by the General Assembly to support the Center for Mathematics shall be
- 13 appropriated to the Kentucky Higher Education Assistance Authority~~Council on~~
- 14 ~~Postsecondary Education~~ and distributed to the university administering the center,
- 15 as determined by the authority~~council~~ under KRS 164.525.
- 16 (5) Any moneys in the fund at the close of a fiscal year shall not lapse but shall be
- 17 carried forward to be used for the purposes specified in this section.
- 18 (6) Any interest earnings of the fund shall become a part of the fund and shall not
- 19 lapse.
- 20 (7) (a) Any funds appropriated to the mathematics achievement fund and specifically
- 21 designated by the General Assembly as funding for grants to local school
- 22 districts or to support the Committee for Mathematics Achievement shall be
- 23 administered by the Kentucky Department of Education.
- 24 (b) The Kentucky Board of Education shall promulgate administrative regulations
- 25 relating to the grants for local school districts based on recommendations
- 26 from the Committee for Mathematics Achievement, the secretary of the
- 27 Education and Labor Cabinet, the commissioner of education, and the Center

1 for Mathematics established in KRS 164.525. The administrative regulations
2 shall:

- 3 1. Identify eligibility criteria for grant applicants;
- 4 2. Specify the criteria for acceptable diagnostic assessments and
5 intervention programs and coaching and mentoring programs;
- 6 3. Establish the minimum annual evaluation process for each grant
7 recipient;
- 8 4. Identify the annual data that must be provided from each grant recipient;
- 9 5. Define the application and approval process;
- 10 6. Establish matching fund requirements if deemed necessary by the board;
- 11 7. Define the obligations for professional development and continuing
12 education for teachers, administrators, and staff of each grant recipient;
- 13 8. Establish the conditions for renewal of a two (2) year grant; and
- 14 9. Specify other conditions necessary to implement the purposes of this
15 section.

16 (c) As part of the application process, the board shall require that a grant
17 applicant provide assurances that the following principles will be met if the
18 applicant's request for funding is approved:

- 19 1. Mathematics instruction will be standards-based and utilize research-
20 based practices;
- 21 2. Intervention and support services will supplement, not replace, regular
22 classroom instruction; and
- 23 3. Intervention services will be provided to primary program students and
24 other students who are at risk of mathematics failure within the school
25 based upon ongoing assessments of their needs.

26 (d) If matching funds are required, the school council or, if none exists, the
27 principal or the superintendent of schools, shall allocate matching funds.

1 Funding for professional development allocated to the school council under
2 KRS 160.345 and for continuing education under KRS 158.070 may be used
3 to provide a portion or all of a school's required match.

4 (e) The Department of Education shall make available to schools:

- 5 1. Information from the Center for Mathematics regarding diagnostic
6 assessment and intervention programs and coaching and mentoring
7 programs of proven-practice in meeting the needs of primary students
8 and other students who are at risk of failure;
- 9 2. Technical assistance to potential applicants and grant recipients;
- 10 3. A list of professional development providers offering teacher training in
11 diagnostic assessment and intervention strategies and coaching and
12 mentoring; and
- 13 4. Information from the Center for Mathematics on how to communicate to
14 parents effective ways of interacting with their children to improve their
15 mathematics concepts, skills, and understanding.

16 (f) The Department of Education shall submit a report to the Interim Joint
17 Committee on Education no later than September 1 of each year outlining the
18 use of grant funds. By November 1, 2007, the Department of Education with
19 input from the Committee for Mathematics Achievement and the Center for
20 Mathematics shall conduct a statewide needs assessment of the resources
21 needed in each school to help each child achieve proficiency in mathematics
22 by the year 2014 and report to the Interim Joint Committee on Education an
23 estimate of the cost and a specific timeline for meeting the goal established by
24 the Commonwealth.

