

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 ~~authority~~~~[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) Voting members of the board shall consist of ten (10) members who shall be  
13 appointed from the general public residing in the Commonwealth of Kentucky  
14 by the Governor from nominees submitted by the Governor's Postsecondary  
15 Education Nominating Committee under KRS 164.005.

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

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

19 2. One (1) member shall be enrolled as a full-time graduate student at a  
20 public postsecondary institution.

21 3. One (1) member shall be enrolled as a full-time student at a private  
22 postsecondary institution.

23 4. The student members shall be selected annually. No later than June 1  
24 of each year, the eight (8) student body presidents of the four (4) year  
25 state public institutions of higher education, the two (2) student  
26 members to the Kentucky Community and Technical College System,  
27 and one (1) student body president representing the members of the

1                    *Association of Independent Kentucky Colleges and Universities shall*  
 2                    *elect by majority vote three (3) nominees to submit to the Governor for*  
 3                    *each member position under this paragraph. From these lists of*  
 4                    *nominees, the Governor shall appoint the three student members.*

5            (c) In addition, ~~the president of the Council on Postsecondary Education,~~ the  
 6            president of the Association of Independent Kentucky Colleges and  
 7            Universities, the State Treasurer, the commissioner of education, and the  
 8            secretary of the Finance and Administration Cabinet, or their designees who  
 9            shall be another official of the same cabinet or agency, shall serve as voting  
 10           ex officio members.

11           ~~(d)(e)}~~ The term of office of appointed members *under paragraph (a) of this*  
 12           *subsection* shall be four (4) years. Each member shall serve for the term for  
 13           which he or she is appointed and shall serve until his or her successor is  
 14           appointed.

15           (2) Appointments to fill vacancies on the board shall be made in the same manner as  
 16           regular appointments. The person appointed shall hold the position for the  
 17           unexpired portion of the term only.

18           (3) The board shall elect from its voting membership a chair, chair-elect, and secretary-  
 19           treasurer who shall each serve for a term of one (1) year. At the conclusion of the  
 20           chair's term of office, the chair-elect shall become the chair for the succeeding year  
 21           and the board shall elect from its voting membership a new chair-elect.

22           (4) Board members, except officers or employees of the state, shall receive  
 23           compensation for their services, in the amount of one hundred dollars (\$100) per  
 24           day, and may be reimbursed for actual and necessary expenses incurred in the  
 25           performance of their duties under KRS 164.740 to 164.785.

26           (5) The board shall provide for the holding of regular meetings and special meetings.

27           (a) A majority of the voting members shall constitute a quorum for the

1 transaction of any business, special meetings shall be called by the chair in  
2 accordance with KRS 61.823, and either the chair or the chair-elect shall be  
3 present for the transaction of any business.

4 (b) In lieu of personal attendance by members of the board at the same location,  
5 the board may conduct meetings by teleconference or other available  
6 technological means suitable for conducting its business. Meetings of the  
7 board shall be open and accessible to the public in accordance with KRS  
8 61.805 to 61.850, and any alternate method of conducting a meeting in lieu of  
9 personal attendance shall ensure public access.

10 (6) The board shall adopt bylaws and policies governing its internal affairs and the  
11 conduct of its business, and shall adopt administrative regulations pursuant to KRS  
12 Chapter 13A, not inconsistent with law, in connection with the administration of the  
13 authority's programs and the performance of its functions and duties.

14 (7) The board may:

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

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

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

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

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

- 1 (2) To enter into agreements and undertakings with the secretary as may be required  
2 and necessary pursuant to the federal act in order to constitute the authority as a  
3 state agency qualified and empowered to insure student loans within the meaning of  
4 the federal act and to qualify insured student loans for interest payments,  
5 reimbursement, reinsurance, and other benefits available under the federal act to the  
6 authority.
- 7 (3) To issue loan guarantees in respect of loans made to eligible borrowers by  
8 participating lenders, including the authority. No loan guarantee shall be issued,  
9 executed, and delivered by the authority unless any insured student loan resulting  
10 shall be the subject of agreements pursuant to the federal act by which the insured  
11 student loan is made the subject of interest payments, reimbursements, reinsurance,  
12 and other benefits to the extent provided by the federal act.
- 13 (4) To promulgate administrative regulations pursuant to KRS Chapter 13A pertaining  
14 to insured student loans, loan guarantees, loans, and work-study payments and the  
15 awarding of grants, scholarships, and honorary scholarships, as provided in KRS  
16 164.740 to 164.7891.
- 17 (5) To enter into contracts with eligible lenders, approved by the state to lend moneys,  
18 upon terms and conditions agreed upon between the authority and the eligible  
19 lender, to provide for the administration of student financial assistance programs,  
20 including, but not by way of limitation, the authority's program of insured student  
21 loans.
- 22 (6) To enter into contracts with eligible institutions, upon terms and conditions agreed  
23 upon between the authority and the eligible institution, to provide for the  
24 administration of student financial assistance programs, including, but not by way  
25 of limitation, the authority's program of insured student loans.
- 26 (7) To receive funds from any source, public or private, by gift, grant, bequest, loan, or  
27 otherwise, either absolutely or in trust, and to expend them, on behalf of the

1 authority and for any of its purposes; and to acquire from any source, public or  
2 private, by purchase, lease, gift, bequest, or devise, any property, real, personal, or  
3 mixed, absolutely or in trust, and to hold, administer, and dispose of it, on behalf of  
4 the authority and for any of its purposes. The authority shall not make its debts  
5 payable out of any funds except those of the authority.

6 (8) To administer federal funds allotted to the state in respect of insured student loans,  
7 loan guarantees, loans, work-study, grants, scholarships, administrative costs, and  
8 related matters.

9 (9) To sue and be sued in the name of the authority and to plead and be impleaded, and  
10 to purchase, on behalf of members of the board or officers and employees of the  
11 authority, liability insurance for individual protection from liability for acts and  
12 omissions committed in the course and scope of the individual's employment or  
13 service.

14 (10) To collect from individual borrowers loans made by the authority and insured  
15 student loans on which the authority has been compelled to meet its loan guarantee  
16 obligations following the inability of the participating lender involved to collect the  
17 insured student loans.

18 (11) To gather information on all loans, scholarships, honorary scholarships, grants, and  
19 work-study opportunities available to Kentucky residents attending or planning to  
20 attend an eligible institution and to disseminate the information through the  
21 methods of mass communication necessary to ensure that Kentucky residents are  
22 aware of financial resources available to those attending or desiring to attend an  
23 eligible institution.

24 (12) To request reports from each eligible institution or eligible lender necessary for the  
25 effective performance of its duties and to publish the information it deems  
26 necessary.

27 (13) To approve, disapprove, limit, suspend, or terminate the participation of, or take

- 1 emergency action to withhold authority funds and insured student loans from  
2 eligible institutions or eligible lenders in programs administered by the board,  
3 subject to the provisions of the federal act and this chapter.
- 4 (14) To perform other acts necessary or appropriate to carry out effectively the purposes  
5 of the authority as provided by KRS Chapters 164 and 164A~~[164.740 to 164.789]~~  
6 ~~and KRS 164A.010 to 164A.380~~.
- 7 (15) If any conflict exists between KRS 164.740 to 164.770 and the federal act, which  
8 conflict would result in a loss by the authority of any federal funds, including, but  
9 not by way of limitation, federal funds made available to the authority under the  
10 federal act, including interest payments and reimbursement for insured student  
11 loans in default, to promulgate regulations and policies consistent with the federal  
12 act not in derogation of the Constitution and general laws of the Commonwealth.
- 13 (16) Except where specifically prohibited by law, to secure data from any other  
14 Commonwealth of Kentucky agency or instrumentality or from any other source in  
15 furtherance of any purposes of the authority related to any program or function  
16 administered by the authority.
- 17 (17) To enter into contracts with public or private nonprofit agencies, eligible to hold or  
18 insure student loans under the federal act, to provide for the exchange of  
19 information, not in contravention of any federal or state law, or the provision of  
20 services necessary to the administration of the authority's insured student loan  
21 programs.
- 22 (18) To enter into contracts with the Kentucky Higher Education Student Loan  
23 Corporation, the Kentucky Educational Savings Plan Trust, and the Commonwealth  
24 postsecondary education prepaid tuition trust fund as necessary or appropriate to  
25 facilitate their common administration, operation, and management, as required  
26 pursuant to KRS Chapter 164A.
- 27 (19) To act as the board of directors of the Commonwealth postsecondary education

- 1 prepaid tuition trust fund under KRS 164A.700 to 164A.709.
- 2 (20) To conduct, in accordance with KRS Chapter 13B, administrative hearings  
3 pertaining to any adverse action by the authority affecting participating institutions  
4 and lenders, eligible students, and borrowers of loans made by the authority and  
5 insured student loans guaranteed by the authority. Wage garnishment hearings and  
6 administrative review procedures pertaining to disputes concerning setoff of federal  
7 tax refunds shall be exempt under KRS 13B.020 and shall be conducted in  
8 accordance with applicable federal law. In an exempt hearing, the board or a  
9 hearing officer designated by the board may issue administrative subpoenas for the  
10 attendance of witnesses and the production of documents relevant to the issues in  
11 dispute. Compliance with the subpoenas shall be enforceable by a court of  
12 competent jurisdiction.
- 13 (21) To provide upon termination of the retirement plan authorized by Executive Order  
14 75-964 to active and retired employees of the authority who participated in that  
15 plan, health insurance premiums and disability insurance benefits as provided to  
16 employees who participate in a state-administered retirement system pursuant to  
17 KRS 18A.225 to 18A.229, 61.600, and 61.702.
- 18 (22) To delegate to the executive director general supervision and direction over the  
19 administrative function of the authority and its employees in carrying out the  
20 policies, programs, administrative regulations, and directives of the board. **The**  
21 **executive director shall be selected pursuant to Section 4 of this Act.**
- 22 ➔Section 4. KRS 164.013 is amended to read as follows:
- 23 (1) The **Kentucky Higher Education Assistance Authority**~~[Council on Postsecondary~~  
24 ~~Education]~~ shall set the qualifications for the position of **executive**  
25 **director**~~[president of the council]. [Except for the first president appointed under~~  
26 ~~subsection (2) of this section,]~~The **authority**~~[council]~~ may employ a search firm  
27 and conduct a nationwide search for candidates. Any search firm employed by the



1        authority~~[council]~~ shall consider, interview, and propose three (3) or more  
2 candidates for the position of executive director~~[president]~~. The authority~~[council]~~  
3 may seek additional names from the search firm or from other sources.

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

10        (3) ~~]~~The executive director~~[president]~~ shall possess an excellent academic and  
11 administrative background, have strong communication skills, have significant  
12 experience and an established reputation as a professional in the field of  
13 postsecondary education and student financial aid, and shall not express,  
14 demonstrate, or appear to have an institutional or regional bias in his or her actions.

15        (4) The executive director~~[president]~~ shall be the primary advocate for postsecondary  
16 education and advisor to the Governor and the General Assembly on matters of  
17 postsecondary education in Kentucky. As the primary advocate for postsecondary  
18 education, the executive director~~[president]~~ shall work closely with the committee  
19 and the elected leadership of the Commonwealth to ensure that they are fully  
20 informed about postsecondary education issues and that the authority~~[council]~~ fully  
21 understands the goals for postsecondary education that the General Assembly has  
22 established in KRS 164.003(2).

23        (5) The executive director~~[president]~~ may design and develop for review by the  
24 authority~~[council]~~ new statewide initiatives in accordance with the strategic  
25 agenda.

26        (6) ~~[(a) The council shall set the salary of the president at an amount no greater than~~  
27 ~~the salary the president was receiving on January 1, 2012.~~

- 1 ~~(b)~~ The salary of the executive director~~[president]~~ shall be exempt from state  
2 employee salary limitations as set forth in KRS 64.640.
- 3 (7) The executive director~~[president]~~ shall be accorded a contract to serve for a term  
4 not to exceed five (5) years, which is renewable at the pleasure of the  
5 authority~~[council]~~.
- 6 (8) The executive director~~[president]~~ shall determine the staffing positions and  
7 organizational structure necessary to carry out the responsibilities of the  
8 authority~~[council]~~ and may employ staff.~~[All personnel positions of the Council on  
9 Higher Education, as of May 30, 1997, with the exception of the position of  
10 executive director, shall be transferred to the Council on Postsecondary Education.  
11 All personnel shall be transferred at the same salary and benefit levels.  
12 Notwithstanding the provisions of KRS 11A.040, any person employed by the  
13 Council on Higher Education prior to May 30, 1997, may accept immediate  
14 employment with any governmental entity or any postsecondary education  
15 organization or institution in the Commonwealth and may carry out the  
16 employment duties assigned by that entity, organization, or institution.]~~
- 17 (9) The executive director~~[president]~~ shall be responsible for the day-to-day operations  
18 of the authority~~[council]~~ and shall report and submit annual reports on the strategic  
19 implementation plan of the strategic agenda, carry out policy and program  
20 directives of the authority~~[council]~~, prepare and submit to the authority~~[council]~~  
21 for its approval the proposed budget of the authority~~[council]~~, and perform all other  
22 duties and responsibilities assigned by state law.
- 23 (10) With approval of the authority~~[council]~~, the executive director~~[president]~~ may  
24 enter into agreements with any state agency or political subdivision of the state, any  
25 state postsecondary education institution, or any other person or entity to enlist staff  
26 assistance to implement the duties and responsibilities under KRS 164.020.
- 27 (11) The executive director~~[president]~~ shall be reimbursed for all actual and necessary

1 expenses incurred in the performance of all assigned duties and responsibilities.

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

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

4 (1) "Administrator" means the chief executive officer of the institution;

5 (2) "Adult basic education" means instruction in mathematics, science, social studies,  
6 reading, language arts, and related areas to enable individuals to better function in  
7 society;

8 (3) **"Authority" means the Kentucky Higher Education Assistance Authority;**

9 **(4)** "Benchmarks" means objective measures developed where applicable or practical  
10 by the **Kentucky Higher Education Assistance Authority**~~[Council on~~  
11 ~~Postsecondary Education]~~ to judge the performance of the postsecondary education  
12 system and progress toward the goals as stated in KRS 164.003(2);

13 ~~**(5)**~~~~**(4)**~~ "Board" or "governing board" means the board of trustees for the University  
14 of Kentucky or the University of Louisville, the board of regents for a  
15 comprehensive university, or the board of regents for the Kentucky Community and  
16 Technical College System;

17 ~~**(6)**~~~~**(5)**~~ "Board of regents" means the governing board of each comprehensive  
18 university and the Kentucky Community and Technical College System;

19 ~~**(7)**~~~~**(6)**~~ "Committee" means the Strategic Committee on Postsecondary Education  
20 created in KRS 164.004;

21 ~~**(8)**~~~~**(7)**~~ "Comprehensive university" means the following public institutions: Eastern  
22 Kentucky University, Kentucky State University, Morehead State University,  
23 Murray State University, Northern Kentucky University, and Western Kentucky  
24 University;{

25 ~~(8) "Council" means the Council on Postsecondary Education created in KRS~~  
26 ~~164.011;}~~

27 (9) "Customized training" means training in specific academic areas, work processes,

1 or technical skills that are designed to serve a specific industry or industries to  
2 upgrade worker skills;

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

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

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

12 (13) "Kentucky Community and Technical College System" means the system  
13 composed of public community and technical colleges, including those  
14 postsecondary institutions operated by the former Cabinet for Workforce  
15 Development and those community colleges in the University of Kentucky  
16 Community College System on May 30, 1997.

17 The system also includes institutions created by the board of regents for the  
18 Kentucky Community and Technical College System and approved by the General  
19 Assembly;

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

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

27 (16) "Nonteaching personnel" means any employee who is a full-time staff member,

- 1 excluding a president, chancellor, vice president, academic dean, academic  
2 department chair, or administrator;
- 3 (17) "Postsecondary education system" means the following public institutions:  
4 University of Kentucky, University of Louisville, Eastern Kentucky University,  
5 Kentucky State University, Morehead State University, Murray State University,  
6 Northern Kentucky University, Western Kentucky University, and the Kentucky  
7 Community and Technical College System;
- 8 (18) "P-16 council" or "council of partners" means a local or state council that is  
9 composed of educators from public and private preschools, elementary, secondary,  
10 and postsecondary education institutions, local board of education members, and  
11 may include community and business representatives that have voluntarily  
12 organized themselves for the purpose of improving the alignment and quality of the  
13 education continuum from preschool through postsecondary education as well as  
14 student achievement at all levels;
- 15 (19) "Public" means operated with state support;
- 16 (20) "Relative" means a person's father, mother, brother, sister, husband, wife, son,  
17 daughter, aunt, uncle, son-in-law, or daughter-in-law;
- 18 (21) "Remedial education" means any program, course, or activity that is designed  
19 specifically for students who have basic deficiencies in reading, written or oral  
20 communication, mathematics, study skills, or other skills necessary to do beginning  
21 postsecondary work as defined by the institution;
- 22 (22) "Standardized degree program" means a program, approved by the Kentucky  
23 Higher Education Assistance Authority~~[Council on Postsecondary Education]~~, that  
24 consists of specific competencies, curriculum, and performance requirements  
25 regardless of the providing institution;
- 26 (23) "Strategic agenda" means the state strategic postsecondary education agenda  
27 described in KRS 164.0203;

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

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

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

9 (1) The Strategic Committee on Postsecondary Education is hereby created and  
10 established. The committee shall be composed of members appointed by the  
11 Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~  
12 ~~Education]~~, the Governor, and the General Assembly. The authority's~~[council's]~~  
13 representatives shall consist of the chair of the authority board of  
14 directors~~[council]~~, the executive director~~[president]~~ of the authority~~[council]~~, and  
15 five (5) members of the authority~~[council]~~ designated by the chair. The Governor's  
16 representatives shall consist of the Governor and six (6) persons designated by the  
17 Governor. The General Assembly's representatives shall consist of the President of  
18 the Senate, the Speaker of the House of Representatives, the Majority and Minority  
19 Floor Leaders of both chambers of the General Assembly, the minority caucus chair  
20 of each chamber, a member appointed by the President of the Senate, a member  
21 appointed by the Speaker of the House of Representatives, a member appointed by  
22 the Minority Floor Leader of the Senate, a member appointed by the Minority Floor  
23 Leader of the House of Representatives, and the chair of the Committee on  
24 Appropriations and Revenue of each chamber.

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

- 1           compose the committee.
- 2       (3) Nonlegislative members of the committee shall serve without compensation but  
3           shall be reimbursed for their actual and necessary expenses, as set forth in KRS  
4           12.070(5). Committee members who are Kentucky legislators shall be compensated  
5           for attendance at committee meetings from the legislative branch budget bill and as  
6           set forth in KRS 6.190.
- 7       (4) The committee shall serve as a forum for the authority~~[council]~~ and the elected  
8           leadership of the Commonwealth to exchange ideas about the future of  
9           postsecondary education in Kentucky.
- 10      (5) The authority~~[council]~~ shall periodically review its strategic implementation plan  
11           for the strategic agenda under KRS 164.0203 and advise the committee of the  
12           actions necessary to meet the goals established in KRS 164.003(2). The elected  
13           leaders shall review and comment on the strategic agenda and the timetable for  
14           implementation.
- 15      (6) The Governor shall advise the committee about the financial condition of the  
16           Commonwealth and the probable funds the executive branch intends to recommend  
17           to the General Assembly to be appropriated for postsecondary education.
- 18      (7) The legislative members shall react to the comments of the authority~~[council]~~ and  
19           the Governor.
- 20      (8) The authority~~[council]~~ shall advise the committee about its opinion of how the  
21           postsecondary education funds projected to be available should be allocated based  
22           on priorities and projected resources. Nothing in this section shall be construed to  
23           infringe upon the Governor's duty under KRS 48.100 to recommend appropriations  
24           to the General Assembly or upon the General Assembly's power to make final  
25           appropriations in the enacted budget.
- 26      (9) The committee shall have the advisory authority not explicitly prohibited by law  
27           that is necessary to carry out and effectuate its advisory functions, duties, and

1 responsibilities, including the following:

- 2 (a) Receive reports from the authority~~[council]~~ on the development and  
 3 implementation of the long-term strategic agenda, including biennial budget  
 4 requests for postsecondary education and any subsequent and related budget  
 5 requests;
- 6 (b) Review the authority's~~[council's]~~ proposed objectives and benchmarks for the  
 7 next fiscal biennium for furthering the Commonwealth's achievement of the  
 8 goals set out in KRS 164.003(2);
- 9 (c) Consider and advise the authority~~[council]~~ on the general budget parameters  
 10 regarding development of the postsecondary budget for the next fiscal  
 11 biennium;
- 12 (d) Review biennial budget requests from the authority~~[council]~~ for the next  
 13 fiscal biennium including base funding, increases in base funding, and  
 14 funding for a strategic investment and incentive funding program, including  
 15 criteria to be used in allocating these funds to institutions; and
- 16 (e) Receive from the authority~~[council]~~, at least annually and on a more frequent  
 17 basis if requested by the committee, accountability reports, budget  
 18 information, and other information the committee deems proper~~[-; and~~
- 19 ~~(f) Serve as the search committee for the review and consideration of candidates~~  
 20 ~~to be presented to the council for the initial appointment to the position of~~  
 21 ~~president of the Council on Postsecondary Education. Each group of the~~  
 22 ~~committee shall have one (1) vote on the search committee. The vote of each~~  
 23 ~~group shall be determined by a majority of the members of that group].~~

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

- 25 (1) There is established the Governor's Postsecondary Education Nominating  
 26 Committee which shall consist of seven (7) members representing each of the  
 27 Supreme Court districts who shall be appointed by the Governor with the consent of



1 the House of Representatives and the Senate. If the General Assembly is not in  
2 session at the time of appointment, the consent of the General Assembly shall be  
3 obtained during the time the General Assembly next convenes.

4 (2) (a) In order to be eligible to serve on the Governor's Postsecondary Education  
5 Nominating Committee, a member at the time of appointment shall have no  
6 conflict of interest pursuant to KRS 45A.340. In addition, no member shall  
7 have a relative employed by a public postsecondary institution~~[, the Council~~  
8 ~~on Postsecondary Education]~~, the Kentucky Higher Education Assistance  
9 Authority, the Kentucky Higher Education Student Loan Corporation, or the  
10 Kentucky Authority for Educational Television during his or her tenure on the  
11 committee. No more than two (2) persons holding an undergraduate degree  
12 from the same institution of higher education shall be members of the  
13 committee.

14 (b) The Governor shall make the appointments so as to reflect, inasmuch as  
15 possible, equal representation of the two (2) sexes and no less than  
16 proportional representation of the two (2) leading political parties of the  
17 Commonwealth based on the state's voter registration and to assure that  
18 appointments reflect the minority racial composition of the Commonwealth.  
19 In filling vacancies to the committee, the Governor shall act so as to provide,  
20 inasmuch as possible, equal representation of the two (2) sexes by appointing  
21 a member of the sex that is the lesser represented at the time of the  
22 appointment. If the remaining membership already has an equal number of  
23 males and females, the Governor may appoint a member of either sex.

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

- 26 1. Advisory Conference of Presidents;
- 27 2. Kentucky Higher Education Assistance Authority~~[Council on~~

- 1                   ~~Postsecondary Education]~~ Student Advisory Committee;
- 2                   3. Associations representing faculty from universities, technical
- 3                   institutions, and community colleges;
- 4                   4. Associations representing university, technical institutions, and
- 5                   community college alumni;
- 6                   5. Postsecondary education advocacy groups;
- 7                   6. The Kentucky Board of Education;
- 8                   7. Associations representing business and civic interests; and
- 9                   8. Associations representing independent, nonprofit colleges and
- 10                  universities.
- 11       (3)   (a) Members of the committee representing Supreme Court districts shall serve
- 12                  six (6) year terms and until a successor is appointed, except the initial
- 13                  appointments shall be as follows:
- 14                  1. Two (2) members shall serve a two (2) year term;
- 15                  2. Two (2) members shall serve a four (4) year term; and
- 16                  3. Three (3) members shall serve a six (6) year term.
- 17       (b) The terms of the original appointees shall expire on April 14 in the year
- 18                  designated for the term, and the terms of each member appointed thereafter
- 19                  shall begin on April 15. Appointments shall be submitted to the Senate and to
- 20                  the House of Representatives for confirmation by February 1 in each year that
- 21                  a regular session of the General Assembly convenes. Each appointment shall
- 22                  be consented to by both chambers in order for the person to be confirmed. At
- 23                  the first regular meeting of the committee each fiscal year, a chairperson shall
- 24                  be selected by the membership.
- 25       (4) The members of the committee may be reimbursed for actual and necessary
- 26                  expenditures incurred in the performance of their duties. The expenses of the
- 27                  committee shall be paid out of the appropriation for the Governor's office.

- 1 (5) (a) The committee shall be responsible for submitting three (3) nominations from  
2 which the Governor shall select each gubernatorial appointment to a  
3 university or Kentucky Community and Technical College System governing  
4 board made pursuant to KRS 164.131, 164.321, and 164.821~~[and to the~~  
5 ~~Council on Postsecondary Education pursuant to KRS 164.011]~~. The  
6 committee shall not make recommendations for alumni, faculty, and staff  
7 appointments made pursuant to KRS 164.131 and 164.821 and the student  
8 appointments made pursuant to KRS 164.131, 164.321, and 164.821. If more  
9 than one (1) equivalent gubernatorial appointment is being made to a  
10 governing board~~[or the Council on Postsecondary Education]~~ at the same  
11 time, the committee shall submit a number of nominees equal to three (3)  
12 times the number of vacancies. The committee shall provide to the Governor,  
13 inasmuch as possible, an equal number of male and female nominees. If the  
14 Governor needs nominees of a particular sex in order to make an appointment,  
15 the committee shall only provide nominees of that sex. The Governor shall  
16 select the appointees from among the nominees.
- 17 (b) The committee shall be responsible for submitting three (3) nominations from  
18 which the Governor shall select each gubernatorial appointment to the  
19 Kentucky Authority for Educational Television made pursuant to KRS  
20 168.040, the Kentucky Higher Education Assistance Authority pursuant to  
21 KRS 164.746, and the Kentucky Higher Education Student Loan Corporation  
22 pursuant to KRS 164A.050. If more than one (1) appointment is being made  
23 at the same time, the committee shall submit a number of nominees equal to  
24 three (3) times the number of vacancies. The Governor shall select the  
25 appointees from among the nominees.
- 26 (c) Nominations shall be made thirty (30) days prior to the expiration of a term or  
27 as soon as practicable following an unforeseen vacancy. The Governor shall

1 make the appointment within sixty (60) days following receipt of the  
2 nominations. If the Governor does not make the appointment within sixty (60)  
3 days, the committee shall select one (1) of the nominees to serve.

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

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

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

10 (1) No appointing authority shall appoint himself ***or herself*** or his ***or her*** spouse, or the  
11 Governor or his ***or her*** spouse, to a governing board of a postsecondary institution  
12 created pursuant to KRS 164.131, 164.321, or 164.821, or to the ***Kentucky Higher***  
13 ***Education Assistance Authority***~~[Council on Postsecondary Education created~~  
14 ~~pursuant to KRS 164.011].~~

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

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

23 (4) All governing board members created pursuant to KRS 164.131, 164.321, and  
24 164.821 and the members of the ***Kentucky Higher Education Assistance***  
25 ***Authority***~~[Council on Postsecondary Education]~~ shall have no conflict of interest  
26 pursuant to KRS 45A.340, except for compensation paid to faculty, staff, or student  
27 members.

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

- 2       (1) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~  
3       ~~Education]~~ shall adopt a strategic agenda that identifies specific short-term  
4       objectives in furtherance of the long-term goals established in KRS 164.003(2).
- 5       (2) (a) The purpose of the strategic agenda is to further the public purposes under  
6       KRS 164.003 by creating high-quality, relevant, postsecondary education and  
7       adult education opportunities in the Commonwealth. The strategic agenda  
8       shall:
- 9               1. Serve as the public agenda for postsecondary education and adult  
10              education for the citizens of the Commonwealth, providing statewide  
11              priorities and a vision for long-term economic growth;
- 12              2. State those important issues and aspirations of the Commonwealth's  
13              students, employers, and workforce reflecting high expectations for their  
14              performance and the performance of the educational institutions and  
15              providers that serve them; and
- 16              3. Sustain a long-term commitment for constant improvement, while  
17              valuing market-driven responsiveness, accountability to the public,  
18              technology-based strategies, and incentive-based motivation.
- 19       (b) The *authority*~~[council]~~ shall develop a strategic implementation plan, which  
20       may be periodically revised, to achieve the strategic agenda. The strategic  
21       agenda shall serve as a guide for institutional plans and missions.
- 22       (3) The framework for the strategic implementation plan of the strategic agenda shall  
23       include the following elements:
- 24              (a) A mission statement;
- 25              (b) Goals;
- 26              (c) Principles;
- 27              (d) Strategies and objectives;

- 1 (e) Benchmarks; and
- 2 (f) Incentives to achieve desired results.
- 3 (4) The implementation plan for the strategic agenda shall take into consideration the
- 4 value to society of a quality liberal arts education and the needs and concerns of
- 5 Kentucky's employers.
- 6 (5) The authority~~[council]~~ shall develop benchmarks using criteria that shall include
- 7 but not be limited to:
- 8 (a) Use of the statistical information commonly provided by governmental and
- 9 regulatory agencies or specific data gathered by authorization of the
- 10 authority~~[council]~~;
- 11 (b) Comparison of regions and areas within the Commonwealth and comparisons
- 12 of the Commonwealth to other states and the nation; and
- 13 (c) Measures of educational attainment, effectiveness, and efficiency, including
- 14 but not limited to those set forth in KRS 164.095.
- 15 (6) The authority~~[council]~~ shall review the goals established by KRS 164.003(2) at
- 16 least every four (4) years and shall review its implementation plan at least every
- 17 two (2) years.
- 18 (7) In developing the strategic agenda, the authority~~[council]~~ shall actively seek input
- 19 from the Department of Education and local school districts to create necessary
- 20 linkages to assure a smooth and effective transition for students from the
- 21 elementary and secondary education system to the postsecondary education system.
- 22 Upon completion of the strategic agenda and strategic implementation plan, the
- 23 authority~~[council]~~ shall distribute copies to each local school district.
- 24 (8) The strategic agenda shall include a long-term strategy, developed in partnership
- 25 with the Office of Adult Education, for raising the knowledge and skills of
- 26 Kentucky's adult population, and ensuring lifelong learning opportunities for all
- 27 Kentucky adults, drawing on the resources of all state government cabinets and

1 agencies, business and civic leadership, and voluntary organizations.

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

3 The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~  
4 ~~Education in Kentucky]~~ shall promote, support, and assist in the program created in KRS  
5 158.798 by:

- 6 (1) Identifying college students who have a superior academic aptitude or achievement  
7 in math, science, and technology related course work to participate in this program;
- 8 (2) Educating higher education institutions as to the availability of this program and  
9 encouraging participation by administrators, faculty, and students;
- 10 (3) Establishing liaison and assisting in the coordination of any specific program  
11 component which involves college-level internships, scholarships, or career  
12 development.

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

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

- 19 (1) Align the programs of studies for speech-language pathology and teacher education  
20 to permit a student to successfully prepare for licensure as a speech-language  
21 pathology assistant and certification as a bachelor's level teacher of exceptional  
22 children/communication disorders;
- 23 (2) Increase the number of qualified students accepted into programs leading to  
24 licensure as a speech-language pathologist or speech-language pathology assistant  
25 and certification as a teacher of exceptional children/communication disorders,  
26 subject to:
  - 27 (a) Requirements for program certification by national certifying bodies,

- 1 including, but not limited to, student to faculty ratios;
- 2 (b) The strategic plans of the *Kentucky Higher Education Assistance*  
 3 *Authority*~~[Council on Postsecondary Education]~~ and the postsecondary  
 4 education institution; and
- 5 (c) The budgetary considerations of the postsecondary education institution.
- 6 (3) Provide expanded opportunities for speech-language pathology assistants working  
 7 in public schools to pursue licensure as a speech-language pathologist and  
 8 certification as a teacher of exceptional children/communication disorders, which  
 9 may include:
- 10 (a) Expanded opportunities for admission to on-campus programs;
- 11 (b) The development and expansion of distance learning opportunities in  
 12 collaboration with the Kentucky Commonwealth Virtual University; and
- 13 (c) Admissions requirements that take into account successful professional  
 14 experience as a speech-language pathology assistant in lieu of other  
 15 admissions requirements.

