

1 AN ACT relating to teacher recruitment and retention, making an appropriation  
2 therefor, and declaring an emergency.

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

4 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 164 IS CREATED TO  
5 READ AS FOLLOWS:

6 *(1) The General Assembly hereby establishes the Teacher Recruitment Student Loan*  
7 *Forgiveness Pilot Program to encourage and assist individuals in becoming*  
8 *certified teachers in Kentucky public schools.*

9 *(2) As used in this section:*

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

11 *(b) "Eligible program of study" means an undergraduate or graduate program*  
12 *of study which is preparatory to teacher certification;*

13 *(c) "Participating institution" means an institution of higher education located*  
14 *in Kentucky that offers an eligible program of study and has an agreement*  
15 *in force with the authority providing for administration of the pilot program*  
16 *established by this section;*

17 *(d) "Qualified teaching service" means teaching in a classroom the majority of*  
18 *each school day for at least eighty (80) days each semester in a public*  
19 *elementary and secondary school of the Commonwealth while satisfying a*  
20 *one (1) year contract, except that an individual having a disability defined*  
21 *by Title II of the Americans with Disabilities Act, 42 U.S.C. secs. 12131 et*  
22 *seq., or serious and extended illness, whose disability or illness, certified by*  
23 *a licensed physician, prevents that individual from teaching a major portion*  
24 *of each school day, shall be deemed to perform qualified teaching service by*  
25 *teaching the maximum time permitted by the attending physician; and*

26 *(e) "Semester" means a period of about eighteen (18) weeks, which usually*  
27 *makes up one-half (1/2) of a school year or one-half (1/2) of a participating*

1 institution's academic year.

2 (3) The authority may, to the extent of appropriations and other funds available to it  
3 pursuant to subsection (9) of this section, provide teacher recruitment awards to  
4 persons eligible under subsection (4) of this section, who initially demonstrate  
5 financial need in accordance with standards and criteria established by the  
6 authority. Each teacher recruitment award shall be evidenced by a promissory  
7 note that requires repayment or cancellation pursuant to subsection (6) of this  
8 section.

9 (4) Kentucky residents who are United States citizens and enrolled at a participating  
10 institution shall be considered eligible students and shall be eligible to apply for  
11 teacher recruitment awards. Teacher recruitment awards shall first be provided to  
12 eligible students accepted into an eligible program of study and then to eligible  
13 students who have declared a major that is an eligible program of study in pursuit  
14 of initial teacher certification.

15 (5) To the extent funds are available, the authority shall provide to eligible students:

16 (a) Accepted into an eligible program of study, a maximum award of five  
17 thousand dollars (\$5,000) per semester; or

18 (b) Having declared a major that is an eligible program of study, a maximum  
19 award of two thousand five hundred dollars (\$2,500) per semester.

20 (6) (a) The authority shall disburse teacher recruitment awards to eligible students  
21 who agree to render qualified teaching service as certified teachers, are  
22 unconditionally admitted and enrolled in a participating institution, and  
23 have declared a major that is an eligible program of study.

24 (b) A teacher recruitment award shall not be provided, or a promissory note  
25 cancellation shall not be granted, to any person who is in default on any  
26 obligation to the authority under any program administered by the authority  
27 pursuant to KRS 164.740 to 164.7891 until financial obligations to the

1 authority are satisfied, except that ineligibility for this reason may be waived  
2 by the authority for cause.

3 (c) Recipients shall render one (1) year of qualified teaching service for each  
4 semester of award received. The authority shall cancel a promissory note  
5 upon completion of each year of qualified teacher service beginning with  
6 the oldest promissory note.

7 (d) If the recipient of a teacher recruitment award fails to complete an eligible  
8 program of study at a participating institution or fails to render qualified  
9 teaching service in any semester following certification or recertification,  
10 unless the failure is temporarily waived for cause by the authority, the  
11 recipient shall immediately become liable to the authority for repayment of  
12 the sum of all outstanding promissory notes and accrued interest. Persons  
13 liable for repayment of awards under this paragraph shall be liable for  
14 interest accruing from the dates on which the teacher recruitment awards  
15 were disbursed.

16 (e) The authority shall establish, by administrative regulation, the terms and  
17 conditions for the award and cancellation and repayment of teacher  
18 recruitment awards, including but not limited to the selection criteria,  
19 eligibility for renewal awards, amount of award payments, deferments, the  
20 rate of repayment, and the interest rate thereon.

21 (f) Notwithstanding any other statute to the contrary, the maximum interest  
22 rate applicable to repayment of a promissory note under this section shall be  
23 eight percent (8%) per annum, except that if a judgment is rendered to  
24 recover payment, the judgment shall bear interest at the rate of five percent  
25 (5%) greater than the rate actually charged on the promissory note.

26 (7) A repayment obligation imposed by this section shall not be voidable by reason of  
27 the age of the recipient at the time of receiving the teacher recruitment award.