25 ➔Section 168. KRS 160.348 is amended to read as follows:

26 (1) (a) The Kentucky Department of Education shall make available to middle and
27 high schools information concerning the prerequisite content necessary for

1 success in secondary courses, Advanced Placement or AP courses, and
2 International Baccalaureate or IB courses. The department shall provide
3 sample syllabi, instructional resources, and instructional supports for teachers
4 that will assist in preparing students for more rigorous coursework.
5 Instructional supports shall include professional development for assisting
6 students enrolled in the Kentucky Virtual High School or other virtual
7 learning settings.

8 (b) Each secondary school-based decision making council shall offer a core
9 curriculum of AP, IB, dual enrollment, or dual credit courses, using either or
10 both on-site instruction or electronic instruction through the Kentucky Virtual
11 High School or other on-line alternatives. In addition, each school-based
12 decision making council shall comply with any additional requirements for
13 AP, IB, dual enrollment, and dual credit courses that may be established
14 cooperatively by the Kentucky Department of Education, the Education
15 Professional Standards Board, and the Kentucky Higher Education
16 Assistance Authority~~[Council on Postsecondary Education]~~ in accordance
17 with the definitions in KRS 158.007.

18 (2) Each secondary school-based decision making council shall establish a policy on
19 the recruitment and assignment of students to AP, IB, dual enrollment, and dual
20 credit courses that recognizes that all students have the right to participate in a
21 rigorous and academically challenging curriculum. All students who are willing to
22 accept the challenge of a rigorous academic curriculum shall be admitted to AP
23 courses, including AP courses offered through the Kentucky Virtual High School
24 and accepted for credit toward graduation under KRS 158.622(3)(a), IB courses,
25 dual enrollment courses, and dual credit courses, if they have successfully
26 completed the prerequisite coursework or have otherwise demonstrated mastery of
27 the prerequisite content knowledge and skills as determined by measurable

1 standards. If a school does not offer an AP course in a particular subject area, the
2 school shall permit a qualified student to enroll in the AP course offered by the
3 Kentucky Virtual High School and receive credit toward graduation under KRS
4 158.622(3)(a).

5 (3) Effective with the 2008-2009 school year and thereafter, students enrolled in AP or
6 IB courses in the public schools shall have the cost of the examinations paid by the
7 Kentucky Department of Education.

8 ➔Section 169. KRS 160.730 is amended to read as follows:

9 (1) Parents or eligible students may challenge the content of a student record to ensure
10 that the record or report is not inaccurate, misleading, or otherwise in violation of
11 privacy or other rights of the student. The right to challenge shall also provide the
12 opportunity for rebuttal to, and the correction, deletion, or expunction of, any
13 inaccurate, misleading, or inappropriate information.

14 (2) A challenge to the record may take the form of an informal discussion among the
15 parents, student, and school officials. Any agreement between these parties shall be
16 reduced in writing, signed by all parties, and placed in the student's records. If no
17 agreement can be reached, either party may request a formal hearing to the
18 challenge which shall be conducted in accordance with procedures established by
19 rules and regulations of the Department of Education and the *Kentucky Higher*
20 *Education Assistance Authority*~~[Council on Postsecondary Education]~~ for
21 educational institutions under their jurisdiction. The rules and regulations shall
22 provide that a formal hearing be conducted within a reasonable time after the
23 request for a hearing; and an official of the educational institution who has no direct
24 interest in the outcome of the challenge shall conduct the hearing and render a
25 decision on the challenge within a reasonable time after the hearing. All parties to
26 the challenge shall be afforded a full and fair opportunity to present evidence
27 relevant to the issues raised. Furthermore, school officials shall take the necessary

1 action to implement the decision.