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

17 The president or chief executive officer of each four (4) year state institution of higher  
 18 learning, the president of the Kentucky Community and Technical College System, and  
 19 the president of the Association of Independent Kentucky Colleges and Universities shall  
 20 serve on an advisory conference for the *Kentucky Higher Education Assistance*  
 21 *Authority*~~[Council on Postsecondary Education]~~. The Advisory Conference of Presidents  
 22 will receive the full agenda for each meeting of the *authority*~~[council]~~ a reasonable time  
 23 prior to the *authority*~~[council]~~ meeting and, in the event of viewpoints differing from the  
 24 *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~  
 25 ~~Education]~~, an elected spokesperson for the conference may meet with the  
 26 *authority*~~[council]~~ and the executive committee to present before the *authority*~~[council]~~  
 27 the institutional positions on such issues. At least once each year the *Kentucky Higher*



1 **Education Assistance Authority**~~[Council on Postsecondary Education]~~ will meet with the  
2 Advisory Conference of Presidents.

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

4 (1) The student body president of each four (4) year public university, the two (2)  
5 student regents to be designated by the board of regents of the Kentucky  
6 Community and Technical College System, and one (1) student body president  
7 representing the members of the Association of Independent Kentucky Colleges and  
8 Universities shall serve on an advisory board to be known as the Board of Student  
9 Body Presidents. The student body president representing the independent colleges  
10 and universities shall be selected under a process established by the Association of  
11 Independent Kentucky Colleges and Universities.

12 (2) The Board of Student Body Presidents shall advise the legislative and executive  
13 branches regarding postsecondary education issues and concerns of students.

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

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

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

23 (1) The **Kentucky Higher Education Assistance Authority**~~[Council on Postsecondary  
24 Education]~~ shall have authority to provide for a program of occupational  
25 qualification development in the Commonwealth. The program may be provided for  
26 by contract with any recognized and accredited municipal junior college located  
27 within the Commonwealth. The contract shall provide that the college shall admit to

1 its course of instruction, up to such percentage of its full teaching capacity as may  
 2 be fixed by contract, residents of the Commonwealth who make application to  
 3 pursue the course of study of the college; provided, however, that the persons shall  
 4 be classified as residents according to authority~~[council]~~ administrative regulations  
 5 and shall be eligible for admissions to the junior college.

6 (2) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~  
 7 ~~Education]~~ shall pay to the college not more than two hundred dollars (\$200) per  
 8 school year for each student enrolled. The payments shall be additional to the  
 9 annual tuition fees paid by each student. The authority~~[council]~~ shall have  
 10 power~~[authority]~~ to provide by contract that it pay the expense of specific research  
 11 projects or programs conducted by the college. The authority~~[council]~~ shall make  
 12 an annual report of its occupational qualification development program after June  
 13 30 of each year, including an accounting of all moneys received and disbursed. The  
 14 authority~~[council]~~ shall have no power~~[authority]~~ to incur any obligation in excess  
 15 of the sums that have been appropriated to it.

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

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

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

25 The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~  
 26 ~~Education]~~ shall:

27 (1) Employ a director and sufficient staff to administer the professional education

- 1 preparation programs;
- 2 (2) Formulate guidelines and policies governing program activities and fund  
3 expenditures;
- 4 (3) Allocate funds to appropriate agencies, organizations, and institutions for the  
5 purpose of conducting activities approved in accordance with guidelines and  
6 policies;
- 7 (4) Recognize regional groups made up of professionals, educators, and consumers,  
8 which shall serve in an advisory capacity to the authority~~[council]~~ in accordance  
9 with guidelines and policies;
- 10 (5) Recognize a group made up of professionals, educators, and consumers which shall  
11 serve in an advisory capacity to the authority~~[council]~~ on all program matters;
- 12 (6) Develop and maintain a mechanism for evaluating the impact of the program  
13 activities on admissions to, and graduation from, professional schools, and on  
14 professional manpower distribution;
- 15 (7) Conduct specific program activities which are beyond the capability of a single  
16 institution, agency, or organization, or when it is determined that it would be  
17 inappropriate for such institutions, agencies, or organizations to conduct the  
18 activity;
- 19 (8) Establish liaison with and provide assistance to the Kentucky Board of Education in  
20 developing counseling and other related programs to encourage students from  
21 shortage areas to prepare for professional careers;
- 22 (9) Coordinate the development of a financial support system to enable potential  
23 professional students in underserved areas which will enhance their ability to apply  
24 for, be admitted to, and graduate from professional education programs;
- 25 (10) Report at least annually to the appropriate committees and interim committees of  
26 the General Assembly on the operation of the program.

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

- 1 (1) In order to help prospective students make more informed decisions about their  
2 futures and ensure that they are adequately aware of the cost of college and other  
3 career paths, the Kentucky Higher Education Assistance Authority~~[Council on~~  
4 ~~Postsecondary Education]~~ shall compile on an annual basis the following  
5 information:
- 6 (a) The most in-demand jobs in the state along with the starting salary, the  
7 median salary, and the typical education level for those jobs;
- 8 (b) For the University of Kentucky, the University of Louisville, each  
9 comprehensive university, and each college within the Kentucky Community  
10 and Technical College System:
- 11 1. The average cost;
  - 12 2. The average three (3) year student loan default rate;
  - 13 3. The average student loan debt for students who have attended the  
14 institution;
  - 15 4. The percentage of students taking out student loans;
  - 16 5. The average graduation rate and average time to completion;
  - 17 6. The number of students completing high school credential programs and  
18 career and technical education programs, and, as available, the number  
19 of students completing apprenticeship programs; and
  - 20 7. The median and range of starting salaries for graduates; and
- 21 (c) For each college within the Kentucky Community and Technical College  
22 System, the percentage of students employed by program area and, as data  
23 becomes available, the rate of students gainfully employed in the recognized  
24 occupation for which the student was trained or in a related comparable  
25 recognized occupation.
- 26 (2) The Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~  
27 ~~Education]~~ shall maintain and ensure access to the information by prospective

1 students in the state. The authority~~[council]~~ shall work with the Kentucky Center  
 2 for Statistics, the Kentucky Department of Education, and the Education and Labor  
 3 Cabinet, ~~[and the Kentucky Higher Education Assistance Authority]~~ and other  
 4 stakeholders the authority~~[council]~~ determines necessary to develop a delivery  
 5 method to carry out the objectives of this section.

6 (3) The authority~~[council]~~ may promulgate administrative regulations necessary to  
 7 carry out this section and may require and compile information for specific  
 8 programs within the postsecondary institutions identified in subsection (1)(b) of this  
 9 section.

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

11 (1) The Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~  
 12 ~~Education]~~ shall create a STEM Initiative Task Force for the purpose of providing  
 13 leadership and strategic direction to a comprehensive, statewide STEM initiative to  
 14 improve Kentucky's position for success in the knowledge-based economy by  
 15 expanding and strengthening educational and economic development opportunities  
 16 in science, technology, engineering, and mathematics. The STEM Initiative Task  
 17 Force shall be composed of representatives from the executive and legislative  
 18 branches of government, postsecondary education, elementary and secondary  
 19 education, professionals within the STEM disciplines, and the business community.

20 (2) The executive director~~[president]~~ of the Kentucky Higher Education Assistance  
 21 Authority~~[Council on Postsecondary Education]~~ shall appoint members to the  
 22 STEM Initiative Task Force, except that the President of the Senate shall appoint  
 23 two (2) members of the Kentucky Senate and the Speaker of the House of  
 24 Representatives shall appoint two (2) members of the House of Representatives to  
 25 the task force. The task force members appointed by the executive  
 26 director~~[president]~~ of the Kentucky Higher Education Assistance  
 27 Authority~~[Council on Postsecondary Education]~~ shall include but not be limited to

1 the representatives on the STEM Initiative Steering Committee under subsection (4)  
2 of this section. The total number of members of the STEM Initiative Task Force  
3 shall be determined by the executive director~~[president]~~ of the Kentucky Higher  
4 Education Assistance Authority~~[Council on Postsecondary Education]~~.

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

9 (4) The STEM Initiative Task Force shall have a steering committee to provide  
10 oversight and coordination of the implementation of the STEM strategic and  
11 business plans developed by the task force under KRS 164.0287, and to determine  
12 the allocation of funds from Kentucky STEM Initiative fund under KRS 164.0288.  
13 The chair of the STEM Initiative Task Force shall be the chair of the steering  
14 committee, and a vice chair shall be elected by members of the steering committee.  
15 The steering committee shall be composed of task force members as follows:

- 16 (a) Two (2) representatives of the Kentucky Cabinet for Economic Development;  
17 (b) One (1) representative of the Center for Applied Energy Research at the  
18 University of Kentucky;  
19 (c) One (1) representative of the Kentucky Rural Energy Consortium at the  
20 University of Louisville;  
21 (d) Two (2) representatives of the Kentucky Chamber of Commerce;  
22 (e) One (1) representative of the Kentucky Science and Technology Corporation;  
23 (f) Two (2) representatives of the Kentucky Higher Education Assistance  
24 Authority~~[Council on Postsecondary Education]~~;  
25 (g) One (1) president of a public university;  
26 (h) One (1) representative of the Kentucky Community and Technical College  
27 System;

- 1 (i) One (1) representative of the Association of Kentucky Independent Colleges  
2 and Universities;
- 3 (j) Two (2) representatives of the Kentucky Department of Education;
- 4 (k) Two (2) representatives of the Kentucky Education Association;
- 5 (l) One (1) representative of the Kentucky School Boards Association;
- 6 (m) One (1) representative of the Kentucky Association of School Administrators;
- 7 (n) One (1) representative of the Education Professional Standards Board; and
- 8 (o) The task force chair.
- 9 (5) When making the appointment of a representative required under subsection (4) of  
10 this section, the executive director~~[president]~~ of the Kentucky Higher Education  
11 Assistance Authority~~[Council on Postsecondary Education]~~ shall seek the advice of  
12 the chief executive officer of the organization, agency, or association being  
13 represented, except that the advice of the Kentucky Council of Presidents shall be  
14 sought regarding the selection of a public university president to serve.
- 15 (6) Each STEM Initiative Task Force member shall serve a term of three (3) years, or  
16 until a successor is appointed or qualified, except that, to the degree possible, for  
17 members appointed by the executive director~~[president]~~ of the Kentucky Higher  
18 Education Assistance Authority~~[Council on Postsecondary Education]~~, the initial  
19 term of one-third (1/3) of the members shall be for one (1) year, one-third (1/3) for  
20 two (2) years, and one-third (1/3) for three (3) years. A member may be reappointed  
21 to the task force at the discretion of the executive director~~[president]~~ of the  
22 Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~  
23 ~~Education]~~.
- 24 (7) The task force shall meet at least semiannually or upon the call of the chair, and a  
25 majority of the full membership shall constitute a quorum.
- 26 (8) The task force, under the leadership of the chair, may appoint committees,  
27 subcommittees, advisory groups, or other work structures to accomplish its

1 purposes.

- 2 (9) Members of the task force shall serve without compensation but may be reimbursed  
3 for necessary travel and expenses while attending meetings or conducting approved  
4 activities at a per diem rate not to exceed the rate promulgated in administrative  
5 regulation for state employees under the provisions of KRS Chapter 45.
- 6 (10) The task force shall be attached to the *Kentucky Higher Education Assistance*  
7 *Authority*~~[Council on Postsecondary Education]~~ for administrative purposes. The  
8 *authority*~~[council]~~ may enter into a memorandum of agreement with the Kentucky  
9 Department of Education for staff and other administrative expenses relating to the  
10 implementation of KRS 164.0285 to 164.0288.
- 11 (11) The task force may create a public or nonprofit corporation or contract with an  
12 existing nonprofit corporation to facilitate the public-private collaboration in the  
13 development and implementation of the STEM Initiative.
- 14 (12) The task force or the public or nonprofit corporation which may be utilized under  
15 subsection (11) of this section may receive and expend funds from state  
16 appropriations and may solicit, apply for, and receive funds, grants, contracts,  
17 contributions, property, or services from a person, government agency, or other  
18 organization, public or private. Determination of the use of funds received by the  
19 task force shall be established by the STEM Initiative Steering Committee pursuant  
20 to this section.
- 21 (13) Funds appropriated to the task force or the public or nonprofit corporation which  
22 may be utilized under subsection (11) of this section shall not lapse at the end of a  
23 fiscal year but shall be carried forward to the next fiscal year to be used solely to  
24 support the purposes for which the funds were appropriated.
- 25 (14) The task force or the public or nonprofit corporation which may be utilized under  
26 subsection (11) of this section shall:
- 27 (a) Follow standard accounting practices;



- 1 (b) Have an independent auditor conduct an annual financial audit; and
- 2 (c) Submit a quarterly report of receipts and expenditures no later than sixty (60)
- 3 days after the end of a calendar quarter. The task force shall file its report with
- 4 the *Kentucky Higher Education Assistance Authority*~~[Council on~~
- 5 ~~Postsecondary Education]~~ and a public or nonprofit corporation shall file its
- 6 report to the STEM Initiative Task Force.

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

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

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

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

27 The Area Health Education System in the *Kentucky Higher Education Assistance*

1 Authority~~[Council on Postsecondary Education]~~ is hereby recognized.

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

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

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

10 (1) ~~[Effective August 1, 2002, ]~~The Kentucky Higher Education Assistance  
11 Authority~~[Council on Postsecondary Education]~~ shall administer a competitive  
12 grant program to enable the establishment of local P-16 councils. A P-16 council  
13 may be called a council of partners. The Kentucky Higher Education Assistance  
14 Authority~~[Council on Postsecondary Education]~~ and the Kentucky Board of  
15 Education shall jointly establish the criteria for participation in the grant program  
16 and the amount of funds available to each local P-16 council based on funds  
17 appropriated for this purpose. A postsecondary education institution shall assume  
18 the leadership role for managing a local P-16 council grant.

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

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

26       ➔Section 23. KRS 164.035 is amended to read as follows:

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

1 ~~Education~~], in consultation with the Office of Adult Education and the statewide reading  
 2 research center established under KRS 164.0207, shall assess the need for technical  
 3 assistance, training, and other support to assist in the development of adult education and  
 4 workforce development that support the state strategic agenda and that include a  
 5 comprehensive coordinated approach to education and training services. The  
 6 authority~~[council]~~ shall promote the involvement of universities; colleges; technical  
 7 institutions; elementary and secondary educational agencies; labor, business, and industry  
 8 representatives; community-based organizations; citizens' groups; and other policymakers  
 9 in the development of the regional strategies.

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

11 The Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~  
 12 ~~Education]~~ may identify academic programs offered at institutions to which the criteria  
 13 for a standardized degree program shall be applied.

14 (1) If the authority~~[council]~~ determines that a particular degree program offered by any  
 15 state postsecondary institution shall be a standardized degree program, then the  
 16 authority~~[council]~~ shall direct each institution offering the degree program to  
 17 collaborate under the direction of the authority~~[council]~~ and establish the courses  
 18 and the course content required for that degree program.

19 (2) If the various institutions cannot agree upon the courses required or the content of  
 20 the courses, then the authority~~[council]~~ shall make these determinations.

21 (3) All courses approved for a standardized degree shall be transferable among all  
 22 institutions granting that degree.

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

24 For the purposes of KRS 164.0401 to 164.0407:

25 (1) "Authority" means the Kentucky Higher Education Assistance  
 26 Authority~~["Council" means the Council on Postsecondary Education];~~

27 (2) "Dedicated funds" means a gift, grant, or donation to the fund that is subject to

- 1 restrictions imposed by a private grantor under KRS 164.0401 to 164.0407;
- 2 (3) "Eligible healthcare credential" means:
- 3 (a) A licensed alcohol and drug counselor, licensed clinical alcohol and drug  
4 counselor, licensed clinical alcohol and drug counselor associate, professional  
5 art therapist, professional art therapist associate license, or community health  
6 worker certificate issued pursuant to KRS Chapter 309;
- 7 (b) Any emergency medical services license or certificate issued pursuant to KRS  
8 Chapter 311A;
- 9 (c) Any medical imaging, radiation, or other license issued pursuant to KRS  
10 Chapter 311B;
- 11 (d) A dental hygienist or dental assistant license issued pursuant to KRS Chapter  
12 313;
- 13 (e) Any nursing license or certificate issued pursuant to KRS Chapter 314 or  
14 registration as a state-registered nursing aide with the Kentucky Board of  
15 Nursing;
- 16 (f) A respiratory care practitioner certificate issued pursuant to KRS Chapter  
17 314A;
- 18 (g) Any psychology license or certificate issued pursuant to KRS Chapter 319;
- 19 (h) Any occupational therapy license issued pursuant to KRS Chapter 319A;
- 20 (i) Any behavior analyst license issued pursuant to KRS Chapter 319C;
- 21 (j) Any physical therapy certificate or license issued pursuant to KRS Chapter  
22 327; and
- 23 (k) Any social worker, marriage and family therapist, or professional counselor  
24 certificate or license issued pursuant to KRS Chapter 335;
- 25 (4) "Grantor" means an individual or an entity that gifts, grants, or donates moneys to  
26 the Kentucky healthcare workforce investment fund established in KRS 164.0402;
- 27 (5) "Healthcare partner" means a grantor to the Kentucky healthcare workforce

1 investment fund that is:

2 (a) A healthcare provider as defined in KRS 367.4081;

3 (b) A healthcare facility licensed by and operating in Kentucky;

4 (c) A qualified mental health professional as defined in KRS 202A.011; or

5 (d) Any healthcare or healthcare-related association, individual, or corporation  
6 doing business in and incorporated under the laws of the Commonwealth;

7 (6) "Healthcare program" means an education or training program that is a specific  
8 requirement to an eligible healthcare credential, including but not limited to a high  
9 school healthcare vocational program;

10 (7) "Historically underserved county" means a county of the Commonwealth with  
11 enhanced workforce demands, as demonstrated by:

12 (a) Objective healthcare workforce data that demonstrates needs and demands  
13 upon its healthcare workforce that exceed the statewide average; and

14 (b) Final unemployment figures calculated by the Department of Workforce  
15 Development demonstrating a countywide rate of unemployment that exceeds  
16 the statewide unemployment rate of the Commonwealth:

17 1. In the most recent five (5) consecutive calendar years; or

18 2. By two hundred percent (200%) in the most recent calendar year; and

19 (8) "Kentucky resident" is a Kentucky resident as defined by the authority~~[council]~~  
20 pursuant to KRS 164.020(8).

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

22 (1) It is the intent of the General Assembly to address Kentucky's persistent shortage of  
23 a broad spectrum of certified and licensed healthcare professionals, including  
24 nurses, mental health professionals, and emergency medical services professionals,  
25 by incentivizing collaboration between healthcare programs, healthcare industry  
26 partners, and the Commonwealth to grow and strengthen the education and training  
27 pipeline of healthcare professionals within Kentucky to better serve patients across

- 1 the Commonwealth by:
- 2 (a) Improving the ability of a broad variety of Kentucky's healthcare programs to  
3 meet the workforce demands and capacity of the Commonwealth, including  
4 the workforce demands of historically underserved counties;
- 5 (b) Raising awareness of and interest in a broad variety of healthcare occupations  
6 and reducing the barriers of access to the healthcare programs necessary to  
7 pursue these occupations, including financial barriers;
- 8 (c) Increasing knowledge and awareness of opportunities in high-need areas of  
9 healthcare, including but not limited to geriatrics and neurology;
- 10 (d) Improving pathways between high school career and technical programs and  
11 other healthcare programs; and
- 12 (e) Developing strategies for healthcare organizations to support career growth  
13 and development for their employees.
- 14 (2) There is hereby created the Kentucky healthcare workforce investment fund to be  
15 administered by the authority~~[council]~~ for the purpose of funding:
- 16 (a) Public and private partnerships to provide healthcare training scholarships in  
17 accordance with KRS 164.0403 to reduce the financial barriers of Kentucky  
18 residents seeking high-demand eligible healthcare credentials;
- 19 (b) Healthcare program incentives in accordance with KRS 164.0404 to reward  
20 performance and excellence among the Commonwealth's healthcare  
21 programs; and
- 22 (c) The authority's~~[council's]~~ administrative, research, consulting, fundraising,  
23 planning, and analysis costs of KRS 164.0401 to 164.0407.
- 24 (3) (a) It is the intent of the General Assembly to encourage private financial and  
25 philanthropic support of the Kentucky healthcare workforce investment fund,  
26 as the healthcare industry directly benefits from a well-trained workforce  
27 capable of meeting its employment needs and the needs of patients. To the

- 1 extent allowed by applicable laws, the fund may directly accept gifts, grants,  
2 or donations subject to restrictions imposed by a grantor.
- 3 (b) Notwithstanding KRS 45.229, any moneys appropriated to the fund by the  
4 General Assembly remaining in the fund at the end of any fiscal year prior to  
5 the 2029-2030 fiscal year shall not lapse.
- 6 (c) Any moneys appropriated to the fund by the General Assembly remaining in  
7 the fund at the end of the 2029-2030 fiscal year shall be forfeited and shall  
8 lapse to the general fund.
- 9 (d) Any moneys contributed by grantors remaining in the fund at the end of the  
10 2029-2030 fiscal year shall be returned to each grantor proportionally based  
11 on the amount donated by the grantor in relation to the total amount donated  
12 by all grantors.
- 13 (4) Subject to available funds, the Kentucky healthcare workforce investment fund  
14 shall consist of any:
- 15 (a) Appropriations designated for the fund;
- 16 (b) Funds, grants, and receipts from the authority's~~council's~~ fundraising  
17 activities on behalf of the fund; and
- 18 (c) Other moneys made available for the purposes of the fund.
- 19 (5) Any interest earnings of the fund shall become a part of the fund and shall lapse  
20 only as provided in subsection (3) of this section, except that interest on moneys  
21 contributed by a grantor shall not lapse. Moneys in the fund are hereby appropriated  
22 for the purposes set forth in this section.
- 23 (6) The portion of the fund expended towards the authority's~~council's~~ costs of  
24 administering KRS 164.0401 to 164.0407 shall not exceed four percent (4%) of all  
25 gross moneys in the fund or one million five hundred thousand dollars (\$1,500,000)  
26 annually, whichever is less.
- 27 (7) (a) The authority~~council~~ shall promulgate administrative regulations by July 1,

1           2023, in accordance with this subsection and KRS Chapter 13A to administer  
2           KRS 164.0401 to 164.0407.

3           (b) At least thirty (30) days before filing an administrative regulation with the  
4           regulations compiler, the authority~~[council]~~ shall first submit the draft  
5           administrative regulation, a detailed implementation plan, and other  
6           documents required to be filed by KRS Chapter 13A to the members of the  
7           Interim Joint Committee on Education and the Interim Joint Committee on  
8           Health Services for review and comment.

9           (c) The authority~~[council]~~ shall consider any comments and recommendations  
10          provided by the members of the Interim Joint Committee on Education and  
11          the Interim Joint Committee on Health Services before filing the  
12          administrative regulation.

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

14         (1) The authority~~[council]~~ shall reserve at least sixty-five percent (65%) of all net  
15         moneys in the Kentucky healthcare workforce investment fund for partnership  
16         proposals between healthcare programs and healthcare partners to provide  
17         healthcare training scholarships to Kentucky residents enrolled in healthcare  
18         programs in Kentucky.

19         (2) In accepting partnerships, the authority~~[council]~~ shall evaluate each partnership  
20         proposal to determine if the proposal meets the requirements of this section and  
21         administrative regulations promulgated by the authority~~[council]~~. The  
22         administrative regulations shall create a process to prioritize accepting partnerships  
23         to proposals:

24         (a) Targeted to address the specific needs of a historically underserved county or  
25         to improve racial and ethnic diversity within a specific designated healthcare  
26         credential targeted by the partnership;

27         (b) Targeted to reduce the workforce demand of a specific eligible healthcare



- 1 credential that is determined by the authority[~~council~~], based on objective  
2 criteria, to be among the highest in demand in the Commonwealth; or
- 3 (c) From healthcare partners with fifty (50) or fewer employees.
- 4 (3) A partnership shall require a written partnership contract between a healthcare  
5 program, healthcare partner, and the authority[~~council~~]. The partnership contract  
6 shall:
- 7 (a) Prohibit any disbursement of moneys from the Kentucky healthcare  
8 workforce investment fund until the moneys appropriated by the General  
9 Assembly to be distributed are matched, at least dollar for dollar, with moneys  
10 deposited to the fund by the healthcare partner;
- 11 (b) Require the healthcare program to use all moneys distributed to the healthcare  
12 program pursuant to the partnership contract to issue direct healthcare training  
13 scholarships to Kentucky students enrolled in the healthcare program;
- 14 (c) If applicable to a healthcare program, require that the healthcare training  
15 scholarship application process encourage applicants to complete the Free  
16 Application for Federal Student Aid; and
- 17 (d) Meet all other requirements set forth in this section and administrative  
18 regulation, including but not limited to any reporting requirements to the  
19 authority[~~council~~].
- 20 (4) Disbursements of moneys from the Kentucky healthcare workforce investment fund  
21 to support healthcare training scholarships shall be made directly to a healthcare  
22 program pursuant to the terms of the partnership contract.
- 23 (5) A healthcare program that enters a partnership contract shall solicit, accept, and  
24 review healthcare training scholarship applications submitted by students enrolled  
25 in the healthcare program. A partnership contract may require that a healthcare  
26 program do so in collaboration with the healthcare partner. The healthcare program  
27 shall award healthcare training scholarships pursuant to any scholarship criteria set

1        forth in the partnership contract, this section, and administrative regulations. The  
2        decisions of the healthcare program in the issuance of scholarships shall be final.

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

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

12       (b) Sign a promissory note as evidence of the scholarship and the obligation to  
13       repay the scholarship amount upon failure to complete terms of the contract.

14       (7) A grantor may place restrictions upon a contribution to the Kentucky healthcare  
15       workforce investment fund requiring specific criteria for a healthcare training  
16       scholarship or scholarships funded by the grantor's dedicated funds to students who  
17       agree in the scholarship contract required by subsection (6)(a) of this section to  
18       practice as a certified or licensed healthcare professional, including but not limited  
19       to criteria restricting:

20       (a) Except as provided in subsection (9) of this section, employment by the  
21       healthcare partner for the contract period; or

22       (b) Employment at a location within a designated geographic area of the  
23       Commonwealth for the contract period.

24       (8) The healthcare training scholarship contract shall grant the healthcare program, the  
25       Commonwealth, or the healthcare partner the authority to initiate recoupment  
26       proceedings for the recovery of the total amount of all healthcare training  
27       scholarships awarded to an individual that fails to complete the terms of a contract

1 entered into in accordance with subsection (6) of this section, together with  
2 reasonable attorney fees and interest at a compound rate not to exceed eight percent  
3 (8%) per annum from the date of disbursement from the fund.

4 (9) A healthcare training scholarship shall not:

5 (a) Be awarded to an applicant enrolled in a state registered nursing aide training  
6 and competency evaluation program who is:

7 1. Not charged for any portion of the program pursuant to 42 C.F.R. sec.  
8 483.152(c)(1); or

9 2. Eligible for reimbursement for the costs of the program pursuant to 42  
10 C.F.R. sec. 483.152(c)(2) prior to entering the scholarship contract; or

11 (b) Include an employment restriction that would restrict the recipient to be  
12 employed by a specific healthcare partner for the contract period required by  
13 subsection (6) of this section or that would otherwise constitute an offer of  
14 employment in accordance with 42 C.F.R. sec. 483.152(c)(1).

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

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

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

25 (2) The authority~~council~~ shall promulgate administrative regulations to establish  
26 criteria for issuing healthcare program incentives. The criteria shall consider the  
27 following factors:

- 1 (a) The workforce demands and capacity for a specific eligible healthcare  
2 credential;
- 3 (b) The workforce demands and capacity for a specific eligible healthcare  
4 credential within historically underserved counties;
- 5 (c) The percentage of increase over a baseline standard in the number of students  
6 completing the healthcare program;
- 7 (d) The passage rate and first-time passage rate of graduates of the healthcare  
8 program on the healthcare credential examination; and
- 9 (e) Any other objective factors determined by the authority~~[council]~~ to be  
10 relevant to the evaluation of the performance and excellence of the healthcare  
11 programs and the ability of the healthcare programs to meet the workforce  
12 needs of the communities they serve.
- 13 (3) (a) The authority~~[council]~~, or its designee, shall solicit, accept, and review  
14 applications for healthcare program incentives by healthcare programs located  
15 in Kentucky. The authority~~[council]~~, or its designee, shall select the  
16 healthcare programs to receive healthcare program incentives and the amount  
17 thereof based on the criteria established by this section, administrative  
18 regulations, and a grantor of dedicated funds, if applicable.
- 19 (b) A healthcare partner that is the grantor of dedicated funds may reserve the  
20 right to require the authority~~[council]~~, or its designee, to collaborate with the  
21 healthcare partner in fulfilling the duties assigned under paragraph (a) of this  
22 subsection for any healthcare program incentive funded by the grantor's  
23 dedicated funds, except an incentive shall not be:
- 24 1. Awarded to a healthcare program that has gifted, granted, or donated  
25 any moneys to the fund that are dedicated funds reserved for the purpose  
26 of issuing incentives under this section; or
- 27 2. Restricted to a specific healthcare program or pursuant to criteria which

1           would have the impact of effectively excluding all but a single  
2           healthcare program from qualification.

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

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

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

10      (b) Maintenance and acquisition of medical equipment utilized by the healthcare  
11      program.

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

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

16      (1) The authority~~[council]~~ shall submit a written report to the Interim Joint Committee  
17      on Education, the Interim Joint Committee on Health Services, and the Interim Joint  
18      Committee on Appropriations and Revenue Budget Review Subcommittee on  
19      Education no later than December 1 of each year. The report shall include:

20      (a) A detailed summary of the authority's~~[council's]~~ costs throughout the year;

21      (b) Legislative recommendations to help grow and strengthen the education and  
22      training pipeline of healthcare professions within Kentucky;

23      (c) A detailed overview of the Kentucky healthcare workforce investment fund,  
24      including an accounting of all moneys raised and expended;

25      (d) A detailed analysis of healthcare training scholarships awarded pursuant to  
26      KRS 164.0403, including but not limited to:

27          1. The criteria used to award the scholarships;

- 1           2.    The number of scholarships awarded and the amount of each  
2           scholarship;
- 3           3.    An overview of the demographic information of scholarship recipients,  
4           including the county of residence;
- 5           4.    The names of the healthcare programs with scholarship recipients and  
6           the type of eligible healthcare credential corresponding to each program;  
7           and
- 8           5.    To the extent available, student and program outcomes, including but  
9           not limited to:
  - 10           a.    Graduation rates of the healthcare program overall and of  
11           scholarship recipients as compared to an established baseline  
12           within any such program;
  - 13           b.    Employment and employment retention rates of the healthcare  
14           program overall and scholarship recipients; and
  - 15           c.    The workforce participation of program graduates practicing in  
16           Kentucky under an eligible healthcare credential in relation to the  
17           workforce demand and capacity for that specific eligible  
18           healthcare credential; and
- 19       (e)   A detailed analysis of the number of the healthcare program incentives  
20       awarded pursuant to KRS 164.0404, including but not limited to:
  - 21           1.    The criteria used by the authority~~[council]~~ to award the incentives;
  - 22           2.    The number of incentives awarded;
  - 23           3.    The name of each healthcare program that received an incentive, the  
24           corresponding eligible healthcare credential, and the amount of the  
25           incentive; and
  - 26           4.    The qualifications of each healthcare program that received an incentive  
27           in relation to the criteria identified by the authority~~[council]~~ for

1                   awarding the incentives.