- 1 (8) Failure to meet repayment obligations imposed by this section shall be cause for  
2 the revocation of a person's teaching certificate, subject to the procedures set  
3 forth in KRS 161.120.
- 4 (9) All moneys repaid to the authority under this section shall be deposited into the  
5 Teacher Recruitment Student Loan Forgiveness Pilot Program fund created in  
6 subsection (13) of this section.
- 7 (10) The authority may execute appropriate contracts and promissory notes for  
8 administering this section.
- 9 (11) (a) Notwithstanding any other statute to the contrary, if available funds are  
10 insufficient for all requested awards for eligible applicants during any fiscal  
11 year, the authority shall give priority consideration to eligible applicants  
12 who previously received teacher recruitment awards.
- 13 (b) If funds are insufficient to make all requested renewal awards to eligible  
14 applicants, the authority shall reduce all awards to the extent necessary to  
15 provide awards to all qualified renewal applicants.
- 16 (c) If, after awarding all eligible renewal applicants, funds are not depleted,  
17 initial applications shall be ranked according to regulatory selection  
18 criteria, and awards shall be made to eligible applicants until funds are  
19 depleted.
- 20 (12) The authority shall submit a report on the number of teacher awards provided in  
21 each fiscal year, the program of study in which recipients are enrolled, recipient  
22 retention rates, total number of applications, and award recruitment strategies to  
23 the Legislative Research Commission for referral to the Interim Joint Committee  
24 on Education by December 1 of each year.
- 25 (13) (a) The Teacher Recruitment Student Loan Forgiveness Pilot Program fund is  
26 hereby created as a revolving account in the State Treasury to be  
27 administered by the authority for the purpose of providing loan repayment

1 as described in this section.

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

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

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

11 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 164 IS CREATED TO  
12 READ AS FOLLOWS:

13 (1) The General Assembly hereby establishes the Student Teacher Stipend Program  
14 to reduce financial barriers to students in completing educator preparation  
15 programs and entering the educator workforce.

16 (2) As used in this section:

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

18 (b) "Approved educator preparation program" means a program approved by  
19 the Education Professional Standards Board for the preparation of teachers  
20 and other professional school personnel;

21 (c) "Authority" means the Kentucky Higher Education Assistance Authority;

22 (d) "Eligible student" means a student who:

23 1. Is a citizen or permanent resident of the United States;

24 2. Is a Kentucky resident as determined by the participating institution in  
25 accordance with criteria established by the Council on Postsecondary  
26 Education for the purposes of admission and tuition assessment;

27 3. Is enrolled in an approved educator preparation program at a

- 1 participating institution;
- 2 4. Is approved for student teaching by the participating institution;
- 3 5. Has not previously received a student teacher stipend under this
- 4 section; and
- 5 6. Meets any other criteria established in administrative regulation
- 6 promulgated by the authority;
- 7 (e) "Participating institution" means an institution of higher education located
- 8 in Kentucky that offers an approved educator preparation program and
- 9 executes an agreement with the authority on terms the authority deems
- 10 necessary or appropriate for the administration of the Student Teacher
- 11 Stipend Program; and
- 12 (f) "Student teacher" has the same meaning as in KRS 161.010.
- 13 (3) The Kentucky Higher Education Assistance Authority shall administer the
- 14 Student Teacher Stipend Program and shall promulgate administrative
- 15 regulations in accordance with KRS Chapter 13A as may be needed for
- 16 administration of the program.
- 17 (4) (a) Beginning with the 2024-2025 academic year, to the extent funds are
- 18 available, the authority may award a student teacher stipend of up to five
- 19 thousand dollars (\$5,000) to an eligible student during the academic term in
- 20 which the student is a student teacher.
- 21 (b) If funds are not sufficient to award stipends to all eligible students, awards
- 22 shall be determined in accordance with administrative regulations
- 23 promulgated by the authority.
- 24 (5) For each academic term, by the deadline established by the authority, a
- 25 participating institution shall submit to the authority a report of all eligible
- 26 students for that academic term. The authority shall disburse stipend funds
- 27 monthly to the participating institution to distribute to eligible students.

1 (6) The participating institution shall notify the authority within five (5) days of the  
2 withdrawal of a previously eligible student from the program and no additional  
3 distributions shall be made to the participating institution for the student.

4 (7) Funds awarded to an eligible student under this section shall not be considered  
5 student financial aid in the year the funds are received.

6 (8) By November 1, 2025, and each November 1 thereafter, the authority shall submit  
7 a report to the Legislative Research Commission for referral to the Interim Joint  
8 Committee on Education on the utilization and effectiveness of the Student  
9 Teacher Stipend Program. The Kentucky Center for Statistics shall assist in  
10 developing the report which shall include but not be limited to:

11 (a) The total number of eligible students and stipend recipients, and the total  
12 award amount by participating institution and program;

13 (b) The demographic data of stipend recipients, including but not limited to:

14 1. School district of high school graduation;

15 2. County and city of residence prior to postsecondary enrollment;

16 3. The participating institution in which the eligible student is enrolled  
17 while a student teacher; and

18 4. The school and district in which the eligible student is a student  
19 teacher; and

20 (c) The data correlation between stipend recipients and nonrecipients entering  
21 and remaining in the educator workforce, including but not limited to  
22 student teaching location and teaching position location.

23 ➔Section 3. Whereas schools across the state need access to highly qualified  
24 educators and students in educator preparation programs need financial assistance to  
25 complete the program, an emergency is declared to exist, and this Act takes effect upon  
26 its passage and approval by the Governor or upon its otherwise becoming a law.