2 ➔Section 170. KRS 161.027 is amended to read as follows:

- 3 (1) The Education Professional Standards Board, pursuant to KRS 161.028, shall by
4 administrative regulation establish requirements for a preparation program in
5 institutions of higher education for all new applicants for principal certification and
6 establish criteria for admission to the program.
- 7 (2) The Education Professional Standards Board and the *Kentucky Higher Education*
8 *Assistance Authority*~~[Council on Postsecondary Education]~~ shall evaluate the
9 preparation programs for principals and maintain only those institutional programs
10 that can demonstrate both the quality and the capability to enroll adequate numbers
11 of students to justify the resources necessary for maintenance of a quality program.
- 12 (3) The Education Professional Standards Board shall develop or select appropriate
13 assessments for applicants seeking certification as principals, including an
14 assessment of the ability to apply knowledge, instructional leadership, management,
15 and supervision skills.
- 16 (4) The Education Professional Standards Board shall establish the minimum score for
17 successful completion of assessments and shall establish a reasonable fee to be
18 charged applicants for the actual cost of administration of the assessments. The
19 Education Professional Standards Board shall provide for confidentiality of
20 assessment scores.
- 21 (5) The Education Professional Standards Board shall develop an internship program
22 which shall provide for the supervision, assistance, and assessment of beginning
23 principals and assistant principals. The internship shall not be required of applicants
24 who have completed, within a ten (10) year period prior to making application, at
25 least two (2) years of successful experience as a principal in a school situation. The
26 Education Professional Standards Board, by administrative regulation, shall
27 establish the internship program.

1 (6) The certification of principals shall require the successful completion of the
2 examinations required by subsection (3) of this section. A one (1) year certificate
3 may be given to a person who has:

4 (a) A comparable certificate from another state; or

5 (b) All other qualifications except the assessments and is selected as a principal or
6 assistant principal in a district where the superintendent certifies to the
7 Education Professional Standards Board that there is a limited number of
8 applicants to meet the requirements.

9 Upon successful completion of the assessments, a certificate shall be issued for an
10 additional four (4) years. A person employed in Kentucky as a principal or assistant
11 principal who was certified in another state and practiced in that state for two (2) or
12 more years is exempt from taking the assessment described in subsection (3)(a) of
13 this section.

14 (7) Upon successful completion of the approved preparation program and the
15 assessments, the Education Professional Standards Board shall issue to the
16 applicant a statement of eligibility for internship valid for five (5) years. If the
17 applicant does not participate in an internship program within the five (5) year
18 period, the applicant shall reestablish eligibility by repeating and passing the
19 assessments in effect at that time or by completing a minimum of six (6) graduate
20 hours, directly related to instructional leadership, management, or supervision, at a
21 regionally or nationally accredited institution. The option for renewal through
22 completion of graduate hours shall be available only for the first reestablishment of
23 eligibility. Upon obtaining employment for an internship position as principal or
24 assistant principal within the period of eligibility, the applicant shall be issued the
25 appropriate one (1) year certificate for the position.

26 (8) All applicants for principal certification, after successfully completing the
27 assessments, shall successfully complete the internship program described in

1 subsection (5) of this section for principal certification. If the principal's or assistant
2 principal's internship performance is judged to be less than satisfactory pursuant to
3 administrative regulations developed by the Education Professional Standards
4 Board, the applicant for principal certification shall be provided with an opportunity
5 to repeat the internship one (1) time if the applicant is employed by a school district
6 as a principal or assistant principal.

7 (9) Following successful completion of the internship program, the principal certificate
8 shall be extended for four (4) years. Renewal of the certificate shall require the
9 completion of a continuing education requirement as prescribed by the Education
10 Professional Standards Board.

11 ➔Section 171. KRS 161.028 is amended to read as follows:

12 (1) The Education Professional Standards Board is recognized to be a public body
13 corporate and politic and an agency and instrumentality of the Commonwealth, in
14 the performance of essential governmental functions. The Education Professional
15 Standards Board has the authority and responsibility to:

16 (a) Establish standards and requirements for obtaining and maintaining a teaching
17 certificate;

18 (b) Set standards for, approve, and evaluate college, university, and school district
19 programs for the preparation of teachers and other professional school
20 personnel. College or university programs may be approved by the board for a
21 college or university with regional institutional level accreditation or national
22 institutional level accreditation that is recognized by the United States
23 Department of Education and is eligible to receive federal funding under 20
24 U.S.C. secs. 1061 to 1063. Program standards shall reflect national standards
25 and shall address, at a minimum, the following:

26 1. The alignment of programs with the state's core content for assessment
27 as defined in KRS 158.6457;

- 1 2. Research-based classroom practices, including effective classroom
- 2 management techniques;
- 3 3. Emphasis on subject matter competency of teacher education students;
- 4 4. Methodologies to meet diverse educational needs of all students;
- 5 5. The consistency and quality of classroom and field experiences,
- 6 including early practicums and student teaching experiences;
- 7 6. The amount of college-wide or university-wide involvement and support
- 8 during the preparation as well as the induction of new teachers;
- 9 7. The diversity of faculty;
- 10 8. The effectiveness of partnerships with local school districts; and
- 11 9. The performance of graduates on various measures as determined by the
- 12 board;
- 13 (c) Conduct an annual review of diversity in teacher preparation programs;
- 14 (d) Provide assistance to universities and colleges in addressing diversity, which
- 15 may include researching successful strategies and disseminating the
- 16 information, encouraging the development of nontraditional avenues of
- 17 recruitment and providing incentives, waiving administrative regulations
- 18 when needed, and other assistance as deemed necessary;
- 19 (e) Discontinue approval of programs that do not meet standards or whose
- 20 graduates do not perform according to criteria set by the board;
- 21 (f) Issue, renew, revoke, suspend, or refuse to issue or renew; impose
- 22 probationary or supervisory conditions upon; issue a written reprimand or
- 23 admonishment; or any combination of actions regarding any certificate;
- 24 (g) Develop specific guidelines to follow upon receipt of an allegation of sexual
- 25 misconduct by an employee certified by the Education Professional Standards
- 26 Board. The guidelines shall include investigation, inquiry, and hearing
- 27 procedures which ensure the process does not revictimize the alleged victim

- 1 or cause harm if an employee is falsely accused;
- 2 (h) Receive, along with investigators hired by the Education Professional
3 Standards Board, training on the dynamics of sexual misconduct of
4 professionals, including the nature of this abuse of authority, characteristics of
5 the offender, the impact on the victim, the possibility and the impact of false
6 accusations, investigative procedures in sex offense cases, and effective
7 intervention with victims and offenders;
- 8 (i) Recommend to the Kentucky Board of Education the essential data elements
9 relating to teacher preparation and certification, teacher supply and demand,
10 teacher attrition, teacher diversity, and employment trends to be included in a
11 state comprehensive data and information system and periodically report data
12 to the Interim Joint Committee on Education;
- 13 (j) Submit reports to the Governor and the Legislative Research Commission and
14 inform the public on the status of teaching in Kentucky;
- 15 (k) Devise a credentialing system that provides alternative routes to gaining
16 certification and greater flexibility in staffing local schools while maintaining
17 standards for teacher competence;
- 18 (l) Develop a professional code of ethics;
- 19 (m) Charge reasonable fees for the issuance, reissuance, and renewal of
20 certificates that are established by administrative regulation. The proceeds
21 shall be used to meet a portion of the costs of the issuance, reissuance, and
22 renewal of certificates, and the costs associated with disciplinary action
23 against a certificate holder under KRS 161.120;
- 24 (n) Waive a requirement that may be established in an administrative regulation
25 promulgated by the board. A request for a waiver shall be submitted to the
26 board, in writing, by an applicant for certification, a postsecondary institution,
27 or a superintendent of a local school district, with appropriate justification for