2 (2) If the report required by subsection (1) of this section is not filed by December 14  
3 of each year, or a later date approved by the Interim Joint Committee on Education  
4 and the Interim Joint Committee on Health Services, any appropriations to the fund  
5 shall be forfeited and any remaining moneys in the fund appropriated by the  
6 General Assembly shall lapse to the general fund. The authority~~[council]~~ shall  
7 return any remaining private moneys to its grantor, prorated as necessary.

8       ➔Section 30. KRS 164.043 is amended to read as follows:

9 (1) There is hereby created in the State Treasury a cancer research matching fund  
10 designated as the "cancer research institutions matching fund." The fund shall be  
11 administered by the Kentucky Higher Education Assistance Authority~~[Council for~~  
12 ~~Postsecondary Education]~~. For tax periods beginning on or after June 1, 2005, the  
13 one-cent (\$0.01) surtax collected under KRS 138.140(1)(c) shall be deposited in the  
14 fund and shall be made available for matching purposes to the following  
15 universities for cancer research:

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

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

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

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

23 (4) To receive the funds, the universities shall provide dollar-for-dollar matching funds.  
24 The matching funds shall come from external sources to be eligible for the state  
25 match. External source contributions are those that originate outside the university  
26 and its affiliated corporations. The matching funds shall be newly generated to be  
27 eligible for state match. Newly generated contributions are those received by the

1 university after April 1, 2005.

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

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

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

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

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

8 The members of the *Kentucky Higher Education Assistance Authority*~~[Council on~~  
9 ~~Postsecondary Education]~~ shall receive one hundred dollars (\$100) per day for each  
10 *authority*~~[council]~~ meeting attended and shall be reimbursed for their necessary traveling  
11 and other expenses while attending the meetings of the *authority*~~[council]~~, except a  
12 member who resides outside the Commonwealth shall not be reimbursed for out-of-state  
13 travel. Each institution shall pay the expenses of its own representatives. The expenses of  
14 the chief state school officer shall be paid by the state in the same manner as his *or her*  
15 other traveling expenses are paid.

16 ➔Section 32. KRS 164.060 is amended to read as follows:

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

21 ➔Section 33. KRS 164.070 is amended to read as follows:

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

24 ➔Section 34. KRS 164.080 is amended to read as follows:

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

27 ➔Section 35. KRS 164.090 is amended to read as follows:



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

4 ➔Section 36. KRS 164.092 is amended to read as follows:

5 (1) For purposes of this section:

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

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

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

12 ~~{(c) "Council" means the Council on Postsecondary Education;}~~

13 (d) "Equilibrium" means a condition in which every institution has an  
14 appropriately proportionate level of resources as determined by the  
15 performance funding model established in this section given each institution's  
16 level of productivity in achieving student success outcomes, course  
17 completion outcomes, and other components included in the model;

18 (e) "Formula base amount" means an institution's enacted general fund  
19 appropriation amount minus debt service on bonds and appropriations for  
20 mandated programs;

21 (f) "Hold-harmless provision" means a provision included in the funding  
22 formulas as described in subsection (9) of this section that prevents a  
23 reduction of a designated portion of funding for an institution through  
24 operation of the funding formula;

25 (g) "Institution" means a college in the Kentucky Community and Technical  
26 College System or a public university;

27 (h) "KCTCS" means the Kentucky Community and Technical College System;

- 1 (i) "KCTCS institution allocable resources" means the formula base amount net  
2 of any equity adjustment as described in subsection (7)(b) of this section, any  
3 amount protected by a hold-harmless provision, and any applicable increase  
4 or decrease in general fund appropriations;
- 5 (j) "Mandated program" means a research or public service activity that is not  
6 integral to the instructional mission of the institution and is identified by the  
7 General Assembly in the biennial budget;
- 8 (k) "Nontraditional age students" means students between the ages of twenty-five  
9 (25) and sixty-four (64);
- 10 (l) "Performance fund" means the postsecondary education performance fund  
11 established in subsection (13) of this section;
- 12 (m) "Research universities" means the University of Kentucky and the University  
13 of Louisville;
- 14 (n) "Stop-loss provision" means a provision included in the funding formulas as  
15 described in subsection (9) of this section to limit reduction of an institution's  
16 funding amount to a predetermined percentage, notwithstanding the amounts  
17 calculated by operation of the formula; and
- 18 (o) "University allocable resources" means the formula base amount net of any  
19 small school adjustment as described in subsection (5)(c) of this section, any  
20 amount protected by a hold-harmless provision, and any applicable increase  
21 or decrease in general fund appropriations.
- 22 (2) The General Assembly hereby finds that improving opportunity for the  
23 Commonwealth's citizens and building a stronger economy can be achieved by its  
24 public college and university system focusing its efforts and resources on the goals  
25 of:
- 26 (a) Increasing the retention and progression of students toward timely credential  
27 or degree completion;

- 1 (b) Increasing the number and types of credentials and degrees earned by all types  
2 of students;
- 3 (c) Increasing the number of credentials and degrees that garner higher salaries  
4 upon graduation, such as science, technology, engineering, math, and health,  
5 and in areas of industry demand;
- 6 (d) Closing achievement gaps by increasing the number of credentials and  
7 degrees earned by low-income students, underprepared students,  
8 underrepresented students, and nontraditional age students; and
- 9 (e) Facilitating credit hour accumulation and transfer of students from KCTCS to  
10 four (4) year postsecondary institutions.
- 11 (3) (a) The General Assembly hereby declares these goals can best be accomplished  
12 by implementing a comprehensive funding model for the allocation of state  
13 general fund appropriations for postsecondary institution operations that  
14 aligns the Commonwealth's investments in postsecondary education with the  
15 Commonwealth's postsecondary education policy goals and objectives.
- 16 (b) The General Assembly further recognizes that priority for state general fund  
17 appropriations for postsecondary institutions should be given to each  
18 institution's funding floor over appropriations to the performance fund. For  
19 purposes of this section, "funding floor" means an institution's fiscal year  
20 2020-2021 general fund appropriation included in 2020 Ky. Acts ch. 92, plus  
21 any fiscal year 2020-2021 distribution from the performance fund, and minus  
22 fiscal year 2020-2021 debt service on bonds and appropriations for mandated  
23 programs.
- 24 (4) This section establishes a comprehensive funding model for the public  
25 postsecondary education system to be implemented by the Kentucky Higher  
26 Education Assistance Authority~~[Council on Postsecondary Education]~~. The  
27 funding model shall include a public university sector formula and a KCTCS sector

1 formula, and shall not include any race-based metrics or targets in the formulas.

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

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

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

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

13 (d) Be constructed to achieve equilibrium, at which point the funding formula  
14 rewards rates of improvement above the sector average rate.

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

16 (a) Forty percent (40%) of total university allocable resources shall be distributed  
17 based on each university's share of total student success outcomes produced,  
18 including but not limited to:

19 1. Bachelor's degree production;

20 2. Numbers of students progressing beyond thirty (30), sixty (60), and  
21 ninety (90) credit hour thresholds;

22 3. Science, technology, engineering, math, and health bachelor's degree  
23 production; and

24 4. Bachelor's degrees earned by low-income students and underrepresented  
25 students;

26 (b) Thirty percent (30%) of total university allocable resources shall be  
27 distributed based on each university's share of sector total student credit hours

1 earned, excluding dual credit enrollment, weighted to account for cost  
2 differences by academic discipline and course level, such as lower and upper  
3 division baccalaureate, master's, doctoral research, doctoral professional, and  
4 nontraditional age students; and

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

7 1. Ten percent (10%) shall be distributed based on each university's share  
8 of Category I and Category II square feet, net of research, nonclass  
9 laboratory, and open laboratory space, to support maintenance and  
10 operation of campus facilities and may include a space utilization factor  
11 as determined by the authority~~[council]~~ in collaboration with the  
12 working group established in subsection (11) of this section;

13 2. Ten percent (10%) shall be distributed based on each university's share  
14 of total instruction and student services spending, net of maintenance  
15 and operation, to support campus administrative functions; and

16 3. Ten percent (10%) shall be distributed based on each university's share  
17 of total full-time equivalent student enrollment to support academic  
18 support services such as libraries and academic computing.

19 (7) The funding formula for the KCTCS sector:

20 (a) Shall distribute one hundred percent (100%) of KCTCS institution allocable  
21 resources for all KCTCS colleges 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 (b) May include an adjustment to account for community economic disadvantage  
26 in some regions of the Commonwealth as determined by the  
27 authority~~[council]~~; and

1 (c) Shall be constructed to achieve equilibrium, at which point the funding  
2 formula rewards rates of improvement above the sector average rate.

3 (8) Funding for the KCTCS sector shall be distributed as follows:

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

7 1. Certificate, diploma, and associate degree production, weighted to  
8 provide a premium for credentials that are aligned with the economic  
9 needs of the state;

10 2. Numbers of students progressing beyond fifteen (15), thirty (30), and  
11 forty-five (45) credit hour thresholds;

12 3. Credentials earned by low-income students, underprepared students,  
13 underrepresented students, and nontraditional age students; and

14 4. Transfers to four (4) year institutions;

15 (b) Thirty-five percent (35%) of total KCTCS institution allocable resources shall  
16 be distributed based on each college's share of total student credit hours  
17 earned, weighted to account for cost differences by academic discipline; and

18 (c) Thirty percent (30%) of total KCTCS institution allocable resources shall be  
19 distributed in support of vital campus operations as follows:

20 1. Ten percent (10%) shall be distributed based on each college's share of  
21 Category I and Category II square feet, net of research, nonclass  
22 laboratory, and open laboratory space, to support maintenance and  
23 operation of campus facilities and may include a space utilization factor  
24 as determined by the authority~~[council]~~ in collaboration with the  
25 postsecondary education working group established in subsection (11)  
26 of this section;

27 2. Ten percent (10%) shall be distributed based on each college's share of

1 total instruction and student services spending, net of maintenance and  
2 operation, to support campus administrative functions; and

3 3. Ten percent (10%) shall be distributed based on each college's share of  
4 total full-time equivalent student enrollment to support academic  
5 support services such as libraries and academic computing.

6 (9) (a) The funding formula for both sectors shall include:

7 1. A hold-harmless provision for fiscal year 2018-2019 preventing a  
8 reduction in an institution's funding amount based solely on the formula  
9 calculation, and allowing a hold-harmless amount determined by the  
10 formula in fiscal year 2018-2019 to be deducted from an institution's  
11 formula base amount in whole or in part in fiscal years 2019-2020 and  
12 2020-2021, as determined by the authority~~[council]~~;

13 2. A hold-harmless provision for fiscal year 2021-2022, and every fiscal  
14 year thereafter, preventing a reduction in an institution's funding amount  
15 based solely on the formula calculation;

16 3. A stop-loss provision for fiscal year 2019-2020 limiting the reduction in  
17 funding to any institution to one percent (1%) of that institution's  
18 formula base amount;

19 4. A stop-loss provision for fiscal year 2020-2021 limiting the reduction in  
20 funding to any institution to two percent (2%) of that institution's  
21 formula base amount; and

22 5. A stop-loss provision for fiscal year 2021-2022, and every fiscal year  
23 thereafter, limiting the reduction in funding to any institution to zero  
24 percent (0%) of that institution's formula base amount.

25 (b) Paragraph (a) of this subsection shall not be construed to limit the level of a  
26 budget reduction that may be enacted by the General Assembly or  
27 implemented by the Governor.

- 1 (10) (a) By May 1 each year, the authority~~[council]~~ shall certify to the Office of the  
2 State Budget Director the amount to be distributed to each of the public  
3 universities and KCTCS as determined by the comprehensive funding model  
4 created in this section, not to exceed the available balance in the performance  
5 fund.
- 6 (b) The Office of the State Budget Director shall distribute the appropriations in  
7 the performance fund for that fiscal year to the institutions in the amounts the  
8 authority~~[council]~~ has certified. The adjusted appropriations to each  
9 institution shall be allotted as provided in KRS 48.600, 48.605, 48.610,  
10 48.620, and 48.630.
- 11 (c) 1. The certified amounts distributed from the performance fund to the  
12 institutions are nonrecurring funds that shall not be included in the  
13 institutions' base budget amounts submitted in their biennial budget  
14 requests.
- 15 2. The certified amounts distributed from the performance fund in the  
16 previous fiscal year shall be included in the performance fund's base  
17 budget amount submitted by the authority~~[council]~~ in the biennial  
18 budget request.
- 19 (d) For fiscal year 2017-2018, the Office of the State Budget Director shall  
20 distribute to the public postsecondary education institutions, except for  
21 Kentucky State University, those funds appropriated to the performance fund  
22 by the General Assembly in 2016 Ky. Acts ch. 149, Part I, K., 12., in  
23 accordance with the comprehensive funding model created in this section.
- 24 (11) (a) The Kentucky Higher Education Assistance Authority~~[Council on~~  
25 ~~Postsecondary Education]~~ is hereby directed to establish a postsecondary  
26 education working group composed of the following:
- 27 1. The executive director~~[president]~~ of the authority~~[council]~~;



- 1           2.    The president or designee of each public postsecondary institution,
  - 2                    including the president of KCTCS;
  - 3           3.    The Governor or designee;
  - 4           4.    The Speaker of the House or designee; and
  - 5           5.    The President of the Senate or designee.
- 6           (b)   Beginning in fiscal year 2020-2021 and every three (3) fiscal years thereafter,
- 7                    the postsecondary education working group shall convene to determine if the
- 8                    comprehensive funding model is functioning as expected, identify any
- 9                    unintended consequences of the model, and recommend any adjustments to
- 10                  the model. The authority~~[council]~~ may call the working group to convene
- 11                  prior to the start of the required fiscal year to allow sufficient time for the
- 12                  group to complete its work.
- 13           (c)   The results of the review and recommendations of the working group shall be
- 14                    reported by the authority~~[council]~~ to the Governor, the Interim Joint
- 15                    Committee on Appropriations and Revenue, and the Interim Joint Committee
- 16                    on Education by December 1 of each fiscal year the working group convenes.
- 17   (12) The authority~~[council]~~ shall promulgate administrative regulations under KRS
- 18           Chapter 13A to implement the provisions of this section.
- 19   (13) (a)   The postsecondary education performance fund is hereby established as an
- 20                    appropriation unit to support improvement in the operations of the public
- 21                    postsecondary institutions and achievement of the Commonwealth's education
- 22                    policy goals and workforce development priorities. General fund moneys may
- 23                    be appropriated by the General Assembly to this fund for distribution to the
- 24                    public postsecondary institutions in amounts determined through the
- 25                    comprehensive funding model created in this section.
- 26           (b)   Any balance in the performance fund at the close of any fiscal year shall not
- 27                    lapse but shall be carried forward to the next fiscal year and be continuously

1           appropriated for the purposes specified in this section. A general statement  
2           that all continuing appropriations are repealed, discontinued, or suspended  
3           shall not operate to repeal, discontinue, or suspend this fund or to repeal this  
4           action.

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

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

1 postsecondary education institutions that measures:

2 (a) Educational quality and educational outcomes;

3 (b) Student progress in the postsecondary system;

4 (c) Research and service activities;

5 (d) Use of resources;

6 (e) Other performance or outcomes that support the achievement of the strategic  
7 agenda, including involvement in quality enhancement of elementary and  
8 secondary education; and

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

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

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

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

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

- 1           1. Was in sound financial standing with a stable financial base to support  
2           the mission of the institution and the scope of its programs and services  
3           during the previous fiscal year;
- 4           2. Underwent an institutional audit for the most recent fiscal year prepared  
5           by an independent certified public accountant or appropriate government  
6           auditing agency employing the appropriate audit guide during the  
7           previous fiscal year; and
- 8           3. Has an annual budget for the upcoming fiscal year that is preceded by  
9           sound planning, subject to sound fiscal procedures, and approved by the  
10          president of the institution and the chair of the governing board.
- 11         (b) In executing the statement required by paragraph (a) of this subsection, a  
12          president or chief executive officer and chair of the governing board of an  
13          institution may reasonably rely upon the representations of an employee of the  
14          institution that is responsible for the financial management and accounting of  
15          the institution, including the treasurer or chief financial officer of the  
16          institution, and external financial service providers.
- 17         (2) Each institution shall provide the sworn statement required by subsection (1) of this  
18          section to the executive director~~[president]~~ of the Kentucky Higher Education  
19          Assistance Authority~~[Council on Postsecondary Education]~~, the chairs of the  
20          Budget Review Subcommittee on Education of the Interim Joint Committee on  
21          Appropriations and Revenue, and the co-chairs of the Interim Joint Committee on  
22          Appropriations and Revenue.
- 23         (3) If an institution fails to provide a statement as required by subsection (2) of this  
24          section, the Kentucky Higher Education Assistance Authority~~[Council on~~  
25          ~~Postsecondary Education]~~ shall have the authority to conduct an investigation and  
26          request any financial documentation necessary to inform a report on the financial  
27          data required by subsection (1) of this section. The authority~~[council]~~ shall report

1 its findings to the chairs of the Budget Review Subcommittee on Education of the  
2 Interim Joint Committee on Appropriations and Revenue and the co-chairs of the  
3 Interim Joint Committee on Appropriations and Revenue.

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

5 No postsecondary education institution shall receive funds from the *Kentucky Higher*  
6 *Education Assistance Authority*~~[Council on Postsecondary Education]~~ from any trust  
7 fund for the purposes of teacher education or model programs of teaching and learning  
8 unless the Education Professional Standards Board has certified to the *authority*~~[council]~~  
9 that the institution has met the following conditions:

- 10 (1) The college or university has developed viable partnerships with local school  
11 districts and schools;
- 12 (2) There is evidence of ongoing dialogue and collaboration among liberal arts and  
13 sciences faculty and administrators with faculty and administrators in the  
14 department, school, or college of education;
- 15 (3) The college or university has demonstrated a commitment to participate in teacher  
16 academies;
- 17 (4) The college or university has an active recruitment plan for attracting and retaining  
18 minority faculty as well as students, and particularly in the department, school, or  
19 college of education;
- 20 (5) The college or university has initiated the development of incentives or rewards for  
21 faculty across the institution to participate in service activities to local schools;
- 22 (6) The department, school, or college of education has developed at least one (1)  
23 accelerated alternative plan for teacher education or nontraditional program of  
24 teacher preparation, or commits to developing an accelerated alternative or  
25 nontraditional program;
- 26 (7) The department, school, or college of education provides consistent and quality  
27 classroom and field experiences, including early practicums and student teaching

1 experience for all students;

2 (8) The department, school, or college of education has, as an element of its  
3 curriculum, substantial course work and classroom and field experiences directly  
4 addressing teacher training in classroom management;

5 (9) There are no major accreditation deficiencies; and

6 (10) The institution has demonstrated at least one (1) or more innovations in teacher  
7 education.

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

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

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

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

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

24 (1) The University of Kentucky shall provide:

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

- 1 (b) Upon approval of the *Kentucky Higher Education Assistance*  
2 *Authority*~~[Council on Postsecondary Education]~~, master degree programs,  
3 specialist degree programs above the master's-degree level, and joint doctoral  
4 programs in cooperation with other public postsecondary educational  
5 institutions in the state;
- 6 (c) Upon approval of the *Kentucky Higher Education Assistance*  
7 *Authority*~~[Council on Postsecondary Education]~~, doctoral and post-doctoral  
8 programs and professional instruction including law, medicine, dentistry,  
9 education, architecture, engineering, and social professions.
- 10 (2) The University of Kentucky shall be the principal state institution for the conduct of  
11 statewide research and statewide service programs and shall be the primary  
12 institution authorized to expend state general fund appropriations on research and  
13 service programs of a statewide nature financed principally by state funds. As  
14 applied in this section, research and service programs of a statewide nature shall be  
15 programs requiring the establishment and operation of facilities or centers outside  
16 of the primary service area of the institution. In carrying out its statewide mission,  
17 the University of Kentucky shall conduct statewide research and provide statewide  
18 services including, but not limited to, agricultural research and extension services,  
19 industrial and scientific research, industrial technology extension services to  
20 Kentucky employers, and research related to the doctoral, professional, and post-  
21 doctoral programs offered within the university. The university may establish and  
22 operate centers and utilize state appropriations and other resources to carry out the  
23 necessary research and service activities throughout the state. The university may  
24 enter into joint research and service activities with other universities in order to  
25 accomplish its statewide mission. Nothing contained in this subsection shall limit  
26 the authority of the *Kentucky Higher Education Assistance Authority*~~[Council on~~  
27 ~~Postsecondary Education]~~ to establish instructional programs that are consistent

1 with the strategic agenda.

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

- 3 (1) (a) The government of the University of Kentucky is vested in a board of trustees  
4 appointed for a term set by law pursuant to Section 23 of the Constitution of  
5 Kentucky.
- 6 (b) All appointed and elected persons shall be required to attend and complete an  
7 orientation and education program prescribed by the authority~~[council]~~ under  
8 KRS 164.020(25), as a condition of their service and eligibility for  
9 appointment or election to a second term.
- 10 (c) The board shall periodically evaluate the institution's progress in  
11 implementing its missions, goals, and objectives to conform to the strategic  
12 agenda. Officers and officials shall be held accountable for the status of the  
13 institution's progress.
- 14 (d) Board members may be removed by the Governor under the following  
15 circumstances:
- 16 1. For cause, pursuant to KRS 63.080(2); or  
17 2. Pursuant to KRS 63.080(3) or (4).
- 18 (e) The board shall consist of sixteen (16) members appointed by the Governor,  
19 two (2) members of the faculty of the University of Kentucky, one (1)  
20 member of the University of Kentucky nonteaching personnel, and one (1)  
21 member of the student body of the University of Kentucky. The members  
22 appointed by the Governor shall be subject to confirmation by the Senate. The  
23 voting members of the board shall select a chairperson annually.
- 24 (2) (a) The terms of the appointed members shall be for six (6) years and until their  
25 successors are appointed and qualified, unless a member is removed by the  
26 Governor pursuant to KRS 63.080(2), (3), or (4), except the initial  
27 appointments shall be as follows:



- 1           1. Two (2) members shall serve one (1) year terms;
- 2           2. Two (2) members shall serve two (2) year terms, one (1) of whom shall
- 3           be a graduate of the university, selected from a list of three (3) names
- 4           submitted by the alumni of the university according to rules established
- 5           by the board of trustees;
- 6           3. Three (3) members shall serve three (3) year terms;
- 7           4. Three (3) members shall serve four (4) year terms, one (1) of whom
- 8           shall be a graduate of the university, selected as under subparagraph 2.
- 9           of this subsection;
- 10          5. Three (3) members shall serve five (5) year terms; and
- 11          6. Three (3) members shall serve six (6) year terms, one (1) of whom shall
- 12          be a graduate of the university, selected as under subparagraph 2. of this
- 13          subsection.
- 14       (b) 1. Three (3) of the appointments shall be graduates of the university and
- 15          may include one (1) graduate of the institution who resides outside the
- 16          Commonwealth;
- 17          2. Three (3) shall be representative of agricultural interests; and
- 18          3. Ten (10) shall be other distinguished citizens representative of the
- 19          learned professions and may include one (1) who resides outside of
- 20          Kentucky.
- 21       (c) The Governor shall make the appointments so as to reflect proportional
- 22          representation of the two (2) leading political parties of the Commonwealth
- 23          based on the state's voter registration and the political affiliation of each
- 24          appointee as of December 31 of the year preceding the date of his or her
- 25          appointment, and to reflect no less than proportional representation of the
- 26          minority racial composition of the Commonwealth based on the total minority
- 27          racial population using the most recent census or estimate data from the

1 United States Census Bureau. If the determination of proportional minority  
2 representation does not result in a whole number of minority members, it shall  
3 be rounded up to the next whole number. A particular political affiliation shall  
4 not be a prerequisite to appointment to the board generally; however, if any  
5 person is appointed to the board that does not represent either of the two (2)  
6 leading political parties of the Commonwealth, the proportional representation  
7 by political affiliation requirement shall be determined and satisfied based on  
8 the total number of members on the board less any members not affiliated  
9 with either of the two (2) leading political parties.

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

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

20 (4) The nonteaching personnel member shall be any full-time staff member, excluding  
21 the president, vice-presidents, academic deans, and academic department  
22 chairpersons. The staff member shall represent all nonteaching university  
23 employees, including but not limited to building facilities and clerical personnel.  
24 The staff member shall be elected by secret ballot by the nonteaching employees.  
25 The staff member shall serve a term of three (3) years and until a successor is  
26 elected and qualified. The staff member shall be eligible for reelection, but a staff  
27 member who ceases being an employee of the university shall not be eligible to

1 continue to serve as a member of the board. Elections to fill vacancies shall be for  
2 the unexpired term and shall be held in the same manner as provided for the  
3 original election.

4 (5) The student member shall serve a one (1) year term beginning on July 1 after being  
5 elected and sworn in as student body president and ending on the following June  
6 30. If the student member does not maintain the position of student body president  
7 or the status of a full-time student at any time during that academic year, a special  
8 election shall be held to select a full-time student member. The elected student  
9 member shall serve for the remainder of the unexpired term.

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

12 (7) Unless specifically approved by the board of trustees under the provisions of KRS  
13 164.367, no member of the administrative staff of the university shall be directly or  
14 indirectly interested in any contract with the university for the sale of property,  
15 materials, supplies, equipment, or services, with exception of compensation to the  
16 two (2) faculty members, and the one (1) nonteaching personnel member.

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

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

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

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

27 (a) "Academic" means a student's official record of academic performance,

1 including, but not limited to transcript of grades or other action taken by the  
2 institution directly related to academic performance. The term "academic"  
3 does not include any nonacademically-related action the institution may take.

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

6 (c) "Institution" means all public supported institutions of higher learning in  
7 Kentucky.

8 (2) All student academic records shall be confidential and shall not require a student's  
9 Social Security number to identify the student, with the exception of the exemptions  
10 stated in subsections (3) to (9) of this section, and shall not be released by any  
11 public supported institution of higher education in Kentucky, to any person,  
12 organization, institution, group, or agency, except with the express consent of the  
13 individual student. This confidentiality shall apply only to student academic  
14 records, including, but not limited to, official transcript of grades.

15 (3) All student academic records shall be made available upon request to any agency of  
16 the federal or state government for the purpose of determining a student's eligibility  
17 for military service and shall include making such records available to local draft  
18 boards. This authority shall be limited only to determining the student's eligibility  
19 for military service and shall not be extended, except with the individual student's  
20 consent as specified in subsection (2) of this section.

21 (4) Any institution may provide the legal parents of any student under twenty-one (21)  
22 years of age with a copy of the student's academic record.

23 (5) All student academic records shall be made available to any federal, state, or local  
24 law enforcement agency, the Department of Juvenile Justice, and any court of law  
25 upon written request.

26 (6) All student academic records shall be made available upon request to any grantor of  
27 scholarships or loans based upon the maintenance of a satisfactory level of

1 scholarship, but shall be for the official use of the grantors only.

2 (7) All student academic records shall be made available upon request to a public or  
3 private junior college from which the individual student was graduated or to a  
4 public or private secondary school from which the individual student was  
5 graduated.

6 (8) All student academic records shall be made available upon request to the Kentucky  
7 Higher Education Assistance Authority~~[Council on Postsecondary Education]~~ for  
8 professional academic research.

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

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

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

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

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

27 (3) A member of the United States Armed Forces, or a spouse or dependent of a

1 member, who is determined to be a Kentucky resident at the time of acceptance for  
2 admission by a public postsecondary institution under the guidelines established by  
3 the authority~~[council]~~ shall not lose Kentucky residency status if the member is  
4 transferred on military orders prior to the member, spouse, or dependent enrolling  
5 in the institution for the academic term for which the member, spouse, or dependent  
6 was accepted or while the student is enrolled. The member, spouse, or dependent  
7 shall not lose Kentucky residency if he or she remains continuously enrolled in the  
8 institution at the same degree level.

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

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

17 (a) The student's family receives state-funded adoption assistance under KRS  
18 199.555;

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

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

24 (d) The student who is an adopted child was in the permanent legal custody of  
25 and placed for adoption by the Cabinet for Health and Family Services. A  
26 student who meets the eligibility criteria of this paragraph and lives outside of  
27 Kentucky at the time of application to a Kentucky postsecondary institution

1           may apply for the waiver up to the amount of tuition for a Kentucky resident;  
2           or

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

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

13      (a) The student has not been sentenced to the Department of Juvenile Justice  
14      under KRS Chapter 640;

15      (b) The student has been committed to the Department of Juvenile Justice for a  
16      period of at least twelve (12) months;

17      (c) The student is in an independent living program and placement is funded by  
18      the Department of Juvenile Justice;

19      (d) The parental rights of the student's biological parents have been terminated; or

20      (e) The student was committed to the Cabinet for Health and Family Services  
21      prior to a commitment to the Department of Juvenile Justice.

22   (3) Upon request of the postsecondary institution, the Cabinet for Health and Family  
23   Services shall confirm the eligibility status under subsection (1) of this section and  
24   the Department of Juvenile Justice shall confirm the eligibility status and  
25   recommendations under subsection (2) of this section of the student seeking to  
26   participate in the waiver program. Release of this information shall not constitute a  
27   breach of confidentiality required by KRS 199.570, 610.320, or 620.050.

- 1 (4) The student shall complete the Free Application for Federal Student Aid to  
2 determine the level of need and eligibility for state and federal financial aid  
3 programs. If the sum of the tuition waiver plus other student financial assistance,  
4 except loans and the work study program under 42 U.S.C. secs. 2751-2756b, from  
5 all sources exceeds the student's total cost of attendance, as defined in 20 U.S.C.  
6 sec. 10871l, the tuition waiver shall be reduced by the amount exceeding the total  
7 cost of attendance.
- 8 (5) Except when extended in accordance with subsection (6) of this section, the student  
9 shall be eligible for the tuition waiver:
- 10 (a) For entrance to the institution for a period of no more than four (4) years after  
11 the date of graduation from high school or obtaining a high school  
12 equivalency diploma; and
- 13 (b) For one hundred fifty (150) consecutive or nonconsecutive credit hours  
14 earned, after first admittance to any Kentucky institution if satisfactory  
15 progress is achieved or maintained up to age twenty-eight (28).
- 16 (6) The expiration of a student's eligibility under subsection (5)(a) of this section shall  
17 be extended by the number of academic terms the institution determines the student  
18 was unable to enroll for or complete due to serving:
- 19 (a) On active duty status in the United States Armed Forces;
- 20 (b) As an officer in the Commissioned Corps of the United States Public Health  
21 Service; or
- 22 (c) On active service in the Peace Corps Act or the Americorps.
- 23 The original age limitation under subsection (5)(b) of this section shall be extended  
24 by the total number of years during which the student was on active duty status. The  
25 number of months served on active duty status shall be rounded up to the next  
26 higher year to determine the maximum length of eligibility extension allowed.
- 27 (7) The *Kentucky Higher Education Assistance Authority*~~Council on Postsecondary~~



1 ~~Education~~] shall report nonidentifying data on graduation rates of students  
 2 participating in the tuition waiver program by November 30 each year to the  
 3 Legislative Research Commission.

- 4 (8) Nothing in this section shall be construed to:
- 5 (a) Guarantee acceptance of or entrance into any postsecondary institution for a  
 6 foster or adopted child;
  - 7 (b) Limit the participation of a foster or adopted student in any other program of  
 8 financial assistance for postsecondary education;
  - 9 (c) Require any postsecondary institution to waive costs or fees relating to room  
 10 and board; or
  - 11 (d) Restrict any postsecondary institution, the Department of Juvenile Justice, or  
 12 the Cabinet for Health and Family Services from accessing other sources of  
 13 financial assistance, except loans, that may be available to a foster or adopted  
 14 student.

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

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

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

- 20 (1) The six (6) state comprehensive universities:
- 21 (a) Shall provide, upon approval of the **Kentucky Higher Education Assistance**  
 22 **Authority**~~[Council on Postsecondary Education]~~, associate and baccalaureate  
 23 programs of instruction;
  - 24 (b) Shall provide, upon approval of the **Kentucky Higher Education Assistance**  
 25 **Authority**~~[Council on Postsecondary Education]~~, graduate programs of  
 26 instruction at the master's-degree level in education, business, and the arts and  
 27 sciences, specialist degrees, and programs beyond the master's-degree level to

- 1 meet the requirements for teachers, school leaders, and other certified  
2 personnel; and
- 3 (c) Shall provide research and service programs directly related to the needs of  
4 their primary geographical areas.
- 5 (2) A comprehensive university may provide:
- 6 (a) Programs of a community college nature in their own community comparable  
7 to those listed for the Kentucky Community and Technical College System, as  
8 provided in KRS 164.580;
- 9 (b) Upon approval of the *Kentucky Higher Education Assistance*  
10 *Authority*~~[Council on Postsecondary Education]~~, an advanced practice  
11 doctoral program in nursing in compliance with KRS 314.111 and 314.131;  
12 and
- 13 (c) Upon approval of the *Kentucky Higher Education Assistance*  
14 *Authority*~~[Council on Postsecondary Education]~~, one (1) or more additional  
15 advanced practice doctoral programs.
- 16 (3) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~  
17 ~~Education]~~, in consultation with the Advisory Conference of Presidents pursuant to  
18 KRS 164.021, shall develop criteria and conditions upon which an advanced  
19 practice doctoral degree program may be approved. The criteria shall include but  
20 not be limited to a determination of the academic and workforce needs for a  
21 program, consideration of whether the program can be effectively delivered through  
22 a collaborative effort with an existing program at another public university within  
23 the Commonwealth, and the capacity of a university to effectively offer the  
24 program. A university requesting approval of an advanced practice doctoral  
25 program shall be required to provide assurance that funding for the program will  
26 not impair funding of any existing program at any other public university.
- 27 (4) The *authority*~~[council]~~ shall promulgate administrative regulations setting forth the

1 agreed-on criteria and conditions identified under subsection (3) of this section.

2 (5) The authority~~[council]~~ shall review advanced practice doctorates consistent with its  
3 review schedule for all other academic programs.

4 (6) A comprehensive university shall not:

5 (a) Offer the terminal degrees of Doctor of Philosophy or Doctor of Musical Arts;  
6 doctor's degrees required for professional practice and licensure in medicine,  
7 veterinary medicine, chiropractic, dentistry, pharmacy, law, or optometry; or  
8 the primary degree required for professional practice and licensure in  
9 architecture. The existing school of law at Northern Kentucky University is  
10 exempted from the requirements of this paragraph; or

11 (b) Describe itself in official publications or in marketing materials as a research  
12 university or research institution. Nothing in this paragraph shall be construed  
13 as precluding a comprehensive university from conducting basic, applied, or  
14 translational research.

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

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

22 (a) Quality and content of a program would be negatively impacted; or

23 (b) A program must comply with specific program standards established by  
24 external accreditation bodies.

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

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

- 1 students pursuing an associate of arts or associate of science degree program  
2 provide timely notification of their intention to transfer to a public university;
- 3 (g) Develop uniform data collection and reporting methods to facilitate and  
4 ensure statewide and institutional compliance with course transfer and credit  
5 requirements;
- 6 (h) Guarantee that, upon admission to a public university, graduates of an  
7 associate of arts or an associate of science degree program approved by the  
8 authority~~[council]~~ in consultation with public universities shall be deemed to  
9 have met all general education requirements;
- 10 (i) Provide that graduates of approved associate of arts and associate of science  
11 degree programs of Kentucky public postsecondary institutions who complete  
12 the prerequisite learning outcomes for a bachelor of arts or bachelor of science  
13 program while fulfilling the requirements for an associate of art or associate  
14 of science degree, shall not be required to repeat or to take any additional  
15 lower-level courses to fulfill bachelor degree requirements in the same major,  
16 and these students shall be granted admission to related upper-division  
17 bachelors degree programs of a state public college or university on the same  
18 criteria as those students earning lower-division credits at the university to  
19 which the student transferred;
- 20 (j) Provide that graduates of approved associate of arts and associate of science  
21 degree programs shall receive priority for admission to a state public  
22 university over out-of-state students if they meet the same admission criteria;
- 23 (k) Establish a commonality in college transcripts to be used in all public colleges  
24 and universities to facilitate transfer from community and technical colleges;
- 25 (l) Encourage private colleges and universities to collaborate with public  
26 educational institutions in developing programs and agreement to expedite the  
27 transfer of students and credits between institutions;

- 1 (m) Establish an appeals process to resolve disagreements between transferring  
2 students and receiving educational institutions regarding the transfer and  
3 acceptance of credits earned at another institution;
- 4 (n) Ensure that all articulation and transfer policies are consistent with the rules  
5 and regulations established by all appropriate discipline-specific accrediting  
6 bodies and institutional accrediting agencies as recognized by the United  
7 States Department of Education; and
- 8 (o) Facilitate the development and implementation of a statewide standardized  
9 articulation agreement to be executed by July 1, 2021, between public  
10 colleges and universities and the Kentucky Department of Education for each  
11 approved high school career pathway that leads to a postsecondary credential,  
12 certification, license, or degree. Upon meeting the requirements of the  
13 standardized articulation agreement, a student shall be awarded postsecondary  
14 credit for prior learning at any public college or university.
- 15 (3) When an institution seeks to change learning outcomes for a bachelor of arts or  
16 bachelor of science program that affect lower-division courses, the university shall  
17 notify the Kentucky Higher Education Assistance Authority~~[Council on~~  
18 ~~Postsecondary Education]~~ and the Kentucky Community and Technical College  
19 System of the proposed changes at the same time as the initiation of the university's  
20 approval process. If it is determined that the proposed change will have an adverse  
21 effect on transferability, the university proposing the change shall enter into  
22 discussion with the authority~~[council]~~ and the Kentucky Community and Technical  
23 College System to verify there remains a clearly defined path to a bachelor's degree  
24 for those students who plan to transfer from the Kentucky Community and  
25 Technical College System to the public university.

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

27 Vocational and nonvocational programs offered at the state universities shall be operated

1 and administered by those universities consistent with the regulations developed by the  
2 board of trustees or regents and approved by the **Kentucky Higher Education Assistance**  
3 **Authority**~~[Council on Postsecondary Education]~~ for the issuance of associate,  
4 baccalaureate, or graduate degrees. Joint programming and articulation of vocational-  
5 technical education nondegree programs with associate degree programs shall be pursued  
6 between the Kentucky Community and Technical College System and other  
7 postsecondary institutions when feasible. No public institution of higher education shall  
8 offer any new program of a vocational-technical-occupational nature below the associate  
9 degree level without the review of the board of regents for the Kentucky Community and  
10 Technical College System and the approval of the **Kentucky Higher Education**  
11 **Assistance Authority**~~[Council on Postsecondary Education]~~. The board of regents for the  
12 Kentucky Community and Technical College System, with approval of the **Kentucky**  
13 **Higher Education Assistance Authority**~~[Council on Postsecondary Education]~~, may  
14 contract with public institutions of higher education for the operation of specific  
15 programs and projects.

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

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

1 (4) All core academic standards for mathematics and reading in introductory courses  
2 shall be completed by December 15, 2010, with a target completion date of  
3 December 15, 2009, for the mathematics standards.

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

5 (1) Eastern Kentucky University, Morehead State University, Murray State University,  
6 Western Kentucky University, Kentucky State University, Northern Kentucky  
7 University, and the Kentucky Community and Technical College System shall each  
8 be governed by a board of regents appointed for a term set by law pursuant to  
9 Section 23 of the Constitution of Kentucky.

10 (a) Each board of the comprehensive universities shall consist of eight (8)  
11 members appointed by the Governor, one (1) member of the teaching faculty,  
12 one (1) member of the university nonteaching personnel, and one (1) member  
13 of the student body of the respective university or college. The members  
14 appointed by the Governor shall be subject to confirmation by the Senate. The  
15 members of the board shall select a chairperson annually.

16 (b) The board of the Kentucky Community and Technical College System shall  
17 consist of eight (8) members appointed by the Governor, two (2) members of  
18 the teaching faculty, two (2) members of the nonteaching personnel, and two  
19 (2) members of the student body. The members appointed by the Governor  
20 shall be subject to confirmation by the Senate.

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

24 2. A change in residency of a gubernatorial appointee after the date of  
25 appointment shall not affect the appointee's ability to serve or eligibility  
26 for reappointment, except an appointee who assumes residency outside  
27 the fifty (50) United States shall become immediately ineligible to serve.



1           The Kentucky Higher Education Assistance Authority~~[Council on~~  
2           ~~Postsecondary Education]~~ shall notify the appointee of his or her  
3           ineligibility to serve.

4           3. In making initial appointments, the Governor shall act so as to provide  
5           equal representation of the two (2) sexes. In filling vacancies, the  
6           Governor shall act so as to provide, inasmuch as possible, equal  
7           representation of the two (2) sexes by appointing a member of the sex  
8           that is the lesser represented at the time of the appointment. If the  
9           remaining membership already has an equal number of males and  
10          females, the Governor may appoint a member of either sex.

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

- 15       (a) One (1) member shall serve a one (1) year term;  
16       (b) One (1) member shall serve a two (2) year term;  
17       (c) Two (2) members shall serve three (3) year terms;  
18       (d) One (1) member shall serve a four (4) year term;  
19       (e) One (1) member shall serve a five (5) year term; and  
20       (f) Two (2) members shall serve six (6) year terms.

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

23       (3) The gubernatorial appointments may include one (1) graduate of the respective  
24       institution who resides outside the Commonwealth. Not more than two (2)  
25       appointed members of any board shall be residents of one (1) county. The  
26       appointments shall reflect the proportional representation of the two (2) leading  
27       political parties of the Commonwealth based on the state's voter registration and the

1 political affiliation of each appointee as of December 31 of the year preceding the  
2 date of his or her appointment. A particular political affiliation shall not be a  
3 prerequisite to appointment to any board generally; however, if any person is  
4 appointed to a board that does not represent either of the two (2) leading political  
5 parties of the Commonwealth, the proportional representation by political affiliation  
6 requirement shall be determined and satisfied based on the total number of  
7 members on the board less any members not affiliated with either of the two (2)  
8 leading political parties. Membership on the board shall reflect no less than  
9 proportional representation of the minority racial composition of the  
10 Commonwealth based on the total minority racial population using the most recent  
11 census or estimate data from the United States Census Bureau. If the determination  
12 of proportional minority representation does not result in a whole number of  
13 minority members, it shall be rounded up to the next whole number. Membership  
14 on the board shall not be incompatible with any state office. A change in residency  
15 after the date of appointment shall not affect a member's ability to serve nor shall it  
16 prevent a member's eligibility for reappointment, except a member who assumes  
17 residency outside the fifty (50) United States shall become immediately ineligible  
18 to serve. The Kentucky Higher Education Assistance Authority~~[Council on~~  
19 ~~Postsecondary Education]~~ shall notify the appointee of his or her ineligibility to  
20 serve.

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

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

27 (6) (a) The faculty member of a comprehensive university shall be a teaching or

1 research member of the faculty of his or her respective university of the rank  
2 of assistant professor or above. The faculty member shall be elected by secret  
3 ballot by all faculty members of his or her university of the rank of instructor,  
4 assistant professor, or above. The faculty member shall serve for a term of  
5 three (3) years and until his or her successor is elected and qualified. The  
6 faculty member shall be eligible for reelection, but he or she shall not be  
7 eligible to continue to serve as a member of the board if he or she ceases  
8 being a member of the teaching staff of the university. Elections to fill  
9 vacancies shall be for the unexpired term in the same manner as provided for  
10 the original election.

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

23 (7) (a) The nonteaching personnel member in a comprehensive university shall be  
24 any full-time staff member excluding the president, vice presidents, academic  
25 deans, and academic department chairpersons. He or she shall represent all  
26 nonteaching university employees including, but not limited to, building  
27 facilities and clerical personnel. The member shall be elected by secret ballot

1 by the nonteaching employees. The nonteaching personnel member shall  
2 serve a term of three (3) years and until a successor is elected and qualified.  
3 The nonteaching personnel member shall be eligible for reelection, but he or  
4 she shall not be eligible to continue to serve as a member of the board if he or  
5 she ceases being an employee of the university. Elections to fill vacancies  
6 shall be for the unexpired term in the same manner as provided for the  
7 original election.

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

25 (8) (a) The student member on a comprehensive university board shall serve a one  
26 (1) year term beginning on July 1 after being elected and sworn in as student  
27 body president and ending on the following June 30. If the student member

1 does not maintain the position as student body president or the status as a full-  
2 time student at any time during that academic year, a special election shall be  
3 held to select a full-time student member. The elected student member shall  
4 serve for the remainder of the unexpired term.

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

16 (9) All appointed and elected persons shall be required to attend and complete an  
17 orientation and education program prescribed by the authority~~[council]~~ under KRS  
18 164.020(25), as a condition of their service and eligibility for appointment or  
19 election to a second term.

20 (10) Board members may be removed by the Governor under the following  
21 circumstances:

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

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

24 (11) The inability of the board or boards of the comprehensive universities or Kentucky  
25 Community and Technical College System to hold quarterly meetings, to elect a  
26 chairperson annually, to establish a quorum, to adopt an annual budget, to set  
27 tuition rates, to conduct an annual evaluation of the president of the university or

1 system, to carry out its primary function to periodically evaluate the university's or  
2 system's progress in implementing its mission, goals, and objectives to conform to  
3 the strategic agenda, or to otherwise perform its duties under KRS 164.350 shall be  
4 cause for the Governor to remove all appointed members of the board or boards and  
5 replace the entire appointed membership pursuant to KRS 63.080(4).

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

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

1 student with a disability.

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

3 The respective boards of regents of the state universities and colleges and the Kentucky  
4 Community and Technical College System shall establish such incidental fees and  
5 nonresident tuition fees as will be sufficient for the purpose of paying the incidental  
6 expenses of the university or college and as are consistent with the recommendations of  
7 the *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~  
8 ~~Education]~~. No money derived from nonresident tuition or other fees paid by students  
9 shall be used for any other purpose, except such amount as is over and above that needed  
10 to defray the incidental expenses.

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

12 (1) The "Lung Cancer Research Fund" is created and shall receive funds each year  
13 from the Kentucky health care improvement fund in the amount specified in KRS  
14 304.17B-003(5)(b). The lung cancer research fund shall be used to finance the Lung  
15 Cancer Research Project described in subsection (5) of this section. No revenues  
16 from the lung cancer research fund shall be allocated until the board has adopted the  
17 strategic plan described in subsections (5) and (6) of this section.

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

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

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

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

- 1 (c) Two (2) members shall be from the *Kentucky Higher Education Assistance*  
2 *Authority*~~[Council on Postsecondary Education]~~; and
- 3 (d) Three (3) members shall be from the state at large, one (1) of whom shall be  
4 appointed chair by the Governor.
- 5 (4) Except as provided in paragraphs (a) to (d) of this subsection, the terms of the  
6 members shall be for four (4) years and until their successors are appointed and  
7 confirmed. A vacancy on the board shall be filled for the remainder of the  
8 unexpired term in the same manner as the original appointment. Members may be  
9 reappointed. The initial appointments shall be for staggered terms, as follows:
- 10 (a) Two (2) members shall be appointed for one (1) year;  
11 (b) Two (2) members shall be appointed for two (2) years;  
12 (c) Two (2) members shall be appointed for three (3) years; and  
13 (d) Three (3) members shall be appointed for four (4) years.
- 14 (5) The Governance Board of the Lung Cancer Research Project shall develop and  
15 oversee the implementation of a twenty (20) year strategic plan that utilizes the  
16 resources of both the University of Louisville and the University of Kentucky in  
17 establishing the Lung Cancer Research Project. The Lung Cancer Research Project  
18 shall be a joint program to:
- 19 (a) Develop an expertise in the area of lung cancer research with an immediate  
20 focus on early detection and epidemiology and with an ultimate goal of  
21 eradication of lung cancer;
- 22 (b) Establish a statewide clinical trial network to make university-based clinical  
23 trials available to the community physician in order to bring the most  
24 innovative cancer treatments to all Kentuckians in need of these treatments;
- 25 (c) Leverage the resources earmarked for the Lung Cancer Research Project  
26 toward the certification of the cancer program at the University of Kentucky  
27 and the University of Louisville by the National Cancer Institute as a cancer



1 center; and

2 (d) Undertake other initiatives consistent with the strategic plan.

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

6 (7) The Governance Board of the Lung Cancer Research Project shall submit an annual  
7 report to the Governor and the Legislative Research Commission by September 1  
8 each year for the preceding fiscal year, outlining its activities and expenditures.

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

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

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

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

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

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

1 seq., including but not limited to students who are blind, are visually impaired, or  
2 have a specific learning disability or other disability affecting reading, shall have  
3 access to instructional materials in alternative formats that are appropriate to their  
4 disability and educational needs.

5 (3) A publisher shall, upon fulfillment of the requirements of subsections (6) and (7) of  
6 this section, provide to a postsecondary education institution or to the State  
7 Repository for Alternative Format Instructional Materials, at no cost:

8 (a) Printed instructional material in an electronic format; and

9 (b) Nonprinted instructional material in an electronic format, when the  
10 technology is available to maintain the material's structural integrity.

11 (4) Instructional material provided by a publisher in electronic format shall:

12 (a) Maintain the structural integrity of the original instructional material, except  
13 as provided for in paragraph (b) subsection (3) of this section;

14 (b) Be compatible with commonly used braille translation and speech synthesis  
15 software;

16 (c) Include corrections and revisions as may be necessary; and

17 (d) Be in a format that is mutually agreed upon by the publisher and the  
18 requesting institution or the State Repository for Alternative Format  
19 Instructional Materials. If good-faith efforts fail to produce an agreement as to  
20 an electronic format that will preserve the structural integrity of the  
21 instructional material, the publisher shall provide the instructional material in  
22 XML (Extensible Markup Language), utilizing an appropriate document-type  
23 definition suitable for the creation of alternative format materials, and shall  
24 preserve as much of the structural integrity of the original instructional  
25 material as possible.

26 (5) The publisher shall transmit or otherwise send an electronic format version of  
27 requested instructional material within fifteen (15) working days of receipt of an

1 appropriately completed request. Should this timetable present an undue burden for  
2 a publisher, the publisher shall submit within the fifteen (15) working day period a  
3 statement to the requesting entity certifying the expected date for transmission or  
4 delivery of the file.

5 (6) (a) To receive an electronic format version of instructional material, a written  
6 request shall be submitted to the publisher that certifies:

- 7 1. The instructional material has been purchased for use by a student with a  
8 disability by the student or the institution the student attends or is  
9 registered to attend;
- 10 2. The student has a disability that prevents the student from using the  
11 standard instructional material; and
- 12 3. The instructional material is for use by the student in connection with a  
13 course in which he or she is registered or enrolled.

14 (b) A publisher may also require a statement signed by the student or, if the  
15 student is a minor, the student's parent or legal guardian, agreeing that the  
16 student will:

- 17 1. Use the electronic copy of the instructional material solely for his or her  
18 own educational purposes; and
- 19 2. Not copy or distribute the instructional material for use by others.

20 (7) The request for an electronic format version of instructional material shall be  
21 prepared and signed by:

- 22 (a) The coordinator of services for students with a disability at the institution;
- 23 (b) A representative of the Division of Blind Services within the Office of  
24 Vocational Rehabilitation in the Education and Labor Cabinet;
- 25 (c) A representative of the Office of Vocational Rehabilitation; or
- 26 (d) A representative of the State Repository for Alternative Format Instructional  
27 Materials.

- 1 (8) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~  
2 ~~Education]~~ may, to the extent funds are available, establish or otherwise designate a  
3 consortium to be called the State Repository for Alternative Format Instructional  
4 Materials to serve as a state repository for electronic files and alternative format  
5 materials for the purpose of facilitating the timely access of appropriate alternative  
6 instructional materials by postsecondary students with a disability.
- 7 (9) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~  
8 ~~Education]~~ may promulgate administrative regulations governing the  
9 implementation and administration of this section.
- 10 (10) The *authority*~~[council]~~ shall work with representatives of each postsecondary  
11 institution to develop policies and procedures designed to ensure to the maximum  
12 extent possible that students with disabilities have access to instructional materials  
13 in appropriate alternative formats within the first week of class.
- 14 (11) The *authority*~~[council]~~, in consultation with appropriate entities, including but not  
15 limited to the Office of Vocational Rehabilitation, the Kentucky Assistive  
16 Technology Service Network, Recording for the Blind and Dyslexic, and the  
17 Kentucky Association on Higher Education and Disability, shall include within its  
18 annual status report on postsecondary education in Kentucky a continuing  
19 assessment of the need for statewide technical assistance, training, and other  
20 supports designed to increase the availability and effective use of alternative format  
21 instructional materials.
- 22 (12) The State Repository for Alternative Format Instructional Materials or the  
23 *authority*~~[council]~~ may receive electronic files and alternative format materials  
24 from:
- 25 (a) Publishers;
- 26 (b) Postsecondary education institutions that have created alternative materials for  
27 use by a student with a disability;

- 1 (c) The Kentucky Department of Education, receiving electronic files from  
2 publishers under the requirements of KRS 156.027; or  
3 (d) Other sources.
- 4 (13) The repository or the authority~~[council]~~ shall, upon receipt of documents as set  
5 forth in subsection (6) of this section, provide at no cost copies of electronic files  
6 and alternative format materials to:
- 7 (a) Postsecondary education institutions in Kentucky; and  
8 (b) The Kentucky Department of Education, to assist in the implementation of the  
9 requirements of KRS 156.027.
- 10 (14) The repository shall provide to a publisher, upon request:
- 11 (a) A summary of all electronic or alternative format versions of instructional  
12 material from that publisher provided to students, postsecondary education  
13 institutions, and the Kentucky Department of Education from its holdings; and  
14 (b) Copies of requests and related certification documents received for  
15 instructional materials from that publisher.
- 16 (15) The repository or the authority~~[council]~~ may submit requests for electronic files to  
17 publishers on behalf of institutions.
- 18 (16) (a) A postsecondary education institution or an educational instructor, assistant,  
19 or tutor may assist a student with a disability by using the electronic format  
20 version of instructional material as provided by this section solely to  
21 transcribe or arrange for the conversion of the instructional material into an  
22 alternative format, or to otherwise assist the student.
- 23 (b) If an alternative format version of instructional material is created, an  
24 institution may, for the purpose of providing the version to other students with  
25 disabilities, share that version with:
- 26 1. The repository;  
27 2. A Kentucky postsecondary education institution serving a student with a

1                   disability; and

2                   3.    An authorized entity as defined under 17 U.S.C. sec. 121 that commonly  
3                   provides alternative format materials for use by students in Kentucky  
4                   institutions.

5   (17) The disk or file of an electronic format version of instructional material used  
6       directly by a student shall be copy-protected, or reasonable precautions shall be  
7       taken by the institution to ensure that the student does not copy or distribute the  
8       electronic format version in violation of the Copyright Revisions Act of 1976, as  
9       amended, 17 U.S.C. secs. 101 et seq.

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

13   (19) Nothing in this section shall absolve covered entities from the obligation to provide  
14       equivalent access to information technology and software as set forth in KRS  
15       61.982.

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

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

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

26       (a) Act as a clearinghouse for information about professional development  
27       programs for teachers that address mathematics diagnostic assessment,

- 1 intervention programs, coaching and mentoring programs, and other  
2 instructional strategies to address students' needs;
- 3 (b) Collaborate with Kentucky's other public and private postsecondary  
4 institutions to develop teachers' mathematical knowledge needed for teaching  
5 and help teachers improve students' mathematical concepts, thinking,  
6 problem-solving, and skills, with an emphasis on diagnostic assessment and  
7 intervention programs for students in the primary program;
- 8 (c) Provide teacher training to develop teacher leaders and teaching specialists in  
9 primary programs who have skills in diagnostic assessment and intervention  
10 services to assist struggling students or those who are at risk of failure in  
11 mathematics. The center may contract for services in order to carry out this  
12 responsibility;
- 13 (d) Maintain a demonstration and training site for mathematics located at each of  
14 the public universities;
- 15 (e) Advise the Kentucky Department of Education and Kentucky Board of  
16 Education regarding:
- 17 1. Early mathematics content, diagnostic assessment practices, and  
18 intervention programs;
- 19 2. Costs and effectiveness of various mathematics intervention programs;
- 20 3. Coaching and mentoring models that help improve student  
21 achievements;
- 22 4. Trends and issues relating to mathematics programs in schools  
23 throughout the state; and
- 24 5. The establishment and implementation of the Middle School  
25 Mathematics and Science Scholars Program established under KRS  
26 158.848; and
- 27 (f) Disseminate information to teachers, administrators, and policymakers on an



1 ongoing basis.

2 (2) The **Kentucky Higher Education Assistance Authority**~~[Council on Postsecondary~~  
3 ~~Education]~~ shall select a location for the center no later than January 1, 2006. The  
4 **authority**~~[council]~~ shall use a request for proposal process. In developing the  
5 request for proposal, the **authority**~~[council]~~ shall seek advice from the Committee  
6 for Mathematics Achievement created in KRS 158.842 and the commissioner of  
7 education. The center shall be located at the selected university through July 1,  
8 2011, unless funding is not available, the **authority**~~[council]~~ deems the performance  
9 of the institute to be inadequate, or the university requests to discontinue its  
10 relationship to the institute. Contingent upon available funding at the end of the  
11 initial cycle, and each five (5) year period thereafter, the **authority**~~[council]~~ shall  
12 issue a request for proposal to all public postsecondary education institutions to  
13 administer the center.

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

15 (1) The **Kentucky Higher Education Assistance Authority**~~[Council on Postsecondary~~  
16 ~~Education in Kentucky as defined in KRS 164.011]~~ is hereby designated as the  
17 agency of the Commonwealth of Kentucky charged with the responsibility and  
18 vested with all necessary authority, subject to the conditions and restrictions set out  
19 in subsection (2) of this section, to carry out the obligations, participate in the  
20 planning and negotiations, and administer the rights, benefits, and privileges,  
21 devolving upon the Commonwealth of Kentucky and its citizens pursuant to the  
22 regional compact referred to in KRS 164.530, and to do all such other acts and  
23 things as may be necessary or desirable to implement the provisions of said regional  
24 compact efficiently and impartially for the benefit of all citizens of the  
25 Commonwealth.

26 (2) In its participation in the regional compact, or in any other regional plan having a  
27 similar purpose, the Commonwealth of Kentucky shall not erect, acquire, develop,

1 or maintain in any manner any educational institution within its borders to which  
2 any student would be refused entrance on the basis of race, national origin, gender,  
3 creed, or religion.

4 (3) Notwithstanding any other law governing the offering of postsecondary education  
5 in the state, the authority~~[[council]]~~ shall be authorized to take the following actions  
6 on behalf of the Commonwealth:

7 (a) Enter into the State Authorization Reciprocity Agreement, which establishes  
8 uniform national standards for interstate offerings of postsecondary distance  
9 education and authorizes postsecondary educational institutions meeting those  
10 standards located in member states or territories to provide distance education  
11 to residents of the Commonwealth;

12 (b) Serve as the lead or "portal" agency on behalf of the Commonwealth's public  
13 and private postsecondary institutions seeking to offer distance education in  
14 member states by:

15 1. Managing functional and administrative state responsibilities under the  
16 State Authorization Reciprocity Agreement; and

17 2. Serving as the official contact for other states and students from other  
18 states on matters pertaining to the agreement; and

19 (c) Promulgate administrative regulations in accordance with KRS Chapter 13A  
20 to establish procedures for participation by Kentucky postsecondary  
21 institutions in the State Authorization Reciprocity Agreement.

22 ➔Section 58. KRS 164.580 is amended to read as follows:

23 (1) The Kentucky Community and Technical College System is established. The  
24 Kentucky Community and Technical College System shall provide:

25 (a) A general two (2) year academic curriculum with credits transferable to two  
26 (2) year and four (4) year colleges and universities;

27 (b) Technical and semiprofessional programs of two (2) years or less;

- 1 (c) Within a two (2) year college curriculum, courses in general education,  
2 including adult education, not necessarily intended for transfer nor technically  
3 oriented; and
- 4 (d) Services to Kentucky's employers and the general public to provide  
5 continuing education and customized training for purposes of improving the  
6 knowledge and skills of Kentucky workers and citizens in all regions of the  
7 state.
- 8 (2) The Kentucky Community and Technical College System shall be responsive to the  
9 needs of students and employers in all regions of the Commonwealth with  
10 accessible education and training to support the lifelong learning needs of Kentucky  
11 citizens in order to:
- 12 (a) Increase the basic academic and literacy skills of adults through adult basic  
13 education and remedial education services;
- 14 (b) Increase the technical skills and professional expertise of Kentucky workers  
15 through associate and technical degrees, diploma, and certificate programs;
- 16 (c) Increase the access for students to complete the prebaccalaureate associate  
17 degree in arts or associate degree in science for ease of transfer to four (4)  
18 year institutions;
- 19 (d) Enhance the relationship of credentials between secondary and postsecondary  
20 programs which permit secondary students to enter programs through early  
21 admission, advanced placement, or dual enrollment;
- 22 (e) Facilitate transfers of credit between certificate, diploma, technical, and  
23 associate degree programs;
- 24 (f) Develop a pool of educated citizens to support the expansion of existing  
25 business and industry and the recruitment of new business and industry;
- 26 (g) Enhance the flexibility and adaptability of Kentucky workers in an ever-  
27 changing and global economy through continuing education and customized

- 1 training for business and industry;
- 2 (h) Promote the cultural and economic well-being of the communities throughout
- 3 Kentucky; and
- 4 (i) Improve the quality of life for Kentucky's citizens.
- 5 (3) Students attending a college under the administration of the board of regents for the
- 6 Kentucky Community and Technical College System may pursue three (3) kinds of
- 7 degree programs:
- 8 (a) Associate degree programs approved by the board of trustees as of the
- 9 effective date of the transfer of the management responsibilities of the
- 10 University of Kentucky Community College System to the Kentucky
- 11 Community and Technical College System;
- 12 (b) Associate degree programs developed by the Kentucky Community and
- 13 Technical College System, approved by the board of regents and the
- 14 Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~
- 15 ~~Education]~~. The board of regents shall confer degrees and award diplomas for
- 16 the approved programs; and
- 17 (c) Joint degree programs developed between the Kentucky Community and
- 18 Technical College System and other institutions.
- 19 (4) University of Kentucky Community College System students who were officially
- 20 enrolled on or before June 30, 1999, in associate degree programs approved by the
- 21 board of trustees of the University of Kentucky and who complete the associate
- 22 degree programs on or before June 30, 2004, shall have their degrees conferred by
- 23 the University of Kentucky board of trustees. The degrees for all other students
- 24 enrolled shall be awarded by the board of regents for the Kentucky Community and
- 25 Technical College System.
- 26 (5) The board of regents for the Kentucky Community and Technical College System
- 27 shall expedite, whenever possible, action on requests for any new technical or

1 associate degree program of a vocational-technical or occupational nature.

2 (6) The Kentucky Community and Technical College System college faculty senates  
3 shall have the primary responsibility for determining academic policy and curricula  
4 development that shall be recommended to the president of the Kentucky  
5 Community and Technical College System.

6 (7) Technical colleges, through their faculty and accrediting procedures, may develop  
7 degree programs that shall be considered for approval by the board of regents and  
8 the Kentucky Higher Education Assistance Authority~~[Council on Postsecondary  
9 Education]~~. A graduate of a program within three (3) years of the program  
10 becoming an accredited degree program shall receive all or partial credit toward the  
11 degree, based on criteria established by the institution and approved by the board of  
12 regents. The board of regents shall confer degrees and award diplomas for these  
13 programs.