- 1 the waiver. The board may approve the request if the person or institution
2 seeking the waiver has demonstrated extraordinary circumstances justifying
3 the waiver. Any waiver granted under this subsection shall be subject to
4 revocation if the person or institution falsifies information or subsequently
5 fails to meet the intent of the waiver;
- 6 (o) Promote the development of one (1) or more innovative, nontraditional or
7 alternative administrator or teacher preparation programs through public or
8 private colleges or universities, private contractors, the Department of
9 Education, or the Kentucky Commonwealth Virtual University and waive
10 administrative regulations if needed in order to implement the program;
- 11 (p) Grant approval, if appropriate, of a university's request for an alternative
12 program that enrolls an administrator candidate in a postbaccalaureate
13 administrator preparation program concurrently with employment as an
14 assistant principal, principal, assistant superintendent, or superintendent in a
15 local school district. An administrator candidate in the alternative program
16 shall be granted a temporary provisional certificate and shall be a candidate in
17 the Kentucky Principal Internship Program, notwithstanding provisions of
18 KRS 161.030, or the Superintendent's Assessment process, notwithstanding
19 provisions of KRS 156.111, as appropriate. The temporary certificate shall be
20 valid for a maximum of two (2) years, and shall be contingent upon the
21 candidate's continued enrollment in the preparation program and compliance
22 with all requirements established by the board. A professional certificate shall
23 be issued upon the candidate's successful completion of the program,
24 internship requirements, and assessments as required by the board;
- 25 (q) Employ consultants as needed;
- 26 (r) Enter into contracts. Disbursements to professional educators who receive less
27 than one thousand dollars (\$1,000) in compensation per fiscal year from the

1 board for serving on an assessment validation panel or as a test scorer or
2 proctor shall not be subject to KRS 45A.690 to 45A.725;

3 (s) Sponsor studies, conduct research, conduct conferences, and publish
4 information as appropriate; and

5 (t) Issue orders as necessary in any administrative action before the board.

6 (2) (a) The board shall be composed of seventeen (17) members. The secretary of the
7 Education and Labor Cabinet and the executive director~~[president]~~ of the
8 Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~
9 ~~Education]~~, or their designees, shall serve as ex officio voting members. The
10 Governor shall make the following fifteen (15) appointments:

11 1. Nine (9) members who shall be teachers representative of elementary,
12 middle or junior high, secondary, special education, and secondary
13 vocational classrooms;

14 2. Two (2) members who shall be school administrators, one (1) of whom
15 shall be a school principal;

16 3. One (1) member representative of local boards of education; and

17 4. Three (3) members representative of postsecondary institutions, two (2)
18 of whom shall be deans of colleges of education at public universities
19 and one (1) of whom shall be the chief academic officer of an
20 independent not-for-profit college or university.

21 (b) The members appointed by the Governor shall be confirmed by the Senate
22 under KRS 11.160. If the General Assembly is not in session at the time of the
23 appointment, persons appointed shall serve prior to confirmation, but the
24 Governor shall seek the consent of the Senate at the next regular session or at
25 an intervening extraordinary session if the matter is included in the call of the
26 General Assembly.

27 (c) Each appointed member shall serve a three (3) year term. A vacancy on the

1 board shall be filled in the same manner as the original appointment within
2 sixty (60) days after it occurs. A member shall continue to serve until his or
3 her successor is named. Any member who, through change of employment
4 status or residence, or for other reasons, no longer meets the criteria for the
5 position to which he or she was appointed shall no longer be eligible to serve
6 in that position.

7 (d) Members of the board shall serve without compensation but shall be permitted
8 to attend board meetings and perform other board business without loss of
9 income or other benefits.

10 (e) A state agency or any political subdivision of the state, including a school
11 district, required to hire a substitute for a member of the board who is absent
12 from the member's place of employment while performing board business
13 shall be reimbursed by the board for the actual amount of any costs incurred.

14 (f) A chairman shall be elected by and from the membership. A member shall be
15 eligible to serve no more than three (3) one (1) year terms in succession as
16 chairman. Regular meetings shall be held at least semiannually on call of the
17 chairman.

18 (g) The commissioner of education shall serve as executive secretary to the board
19 and may designate staff to facilitate his or her duties.

20 (h) To carry out the functions relating to its duties and responsibilities, the board
21 is empowered to receive donations and grants of funds; to appoint consultants
22 as needed; and to sponsor studies, conduct conferences, and publish
23 information.