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

15 (1) Effective upon the affirmative completion of the regional accrediting agency's  
16 substantive change process but not later than July 1, 1998, the board of trustees of  
17 the University of Kentucky shall delegate to the board of regents of the Kentucky  
18 Community and Technical College System the management responsibilities for the  
19 University of Kentucky Community College System, except for the Lexington  
20 Community College. Responsibilities shall include, but not be limited to,  
21 management of facilities and grounds, assets, liabilities, revenues, personnel,  
22 programs, financial and accounting services, and support services. In this capacity,  
23 the board shall receive and disburse funds and handle other financial matters. The  
24 board of regents, in exercising its personnel management responsibilities, shall  
25 establish the operating policies and procedures for the University of Kentucky  
26 employees in the community colleges. The board of regents shall have the right to  
27 appoint and dismiss personnel and to set the compensation for the employees. The

1 president and board of regents of the Kentucky Community and Technical College  
2 System shall have jurisdiction over the use and distribution of the resources to  
3 operate the system effectively and efficiently.

4 (2) All funds that are appropriated to the University of Kentucky Community College  
5 System or funds that are allocated in the University of Kentucky budget for  
6 administering the community college system shall be transferred and allotted to the  
7 board of regents for the benefit of the University of Kentucky Community College  
8 System.

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

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

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

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

27 (a) Accumulated sick leave, compensatory time, and annual leave as of the

- 1           effective date of the transfer shall be retained by each employee;
- 2           (b) Employees with tenure shall retain their tenure. Employees without tenure  
3           shall earn tenure based on personnel policies in effect at the time of their  
4           employment. New employees without tenure shall earn tenure based on the  
5           new policies established by the board;
- 6           (c) Employees shall maintain a salary not less than their previous salary as of the  
7           effective date of the transfer; and
- 8           (d) All employees hired as of the effective date of the transfer shall be provided  
9           the same benefit package available for other University of Kentucky  
10          employees as it may be modified by the University of Kentucky for all  
11          employees.
- 12       (4) A person employed as of the effective date of the transfer described in subsections  
13          (1) and (3) of this section in a University of Kentucky Community College may  
14          elect to participate in the new Kentucky Community and Technical College  
15          personnel system. An employee who elects to accept this option may not return to  
16          the previous personnel policy. The employee shall have the right to exercise this  
17          option at any time.
- 18       (5) New employees hired after July 1, 1997, in the Kentucky Community and  
19          Technical College System and on and after July 1, 2004, at the Lexington  
20          Community College shall be governed by the rules established by the board.
- 21       (6) A regular full-time employee may, with prior administrative approval, take one (1)  
22          course per semester or combination of summer sessions on the University of  
23          Kentucky's campus or at a community college during the employee's normal  
24          working hours. The University of Kentucky shall defray the registration fee up to a  
25          maximum of six (6) credit hours per semester or combination of summer sessions.
- 26       (7) Students enrolled in the University of Kentucky Community College System shall  
27          have all of the responsibilities, privileges, and rights accorded to University of

1 Kentucky Community College System students as of the effective date of the  
2 transfer described in subsections (1) and (3) of this section. The privileges shall  
3 include, but not be limited to, tickets to athletic events, homecoming queen  
4 contests, the Great Teacher Award Contest, and the University of Kentucky  
5 scholarship programs.

6 (8) If any conflict arises between the University of Kentucky board of trustees and the  
7 Kentucky Community and Technical College board of regents relating to the  
8 delegation of authority from the university to the board of regents in the transfer of  
9 the Lexington Community College to the Kentucky Community and Technical  
10 College System, the **Kentucky Higher Education Assistance Authority**~~[Council on  
11 Postsecondary Education]~~ shall resolve the conflict.

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

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

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

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

27 The Kentucky Community and Technical College System shall reimburse the University



1 of Kentucky at a reasonable cost for any services provided to the system. The services  
2 shall include, but not be limited to, library services, processing scholarships and student  
3 loans, and all other financial aid services. The board may also contract for services from  
4 other providers. The Kentucky Community and Technical College System shall not be  
5 assessed by the University of Kentucky for rental charges or other similar fees for the use  
6 of real or personal property. The *Kentucky Higher Education Assistance*  
7 *Authority*~~[Council on Postsecondary Education]~~ shall resolve any disputes about services  
8 to be provided and costs to be charged for the services.

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

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

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

- 22 (1) There shall be a nominating commission for each college board of directors  
23 required under KRS 164.600 to provide names of nominees to the Governor for  
24 appointment to the board of directors.
- 25 (2) (a) Each nominating commission shall be composed of five (5) members  
26 appointed by the Governor who shall reside in the service area of the college  
27 at the time of their appointment. Commission members shall have no conflict

1 of interest in accordance with KRS 45A.340 or have a relative employed by a  
2 public postsecondary institution~~[, the Council on Postsecondary Education]~~,  
3 the Kentucky Higher Education Assistance Authority, the Kentucky Higher  
4 Education Student Loan Corporation, or the Kentucky Authority for  
5 Educational Television.

6 (b) Members of the nominating commission shall serve four (4) year terms, or  
7 until a successor shall be appointed, except the initial appointments shall be as  
8 follows:

- 9 1. One (1) member shall serve a one (1) year term;
- 10 2. Two (2) members shall serve a two (2) year term;
- 11 3. One (1) member shall serve a three (3) year term; and
- 12 4. One (1) member shall serve a four (4) year term.

13 (3) The Governor shall appoint commission members who reflect, inasmuch as  
14 possible, equal representation of the two (2) sexes and in the context of the total  
15 membership of all of the commissions, shall approximate the proportional  
16 representation of the two (2) leading political parties and the minority racial  
17 composition of the state.

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

21 (b) In the selection of the nominees, the nominating commission shall consider  
22 the needs of the respective college, locate potential appointees, review  
23 candidates' qualifications and references, conduct interviews, and carry out  
24 other search and screening activities as necessary. The commission shall  
25 consider the goals for diversity of membership as set out in subsection (3) of  
26 this section.

27 (c) Each appointment to the board of directors shall be made thirty (30) days

1 prior to the expiration of a term or as soon as practicable following an  
2 unforeseen vacancy. The Governor may reject all names of nominees and  
3 request the submission of three (3) additional names for consideration.

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

6 (6) The nominating commissions shall be attached to the Kentucky Community and  
7 Technical College System and the Governor's office staff shall provide staffing and  
8 administrative assistance.

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

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

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

18 (a) Accelerate knowledge transfer and technological innovation that improve  
19 economic competitiveness and spur economic growth in rural, Kentucky-  
20 based, small companies;

21 (b) Support entrepreneurial activities that have clear potential to lead to  
22 commercially successful products, processes, or services within a reasonable  
23 period of time;

24 (c) Stimulate growth-oriented enterprises within the Commonwealth;

25 (d) Encourage partnerships and collaborative projects between private enterprises,  
26 Kentucky's postsecondary institutions, research organizations, and the Small  
27 Business Development Center Network in Kentucky; and

1 (e) Promote research, development, and entrepreneurial activities that are driven  
2 by private sector requirements.

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

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

6 (a) Are necessary to qualify the authority as an insured lender under the Higher  
7 Education Act of 1965, as amended;

8 (b) Require that loans be made only to those eligible students who are unable to  
9 secure comparable loans from private lenders; and

10 (c) Are necessary to qualify the authority as a lender under the Public Health  
11 Service Act, as amended.

12 (2) In the instance of insured student loans and loan guarantees, the rules and  
13 regulations adopted by the board shall include, but not be limited to, those which  
14 are necessary to qualify the authority to insure loans under the federal act, as  
15 amended, and following such qualification to issue loan guarantees to participating  
16 lenders on any loans advanced by such lenders to eligible students attending or  
17 planning to attend any participating institution.

18 (3) In the instance of scholarships, except scholarships provided pursuant to KRS  
19 164.518, the rules and regulations adopted by the board shall include, but not be  
20 limited to, those which:

21 (a) Specify ways in which superior academic achievement or ability or special  
22 talents will be identified and measured;

23 (b) Ensure that the amount of scholarship to a student attending or planning to  
24 attend a participating institution will not exceed the student's total cost of  
25 attendance, or the maximum scholarship as established by the board,  
26 whichever is less;

27 (c) Restrict scholarships to persons who are classified as resident students under

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

- 1 (e) Ensure, by such needs analysis as the authority may require, that grants be  
2 made only to students who have insufficient financial resources to enroll in or  
3 complete an eligible program of study as defined by the board.
- 4 (5) Funds appropriated to the financial assistance program established by KRS 164.780  
5 and 164.785 shall be administered by the board in accordance with the provisions of  
6 KRS 164.780 and 164.785.
- 7 (6) In the instance of work-study payments, rules and regulations adopted by the board  
8 shall include, but not be limited to, those which require that:
- 9 (a) The employment opportunity available for the student will not interfere with  
10 the student's normal progress toward a degree, diploma, or certificate;
- 11 (b) Contracts to promote increased employment opportunities for eligible students  
12 will not result in the displacement of employed workers or impair existing  
13 contracts for services; and
- 14 (c) The work-study payment will not exceed the financial need of the student or  
15 the maximum payment as established by the board, whichever is less.

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

17 Notwithstanding KRS 164.753(4)(d), the Kentucky Higher Education Assistance  
18 Authority may award college access program grants pursuant to KRS 164.753(4), to the  
19 extent funds are available for the purpose, to financially needy part-time and full-time  
20 undergraduate students, including students enrolled in a program of study designated as  
21 an equivalent undergraduate program of study by the authority~~Council on Postsecondary~~  
22 ~~Education~~ in an administrative regulation. Grants shall be awarded only to students  
23 enrolled or accepted for enrollment at participating institutions located within the  
24 Commonwealth. Grants under this section shall be awarded only for attendance in a  
25 program of study of at least two (2) academic years' duration. Grants under this section  
26 shall be awarded only to students enrolled or accepted for enrollment for attendance in a  
27 program of study that leads to a degree, except that grants shall be awarded to students

1 enrolled or accepted for enrollment at publicly operated vocational-technical institutions  
2 for attendance in a program of study that leads to a certificate, diploma, or degree or in a  
3 comprehensive transition and postsecondary program. For purposes of this section, a  
4 student enrolled in a comprehensive transition and postsecondary program shall be  
5 considered a part-time student. Awards to recipients attending participating institutions  
6 accredited by a regional accrediting association shall not exceed the prevailing amount  
7 charged for tuition at publicly-supported community and technical colleges in Kentucky,  
8 and awards to recipients attending other participating institutions shall not exceed the  
9 prevailing amount charged for tuition at publicly operated vocational-technical  
10 institutions in Kentucky. The provisions of this section shall not limit the authority's  
11 capability to use funds appropriated for this purpose to match federal funds, make grant  
12 awards, adopt administrative regulations that conform to the requirements of federal laws  
13 and regulations for full participation in federally-funded student financial assistance  
14 programs.

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

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

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

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

26 2. Has been accepted by or is enrolled as a full-time student in a program  
27 of study leading to a postsecondary degree at an out-of-state

1 postsecondary education institution licensed by the Kentucky Higher  
2 Education Assistance Authority~~[Council on Postsecondary Education]~~  
3 to operate in Kentucky which is accredited by a regional accrediting  
4 association recognized by the United States Department of Education  
5 and whose institutional programs are not composed solely of sectarian  
6 instruction; or

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

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

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

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

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

27 (4) The need of each applicant shall be determined by acceptable need analysis such as



1 use of the free application for federal student aid in conjunction with Part E of the  
2 federal act, 20 U.S.C. secs. 1087kk through 1087vv, and such other analyses as the  
3 authority may determine, subject to the approval by the United States Secretary of  
4 Education.

5 (5) An adjustment shall be made in the tuition grant of any student awarded a  
6 scholarship from any other source provided the combination of grants and awards  
7 exceeds the calculated need of the student.

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

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

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

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

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

18 b. Is a college or university eligible to receive federal funding under  
19 20 U.S.C. secs. 1061 to 1063;

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

1 (c) Programs or campuses of any out-of-state postsecondary education institution  
 2 that is licensed by the Kentucky Higher Education Assistance  
 3 Authority~~[Council on Postsecondary Education]~~ to operate in Kentucky and  
 4 whose institutional programs are not composed solely of sectarian instruction,  
 5 but in which accreditation by the Southern Association of Colleges and  
 6 Schools is not an option, shall be reviewed and approved by the Kentucky  
 7 Higher Education Assistance Authority~~[Council on Postsecondary~~  
 8 ~~Education]~~ based on accreditation criteria that mirrors Southern Association  
 9 of Colleges and Schools accreditation criteria in order to qualify as an eligible  
 10 institution in which a student may enroll and receive a Kentucky tuition grant.  
 11 All costs associated with the institutional reviews shall be the responsibility of  
 12 the institution seeking approval by the authority~~[council]~~. The  
 13 authority~~[Council on Postsecondary Education]~~ shall promulgate  
 14 administrative regulations in accordance with KRS Chapter 13A to carry out  
 15 the provisions of this paragraph.

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

- 17 (1) For purposes of this section:
- 18 (a) "Academic term" means the fall or spring academic semester;
- 19 (b) "Academic year" means July 1 through June 30 of each year;
- 20 (c) "Approved dual credit course" means a dual credit course developed in  
 21 accordance with KRS 164.098 and shall include general education courses  
 22 and career and technical education courses within a career pathway approved  
 23 by the Kentucky Department of Education that leads to an industry-  
 24 recognized credential;
- 25 (d) "Authority" means the Kentucky Higher Education Assistance Authority;
- 26 (e) "Dual credit" has the same meaning as in KRS 158.007;
- 27 (f) "Dual credit tuition rate ceiling" means one-third (1/3) of the per credit hour

1           tuition amount charged by the Kentucky Community and Technical College  
2           System for in-state students;

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

- 4           1. Is a Kentucky resident;
- 5           2. Is enrolled in a Kentucky high school as a senior or junior;
- 6           3. Has completed a thirty (30) minute college success counseling session;
- 7           and
- 8           4. Is enrolled, or accepted for enrollment, in an approved dual credit course
- 9           at a participating institution;

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

- 11          1. Has an agreement with the authority for the administration of the Dual
- 12          Credit Scholarship Program;
- 13          2. Charges no more than the dual credit tuition rate ceiling per credit hour,
- 14          including any additional fees, for any dual credit course it offers to any
- 15          Kentucky public or nonpublic high school student;
- 16          3. Does not charge any tuition or fees to an eligible high school student for
- 17          an approved dual credit course beyond what is paid by the Dual Credit
- 18          Scholarship Program when the course is not successfully completed; and
- 19          4. Is a:
  - 20           a. Kentucky Community and Technical College System institution;
  - 21           b. Four (4) year Kentucky public college or university; or
  - 22           c. Four (4) year private college or university that is accredited by the
  - 23           Southern Association of Colleges and Schools and whose main
  - 24           campus is located in Kentucky; and

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

27          (2) To promote dual credit coursework opportunities at no cost to eligible Kentucky

1 high school students, the General Assembly hereby establishes the Dual Credit  
2 Scholarship Program.

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

7 (4) (a) Each high school shall apply to the authority for dual credit scholarship funds  
8 for each eligible high school student.

9 (b) The authority may award a dual credit scholarship to an eligible high school  
10 student for an academic term to the extent funds are available for that purpose,  
11 except that a scholarship shall be awarded to an eligible high school senior  
12 prior to awarding an eligible high school junior.

13 (c) An eligible high school student may receive a dual credit scholarship for a  
14 maximum of two (2) successfully completed dual credit courses.

15 (d) The dual credit scholarship award amount shall be equal to the amount  
16 charged by a participating institution, not to exceed the dual credit tuition rate  
17 ceiling for each dual credit hour, except the scholarship amount shall be  
18 reduced by fifty percent (50%) if the dual credit course is not successfully  
19 completed by the student.

20 (e) Dual credit scholarship funds shall not be used for remedial or developmental  
21 coursework.

22 (5) Each participating institution shall submit information each academic term to the  
23 authority required for the administration of the scholarship as determined by the  
24 authority.

25 (6) Beginning August 1, 2017, and each year thereafter, the authority shall provide a  
26 report to the secretary of the Education and Labor Cabinet~~, the president of the~~  
27 ~~Council on Postsecondary Education~~, and the commissioner of the Kentucky

1 Department of Education to include:

2 (a) The number of students, by local school district and in total, served by the  
3 Dual Credit Scholarship Program; and

4 (b) The number of dual credits earned by students by high school and in total.

5 (7) By May 31, 2019, and each year thereafter, the Kentucky Center for Education and  
6 Workforce Statistics, in collaboration with the authority, shall publish data on the  
7 Dual Credit Scholarship Program's academic and workforce outcomes. The center  
8 shall annually provide a report on the data to the Interim Joint Committee on  
9 Education.

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

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

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

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

24 ➔Section 69. KRS 164.787 is amended to read as follows:

25 (1) The General Assembly hereby establishes the Work Ready Kentucky Scholarship  
26 Program to ensure that all Kentuckians who have not yet earned a postsecondary  
27 degree have affordable access to an industry-recognized certificate, diploma, or

1 associate of applied science degree and, for students with intellectual disabilities  
2 enrolled in comprehensive transition and postsecondary programs, affordable  
3 access to meaningful credentials to prepare for competitive integrated employment.

4 (2) For purposes of this section:

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

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

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

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

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

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

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

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

20 4. Is a:

21 a. Kentucky Community and Technical College System institution;

22 b. Kentucky public university; or

23 c. College, university, or vocational-technical school that is  
24 accredited by a recognized regional or national accrediting body  
25 and licensed to operate at a site in Kentucky;

26 (f) "Eligible program of study" means a program approved by the authority that  
27 leads to an industry-recognized certificate, diploma, or associate of applied

1 science degree in one (1) of Kentucky's top five (5) high-demand workforce  
2 sectors identified by the Kentucky Workforce Innovation Board and the  
3 Education and Labor Cabinet or a program of study in a comprehensive  
4 transition and postsecondary program that leads to a credential, certificate,  
5 diploma, or degree;

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

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

12 (3) In consultation with the Education and Labor Cabinet~~[,] and~~ the Kentucky  
13 Department of Education,~~[ and the Council on Postsecondary Education,]~~ the  
14 Kentucky Higher Education Assistance Authority shall administer the Work Ready  
15 Kentucky Scholarship Program and promulgate administrative regulations in  
16 accordance with KRS Chapter 13A as may be needed for the administration of the  
17 scholarship.

18 (4) An eligible high school student shall:

19 (a) Be a Kentucky resident;

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

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

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

25 (5) An eligible workforce student shall:

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

27 (b) Be a Kentucky resident as determined by the eligible institution in accordance

- 1 with criteria established by the Kentucky Higher Education Assistance  
2 Authority~~[Council on Postsecondary Education]~~ for the purposes of admission  
3 and tuition assessment;
- 4 (c) 1. Have earned a high school diploma or a High School Equivalency  
5 Diploma or be enrolled in a High School Equivalency Diploma  
6 program; or  
7 2. For a student enrolled in a comprehensive transition and postsecondary  
8 program, have received an alternative high school diploma described in  
9 KRS 158.140(2)(b) or have attended a Kentucky public high school and  
10 is a student with an intellectual disability as defined in 34 C.F.R. sec.  
11 668.231;
- 12 (d) Not have earned an associate's degree or higher level postsecondary degree;
- 13 (e) Complete the Free Application for Federal Student Aid for the academic year  
14 in which the scholarship is awarded;
- 15 (f) Complete and submit a Work Ready Kentucky Scholarship application to the  
16 authority;
- 17 (g) Enroll in an eligible program of study at an eligible institution;
- 18 (h) Not be enrolled in an ineligible degree program, such as a bachelor or  
19 unapproved associate program, at any postsecondary institution;
- 20 (i) Following the first academic term scholarship funds are received, achieve and  
21 maintain satisfactory academic progress as determined by the eligible  
22 institution; and
- 23 (j) Not be in default on any program under Title IV of the federal act or any  
24 obligation to the authority under any program administered by the authority  
25 under KRS 164.740 to 164.7891 or 164.7894, except that ineligibility for this  
26 reason may be waived by the authority for cause.
- 27 (6) (a) Beginning with the 2019-2020 academic year, the authority shall award a



1 Work Ready Kentucky Scholarship each academic term to any person who  
2 meets the requirements of this section to the extent funds are available for that  
3 purpose.

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

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

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

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

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

- 1 (8) The authority shall annually provide a report on the Work Ready Kentucky  
2 Scholarship Program, prepared in collaboration with the Office for Education and  
3 Workforce Statistics, to the secretary of the Education and Labor Cabinet that  
4 includes, by academic term, academic year, institution, and workforce sector, the  
5 number of:
- 6 (a) Students served by the scholarship and the total amount disbursed;
  - 7 (b) Credits, certificates, diplomas, and associate of applied science degrees earned  
8 by students receiving the scholarship; and
  - 9 (c) Students receiving the scholarship who are enrolled in a comprehensive  
10 transition and postsecondary program and credentials earned by those  
11 students.
- 12 (9) The authority shall report Work Ready Kentucky Scholarship program data to the  
13 Office for Education and Workforce Statistics for analysis of the program's success  
14 in meeting the goal of increasing skilled workforce participation rates.
- 15 (10) (a) The Work Ready Kentucky Scholarship fund is hereby created as a trust fund  
16 in the State Treasury to be administered by the authority for the purpose of  
17 providing scholarships as described in this section.
- 18 (b) The trust fund shall consist of state general fund appropriations, gifts and  
19 grants from public and private sources, and federal funds. All moneys  
20 included in the fund shall be appropriated for the purposes set forth in this  
21 section.
  - 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 70. KRS 164.7870 is amended to read as follows:

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



1 distribution by institution;

2 (b) Number of recipients completing an eligible program and the number  
3 practicing in Kentucky following program completion; and

4 (c) Geographic distribution and occupational demand of optometrists in the state.

5 (8) (a) The Optometry Scholarship Program fund is hereby created as a trust fund in  
6 the State Treasury to be administered by the authority for the purpose of  
7 providing scholarships 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 71. KRS 164.7874 is amended to read as follows:

19 As used in KRS 164.7871 to 164.7885:

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

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

24 (3) "ACT score" means the composite score achieved on the American College Test at  
25 a national test site on a national test date or the college admissions examination  
26 administered statewide under KRS 158.6453(5)(b)5. if the exam is the ACT, or an  
27 equivalent score, as determined by the authority, on the SAT administered by the

1 College Board, Inc.;

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

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

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

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

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

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

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

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

18 a. Was enrolled during the entire academic term;

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

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

23 3. In the Gatton Academy of Mathematics and Science in Kentucky, the  
24 Craft Academy for Excellence in Science and Mathematics, or in high  
25 school at a model and practice school under KRS 164.380 while meeting  
26 the Kentucky educational excellence scholarship curriculum  
27 requirements;

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

4 (d) Is not a convicted felon;

5 ~~(7)~~~~(8)~~ "Eligible postsecondary student" means a citizen, national, or permanent  
6 resident of the United States and Kentucky resident, as determined by the  
7 participating institution in accordance with criteria established by the  
8 authority~~council~~ for the purposes of admission and tuition assessment, who:

9 (a) Earned a KEES award;

10 (b) Has the required postsecondary GPA and credit hours required under KRS  
11 164.7881;

12 (c) Has remaining semesters of eligibility under KRS 164.7881;

13 (d) Is enrolled in a participating institution as a part-time or full-time student; and

14 (e) Is not a convicted felon;

15 ~~(8)~~~~(9)~~ "Full-time student" means a student enrolled in a postsecondary program of  
16 study that meets the full-time student requirements of the participating institution in  
17 which the student is enrolled;

18 ~~(9)~~~~(10)~~ "Grade point average" or "GPA" means the grade point average earned by an  
19 eligible student and reported by the high school or participating institution in which  
20 the student was enrolled based on a scale of 4.0 or its equivalent if the high school  
21 or participating institution that the student attends does not use the 4.0 grade scale;

22 ~~(10)~~~~(11)~~ "High school" means any Kentucky public high school, the Gatton Academy  
23 of Mathematics and Science in Kentucky, the Craft Academy for Excellence in  
24 Science and Mathematics, a high school of a model and practice school under KRS  
25 164.380, and any private, parochial, or church school located in Kentucky that has  
26 been certified by the Kentucky Board of Education as voluntarily complying with  
27 curriculum, certification, and textbook standards established by the Kentucky Board

1 of Education under KRS 156.160;

2 ~~(11)~~ "KEES" or "Kentucky educational excellence scholarship" means a  
3 scholarship provided under KRS 164.7871 to 164.7885;

4 ~~(12)~~ "KEES award" means:

5 (a) For an eligible high school student, the sum of the KEES base amount for  
6 each academic year of high school plus any KEES supplemental amount, as  
7 adjusted pursuant to KRS 164.7881; and

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

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

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

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

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

20 ~~(17)~~ "KEES trust fund" means the Wallace G. Wilkinson Kentucky educational  
21 excellence scholarship trust fund;

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

27 ~~(19)~~ "Participating institution" means an "institution" as defined in KRS 164.001



1 that is eligible to participate in the federal Pell Grant program, executes a contract  
2 with the authority on terms the authority deems necessary or appropriate for the  
3 administration of its programs, and:

- 4 (a) 1. Is publicly operated;
- 5 2. Is licensed by the Commonwealth of Kentucky and has operated for at  
6 least ten (10) years, offers an associate or baccalaureate degree program  
7 of study not comprised solely of sectarian instruction, and admits as  
8 regular students only high school graduates, recipients of a High School  
9 Equivalency Diploma, or students transferring from another accredited  
10 degree granting institution; or
- 11 3. Is designated by the authority as an approved out-of-state institution that  
12 offers a degree program in a field of study that is not offered at any  
13 institution in the Commonwealth; and

- 14 (b) Continues to commit financial resources to student financial assistance  
15 programs; and

16 ~~(20)~~~~(21)~~ "Part-time student" means a student enrolled in a postsecondary program of  
17 study who does not meet the full-time student requirements of the participating  
18 institution in which the student is enrolled and who is enrolled for at least six (6)  
19 credit hours, or the equivalent for an institution that does not use credit hours.

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

21 (1) As used in this section:

- 22 (a) "Academic year" means July 1 through June 30 of each year;
- 23 (b) "Apprentice" has the same meaning as in KRS 343.010;
- 24 (c) "Approved workforce solutions training program" means a local high-demand  
25 work sector training program that is approved by the authority and is offered  
26 by the Kentucky Community and Technical College System through  
27 consultation with representatives of the local workforce development area and

1 the local Kentucky Community and Technical College System campus where  
2 the program will be offered;

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

- 4 1. Qualifies as a tax exempt organization pursuant to Section 501(c)(3) of  
5 the Internal Revenue Code;
- 6 2. Is conditionally or unconditionally licensed by the Kentucky Higher  
7 Education Assistance Authority~~[Council on Postsecondary Education]~~;
- 8 3. Is a candidate for accreditation by a regional accrediting association  
9 recognized by the United States Department of Education;
- 10 4. Has its main campus physically located in Kentucky;
- 11 5. Limits its degree program offerings to the area of fine arts; and
- 12 6. Does not qualify as a participating institution as defined in KRS  
13 164.7874;

14 (e) "Eligible student" means an eligible high school student who has graduated  
15 from high school or a student eligible under KRS 164.7879(3)(e);

16 (f) "Proprietary school" means a school that:

- 17 1. Is licensed by the Kentucky Commission on Proprietary Education;
- 18 2. Has operated for at least five (5) years;
- 19 3. Has its headquarters or main campus physically located in Kentucky;  
20 and
- 21 4. Does not qualify as a participating institution under KRS 164.7874  
22 (19)~~[(20)]~~;

23 (g) "Qualified proprietary school program" means a program offered by a  
24 proprietary school that is in the field of agriculture as defined in KRS 246.010  
25 or is in one (1) of Kentucky's top five (5) high-demand work sectors as  
26 determined by the Kentucky Workforce Innovation Board;

27 (h) "Qualified workforce training program" means a program that is in one (1) of

1 Kentucky's top five (5) high-demand work sectors as determined by the  
2 Kentucky Workforce Innovation Board;

- 3 (i) "Registered apprenticeship program" means an apprenticeship program that:
- 4 1. Is established in accordance with the requirements of KRS Chapter 343;
  - 5 2. Requires a minimum of two thousand (2,000) hours of on-the-job work  
6 experience;
  - 7 3. Requires a minimum of one hundred forty-four (144) hours of related  
8 instruction for each year of the apprenticeship; and
  - 9 4. Is approved by the Education and Labor Cabinet;

10 (j) "Related instruction" has the same meaning as in KRS 343.010; and

11 (k) "Sponsor" has the same meaning as in KRS 343.010.

12 (2) Notwithstanding KRS 164.7881, an eligible student who earned a KEES award  
13 shall be eligible for a Kentucky educational excellence scholarship if the student  
14 meets the requirements of this section and is:

- 15 (a) An apprentice in a registered apprenticeship program;
- 16 (b) Enrolled in a qualified workforce training program that has a current  
17 articulation agreement for postsecondary credit hours with a participating  
18 institution;
- 19 (c) Enrolled in a qualified proprietary school program;
- 20 (d) Enrolled in an approved workforce solutions training program; or
- 21 (e) Enrolled in an eligible college of art and design.

22 (3) (a) Beginning with the 2018-2019 academic year, an eligible student enrolled in a  
23 registered apprenticeship program or, for the academic year beginning July 1,  
24 2020, an eligible student enrolled in a qualified workforce training program  
25 or, for the academic year beginning July 1, 2023, an eligible student enrolled  
26 in a qualified proprietary school program, an approved workforce solutions  
27 training program, or an eligible college of art and design, may receive

1 reimbursement of tuition, books, required tools, and other approved expenses  
2 required for participation in the program, upon certification by the sponsor,  
3 school, or college and approval by the authority.

4 (b) The reimbursement amount an eligible student may receive in an academic  
5 year shall not exceed the student's KEES award maximum.

6 (c) The total reimbursement amount an eligible student may receive under this  
7 section shall not exceed the student's KEES award maximum multiplied by  
8 four (4).

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

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

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

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

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

21 (1) To ensure the public health purpose of access to pharmaceutical services in the  
22 coal-producing counties of the Commonwealth, which have been traditionally  
23 underserved for pharmaceutical services due to a shortage of pharmacists in the  
24 Commonwealth, the General Assembly hereby establishes a coal county scholarship  
25 program to provide eligible Kentucky students the opportunity to attend an  
26 accredited school of pharmacy or a provisionally accredited school of pharmacy in  
27 the Commonwealth, and to become certified pharmacists in the Commonwealth,

1 provided that the scholarship recipient agrees to practice pharmacy in a coal-  
2 producing county for each year a scholarship is provided.

3 (2) "Coal-producing county" as used in this section has the same meaning as in KRS  
4 42.4592(1)(c).

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

7 (a) Is a Kentucky resident;

8 (b) Is considered a permanent resident of a coal-producing county for at least one  
9 (1) year immediately preceding July 1 of the academic year in which the  
10 scholarship is made for students who first receive a scholarship under this  
11 section on or after July 1, 2014;

12 (c) Is a United States citizen as determined by the institution in accordance with  
13 criteria established by the Kentucky Higher Education Assistance  
14 Authority~~[Council on Postsecondary Education]~~ for the purposes of admission  
15 and tuition assessment;

16 (d) Is enrolled or accepted for enrollment in a Pharm.D. program at an accredited  
17 institution or a provisionally accredited institution in the Commonwealth on a  
18 full-time basis, or is a student who has a disability defined by Title II of the  
19 Americans with Disabilities Act, 42 U.S.C. secs. 12131 et seq., certified by a  
20 licensed physician to be unable to attend the eligible program of study full-  
21 time because of the disability;

22 (e) Agrees to render one (1) year of qualified service in a coal-producing county  
23 of the Commonwealth for each year the scholarship was awarded. "Qualified  
24 service" means a full-time practice in a coal-producing county of the  
25 Commonwealth of Kentucky as a licensed pharmacist for a majority of the  
26 calendar year, except that an individual having a disability defined by Title II  
27 of the Americans with Disabilities Act, 42 U.S.C. secs. 12131 et seq., whose

1 disability, certified by another licensed physician, prevents him or her from  
2 practicing full-time, shall be deemed to perform qualified service by  
3 practicing the maximum time permitted by the attending physician, in the  
4 coal-producing county; and

5 (f) Agrees to sign a promissory note as evidence of the scholarship awarded and  
6 the obligation to repay the scholarship amount or render pharmacy service as  
7 agreed in lieu of payment.

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

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

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

23 (b) The recipient shall render one (1) year of qualified service in a coal-producing  
24 county for each year the scholarship was awarded. Upon completion of each  
25 year of qualified service in a coal-producing county, the authority shall cancel  
26 the appropriate number of promissory notes. Promissory notes shall be  
27 canceled by qualified service in the order in which the promissory notes were

1           executed. Service credit shall not include residency service.

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

6           (6) Any person who is in default on any obligation to the authority under any program  
7           administered by the authority under KRS 164.740 to 164.785 shall not be awarded a  
8           scholarship or have a promissory note canceled until all financial obligations to the  
9           authority are satisfied, except that ineligibility for this reason may be waived by the  
10          authority for cause.

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

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

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

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

26          (11) (a) The coal county pharmacy scholarship fund is hereby created as a revolving  
27          fund in the State Treasury to be administered by the Kentucky Higher

1 Education Assistance Authority for the purpose of providing scholarships to  
2 qualifying students studying pharmacy in schools in the Commonwealth.

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

7 (c) 1. Receipts from the coal severance tax levied under KRS 143.020 shall be  
8 transferred to the fund on an annual basis in an amount not to exceed the  
9 lesser of:

10 a. Four percent (4%) of the total annual coal severance tax revenues  
11 collected under KRS 143.020; or

12 b. The amount necessary to provide full funding for all students who  
13 qualify for a scholarship under this section, considering all other  
14 resources available.

15 2. Transfers required by subparagraph 1. of this paragraph shall be made as  
16 follows:

17 a. On or before August 1 of each year, sixty-five percent (65%) of  
18 the amount of funding provided for in this paragraph shall be  
19 transferred to the fund; and

20 b. The remaining thirty-five percent (35%) shall be transferred on or  
21 before December 1 of each year.

22 3. The amount transferred shall be based upon the prevailing revenue  
23 estimate for coal severance tax receipts at the time each transfer is made.

24 (d) Any unallotted or unencumbered balances in the trust fund shall be invested  
25 as provided in KRS 42.500(9).

26 (e) Income earned from the investments shall be credited to the trust fund.

27 (f) Notwithstanding KRS 45.229, any fund balance at the close of the fiscal year



1 shall not lapse but shall be transferred to the Osteopathic Medicine  
2 Scholarship Program described in KRS 164.7891 within ninety (90) days of  
3 the end of the fiscal year.

4 (g) All amounts included in the fund shall be continuously appropriated only for  
5 the purposes specified in this section.

6 (h) A general statement that all continuing appropriations are repealed,  
7 discontinued, or suspended shall not operate to repeal, discontinue, or suspend  
8 this fund or to repeal this action.

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

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

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

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

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

21 (a) Kentucky residents who are United States citizens as determined by the  
22 institution in accordance with criteria established by the authority~~[Council on  
23 Postsecondary Education]~~ for the purposes of admission and tuition  
24 assessment;

25 (b) Students who are enrolled or accepted for enrollment in an eligible program of  
26 study accredited by the Bureau of Professional Education of the American  
27 Osteopathy Association or its successor, on a full-time basis, or eligible

- 1 students who have a disability defined by Title II of the Americans with  
2 Disabilities Act, 42 U.S.C. secs. 12131 et seq., certified by a licensed  
3 physician to be unable to attend the eligible program of study full-time  
4 because of the disability;
- 5 (c) Students who agree to render one (1) year of qualified service in the  
6 Commonwealth for each year the scholarship was awarded. "Qualified  
7 service" means a full-time practice in the Commonwealth of Kentucky as a  
8 licensed doctor of osteopathy for a majority of the calendar year in the fields  
9 of family practice, general practice, general internal medicine, general  
10 pediatrics, general obstetrics, or gynecology, except that an individual having  
11 a disability defined by Title II of the Americans with Disabilities Act, 42  
12 U.S.C. secs. 12131 et seq., whose disability, certified by another licensed  
13 physician, prevents him or her from practicing full-time, shall be deemed to  
14 perform qualified service by practicing the maximum time permitted by the  
15 attending physician; and
- 16 (d) Students who sign a promissory note as evidence of the scholarship awarded  
17 and the obligation to repay the scholarship amount or render medical service  
18 as agreed in lieu of payment.
- 19 (4) The amount of the scholarship awarded to an eligible student by the authority shall  
20 be equal to the difference between:
- 21 (a) The average of the prevailing amount charged for in-state tuition at the  
22 University of Kentucky School of Medicine and the University of Louisville  
23 School of Medicine; and
- 24 (b) The prevailing amount charged for tuition at the osteopathic school of  
25 medicine in which the student is enrolled.
- 26 (5) The authority shall require a promissory note to be executed by the student as  
27 evidence of the obligation. The recipient shall render one (1) year of qualified

1 service for each year the scholarship was awarded. Upon completion of each year of  
2 qualified service, the authority shall cancel the appropriate number of promissory  
3 notes. Promissory notes shall be canceled by qualified service in the order in which  
4 the promissory notes were executed. Service credit shall not include residency  
5 service. In the event a recipient fails to complete an eligible program of study, or  
6 fails to render qualified medical service as a primary care physician as agreed in  
7 subsection (3) of this section, the recipient shall be liable for the total repayment of  
8 the sum of all outstanding promissory notes and accrued interest.

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

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

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

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

25 (10) Notwithstanding any other statute to the contrary, the maximum interest rate  
26 applicable to repayment of a promissory note under this section shall be twelve  
27 percent (12%) per annum, except that if a judgment is rendered to recover payment,

1 the judgment shall bear interest at the rate of five percent (5%) greater than the rate  
2 actually charged on the promissory note.

3 (11) (a) The "Osteopathic Medicine Scholarship Program" is hereby created as a  
4 special trust fund in the State Treasury administered by the Kentucky Higher  
5 Education Assistance Authority for the purpose of providing funds for  
6 scholarships to eligible students studying osteopathic medicine in schools in  
7 the Commonwealth.

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

18 (c) The trust fund may also receive state appropriations, gifts, and grants from  
19 public and private sources, and federal funds. Any unallotted or  
20 unencumbered balances in the trust fund shall be invested as provided in KRS  
21 42.500(9). Income earned from the investments shall be credited to the trust  
22 fund. Any fund balance at the close of the fiscal year shall not lapse but shall  
23 be carried forward to the next fiscal year and continuously appropriated only  
24 for the purposes specified in this section. A general statement that all  
25 continuing appropriations are repealed, discontinued, or suspended shall not  
26 operate to repeal, discontinue, or suspend this fund or to repeal this section.

27 (d) All moneys repaid to the authority under this section shall be added to the

1           appropriations made for purposes of this section, and the funds and  
2           unobligated appropriations shall not lapse.

3   (12) On or before August 1 of each year, sixty-five percent (65%) of the amount of  
4       funding provided in subsection (11)(b) of this section shall be transferred to the  
5       special trust fund and the remaining thirty-five percent (35%) shall be transferred  
6       on or before December 1 of each year. The revenue transfers shall be based upon  
7       the revenue estimates prevailing at the time each transfer is due.

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

9   (1) The General Assembly recognizes that the bachelor degree attainment rate in the  
10     coal-producing counties of Kentucky is lower than the state average. It is the intent  
11     of the General Assembly to establish the Kentucky Coal County College  
12     Completion Program to assist residents of coal-producing counties who are  
13     attending postsecondary education institutions located in coal-producing counties  
14     by providing:

15     (a) Scholarships to:

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

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

21   (2) For purposes of this section:

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

24     (b) "High school" means a Kentucky public high school or a private, parochial, or  
25         church school located in Kentucky that has been certified by the Kentucky  
26         Board of Education as voluntarily complying with curriculum, certification,  
27         and textbook standards established by the Kentucky Board of Education under

1 KRS 156.160;

2 (c) "Kentucky Coal County College Completion scholarship" or "KCCCC  
3 scholarship" means a scholarship described in subsection (1)(a) of this  
4 section;

5 (d) "Kentucky Coal County College Completion student services grant" or  
6 "KCCCC student services grant" means a grant described in subsection (1)(b)  
7 of this section; and

8 (e) "Tuition" means the in-state tuition and mandatory fees charged to all students  
9 as a condition of enrollment in an undergraduate program.

10 (3) A participating institution shall:

11 (a) Be physically located in the district;

12 (b) Offer bachelor's degree programs; and be:

13 (c) 1. A regionally accredited, independent nonprofit Kentucky college or  
14 university licensed by the Kentucky Higher Education Assistance  
15 Authority~~[Council on Postsecondary Education]~~ whose main campus is  
16 based in the district, including a work-college as determined by the  
17 Kentucky Higher Education Assistance Authority;

18 2. A four (4) year public university extension campus; or

19 3. A regional postsecondary education center, including the University  
20 Center of the Mountains.

21 (4) A participating institution may establish extension campuses within the district to  
22 offer bachelor degree programs for purposes of this section.

23 (5) A nonparticipating institution shall:

24 (a) Have its main campus located in Kentucky but not in the district;

25 (b) Offer a bachelor's degree program not offered at any participating institution;

26 (c) Be accredited by the Southern Association of Colleges and Schools; and

27 (d) Be a public or independent, nonprofit college or university that is licensed by

1 the Kentucky Higher Education Assistance Authority~~[Council on~~  
2 ~~Postsecondary Education]~~.

3 (6) The Kentucky Higher Education Assistance Authority shall administer the  
4 Kentucky Coal County College Completion Program and shall promulgate  
5 administrative regulations in accordance with KRS Chapter 13A as may be needed  
6 for the administration of the program.

7 (7) The authority may award a KCCCC scholarship under this section, to the extent  
8 funds are available for that purpose, to any person who:

9 (a) Is considered a permanent resident of the district for at least one (1) year  
10 immediately preceding July 1 of the academic year in which the scholarship is  
11 made;

12 (b) Is a United States citizen;

13 (c) Is a Kentucky resident as determined by the institution in accordance with  
14 criteria established by the Kentucky Higher Education Assistance  
15 Authority~~[Council on Postsecondary Education]~~ for the purposes of admission  
16 and tuition assessment;

17 (d) Completes and submits the Free Application for Federal Student Aid for the  
18 academic year in which the grant is made;

19 (e) Has earned at least sixty (60) credits or the equivalent of completed  
20 coursework toward a bachelor's degree;

21 (f) Is enrolled at least half-time at a participating institution, or a nonparticipating  
22 institution in accordance with subsection (8) of this section, in upper division  
23 courses in a program of study that leads to a bachelor's degree;

24 (g) Is in good academic standing in accordance with the institution's policy; and

25 (h) Is not in default on any obligation to the authority under any program  
26 administered by the authority under KRS 164.740 to 164.785, except that  
27 ineligibility for this reason may be waived by the authority for cause.

- 1 (8) A student otherwise eligible for the KCCCC scholarship who is enrolled in a  
2 nonparticipating institution shall be eligible to receive the KCCCC scholarship if he  
3 or she is enrolled in a bachelor's degree program in a field of study that is not  
4 offered at any participating institution. A program shall be clearly unlike any degree  
5 program offered by a participating institution to be eligible. The authority shall  
6 promulgate administrative regulations to establish procedures to designate the  
7 approved programs of study at nonparticipating institutions for which an eligible  
8 student can receive the KCCCC scholarship, which shall include a program review  
9 process that requires fifty percent (50%) or more of the courses offered in a  
10 program to be different from courses available in a program offered by a  
11 participating institution. The maximum annual total of KCCCC scholarships  
12 expended for this purpose, to the extent funds are available, shall not exceed five  
13 percent (5%) of the amount appropriated for KCCCC scholarships.
- 14 (9) (a) The KCCCC scholarship amount provided to a student may be applied to the  
15 student's cost of attendance and shall be forty percent (40%), up to the  
16 maximum amount defined in subsections (10) and (11) of this section, of the  
17 amount remaining after subtracting the student's federal and state grants and  
18 scholarships from the institution's published tuition and mandatory fees  
19 amount that is used for purposes of packaging federal student aid. Work study  
20 and student loan funds shall not be included in the calculation.
- 21 (b) For purposes of this subsection, the tuition amount for a work-college, as  
22 described in subsection (3)(c)1. of this section, shall be the average tuition and  
23 mandatory fees amount of the participating institutions that are described in  
24 subsection (3)(c)1. of this section and are not work-colleges.
- 25 (c) Students attending less than full-time shall receive a pro rata amount as  
26 determined by the authority.
- 27 (10) The maximum KCCCC scholarship award amount for the 2014-2015 academic year



1 shall not exceed:

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

5 (b) Two thousand three hundred dollars (\$2,300) per academic year for a student  
6 attending a participating institution that is a public university extension  
7 campus or a regional postsecondary education center; or

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

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

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

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

27 (14) The authority may award KCCCC student services grants under this section, to the

- 1 extent funds are available for that purpose, to a Kentucky Community and  
2 Technical College System institution that is physically located in the district.
- 3 (15) The maximum annual KCCCC student services grant shall be one hundred fifty  
4 thousand dollars (\$150,000) per institution.
- 5 (16) KCCCC student services grants shall be used for the following purposes:
- 6 (a) To expand outreach services in high schools, in coordination with outreach  
7 services provided by the authority, to advise students of the advantages and  
8 importance of seeking a bachelor's degree and the opportunities to attain a  
9 bachelor's degree within the district;
- 10 (b) To expand advising resources to encourage completion of associate degree  
11 programs and transfer into bachelor's degree programs;
- 12 (c) To expand career advising resources to better link baccalaureate academic  
13 pursuits to career opportunities, especially within the district; and
- 14 (d) To provide multifaceted retention and student transfer initiatives to encourage  
15 associate degree completion leading to bachelor's degree programs.
- 16 (17) Beginning November 1, 2015, and each year thereafter, the authority shall make an  
17 annual report to the Interim Joint Committee on Education on the status of the  
18 Kentucky Coal County College Completion Program.
- 19 (18) Every four (4) years after implementation of the Kentucky Coal County College  
20 Completion Program, the authority shall evaluate the program to ensure the policy  
21 objectives are being realized and to suggest adjustments to maximize the increase in  
22 bachelor's degree completion rates.
- 23 (19) Each participating institution, nonparticipating institution, and recipient of a  
24 KCCCC student services grant shall make data available to the authority for the  
25 report and evaluation described in subsections (17) and (18) of this section.
- 26 (20) If any participating institution, nonparticipating institution, or recipient of a  
27 KCCCC student services grant does not demonstrate improved performance in

1 student performance metrics, including but not limited to graduation and transfer  
2 rates, the authority may revoke the institution's eligibility for participation in the  
3 KCCCC scholarship or KCCCC student services grant.

4 (21) (a) The coal county college completion scholarship fund is hereby created as a  
5 trust 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 subsection (1)(a) of this section.

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

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

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

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

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

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

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

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

8 (1) For purposes of this section:

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

10 (b) "Full enrollment space amount" means the difference between the out-of-state  
11 and in-state tuition amount at a public participating veterinary school or an  
12 equivalent amount determined by the authority for a nonpublic participating  
13 veterinary school;

14 (c) "Kentucky student" means a Kentucky resident as determined by the authority  
15 using the criteria established by the Kentucky Higher Education Assistance  
16 Authority~~[Council on Postsecondary Education]~~ for the purposes of  
17 postsecondary admission and tuition assessment;

18 (d) "Participating veterinary school" means a college of veterinary medicine  
19 approved by the authority for participation in the program; and

20 (e) "Program" means the Veterinary Contract Spaces Program.

21 (2) The General Assembly establishes the Veterinary Contract Spaces Program to  
22 provide financial assistance and access to Kentucky students seeking a veterinary  
23 education and to help ensure the availability of a sufficient veterinary workforce in  
24 the Commonwealth.

25 (3) The authority shall administer the 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) Subject to the availability of funds, the authority shall contract to purchase at least  
2 one hundred sixty-four (164) enrollment spaces annually for Kentucky students at  
3 one (1) or more participating veterinary schools. To the extent possible, the contract  
4 shall be for the full enrollment space amount.
- 5 (5) Kentucky students enrolled in a participating veterinary school and selected by the  
6 school for participation in the program shall receive a tuition credit from the school  
7 in the amount required to purchase his or her enrollment space each semester, not to  
8 exceed eight (8) semesters.
- 9 (6) To the extent possible, the authority shall secure enrollment spaces so that  
10 Kentucky students participating in the program may continue applying tuition  
11 credits at the same participating veterinary school for up to eight (8) semesters.
- 12 (7) (a) The Veterinary Contract Spaces Program trust fund is hereby created as a trust  
13 fund in the State Treasury to be administered by the authority for the purpose  
14 of purchasing enrollment spaces for Kentucky students in participating  
15 veterinary schools as described in this section.
- 16 (b) The trust fund shall consist of state general fund appropriations, gifts and  
17 grants from public and private sources, and federal funds. All moneys  
18 included in the fund shall be appropriated for the purposes set forth in this  
19 section.
- 20 (c) Any unallotted or unencumbered balances in the trust fund shall be invested as  
21 provided in KRS 42.500(9). Income earned from the investments shall be  
22 credited to the trust fund.
- 23 (d) Notwithstanding KRS 45.229, any fund balance at the close of the fiscal year  
24 shall not lapse but shall be carried forward to the next fiscal year and  
25 continuously appropriated only for the purposes specified in this section.
- 26 ➔Section 77. KRS 164.7911 is amended to read as follows:
- 27 (1) There is established and created in the *Kentucky Higher Education Assistance*

1        Authority~~[Council on Postsecondary Education]~~ a Strategic Investment and  
2        Incentive Funding Program for postsecondary education to consist of a system of  
3        strategic financial assistance awards to institutions, systems, agencies, and  
4        programs of postsecondary education to advance the goals of postsecondary  
5        education as stated in KRS 164.003(2). There are established in the State Treasury  
6        the following individual strategic investment and incentive trust funds:

- 7        (a) A research challenge trust fund;
- 8        (b) A comprehensive university excellence trust fund;
- 9        (c) A technology initiative trust fund;
- 10       (d) A physical facilities trust fund;
- 11       (e) A postsecondary workforce development trust fund; and
- 12       (f) A student financial aid and advancement trust fund.

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

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

25       (1) The Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~  
26       ~~Education]~~ shall make a biennial budget request to the General Assembly and to the  
27       Governor with regard to:

- 1 (a) Specific funding amounts to be appropriated to each individual trust fund in  
2 the Strategic Investment and Incentive Funding Program;
- 3 (b) Specific funding amounts of all capital projects to be appropriated and funded  
4 from each individual trust fund in the Strategic Investment and Incentive  
5 Funding Program; and
- 6 (c) Funding to be appropriated to the base budgets of the institutions, systems,  
7 agencies, and programs.
- 8 (2) Funds appropriated for the Strategic Investment and Incentive Funding Program  
9 shall be for the purpose of encouraging the activities of institutions, systems,  
10 agencies, and programs of postsecondary education in accordance with the strategic  
11 agenda adopted by the Kentucky Higher Education Assistance Authority~~[Council~~  
12 ~~on Postsecondary Education]~~.
- 13 ➔Section 79. KRS 164.7917 is amended to read as follows:
- 14 (1) (a) The research challenge trust fund created by KRS 164.7911 may include  
15 separate, subsidiary programs and related accounts, such as an Endowed  
16 Professorship Matching Program, an Endowed Chairs Matching Program, an  
17 External Research Grant Matching Program, a Graduate Assistant Program, a  
18 Junior Faculty Research Encouragement Program, or other programs and  
19 related accounts as determined through the biennial budget process for the  
20 Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~  
21 ~~Education]~~.
- 22 (b) Appropriations to the research challenge trust fund are to encourage research  
23 activities at the University of Kentucky and at the University of Louisville so  
24 that these institutions may achieve the goals established in KRS 164.003(2).
- 25 (c) Funds appropriated to the research challenge trust fund shall be apportioned  
26 two-thirds (2/3) to the University of Kentucky and one-third (1/3) to the  
27 University of Louisville.

1 (2) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~  
2 ~~Education]~~ shall develop the criteria and process for submission of an application  
3 under this section. The evaluation of all applications for support of specific faculty  
4 research projects, if such projects are included in the university's plan for use of  
5 research trust funds, shall be subject to review and ranking by an external panel of  
6 experts appointed according to guidelines and procedures approved by the  
7 *authority*~~[council]~~ in consultation with the University of Kentucky and the  
8 University of Louisville. The University of Kentucky and the University of  
9 Louisville may apply to the *authority*~~[council]~~ for financial assistance from the  
10 research challenge trust fund. The *authority*~~[council]~~ shall determine the matching  
11 funds or internal reallocation requirements from the applicants to qualify for  
12 funding. Financial assistance that may be awarded by the *authority*~~[council]~~ shall  
13 be consistent with the adopted strategic agenda, the biennial budget process, and the  
14 availability of any resources to the research challenge trust fund.

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

- 16 (1) (a) The comprehensive university excellence trust fund created by KRS 164.7911  
17 shall consist of six (6) separate accounts: one (1) for Eastern Kentucky  
18 University; one (1) for Kentucky State University; one (1) for Morehead State  
19 University; one (1) for Murray State University; one (1) for Northern  
20 Kentucky University; and one (1) for Western Kentucky University.
- 21 (b) Funds appropriated to the comprehensive university excellence trust fund or  
22 any subsidiary fund created by the *Kentucky Higher Education Assistance*  
23 *Authority*~~[Council on Postsecondary Education]~~ shall be apportioned to each  
24 of the comprehensive universities proportional to their respective share of  
25 total general fund appropriations in each fiscal year, excluding debt service  
26 appropriations and specialized, noninstructional appropriations.
- 27 (c) The purpose of the comprehensive university excellence trust fund is to



1 provide financial assistance to encourage comprehensive universities to  
2 develop at least one (1) nationally recognized program of distinction or at  
3 least one (1) nationally recognized applied research program consistent with  
4 the goals established in KRS 164.003(2).

5 (2) The authority~~[council]~~ shall develop the criteria and process for submission of an  
6 application under this section. Each university may apply to the authority~~[council]~~  
7 for financial assistance from the comprehensive university excellence trust fund.  
8 The authority~~[council]~~ shall determine the matching funds or internal reallocation  
9 requirements from the applicants to qualify for funding. Financial assistance that  
10 may be awarded by the authority~~[council]~~ shall be consistent with the adopted  
11 strategic agenda, the biennial budget process, and the availability of any resources  
12 to the comprehensive university excellence trust fund.

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

14 (1) (a) The technology initiative trust fund created by KRS 164.7911 is intended to  
15 support investments in electronic technology for postsecondary education  
16 throughout the Commonwealth to improve student learning.

17 (b) The Kentucky Higher Education Assistance Authority~~[Council on~~  
18 ~~Postsecondary Education]~~ may establish separate subsidiary programs and  
19 related accounts to provide financial assistance to the postsecondary education  
20 system in acquiring the infrastructure necessary to acquire and develop  
21 electronic technology capacity; to encourage shared program delivery among  
22 libraries, institutions, systems, agencies, and programs; to provide funding for  
23 the Commonwealth Virtual University under KRS 164.800; and other  
24 programs consistent with the purposes of postsecondary education, the  
25 adopted strategic agenda, and the biennial budget process.

26 (2) The authority~~[council]~~ shall develop the criteria and process for submission of an  
27 application under this section. Any university and the Kentucky Community and

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

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

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

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

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

23 (1) The postsecondary workforce development trust fund created by KRS 164.7911 is  
24 intended to provide financial assistance to further cooperative efforts among  
25 community colleges and technical institutions and for the acquisition of equipment  
26 and technology necessary to provide quality education programs.

27 (2) The Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~

1       ~~Education]~~ shall develop the criteria and process for submission of an application  
 2       under this section. The Kentucky Community and Technical College System may  
 3       apply to the authority~~[council]~~ for financial assistance from the postsecondary  
 4       workforce development trust fund. Financial assistance shall be awarded for  
 5       instructional programs ensuring that the community colleges and the technical  
 6       institutions are able to continually acquire state-of-the-art equipment and  
 7       technology needed to accomplish their missions.

8       ➔Section 84. KRS 164.7927 is amended to read as follows:

- 9       (1) (a) The student financial aid and advancement trust fund created by KRS  
 10       164.7911 is intended to provide financial assistance that encourages student  
 11       access to postsecondary education including regionally accredited or  
 12       nationally accredited technical institutions and colleges, community colleges,  
 13       public universities, and regionally accredited private colleges and universities.
- 14       (b) Appropriations shall be made to the trust fund and allotted to universities and  
 15       the Kentucky Community and Technical College System~~[or to the Kentucky~~  
 16       ~~Higher Education Assistance Authority]~~ as the **Kentucky Higher Education**  
 17       **Assistance Authority**~~[Council on Postsecondary Education]~~ deems  
 18       appropriate. Appropriations made to this trust fund may be used for the  
 19       College Access Program, the Kentucky Tuition Grant Program, or other  
 20       student financial aid programs as authorized by the General Assembly.
- 21       (c) The authority~~[council]~~ shall establish separate subsidiary programs and  
 22       related accounts that are consistent with this section, the adopted strategic  
 23       agenda, the biennial budget process, and the availability of any resources to  
 24       the student financial aid and advancement trust fund.
- 25       (2) (a) The **Kentucky Higher Education Assistance Authority**~~[Council on~~  
 26       ~~Postsecondary Education, in consultation with the Kentucky Higher~~  
 27       ~~Education Assistance Authority,]~~ shall determine the nature and purposes of

1 budget requests for funding support to the student financial aid and  
2 advancement trust fund. The determination shall be based upon the financial  
3 assistance needs and requirements of students of postsecondary regionally  
4 accredited or nationally accredited private or public institutions.

5 (b) A minimum of twenty-five percent (25%) of the student financial aid and  
6 advancement trust fund appropriation shall be allotted for the purpose of  
7 assisting individuals whose available income, determined in accordance with  
8 part F of Title IV of the Higher Education Act of 1965 as amended, is at or  
9 below one hundred percent (100%) of the federal income poverty guidelines.  
10 From the foregoing allotment, administrators of programs funded under this  
11 section may exercise discretion in accordance with 20 U.S.C. sec. 1087t in  
12 awarding student financial assistance benefits on a case-by-case basis to  
13 individuals with disabilities, as defined by Title II of the Americans with  
14 Disabilities Act, 42 U.S.C. secs. 12131 et seq., whose available income is  
15 above the federal income poverty guidelines, whether or not the student  
16 qualifies for vocational rehabilitation services. Any funds remaining after all  
17 eligible students have been served under this paragraph may be used for other  
18 purposes as provided in this section.

19 (3) The authority~~board~~ shall develop the criteria and process for submission of an  
20 application under this section. Financial assistance that may be awarded by the  
21 authority~~board~~ shall be consistent with the adopted strategic agenda, the  
22 biennial budget process, and the availability of any resources to the student  
23 financial aid and advancement trust fund.

24 ➔Section 85. KRS 164.800 is amended to read as follows:

25 (1) The Commonwealth Virtual University shall be the academic programs made  
26 available to the citizens of the Commonwealth through the use of modern methods  
27 of communications and information dissemination as determined by the Kentucky

- 1        *Higher Education Assistance Authority*~~[Council on Postsecondary Education]~~  
2        after consideration of the recommendations of the Distance Learning Advisory  
3        Committee and the needs expressed by the regional advisory groups.
- 4        (2) The *authority*~~[council]~~ shall establish a Distance Learning Advisory Committee to  
5        advise the *authority*~~[council]~~ on matters relating to the Commonwealth Virtual  
6        University. The members of the advisory committee shall include the presidents of  
7        each of the nine (9) state postsecondary education institutions, the executive  
8        director of the Kentucky Educational Television Network, a representative of the  
9        Association of Independent Kentucky Colleges and Universities, and other  
10       representatives as the *authority*~~[council]~~ deems appropriate. The committee shall  
11       elect its chair and other officers as it deems necessary.
- 12       (3) The *authority*~~[council]~~, after receiving the recommendations of the Distance  
13       Learning Advisory Committee, shall establish policies to control and promote the  
14       use of distance learning systems to be used by the Commonwealth Virtual  
15       University to increase the availability of all postsecondary education programs  
16       throughout the state in the most efficient manner. The comprehensive universities  
17       shall be the primary developers and deliverers of baccalaureate and master's degree  
18       programs to be delivered by the Commonwealth Virtual University; however, this  
19       does not preclude the University of Kentucky, the University of Louisville, or  
20       independent colleges from offering baccalaureate and master's degree programs or  
21       other course offerings, and community colleges and technical institutions from  
22       offering associate and technical degree programs or other courses through the  
23       Commonwealth Virtual University.
- 24       (4) The *authority*~~[council]~~ shall determine the allocation of tuition, course offerings,  
25       source of courses, technology to be used, and other matters relating to the use of  
26       distance learning to promote education through the Commonwealth Virtual  
27       University.

1       ➔Section 86. KRS 164.810 is amended to read as follows:

2       (1) As used in KRS 164.810 to 164.870, the following terms shall have, unless the  
3       context shall otherwise indicate, the following meanings:

4       (a) "Authority" means the Kentucky Higher Education Assistance Authority;  
5       and

6       **(b)** "University of Louisville" means the university which is situated in a city of  
7       the first class, and which has heretofore constituted a municipal university  
8       within the meaning and application of KRS 165.010 et seq[.];

9       ~~(b) "Council" means the [Council on Postsecondary Education in Kentucky]].~~

10       (2) Consistent with the provisions of KRS 164.026 and Chapter 239 of the 1968  
11       Kentucky Acts, the University of Louisville shall be maintained as a state  
12       institution effective July 1, 1970, subject to its qualification to receive the benefits  
13       of such status in the manner set forth in subsection (3) of this section.

14       (3) The University of Louisville, having been chartered by Chapter 137, Acts of 1845-  
15       6, approved February 7, 1846, effective in accordance with its terms on March 15,  
16       1846; having become subject to the laws of the Commonwealth generally  
17       applicable to corporations of the same category according to the import of  
18       subsection seventeen of Section 59 of the present Constitution of the  
19       Commonwealth; and having duly filed in the office of the Secretary of State its  
20       acceptance of the present Constitution of the Commonwealth in accordance with  
21       Section 190 thereof; may qualify to receive the benefits of its status as a state  
22       institution, as provided in KRS 164.810 to 164.870, by action of its board of  
23       trustees in adopting and causing to be filed for public record such proceedings as  
24       are required by law, amending its charter or articles of incorporation in such manner  
25       as to conform to the provisions of KRS 164.810 to 164.870.

26       ➔Section 87. KRS 164.815 is amended to read as follows:

27       (1) The University of Louisville shall provide:

- 1 (a) Upon approval of the Kentucky Higher Education Assistance  
2 Authority~~[Council on Postsecondary Education]~~, associate and baccalaureate  
3 degree programs of instruction;
- 4 (b) Upon approval of the Kentucky Higher Education Assistance  
5 Authority~~[Council on Postsecondary Education]~~, master's-degree programs,  
6 specialist degrees above the master's-degree level, doctoral degree programs,  
7 and joint doctoral programs in cooperation with other public institutions of  
8 higher education;
- 9 (c) Upon approval of the Kentucky Higher Education Assistance  
10 Authority~~[Council on Postsecondary Education]~~, professional degree  
11 programs including medicine, dentistry, law, engineering, and social  
12 professions.
- 13 (2) The University of Louisville is authorized to provide programs of a community  
14 college nature in its own community comparable to those listed for the community  
15 college system as provided in this chapter.
- 16 (3) The University of Louisville shall continue to be a principal university for the  
17 conduct of research and service programs without geographical limitation but  
18 subject to the implied limitation of KRS 164.125(2).
- 19 ➔Section 88. KRS 164.821 is amended to read as follows:
- 20 (1) The government of the University of Louisville is vested in a board of trustees  
21 appointed for a term set by law pursuant to Section 23 of the Constitution of  
22 Kentucky. The board shall consist of ten (10) members appointed by the Governor,  
23 at least one (1) of whom shall be a graduate of the university; one (1) member of  
24 the teaching faculty of the University of Louisville who shall be the chief executive  
25 of the ranking unit of faculty government; one (1) member of the permanent staff of  
26 the University of Louisville who shall be the chief executive of the staff senate; and  
27 one (1) student member who shall be the president of the student body during the

1 appropriate academic year. The members appointed by the Governor shall be  
2 subject to confirmation by the Senate.