24 ➔Section 172. KRS 161.165 is amended to read as follows:

25 (1) The Kentucky Department of Education in cooperation with the Education
26 Professional Standards Board, the Kentucky Board of Education, local school
27 districts, universities, and colleges, and the *Kentucky Higher Education Assistance*

1 Authority~~[Council on Postsecondary Education]~~ shall review and revise as needed
2 the strategic plan for increasing the number of minority teachers and administrators
3 in the Commonwealth. The plan shall include, but not be limited to,
4 recommendations on ways to:

- 5 (a) Identify methods for increasing the percentage of minority educators in
6 proportion to the number of minority students;
- 7 (b) Establish programs to identify, recruit, and prepare as teachers minority
8 persons who have already earned college degrees in other job fields;
- 9 (c) Create awareness among secondary school guidance counselors of the need
10 for minority teachers.

11 (2) The Kentucky Department of Education and the Education Professional Standards
12 Board shall promote programs that increase the percentage of minorities who enter
13 and successfully complete a four (4) year teacher preparation program and provide
14 support to minority students in meeting qualifying requirements for students
15 entering a teacher preparation program at institutions of higher education.

16 (3) The Kentucky Department of Education with input from the Education Professional
17 Standards Board shall periodically submit a report to the Interim Joint Committee
18 on Education that evaluates the results of these efforts and includes accompanying
19 recommendations to establish a continuing program for increasing the number of
20 minorities in teacher education.

21 ➔Section 173. KRS 161.167 is amended to read as follows:

22 (1) By January 1, 2001, the Kentucky Department of Education, with help from
23 representatives of the Education Professional Standards Board,~~[the Council on~~
24 ~~Postsecondary Education,]~~ the Kentucky Higher Education Assistance Authority,
25 the Association of Independent Kentucky Colleges and Universities, public and
26 private not-for-profit postsecondary institutions, and local educational agencies,
27 shall develop a plan, including timelines for implementation, for a multidimensional

1 recruitment and information program, to encourage persons to enter the teaching
2 profession and to seek employment in Kentucky.

3 (2) The program shall not supplant or diminish current efforts required in KRS
4 161.165.

5 (3) The components of the program shall include:

6 (a) Early recruitment programs to inform middle and high school students about
7 the potential of teaching as a career;

8 (b) Programs to encourage paraprofessionals in schools, as well as other
9 nontraditional students, to pursue additional education to become teachers;

10 (c) Programs to enlist highly skilled career employees in specific content areas to
11 pursue teaching as a second career;

12 (d) Options for recruiting persons with liberal arts and sciences majors and
13 current students with nondeclared majors into nontraditional and accelerated
14 teacher preparation programs;

15 (e) Marketing strategies for informing the public of the importance of high
16 quality teaching to student achievement, the value of teachers to society as a
17 whole, the benefits and rewards of teaching, and the options for entering
18 teacher preparation, including scholarship information; and

19 (f) Expanding the Kentucky Department of Education's electronic bulletin board
20 for certified vacancies in local school districts to include an option for
21 potential teachers to voluntarily post their availability for education positions
22 within the state.

23 (4) No later than March 15, 2001, the Department of Education shall present a status
24 report of the recruitment and information program to the Interim Joint Committee
25 on Education; and no later than October 15, 2001, the Department of Education
26 shall present to the Interim Joint Committee on Education and the Interim Joint
27 Committee on Appropriations and Revenue a summary report with

1 recommendations.

2 ➔Section 174. The following KRS section is repealed:

3 164.011 Council on Postsecondary Education -- Membership -- Terms -- Meetings.

4 ➔Section 175. The Council on Postsecondary Education as previously established
5 in hereby dissolved. All personnel, records, files, equipment, and funds of the Council on
6 Postsecondary Education shall be transferred to the Kentucky Higher Education
7 Assistance Authority as established in this Act.

8 ➔Section 176. In order to reflect the abolition of the Council on Postsecondary
9 Education and the transfer of the council's duties, personnel, materials, and funds to the
10 Kentucky Higher Education Assistance Authority effectuated by this Act, the reviser of
11 statutes shall replace any remaining or newly enacted references to the Council on
12 Postsecondary Education in the Kentucky Revised Statutes to the Kentucky Higher
13 Education Assistance Authority.