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

7 (b) Board members may be removed by the Governor under the following  
8 circumstances:

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

11 (c) New appointees to the board shall not serve more than two (2) consecutive  
12 terms.

13 (2) The student member shall serve a one (1) year term beginning on July 1 after being  
14 elected and sworn in as student body president and ending on the following June  
15 30. If the student member does not maintain the position of student body president  
16 or the status of a full-time student at any time during that academic year, a special  
17 election shall be held to select a full-time student member. The elected student  
18 member shall serve for the remainder of the unexpired term.

19 (3) The faculty member and staff member shall serve one (1) year terms and cease to  
20 be eligible for membership on the board of trustees upon termination of their  
21 respective relationships with, or leadership positions within, the university, and  
22 vacancies occurring for this reason shall be filled for the remainder of the respective  
23 terms in the same manner.

24 (4) The gubernatorial appointments shall serve a term of six (6) years and until their  
25 successors are appointed and qualified, unless a member is removed by the  
26 Governor pursuant to KRS 63.080(2), (3), or (4), except the initial terms shall be as  
27 follows:



- 1 (a) Two (2) members shall serve one (1) year terms;
- 2 (b) Two (2) members shall serve two (2) year terms;
- 3 (c) Two (2) members shall serve three (3) year terms;
- 4 (d) Two (2) members shall serve four (4) year terms;
- 5 (e) One (1) member shall serve a five (5) year term; and
- 6 (f) One (1) member shall serve a six (6) year term.
- 7 (5) The Governor shall make his or her at-large appointments so as to divide the
- 8 appointed representation upon the board to reflect:
- 9 (a) The proportional representation of the two (2) leading political parties in the
- 10 Commonwealth based on the state's voter registration and the political
- 11 affiliation of each appointee as of December 31 of the year preceding the date
- 12 of his or her appointment. A particular political affiliation shall not be a
- 13 prerequisite to appointment to the board generally; however, if any person is
- 14 appointed to the board that does not represent either of the two (2) leading
- 15 political parties of the Commonwealth, the proportional representation by
- 16 political affiliation requirement shall be determined and satisfied based on the
- 17 total number of members on the board less any members not affiliated with
- 18 either of the two (2) leading political parties; and
- 19 (b) No less than the proportional representation of the minority racial composition
- 20 of the Commonwealth based on the total minority racial population using the
- 21 most recent census or estimate data from the United States Census Bureau. If
- 22 the determination of proportional minority representation does not result in a
- 23 whole number of minority members, it shall be rounded up to the next whole
- 24 number.
- 25 (6) Vacancies among the appointed members of the board occurring by death,
- 26 resignation, or any other cause, other than expiration of a term, shall be filled by
- 27 appointments made by the Governor for the remainder of the unexpired term,

1 subject to the qualifications set forth in this section.

2 (7) Unless specifically approved by the board of trustees under the provisions of KRS  
3 164.367, no member of the teaching or administrative staff of the university shall be  
4 directly or indirectly interested in any contract with the university for the sale of  
5 property, materials, supplies, equipment, or services, with the exception of  
6 compensation to the faculty, staff, and student members.

7 (8) The inability of the board to hold regular meetings, to elect a chairperson annually,  
8 to establish a quorum, to adopt an annual budget, to set tuition rates, to conduct an  
9 annual evaluation of the president of the university, to carry out its primary function  
10 to periodically evaluate the institution's progress in implementing its mission, goals,  
11 and objectives to conform to the strategic agenda, or to otherwise perform its duties  
12 under KRS 164.830 shall be cause for the Governor to remove all appointed  
13 members of the board and replace the entire appointed membership pursuant to  
14 KRS 63.080(4).

15 ➔Section 89. KRS 164.915 is amended to read as follows:

16 The Colleges of Medicine at the University of Kentucky and the University of Louisville  
17 shall submit to the Kentucky Higher Education Assistance Authority~~Council on~~  
18 ~~Postsecondary Education~~ a joint plan which defines an optional course of medical  
19 education for family practice and general practice physicians in a period of six (6) years  
20 following completion of secondary school. Family practice residency programs shall be  
21 completed in the two (2) years subsequent to the completion of medical education.

22 ➔Section 90. KRS 164.927 is amended to read as follows:

23 The University of Kentucky and the University of Louisville, and their affiliated  
24 programs are hereby authorized to increase the number of residency positions for medical  
25 school graduates in primary care disciplines from the fiscal 1976 level by a total of  
26 seventy-six (76) additional positions during the 1977-78 biennium. These new positions  
27 shall be established in the following manner:

- 1 (1) For the fiscal year 1977 there shall be established twenty-eight (28) new positions;  
2 for fiscal year 1978 there shall be forty-eight (48) new positions.
- 3 (2) To provide adequate faculty supervision for these new residency positions, one (1)  
4 faculty position (1 FTE) is hereby authorized for each additional four (4) new  
5 residency positions established under the provisions of KRS 164.925 to 164.933.
- 6 (3) The number of the residency positions to be established at the University of  
7 Kentucky and at the University of Louisville shall be determined by the Kentucky  
8 Higher Education Assistance Authority~~[Council on Postsecondary Education]~~,  
9 using the policies and procedures for determining the allocation of these new  
10 residency positions as provided in KRS 164.929.
- 11 ➔Section 91. KRS 164.929 is amended to read as follows:
- 12 (1) All new residency positions shall be sponsored by the University of Kentucky or  
13 the University of Louisville. The residency positions created by KRS 164.927 shall  
14 be served in sites approved by the appropriate specialty board for certification and  
15 by the Kentucky Higher Education Assistance Authority~~[Council on~~  
16 ~~Postsecondary Education]~~.
- 17 (2) Funding priority shall be given to programs in which all or a portion of the  
18 residency occurs in sites away from both the University of Kentucky and the  
19 University of Louisville.
- 20 (3) Each individual serving a residency under KRS 164.927 shall, within the total  
21 period of residency, undertake a minimum of three (3) months education in a  
22 community facility in Kentucky outside the counties of Fayette and Jefferson, or in  
23 any institution serving a medically underserved community as designated by the  
24 United States Department of Health and Human Services~~[, Education and~~  
25 ~~Welfare]~~, subject to the approval of the certifying board in each specialty, provided  
26 however that not more than twenty-five percent (25%) of the individuals from each  
27 university funded under this section shall be permitted to satisfy the three (3) month

1 requirement in a medically underserved area in the counties of Fayette and  
2 Jefferson.

3 (4) The University of Kentucky and the University of Louisville shall recommend  
4 policies and procedures for determining the allocation of new residency positions  
5 for approval by the *Kentucky Higher Education Assistance Authority*~~[Council on  
6 Postsecondary Education]~~ using the following criteria:

- 7 (a) The available or expected number and types of qualified faculty necessary for  
8 the proper degree of supervision and teaching;
- 9 (b) The scope and volume of patient care;
- 10 (c) The amount of available physical facilities;
- 11 (d) The current number and types of residency positions offered at each  
12 university;
- 13 (e) Regional needs for the manpower trained under the provisions of KRS  
14 164.927 to 164.933;
- 15 (f) The extent of involvement in education in primary care in ambulatory care  
16 settings; and
- 17 (g) Any other criteria which may be developed by the University of Kentucky and  
18 the University of Louisville and accepted by the *Kentucky Higher Education*  
19 *Assistance Authority*~~[Council on Postsecondary Education]~~.

20 ➔Section 92. KRS 164.933 is amended to read as follows:

21 The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary  
22 Education]~~ shall coordinate the activities of the participating institutions, as described in  
23 KRS 164.925 to 164.931, to insure a comprehensive program for training individuals for  
24 the delivery of primary care in the Commonwealth.

25 ➔Section 93. KRS 164.937 is amended to read as follows:

- 26 (1) The University of Kentucky shall maintain a Center of Excellence in Rural Health.
- 27 (2) The mission of the Center of Excellence in Rural Health shall be the improvement

- 1 of the health of all rural Kentuckians and the improvement of rural health care  
2 systems through education, research, and service.
- 3 (3) The Center of Excellence in Rural Health shall:
- 4 (a) Support a site-based director, core faculty, and staff;
- 5 (b) Collect and maintain statistical and other information relating to rural health  
6 status, rural health care systems, rural health policy, and other issues affecting  
7 the health and well-being of rural populations;
- 8 (c) Collect, analyze, interpret, disseminate, and make recommendations regarding  
9 the availability, distribution, and sufficiency of the health professions  
10 workforce;
- 11 (d) Provide educational opportunities for students committed to rural health care:
- 12 1. To obtain education in needed health professions as determined by the  
13 workforce analyses, rotating these programs as necessary;
- 14 2. By testing and developing innovative models for learning; and
- 15 3. By reserving funds budgeted for specific educational programs that in  
16 the future are deemed no longer necessary for use for educational  
17 programs for other health professions;
- 18 (e) Maintain site-based family practice residencies;
- 19 (f) Serve as the federally designated Office of Rural Health and perform the  
20 duties prescribed by the United States Health Resources and Services  
21 Administration;
- 22 (g) Administer the Healthcare Worker Loan Relief Program established under  
23 KRS 164.936;
- 24 (h) Demonstrate or provide innovative programs that improve the health of rural  
25 Kentuckians and strengthen rural health care systems; and
- 26 (i) Advocate for rural health care.
- 27 (4) To the extent additional funds are appropriated, the Center of Excellence in Rural

1 Health shall establish additional sites throughout the Commonwealth as necessary  
2 to achieve the mission of the center.

3 (5) Nothing in this section shall be construed to restrict the study of rural health  
4 policies, workforce analyses, or the training of health professionals in or for rural or  
5 medically underserved areas by other state universities.

6 (6) The University of Kentucky shall report to the *Kentucky Higher Education*  
7 *Assistance Authority*~~[Council on Postsecondary Education]~~ and the Legislative  
8 Research Commission a detailed, audited statement of expenditures for each  
9 program function in the Center of Excellence for Rural Health Care by September 1  
10 of each year which enumerates expenditures for the preceding fiscal year.

11 ➔Section 94. KRS 164.947 is amended to read as follows:

12 (1) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~  
13 ~~Education]~~ by regulation shall adopt standards and procedures for the licensing of  
14 colleges to ensure that the programs of preparation are comparable to the generally  
15 accepted standards of collegiate instruction with respect to faculty, curriculum,  
16 facilities, and student cost and that there is full disclosure with respect to the  
17 philosophy and purposes of the institutions and their capacity to fulfill these  
18 objectives.

19 (2) Nothing contained in KRS 164.945 to 164.947 is intended in any way nor shall be  
20 construed to regulate the stated purpose of an independent institution or to restrict  
21 religious instruction or training in an independent institution.

22 (3) All colleges as defined in KRS 164.945 shall be required to hold a license issued by  
23 the executive director of the Council on Higher Education or his *or her* successor,  
24 under the provisions of KRS 164.945 to 164.947 and under the regulations of the  
25 Council on Higher Education, or its successor. Within ninety (90) days of July 13,  
26 1990, all colleges shall be required to hold licenses.

27 (4) The designated use of the title "college" or "university" in combination with any

1 series of letters, numbers, or words shall be restricted to the institutions licensed  
2 under KRS 164.945 to 164.947 except that new branches, divisions, or additions to  
3 existing institutions shall be licensed.

4 ➔Section 95. KRS 164.948 is amended to read as follows:

5 As used in KRS 164.9481, 164.9483, and 164.9485, unless the context requires  
6 otherwise:

- 7 (1) "Campus" has the same meaning as in 20 U.S.C. sec. 1092(f)(6)(A)(ii) as amended;
- 8 (2) "Campus security authority" means campus police, security officers, and any  
9 official at a postsecondary education institution who has significant responsibility  
10 for student and campus activities, including student discipline, student housing,  
11 student judicial affairs, and student life administration. Professional mental health,  
12 pastoral, and other licensed counselors when functioning in that capacity are not  
13 considered campus security authorities;
- 14 (3) "Crime" means any crime listed in 20 U.S.C. sec. 1092(f)(1)(F) as amended;
- 15 (4) "Immediately" means before the last fire unit has left the scene in order for the state  
16 fire marshal to have the opportunity to speak with fire unit personnel before they  
17 leave the scene, but no later than two (2) hours following the time the fire or threat  
18 of fire is discovered. In the event of a minor fire to which the local fire officials are  
19 not called or do not respond, "immediately" means no later than one (1) hour  
20 following the discovery of the fire;
- 21 (5) "Noncampus building or property" has the same meaning as in 20 U.S.C. sec.  
22 1092(f)(6)(A)(iii) as amended;
- 23 (6) "Postsecondary education institution" means any Kentucky public four (4) year  
24 institution or two (2) year community college or technical college that grants a  
25 postsecondary education credential, and any private college or university that is  
26 licensed by the Kentucky Higher Education Assistance Authority~~Council on~~  
27 ~~Postsecondary Education~~ under KRS 164.945 to 164.947; and

1 (7) "Public property" has the same meaning as in 20 U.S.C. sec. 1092(f)(6)(A)(iv) as  
2 amended.

3 ➔Section 96. KRS 164.9481 is amended to read as follows:

4 (1) Crime log:

5 (a) Each postsecondary education institution shall make, keep, and maintain a  
6 daily log, written in a form approved by the *Kentucky Higher Education*  
7 *Assistance Authority*~~[Council on Postsecondary Education]~~ that can be easily  
8 understood, recording all crimes occurring on campus and reported to campus  
9 security authorities or local law enforcement agencies, including:

10 1. The category of crime, and a description of the incident, date, time, and  
11 general location of each crime; and

12 2. The disposition of the complaint if known, including referral for  
13 prosecution, institutional disciplinary proceedings, or investigation by  
14 another state agency. The disposition shall include a reference to an  
15 investigation or incident report number.

16 (b) All entries in the campus crime log shall be made available for public  
17 inspection within twenty-four (24) hours after the first report of an incident  
18 was made to any campus security authority or local law enforcement officials.

19 1. If there is clear and convincing evidence that the release of the  
20 information would cause a suspect to flee or evade detection, would  
21 result in the destruction of evidence, or is prohibited from release by  
22 law, the information may be withheld until that damage is no longer  
23 likely to occur from the release of the information. Only the information  
24 that is absolutely necessary to withhold for the reasons stated in this  
25 paragraph may be withheld; all other information shall be released.

26 2. In the event information is withheld under the provisions of paragraph  
27 (a) of this subsection, the crime shall still be reported and made



1 available for public inspection.

2 (c) The campus crime log required by this section shall be readily accessible and  
3 open for public inspection at all times and shall be made available on campus  
4 computer networks to which students, employees, and other campus  
5 community members have access. Each semester the institution shall notify  
6 currently enrolled students, students applying to the institution, and  
7 employees of the availability of the campus crime log, where it can be  
8 accessed, and the exact electronic address on the computer network.

9 (2) Special reports: In addition to the campus crime log, each postsecondary education  
10 institution shall make timely reports to the campus community on crimes reported  
11 to campus security authorities or local law enforcement authorities determined by  
12 those authorities to present a safety or security threat to students or employees.

13 (a) The reports shall be made available to students and employees within twenty-  
14 four (24) hours after an incident is first reported.

15 (b) The information shall be reported in a manner that will aid in the prevention  
16 of similar occurrences.

17 (c) Institutions shall use computer networks and post the reports in each  
18 residential facility. The institution may also use flyers and other campus  
19 publications including newspapers, and other media.

20 (d) Each institution shall adopt a policy to comply with this requirement and the  
21 policy shall be included in the postsecondary education institution's annual  
22 campus safety and security report published in compliance with KRS  
23 164.9485.

24 ➔Section 97. KRS 164.9483 is amended to read as follows:

25 (1) Under the provisions of KRS Chapter 227, the state fire marshal shall have  
26 jurisdiction over all property in the state including property of public postsecondary  
27 education institutions and property of any private college or university that is

1 licensed by the Kentucky Higher Education Assistance Authority~~[Council on~~  
2 ~~Postsecondary Education]~~ as provided for by KRS 164.945 to 164.947, insofar as it  
3 is necessary for the administration and enforcement of any duty imposed on the  
4 office by law or administrative regulation and all laws, ordinances, regulations, and  
5 orders designed to protect the public from fire loss.

6 (2) The state fire marshal or the state fire marshal's employee or appointee may,  
7 without delay or advance notice and at all reasonable hours of the day or night,  
8 enter in or upon any property defined under KRS 227.200 located on the campus to  
9 make an inspection, investigation, or any other action necessary for the purpose of  
10 preventing fire loss or determining the origin of any fire.

11 (3) No person shall obstruct, hinder, or delay such an officer in the performance of his  
12 or her duty.

13 (4) Upon learning of a fire or threat of fire, a campus security authority designated by  
14 the college or university president to be responsible and liable for reporting shall  
15 immediately report each fire or threat of fire to the state fire marshal in Frankfort  
16 and the local deputies, assistants, and employees appointed under KRS 227.230. No  
17 fire scene located on a campus shall be cleared or cleaned without the express  
18 consent of the state fire marshal to do so after a representative of the state fire  
19 marshal has had an opportunity to investigate the scene.

20 ➔Section 98. KRS 164.9485 is amended to read as follows:

21 Effective September 1, 2000, and each year thereafter, each postsecondary education  
22 institution shall submit to the Kentucky Higher Education Assistance Authority~~[Council~~  
23 ~~on Postsecondary Education]~~ a statement of current policies concerning campus safety  
24 and security including, but not limited to:

25 (1) The enforcement authority of security personnel, including their working  
26 relationship with state and local police agencies;

27 (2) A description of programs designed to inform students and employees about the

1 campus safety and security procedures and practices, how to report crimes, and how  
2 to prevent crimes; and

3 (3) Statistics concerning the occurrence of crimes on campus during the most recent  
4 calendar year. The statistical data shall be reported by the number of occurrences  
5 based on:

6 (a) Location, broken down in the following classifications:

- 7 1. Total number on campus;
- 8 2. On public property; and
- 9 3. Noncampus buildings and property.

10 (b) Category of crime committed:

- 11 1. As defined in KRS 164.948; and
- 12 2. By category of prejudice, as described in the Jeanne Clery Disclosure of  
13 Campus Security Policy and Campus Crime Statistics Act, 20 U.S.C  
14 sec. 1092(f)(1)(F)(ii) as amended.

15 ➔Section 99. KRS 164.9487 is amended to read as follows:

16 (1) In complying with the statistical and reporting requirements mandated in KRS  
17 164.948 to 164.9489 and KRS 164.993, an institution shall make a reasonable,  
18 good-faith effort to obtain statistics and crime reports from outside agencies. An  
19 institution that makes such an effort is not responsible for an outside agency's  
20 failure to provide statistics or crime reports or for verifying the accuracy of the  
21 statistics or reports that are provided.

22 (2) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~  
23 ~~Education]~~ shall specify formats for reporting to ensure uniformity.

24 ➔Section 100. KRS 164.981 is amended to read as follows:

25 As used in KRS 164.981 to 164.9819:

26 (1) *"Authority" means the Kentucky Higher Education Assistance Authority;*

27 (2) "Autism" means a developmental disability significantly affecting verbal and

1 nonverbal communication and social interaction, generally evident before age three  
 2 (3), that adversely affects educational performance. Characteristics of autism  
 3 include:

- 4 (a) Irregularity and impairment in communication;
- 5 (b) Engagement in repetitive activity and stereotyped movement;
- 6 (c) Resistance to environmental change or change in daily routine; and
- 7 (d) Unusual responses to sensory experience.

8 The term does not include children with characteristics of an emotional-behavioral  
 9 disability as defined in KRS 157.200;

10 ~~[(2) "Council" means the Council on Postsecondary Education in Kentucky;]~~

11 (3) "Center" means the autism training center;

12 (4) "Client" means a person with the primary diagnosis of autism or autistic-like  
 13 behavior; and

14 (5) "Expenses" means those reasonable and customary expenditures related to training  
 15 and treatment of eligible clients as defined in administrative regulations  
 16 promulgated by the authority~~[council]~~ pursuant to KRS 13A.

17 ➔Section 101. KRS 164.9811 is amended to read as follows:

18 (1) The *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary  
 19 Education in Kentucky]~~ is authorized to operate a state autism training center,  
 20 including:

- 21 (a) The acquisition by purchase, lease, gift, or otherwise of necessary lands;
- 22 (b) The construction of necessary buildings;
- 23 (c) The expansion, remodeling, altering, or equipping of necessary buildings; and
- 24 (d) The making of contracts by the authority~~[council]~~ or its designee with any  
 25 nonprofit institution, or any state, county, or local agency for the equipment,  
 26 expenses, compensation of personnel, operation, and maintenance of any  
 27 facility of an agency or institution used for the purposes of KRS 164.981 to

1 164.9819.

2 (2) The authority~~[council]~~ shall select and contract with a public institution of higher  
3 education to carry out the provisions of KRS 164.981 to 164.9819.

4 ➔Section 102. KRS 164.9815 is amended to read as follows:

5 The authority~~[council]~~, after consultation with the center, shall promulgate  
6 administrative regulations pursuant to KRS Chapter 13A providing for:

7 (1) The establishment, operation, eligibility for services, cost reimbursement, fees for  
8 services, maintenance, and government control of the center established pursuant to  
9 KRS 164.981 to 164.9819;

10 (2) Standards necessary for cooperation under and compliance with any federal law  
11 with respect to grants-in-aid for client training or facilities; and

12 (3) Any other administrative regulations as may be necessary to implement KRS  
13 164.981 to 164.9819.

14 ➔Section 103. KRS 164.9819 is amended to read as follows:

15 (1) The primary method of providing services through the center shall be by the use of  
16 trainee teams. A trainee team shall consist of an eligible client, a professional from  
17 a local service agency, and the client's guardian or one or both of the client's  
18 parents.

19 (2) The authority~~[council]~~, after consultation with the center, shall promulgate  
20 administrative regulations relating to:

21 (a) Fees charged to sending agencies;

22 (b) Reimbursement of trainee team or client expenses; and

23 (c) Provision of, or reimbursement for, reasonable and customary expenses  
24 incurred by trainee teams, clients, or otherwise eligible persons which are not  
25 covered by the fees charged to sending agencies. These expenses may include  
26 child care for other children of attending parents, guardians, or other persons  
27 pursuant to subsection (1) of this section.

1        ➔Section 104. KRS 164A.050 is amended to read as follows:

- 2        (1) There is hereby created and established an independent de jure municipal  
3        corporation and political subdivision of the Commonwealth of Kentucky which  
4        shall be a body corporate and politic to be known and identified as the Kentucky  
5        Higher Education Student Loan Corporation.
- 6        (2) The Kentucky Higher Education Student Loan Corporation is created and  
7        established as an independent de jure municipal corporation and political  
8        subdivision of the Commonwealth of Kentucky to perform essential governmental  
9        and public functions and purposes in improving and otherwise promoting the  
10       educational opportunities of the citizens and inhabitants of the Commonwealth of  
11       Kentucky and other qualified students by a program of financing, making, and  
12       purchasing of student loans.
- 13       (3) (a) The corporation shall be governed by a board of directors consisting of:
- 14                1. Ten (10) voting members of the board of directors of the Kentucky  
15                Higher Education Assistance Authority appointed by the Governor  
16                pursuant to KRS 164.746(1)(a), who shall serve terms of office on the  
17                corporation board coextensive with their respective terms of office on  
18                the Kentucky Higher Education Assistance Authority board; and
- 19                2. The secretary of the Finance and Administration Cabinet, or a designee  
20                who shall be another official of the same cabinet, who shall serve as an  
21                ex officio voting member.
- 22        (b) The ~~president of the Council on Postsecondary Education, the~~ president of  
23        the Association of Independent Kentucky Colleges and Universities, the State  
24        Treasurer, and the commissioner of education, or their designees who shall be  
25        another official of the same cabinet or agency, shall serve as ex officio  
26        nonvoting advisors to the board.
- 27        (4) The Governor shall appoint directors according to subsection (3)(a)1. of this section

- 1 from nominees submitted by the Governor's Postsecondary Education Nominating  
2 Committee under KRS 164.005 to take office and to exercise all powers thereof  
3 immediately. The terms shall be staggered and shall be for a period of four (4) years  
4 each. Each director shall serve for the appointed term and shall serve until a  
5 successor has been appointed and has duly qualified.
- 6 (5) In the event of a vacancy, the Governor may appoint a replacement director from  
7 nominees submitted by the Governor's Postsecondary Education Nominating  
8 Committee under KRS 164.005 who shall hold office during the remainder of the  
9 term so vacated.
- 10 (6) The Governor may remove any director from the general public in case of  
11 incompetency, neglect of duties, gross immorality, or malfeasance in office; and  
12 may thereupon declare such office vacant and may appoint a person to fill such  
13 vacancy as provided in other cases of vacancy.
- 14 (7) The board shall elect from its voting membership a chair, chair-elect, and secretary-  
15 treasurer. The executive director of the Kentucky Higher Education Assistance  
16 Authority shall serve as executive director of the corporation.
- 17 (8) The executive director shall administer, manage, and direct the affairs and business  
18 of the corporation, subject to the policies, control, and direction of the board of the  
19 corporation. The secretary-treasurer of the corporation shall keep a record of the  
20 proceedings of the corporation and shall be custodian of all books, documents, and  
21 papers filed with the corporation, the minute book or journal of the corporation, and  
22 its official seal. The secretary-treasurer may copy all minutes and other records and  
23 documents of the corporation and give certificates under the official seal of the  
24 corporation to the effect that such copies are true copies and all persons dealing  
25 with the corporation may rely upon such certificates.
- 26 (9) A majority of the board of the corporation shall constitute a quorum for the purpose  
27 of conducting its business and exercising its powers and for all other purposes

1           notwithstanding the existence of any vacancies on the board.

2   (10) Official actions may be taken by the corporation at meetings duly called by the  
3       chair upon three (3) days' written notice to each director or upon the concurrence of  
4       at least a majority of the directors. In lieu of personal attendance by members of the  
5       board at the same location, the board may conduct meetings by teleconference or  
6       other available technological means suitable for conducting its business. Meetings  
7       of the board shall be open and accessible to the public in accordance with KRS  
8       61.805 to 61.850, and any alternate method of conducting a meeting in lieu of  
9       personal attendance shall ensure public access.

10   (11) Directors, except officers or employees of the state, shall receive one hundred  
11       dollars (\$100) compensation per day for their services and shall be entitled to  
12       payment of any reasonable and necessary expense actually incurred in discharging  
13       their duties under this chapter.

14   (12) Recognizing that the corporation and the Kentucky Higher Education Assistance  
15       Authority are governed by the same board members appointed by the Governor and  
16       managed by a common executive director and otherwise share staff functions, the  
17       two (2) organizations shall provide technical, clerical, and administrative assistance  
18       to each other and for the Asset Resolution Corporation, the Kentucky Educational  
19       Savings Plan Trust, and the Commonwealth postsecondary education prepaid  
20       tuition trust fund, together with necessary office space and personnel, and shall  
21       assist each other in all ways by the performance of any and all actions which may  
22       be useful or beneficial in the performance of their public functions.

23   (13) The corporation shall enter into contracts with the Kentucky Higher Education  
24       Assistance Authority, the Asset Resolution Corporation, the Kentucky Educational  
25       Savings Plan Trust, and the Commonwealth postsecondary education prepaid  
26       tuition trust fund as may be proper and appropriate in respect to services which may  
27       include but not be limited to the servicing and collection of student loans or to



1 facilitate the common administration, operation, and management of the contracting  
2 entities.

3 ➔Section 105. KRS 164A.250 is amended to read as follows:

4 (1) It is the intent of the General Assembly to establish a student loan forgiveness  
5 program for individuals who receive a bachelor's degree or graduate degree from a  
6 Kentucky college or university after August 30, 2007, and who are employed in an  
7 energy-related field as engineers, engineering technologists, chemists, geologists, or  
8 hydrologists in Kentucky. The loan forgiveness program shall be funded by the  
9 Commonwealth of Kentucky using state appropriations and shall be administered  
10 by the Kentucky Higher Education Student Loan Corporation. All costs associated  
11 with the program shall be paid for by the Commonwealth of Kentucky, including  
12 the reimbursement of any expenses incurred by the corporation in its administration  
13 of the program.

14 (2) To the extent funds are available, the corporation shall provide eligible individuals  
15 forgiveness of loans within the Federal Family Education Loan Program held by the  
16 corporation up to a maximum of:

17 (a) Twenty percent (20%) of the loan balance principal; and

18 (b) Accrued interest;

19 for each year of qualified employment in Kentucky after August 30, 2007, in an  
20 eligible occupation as set forth in subsection (4) of this section.

21 (3) An individual shall be eligible for the loan forgiveness if he or she:

22 (a) Is a Kentucky resident, as determined by the corporation using the criteria  
23 established by the Kentucky Higher Education Assistance Authority~~Council~~  
24 ~~on Postsecondary Education~~ for the purposes of postsecondary admission and  
25 tuition assessment;

26 (b) Is a citizen of the United States;

27 (c) Received a bachelor's degree or graduate degree after August 30, 2007, from a

1 postsecondary education institution in Kentucky that is accredited by a  
2 regional or national accrediting association; and

3 (d) Is employed full-time in Kentucky in an eligible occupation as set forth in  
4 subsection (4) of this section.

5 (4) Qualified employment in an eligible occupation shall be employment in an energy-  
6 related field as an engineer, including environmental engineer; engineering  
7 technologist, including environmental engineering technologist; chemist; geologist;  
8 or hydrologist. The corporation shall establish the specific eligible occupational  
9 titles within the eligible occupations set forth in this subsection through the  
10 promulgation of administrative regulations using the Standard Occupational  
11 Classification System of the Bureau of Labor Statistics within the U.S. Department  
12 of Labor. The corporation shall consult with the Kentucky Higher Education  
13 Assistance Authority~~[Council on Postsecondary Education]~~ in determining eligible  
14 occupational titles.

15 (5) The corporation shall promulgate administrative regulations in accordance with  
16 KRS Chapter 13A as may be needed for the administration of the loan forgiveness  
17 program.

18 ➔Section 106. KRS 164A.565 is amended to read as follows:

19 (1) The governing board of each postsecondary educational institution making the  
20 election authorized in KRS 164A.560 shall as a condition of such election install an  
21 accrual basis accounting system conforming with generally accepted accounting  
22 principles and procedures established for colleges and universities by the National  
23 Association of College and University Business Officers and the American Institute  
24 of Certified Public Accountants. The accounting system shall include but not be  
25 limited to the following fund structure:

26 (a) An operating fund group (unrestricted current funds), consisting of all moneys  
27 not otherwise restricted, available for general operations, including state

- 1 appropriations, federal funds, and unrestricted institutional receipts. Separate  
2 accounting fund groups may be established for auxiliary enterprises, athletics,  
3 hospitals, and other similar operations;
- 4 (b) A restricted fund group consisting of appropriations and other receipts  
5 restricted as to purpose which shall not be included in the operating fund;
- 6 (c) A loan fund group consisting of gifts, grants, and other funds provided and  
7 available for loans to students;
- 8 (d) An endowment fund group consisting of funds, the principal of which is not  
9 currently expendable;
- 10 (e) An agency fund group consisting of resources held by the institutions as  
11 custodian or fiscal agent for individual students, faculty, staff members, and  
12 organizations;
- 13 (f) A plant fund group consisting of:
- 14 1. Unexpended plant funds to be used for the acquisition of long-lived  
15 assets for institutional purposes (capital construction funds);
- 16 2. Funds for renewal, maintenance, and replacement of institutional  
17 buildings, equipment, and other properties; and
- 18 3. Funds set aside for debt service charges and retirement of indebtedness  
19 on institutional plant.
- 20 (2) A record of each general fund appropriation shall be maintained so as to identify the  
21 institutional budgets to which such funds are allotted. Any uncommitted state  
22 general funds remaining after the close of business on the last day of the fiscal year  
23 shall lapse and be returned to the Treasury of the Commonwealth. Each  
24 appropriation shall be used for the intended purpose and where questions of intent  
25 arise subject to the provisions of KRS 45.750 and 45.800 in the case of capital  
26 construction projects and major items of equipment as defined by these sections, the  
27 decision of the secretary of finance and administration, based upon budget work

1 papers, shall be final.

2 (3) A separate account showing sources of revenue and all expenditures shall be  
3 maintained for each capital construction project. At the end of each fiscal year, a  
4 report containing a listing of all capital construction projects, with sources of funds,  
5 expenditures, and current status for each, shall be submitted to the Capital Projects  
6 and Bond Oversight Committee.

7 (4) Within thirty (30) days after July 15, 1982, the secretary of the Finance and  
8 Administration Cabinet shall submit to the Capital Projects and Bond Oversight  
9 Committee a complete record of all funds and project records transferred to  
10 institutions under the provisions of KRS 164A.555 to 164A.630.

11 (5) Within thirty (30) days after July 15, 1982, the governing boards shall submit to the  
12 Capital Projects and Bond Oversight Committee a report containing a complete list  
13 of capital construction projects and unexpended plant funds in existence on July 15,  
14 1982. The source of funds, expenditures, and current status of each project shall be  
15 shown.

16 (6) State general funds appropriated by the General Assembly for capital construction  
17 projects and equipment purchases as defined in KRS 45.750 through 45.800 shall  
18 not lapse at the end of a fiscal year. They shall be carried forward until the project is  
19 completed. Any such unexpended funds remaining after acceptance of the project as  
20 complete shall be returned to a surplus account of the capital construction fund for  
21 investment until appropriated and allotted as provided in KRS 45.750 through  
22 45.800.

23 (7) Long lived assets of the institution, including land, buildings, and capital equipment  
24 shall be accounted for in the plant fund group.

25 (8) The governing boards of each institution shall make an annual report of the  
26 financial activity to the Kentucky Higher Education Assistance Authority~~Council~~  
27 ~~on Postsecondary Education~~. The report shall meet the requirements of the

1 authority's~~[council's]~~ system of uniform financial reporting for institutions of  
2 higher education.

3 (9) By January 1, 2012, the governing boards of each institution shall make available  
4 on the institution's website~~[Web site]~~:

5 (a) The board-approved operating and capital budgets for the current and prior  
6 two (2) fiscal years;

7 (b) The institution's audited financial statements for the previous three (3) fiscal  
8 years; and

9 (c) The agendas and actions of all meetings of the governing board for the  
10 previous three (3) years.

11 ➔Section 107. KRS 164A.570 is amended to read as follows:

12 The governing board of any postsecondary educational institution making the election  
13 prescribed in KRS 164A.560 shall engage a qualified firm of certified public accountants  
14 experienced in the auditing of institutions to conduct an annual examination of the  
15 institution's financial statements in accordance with generally accepted auditing standards  
16 for the purpose of submitting an independent opinion, and preparing a report of findings  
17 and recommendations concerning internal accounting controls and procedures, and  
18 compliance with KRS 164A.555 to 164A.630. The secretary of the Finance and  
19 Administration Cabinet may prescribe the minimum scope of any such audit. The  
20 opinion, with the findings and recommendations, shall be forwarded to the Governor, the  
21 secretary of the Finance and Administration Cabinet, the Auditor of Public Accounts, the  
22 director of the Legislative Research Commission, the executive director~~[president]~~ of the  
23 Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~  
24 ~~Education]~~, and members of the governing board.

25 ➔Section 108. KRS 165.015 is amended to read as follows:

26 It shall be a public purpose for a city of any class to support postsecondary education  
27 through the appropriation of funds for postsecondary educational facilities located or to

1 be located within the city and for postsecondary educational programs offered within the  
2 city. Nothing in this section and KRS 165.160, 165.165, 165.180, 165.190, and 165.195  
3 shall create an obligation or liability for the Kentucky Higher Education Assistance  
4 Authority~~[Council on Postsecondary Education]~~.

5 ➔Section 109. KRS 165A.310 is amended to read as follows:

6 As used in this chapter:

- 7 (1) "Agent" means any person employed by a proprietary school to act as agent,  
8 solicitor, broker, or independent contractor to procure students for the school by  
9 solicitation of enrollment in any form made at any place other than the main office  
10 or principal place of business of the school;
- 11 (2) "CDL" means a commercial driver's license as defined in KRS 281A.010;
- 12 (3) "CDL driver training" means a course of study that complies with the provisions of  
13 KRS 332.095 governing the instruction of persons in the operation of commercial  
14 motor vehicles;
- 15 (4) "CDL driver training school" means any person, firm, partnership, association,  
16 educational institution, establishment, agency, organization, or corporation, with the  
17 exception of an entry level driver training provider, that offers CDL driver training  
18 to persons desiring to obtain a Kentucky CDL in order to operate a commercial  
19 motor vehicle and for which a fee or tuition is charged;
- 20 (5) "Commercial motor vehicle" has the same meaning as in KRS 281A.010;
- 21 (6) "Commission" means the Kentucky Commission on Proprietary Education;
- 22 (7) "Entry level driver training" means a federally mandated course of instruction for  
23 new CDL applicants as outlined in 49 C.F.R. secs. 380.600 to 380.609;
- 24 (8) "Entry level driver training provider" means an entity that is certified by the Federal  
25 Motor Carrier Safety Administration as a training provider under 49 C.F.R. secs.  
26 380.700 to 380.725 that is limited solely to providing entry level driver training;
- 27 (9) "Formal complaint" means a written statement filed on a form specified by the

1 commission in which the complainant alleges that a school has violated a Kentucky  
2 statute or administrative regulation and has negatively impacted the complainant,  
3 and resolution is requested by the commission;

4 (10) "License" means authorization issued by the commission to operate or to contract to  
5 operate a proprietary school in Kentucky as described in this chapter and does not  
6 reflect accreditation, supervision, endorsement, or recommendation by the  
7 commission;

8 (11) "Person" means an individual, corporation, business trust, estate, partnership,  
9 unincorporated association, two (2) or more of any of the foregoing having a joint  
10 or common interest, or any other legal or commercial entity;

11 (12) "Proprietary school" or "school" means a privately owned educational institution,  
12 establishment, agency, organization, or person maintained on either a for-profit or  
13 not-for-profit basis, offering or administering a plan, course, or program of  
14 instruction in business, trade, technical, industrial, or related areas for which a fee  
15 or tuition is charged whether conducted in person, by mail, or by any other method,  
16 and does not include:

17 (a) A school or educational institution supported entirely or partly by taxation  
18 from either a local or state source;

19 (b) A parochial, denominational, or eleemosynary school or institution;

20 (c) A training program which offers instruction for payment by participants  
21 primarily in pursuit of a hobby, recreation, or entertainment, and does not  
22 result in the granting of postsecondary credits nor lead to an industry-  
23 recognized credential, academic certificate, or degree;

24 (d) A course or courses of instruction or study sponsored by an employer for the  
25 training and preparation of its own employees for the benefit of the employer  
26 and without charge to the employee; or

27 (e) A school or educational institution licensed or approved by or a course or

1 courses of study or instruction sponsored by the Kentucky Board of Barbering  
2 established by KRS 317.430, the Kentucky Board of Cosmetology established  
3 by KRS 317A.030, the Kentucky Board of Nursing established by KRS  
4 314.121, the Kentucky Board of Embalmers and Funeral Directors established  
5 by KRS 316.170, or the Kentucky Higher Education Assistance  
6 Authority~~[Kentucky Council on Postsecondary Education established by KRS~~  
7 ~~164.011]~~;

8 (13) "Resident" means any person who has established Kentucky as his or her state of  
9 domicile. Proof of residency shall include but not be limited to a deed or property  
10 tax bill, utility agreement or utility bill, or rental housing agreement;

11 (14) "School year" is beginning the first day of July and ending the thirtieth day of June  
12 next following, except when approval shall be suspended or canceled pursuant to  
13 KRS 165A.350; and

14 (15) "Statement of quality assurance" means a statement required by the commission  
15 from a non-degree granting institution, in a form and manner determined by the  
16 commission, that attests to the institution meeting the minimum standards required  
17 for receiving and maintaining a license.

18 ➔Section 110. KRS 165A.320 is amended to read as follows:

19 KRS 165A.310 to 165A.410 shall not apply to any institution offering a four (4) year  
20 bachelor's degree recognized by the Kentucky Higher Education Assistance  
21 Authority~~[Council on Postsecondary Education]~~, nor shall it apply to any religious  
22 institution exempt from taxation under the laws of this state or which is subject to the  
23 provisions of KRS 164.945. KRS 165A.310 to 165A.410 is intended to apply to and  
24 regulate for-profit and not-for-profit proprietary schools, including but not limited to  
25 traditional, web-based, distance learning, or correspondence schools, which are operated  
26 as or are organized for a profit, or on a not-for-profit basis.

27 ➔Section 111. KRS 165A.340 is amended to read as follows:



- 1 (1) The Kentucky Commission on Proprietary Education is hereby created as an  
2 independent agency of the Commonwealth and shall be attached to the Education  
3 and Labor Cabinet for administrative purposes. The commission shall be composed  
4 of the following members:
- 5 (a) Two (2) members who are representative of privately owned postsecondary  
6 educational institutions licensed by the commission and appointed by the  
7 Governor from a list of seven (7) names submitted by the Kentucky  
8 Association of Career Colleges and Schools;
- 9 (b) Two (2) members who are representative of privately owned postsecondary  
10 technical schools licensed by the commission and appointed by the Governor  
11 from a list of seven (7) names submitted by the Kentucky Association of  
12 Career Colleges and Schools;
- 13 (c) Four (4) members who are representative of the public at large with a  
14 background in education, business, or industry in Kentucky and appointed by  
15 the Governor;
- 16 (d) The secretary of the Education and Labor Cabinet, or the secretary's designee;
- 17 (e) The executive director~~[president]~~ of the Kentucky Higher Education  
18 Assistance Authority~~[Council on Postsecondary Education]~~, or ~~[the~~  
19 ~~president's]~~designee; and
- 20 (f) The commissioner of education, or the commissioner's designee.
- 21 (2) Terms of appointed members shall be four (4) years or until successors are duly  
22 appointed and qualified. A vacancy on the commission shall be filled for the  
23 remainder of the unexpired term in the same manner as the original appointment.  
24 An appointed member shall not serve more than two (2) consecutive full terms,  
25 except that a member may be reappointed after a break in service of one (1) full  
26 term.
- 27 (3) The commission shall employ and fix the compensation of an executive director,

1 who shall be its secretary and principal executive officer. The executive director  
2 shall have a background in the regulation of commerce, business, or education, and  
3 shall be responsible for:

- 4 (a) Organizing and staffing meetings of the commission;
- 5 (b) Establishing policies to ensure retention of original licensing documentation;
- 6 (c) Ensuring that minutes and other financial, procedural, complaint, and  
7 operational records are securely maintained and archived;
- 8 (d) Internal and external correspondence and communication;
- 9 (e) Submitting reports and strategic agenda items for review and approval;
- 10 (f) Assisting the commission in the promulgation of administrative regulations;
- 11 (g) Carrying out policy and program directives of the commission;
- 12 (h) Preparing budget submissions;
- 13 (i) Ensuring that formal complaints are provided to the complaint committee and  
14 arranging for independent investigations as needed;
- 15 (j) Ensuring that an independent audit of the commission's finances is conducted  
16 biennially;
- 17 (k) Ensuring that formal written agreements are executed for the procurement of  
18 administrative and legal services;
- 19 (l) Formalizing office policies and procedures relating to licensing and financial  
20 operations;
- 21 (m) Developing and implementing a process for monitoring expenditures and  
22 reconciling on a monthly basis commission and student protection fund  
23 receipts reported in the Enhanced Management Administrative Reporting  
24 System (EMARS); and
- 25 (n) Other activities necessary to ensure that the commission meets its designated  
26 duties and responsibilities.

27 (4) The commission shall have full authority to employ and fix the compensation for

1 any personnel, including counsel, as it may deem necessary to effectively  
2 administer and enforce the provisions of this chapter. The commission shall obtain  
3 office space, furniture, stationery, and any other proper supplies and conveniences  
4 reasonably necessary to carry out the provisions of this chapter.

5 (5) The commission shall annually elect a chairperson. The chairperson shall not be a  
6 school representative appointed pursuant to subsection (1)(a) or (b) of this section.

7 (6) (a) The commission shall promulgate administrative regulations in accordance  
8 with KRS Chapter 13A to establish:

9 1. Commission operating and accountability procedures;

10 2. Requirements for each licensed institution to publicly disclose according  
11 to standardized protocols, both in print and web-based materials,  
12 information about:

13 a. Any information that the schools are required to report by the  
14 federal Higher Education Opportunity Act, Pub. L. No. 110-315,  
15 using the Integrated Postsecondary Education Data System  
16 (IPEDS) of the National Center for Educational Statistics as a  
17 condition of participating in Title IV federal financial aid  
18 programs;

19 b. The job placement rate of program graduates in the field of study  
20 and the types of jobs for which graduates are eligible;

21 c. Articulation agreements with other postsecondary educational  
22 institutions and the rights and responsibilities of students regarding  
23 transfer of credits;

24 d. The complaint procedures available to students; and

25 e. The existence of the student protection fund created in KRS  
26 165A.450, and procedures for students to file a claim, including  
27 but not limited to the documentation required for submission of a

1 claim;

2 3. Quality standards and compliance monitoring schedules of traditional  
3 programs, correspondence courses, and web-based, distance learning  
4 courses offered over the internet;

5 4. Advertising requirements for schools issued a license, including no  
6 distribution of materials containing untrue, deceptive, or misleading  
7 statements and no representation that the commission is an accrediting  
8 agency for the school or its programs;

9 5. A schedule for reviewing advertisements and recruitment materials and  
10 practices of member institutions to ensure compliance with this chapter;

11 6. An equitable structure of licensure and renewal fees, to be paid by  
12 licensed schools, necessary to carry out the provisions and purposes of  
13 this chapter and to support adequate staffing of commission  
14 responsibilities. The fee structure shall be based on the gross revenue of  
15 licensed schools, number of students enrolled, and whether the school is  
16 located within the state or outside the state; and

17 7. The method for calculating placement rates that are to be disclosed  
18 pursuant to this subsection.

19 (b) The commission shall have the authority to promulgate other administrative  
20 regulations, in cooperation with the Kentucky Department of Education and  
21 the Kentucky Higher Education Assistance Authority~~Council on~~  
22 ~~Postsecondary Education~~, as it deems necessary for the proper administration  
23 of this chapter.

24 (7) The commission shall hold meetings at least four (4) times a year and as frequently  
25 as it deems necessary at the times and places within this state as the commission  
26 may designate. The majority of the members shall constitute a quorum, and all  
27 meetings shall be conducted in accordance with the Open Meetings Act, KRS

- 1           61.805 to 61.850.
- 2       (8) The commission may sue and be sued in its own name.
- 3       (9) Commission members shall receive a per diem of one hundred dollars (\$100) for  
4           attendance at each commission meeting and may be reimbursed for ordinary travel  
5           and other expenses while engaged in the business of the commission.
- 6       (10) The commission shall administer and enforce the provisions of this chapter  
7           pertaining to the conduct, operation, maintenance, and establishment of proprietary  
8           education institutions, and the activities of agents thereof when acting as such.
- 9       (11) The commission shall have the power to subpoena witnesses and school records as  
10           it deems necessary.
- 11      (12) The commission chairperson shall appoint a complaint committee and designate its  
12           chairperson. The chairperson of the complaint committee shall not be employed by,  
13           have ownership interest in, or be otherwise affiliated with a licensed institution.  
14           School representatives appointed pursuant to subsection (1)(a) or (b) of this section  
15           shall not constitute a majority of the committee's membership. A committee  
16           member shall not vote on a matter in which a conflict of interest exists. The  
17           committee shall review each formal complaint and, if evidence supports an alleged  
18           violation of this chapter or any administrative regulation promulgated thereunder,  
19           the committee shall:
- 20           (a) Authorize an investigative report;
- 21           (b) Participate in informal procedures to resolve complaints;
- 22           (c) Ensure timely correspondence to parties involved in complaints; and
- 23           (d) After review of all evidence and investigative reports, make recommendations  
24           for the disposition of complaints to the full commission.
- 25      (13) No later than November 30, 2013, and annually thereafter, the commission shall  
26           provide a status report on the requirements of this section to the Interim Joint  
27           Committee on Licensing and Occupations and the Interim Joint Committee on

1 Education. The report shall include a summary of the data, including school  
2 performance information, relating to the requirements of subsection (6)(a) of this  
3 section.

4 ➔Section 112. KRS 168.020 is amended to read as follows:

5 As used in KRS 168.010 to 168.100, the following words and terms have the following  
6 meanings, unless in any instance, the context shall clearly indicate another meaning, in  
7 which event the context shall be controlling:

8 (1) "Authority" means the Kentucky Authority for Educational Television;

9 (2) "Board" means the Kentucky Board of Education;

10 (3) "Department" means the Kentucky Department of Education;

11 (4) "Public schools" means the state-supported schools of the elementary and  
12 secondary levels, as defined in KRS 157.320;

13 (5) "Commission" means the State Property and Buildings Commission of Kentucky;

14 (6) ~~["Council" means the Council on Postsecondary Education in Kentucky;~~

15 ~~(7) ]~~"University of Kentucky" means the University of Kentucky as one (1) entity,  
16 including its present and future extensions;

17 ~~(7)(8)~~ "State colleges and universities" means and includes Eastern Kentucky  
18 University, Kentucky State University, Morehead State University, Murray State  
19 University, Northern Kentucky University, Western Kentucky University, and the  
20 University of Louisville, and institutions in the Kentucky Community and  
21 Technical College System;

22 ~~(8)(9)~~ "Educational television" means and includes the production of television  
23 programs, the filming or taping thereof, the purchase or lease of filmed or taped  
24 programs produced by others, and the transmission or relaying of them for  
25 utilization:

26 (a) Which may be used in aid of education in the public schools and public  
27 institutions of higher education; and

1 (b) For limited and incidental use in furtherance of other proper public functions;  
2 ~~(9)~~~~(10)~~ "Television facilities" means and includes sites, buildings, structures,  
3 machinery, equipment, and installations, each with necessary or appropriate  
4 appurtenances, used or useful in the furtherance of educational television;

5 ~~(10)~~~~(11)~~ "Related functions" or "related services" means and includes the use of  
6 facilities operated or leased by the authority, or which may be added or connected  
7 to such facilities as permitted by applicable statutes, and to prepare, transmit, or  
8 enable the exchange of nontelevision programs, services, or functions for and  
9 among the public schools, public institutions of higher education, and other state  
10 agencies:

11 (a) In aid of education; and

12 (b) For use in other proper public functions; provided, however, that such related  
13 functions or related services may include, but are not limited to, the following  
14 examples: computer-assisted instruction, data for teaching or administrative  
15 purposes, and educational noncommercial radio; *and*

16 ~~(11)~~~~(12)~~ "Related facilities" means and includes sites, buildings, structures, machinery,  
17 equipment, and installations, each with necessary or appropriate appurtenances,  
18 used or useful in the furtherance of related functions or services.

19 ➔Section 113. KRS 168.040 is amended to read as follows:

20 (1) The authority shall consist of nine (9) members, as follows:

21 The chief state school officer, ex officio, who shall initially serve as temporary  
22 chairman and shall call and preside over the organizational meeting or meetings  
23 until the members of the authority shall elect a chairman from among their number;  
24 a member of the staff or personnel of the department elected by the board upon  
25 recommendation of the chief state school officer as being qualified to serve as  
26 liaison and coordinator between the authority and the department on matters of  
27 curriculum, and his *or her* term shall be the same as that of the chief state school

1 officer by whom he or she is recommended, but terminable by the board in the  
2 event he or she is transferred to other duties in the department, and automatically  
3 terminated in the event of his or her severance from the department for any reason;  
4 a representative of the University of Kentucky and a representative of the state  
5 universities to be elected by the Kentucky Higher Education Assistance  
6 Authority~~[Council on Postsecondary Education]~~; and five (5) additional members  
7 appointed by the Governor who need possess no special or prescribed qualifications  
8 except that they shall be citizens of Kentucky.

9 (2) Effective at 11:59 p.m. on June 30, 1994, all terms of gubernatorial appointees to  
10 the authority shall expire. Effective July 1, 1994, five (5) appointees nominated  
11 pursuant to KRS 164.005 and appointed by the Governor shall become members of  
12 the authority.

13 ➔Section 114. KRS 171.420 is amended to read as follows:

14 (1) The State Libraries, Archives, and Records Commission is hereby created and shall  
15 be a seventeen (17) member body constituted as follows:

- 16 (a) The state librarian or his or her designee, who shall be the chairperson of the  
17 commission;
- 18 (b) The secretary of the Education and Labor Cabinet or his or her designee, who  
19 shall serve as vice chairperson;
- 20 (c) The Auditor of Public Accounts or his or her designee;
- 21 (d) The state law librarian or his or her designee;
- 22 (e) The director of the Legislative Research Commission or his or her designee;
- 23 (f) The Attorney General or his or her designee;
- 24 (g) The executive director of the Kentucky Military Heritage Commission or a  
25 designee of the commission;
- 26 (h) The executive director of the Commonwealth Office of Technology or his or  
27 her designee;



- 1 (i) The president of the Kentucky Association of School Librarians or his or her  
2 designee;
- 3 (j) The executive director of the Kentucky Historical Society or his or her  
4 designee;
- 5 (k) The executive director of the Kentucky Library Association or his or her  
6 designee;
- 7 (l) The executive director~~[president]~~ of the Kentucky Higher Education  
8 Assistance Authority~~[Council on Postsecondary Education]~~ or his or her  
9 designee;
- 10 (m) Four (4) citizens at large appointed by the Governor, including one (1)  
11 member representing library users with disabilities, one (1) member  
12 representing disadvantaged persons, and two (2) members representing library  
13 users; and
- 14 (n) One (1) member, who shall not be an elected official, appointed by the  
15 Governor from a list of three (3) persons, with one (1) name submitted by  
16 each of the presidents of the Kentucky League of Cities, the Kentucky  
17 Association of Counties, and the Kentucky Association of School  
18 Administrators.
- 19 (2) Vacancies for appointed members shall be filled by the Governor in the same  
20 manner as initial appointments are made. All appointed members shall serve for a  
21 term of three (3) years, except when making the appointments under subsection (3)  
22 of this section, two (2) shall be for a term of three (3) years, two (2) for two (2)  
23 years, and one (1) for one (1) year.
- 24 (3) On July 14, 2018, all terms of gubernatorial appointees made prior to July 14, 2018,  
25 shall expire, and the Governor shall appoint five (5) members to the commission in  
26 accordance with paragraphs (m) and (n) of subsection (1) of this section.
- 27 (4) The commission shall be the state advisory council on libraries and shall advise the

1 Department for Libraries and Archives on matters relating to federal and state  
2 library development issues, archives and records management, federal and state  
3 funding, public library standards, and other federal and state library service issues.  
4 The commission shall have the authority to review and approve schedules for  
5 retention and destruction of records submitted by state and local agencies. In all  
6 cases, the commission shall determine questions which relate to destruction of  
7 public records, and their decision shall be binding on the parties concerned and  
8 final, except that the commission may reconsider or modify its actions upon the  
9 agreement of a simple majority of the membership present and voting.

10 ➔Section 115. KRS 183.132 is amended to read as follows:

- 11 (1) Any urban-county government, city, or county, or city and county acting jointly, or  
12 any combination of two (2) or more cities, counties, or both, may establish a  
13 nonpartisan air board composed of six (6) members or, under subsection (7) of this  
14 section, of eleven (11), twelve (12), or thirteen (13) members. Any city other than  
15 the first class and county jointly or an urban-county government established  
16 pursuant to KRS Chapter 67A may establish a nonpartisan board composed of ten  
17 (10) members. Any existing six (6) member board, including a board established in  
18 an urban-county government, may be expanded to ten (10) members by action of  
19 the government entity or entities that established the six (6) member board.
- 20 (2) Any city of the first class, jointly with the county containing the city or a  
21 consolidated local government, may establish or maintain a nonpartisan air board.  
22 Membership of the board shall be appointed in accordance with subsection (9) or  
23 (14) of this section. Any air board established or maintained in a county containing  
24 a city of the first class or consolidated local government shall be composed of  
25 eleven (11) members.
- 26 (3) In the case where a nonpartisan air board composed of six (6) members is created  
27 by cities, counties, or both, those cities, counties, or both may pass ordinances and

1        adjust any existing memorandum of agreement to allow a state university which  
2        operates an aviation degree program approved by the Kentucky Higher Education  
3        Assistance Authority~~[Council on Postsecondary Education]~~ under KRS 164.020 to  
4        be a constituent party to the air board. In that case, the board shall be eight (8)  
5        members in total, and the university shall nominate for appointment two (2)  
6        members to the air board as set out in subsection (6) of this section.

7        (4) The board shall be a body politic and corporate with the usual corporate attributes,  
8        and in its corporate name may sue and be sued, contract and be contracted with, and  
9        do all things reasonable or necessary to effectively carry out the duties prescribed  
10       by statute. The board shall constitute a legislative body for the purposes of KRS  
11       183.630 to 183.740.

12       (5) The members of an air board composed of six (6) members shall be appointed as  
13       follows:

14       (a) If the air board is established by a city, the members shall be appointed by the  
15       mayor of the city;

16       (b) If the air board is established as a joint city-county air board, the members  
17       shall be appointed jointly by the mayor of the city and the county  
18       judge/executive;

19       (c) If a combination of cities, counties, or both, establishes a joint air board, the  
20       mayors and county judges/executive involved shall jointly choose six (6)  
21       members and shall jointly choose successors;

22       (d) If the air board is established by an urban-county government, the mayor of  
23       the urban-county government or an officer of the urban-county government  
24       designated by the mayor shall serve as one (1) member of the board. The  
25       remaining five (5) members shall be appointed by the mayor. One (1) of the  
26       members appointed by the mayor shall live within a three (3) mile radius of  
27       the airport.

- 1 (6) If an air board is composed of eight (8) members that are a combination of cities,  
2 counties, or both, and an eligible state university as set out in subsection (3) of this  
3 section, then the mayors, county judges/executive, and university board of regents  
4 involved shall jointly choose eight (8) members and shall jointly choose successors.  
5 In making the appointment for the university, the president of the university shall  
6 submit for confirmation the name of the individual and the university's board of  
7 regents shall confirm his or her nomination before the individual's name is  
8 submitted for joint appointment.
- 9 (7) If the air board is established by a county, the members shall be appointed by the  
10 county judge/executive, except that in the event that an airport is located outside the  
11 boundary of the county establishing the airport board, the voting members of the air  
12 board are appointed as follows:
- 13 (a) One (1) member appointed by the Governor of the Commonwealth;
  - 14 (b) Ten (10), eleven (11), or twelve (12) members appointed from the following  
15 jurisdictions located within a twenty (20) mile radius of the airport operations:
    - 16 1. Eight (8) members appointed by the judge/executive of the county  
17 establishing the air board, with the approval of the county fiscal court. If  
18 the air board is located within a metropolitan statistical area, as defined  
19 by the United States Bureau of the Census, the county judge/executive,  
20 with the approval of the county fiscal court, may choose to appoint two  
21 (2) of these members as follows:
      - 22 a. One (1) member may be appointed following nomination by the  
23 chief executive officer of the largest city within the metropolitan  
24 statistical area;
      - 25 b. One (1) member may be appointed following nomination by the  
26 chief executive officer of the county containing the largest city  
27 within the metropolitan statistical area, if that county does not

1 already have representation on the board; and

2 c. The county judge/executive of the county establishing the air  
3 board may choose whether to invite the chief executive officers  
4 identified in subdivisions a. and b. of this subparagraph to  
5 nominate members. If the county judge/executive does invite a  
6 chief executive officer to make a nomination and the chief  
7 executive officer makes a nomination, the county judge/executive  
8 may choose whether to appoint that nominee or to appoint another  
9 person instead;

10 2. Two (2) members appointed by the county judge/executive of the county  
11 containing the majority of territory encompassing the airport. This  
12 appointment shall be made with the approval of both the fiscal court of  
13 the county containing the majority of territory encompassing the airport  
14 and the fiscal court of the county establishing the air board; and

15 3. One (1) or two (2) additional members, if there are any counties within  
16 the prescribed geographic limits that do not otherwise have an  
17 appointment to the air board. If there is one (1) such county, this  
18 appointment shall be made by the county judge/executive of that county,  
19 with the approval of that county's fiscal court. If there are two (2) or  
20 more such counties, these appointments shall be made by the county  
21 judges/executive of the two (2) counties among them having the largest  
22 population, and the appointments shall receive the approval of those  
23 respective counties' fiscal courts and the fiscal court of the county  
24 establishing the air board; and

25 (c) Board members of any air board established prior to June 24, 2015, that is  
26 operating an airport that is located outside the boundary of the county  
27 establishing the airport board shall serve out the remainder of their terms.

1 Additional voting members shall assume their offices on the July 1 following  
2 June 24, 2015, and be appointed as follows:

- 3 1. The member appointed by the Governor shall be appointed for an initial  
4 term of one (1) year;
- 5 2. One (1) member from the county containing the majority of territory  
6 encompassing the airport shall be appointed for an initial term of two (2)  
7 years;
- 8 3. One (1) member from the county containing the majority of territory  
9 encompassing the airport shall be appointed for an initial term of three  
10 (3) years;
- 11 4. One (1) member from the county establishing the airport board shall be  
12 appointed for an initial term of four (4) years; and
- 13 5. If there are any, the members from the counties that are not otherwise  
14 represented on the air board within the prescribed geographic limit shall  
15 be appointed for an initial term of four (4) years.

16 Thereafter, their replacements shall serve a full four (4) year term. All  
17 members may be reappointed for subsequent terms. The majority of all air  
18 board appointees shall be residents of the county establishing the air board.

19 (8) The members of an air board composed of ten (10) members in a city other than a  
20 city of the first class and county jointly other than an urban-county government  
21 established pursuant to KRS Chapter 67A shall be appointed as follows:

- 22 (a) Five (5) members shall be appointed by the mayor of the city, without  
23 approval of the legislative body;
- 24 (b) Five (5) members shall be appointed by the county judge/executive without  
25 approval of the other members of the fiscal court.

26 (9) An air board consisting of eleven (11) members and established jointly by a city of  
27 the first class and the county containing the first class city shall be composed of

1 members as follows:

2 (a) The mayor of the city of the first class;

3 (b) The county judge/executive of the county containing the city of the first class;

4 (c) Three (3) members appointed by the mayor of the city of the first class;

5 (d) Three (3) members appointed by the county judge/executive of the county,  
6 with the approval of the fiscal court;

7 (e) Two (2) members, who shall be residents of the county containing a city of  
8 the first class or of counties contiguous thereto, appointed by the Governor;  
9 and

10 (f) One (1) member, who shall be a member of the executive board of an  
11 incorporated alliance of incorporated neighborhood associations and cities  
12 with a population of less than three thousand (3,000) based upon the most  
13 recent federal decennial census which represents citizens living within a five  
14 (5) mile radius of airport operations, appointed by the Governor. If more than  
15 one (1) incorporated alliance exists, the Governor shall select the appointee  
16 from the executive boards of any of the incorporated alliances. If no alliances  
17 exist, the Governor shall appoint a citizen of the county who resides within a  
18 five (5) mile radius of airport operations.

19 (10) An air board consisting of eleven (11) members and established or maintained by a  
20 consolidated local government upon its establishment shall be composed of  
21 members as follows:

22 (a) The mayor of the consolidated local government;

23 (b) Seven (7) members appointed by the mayor of the consolidated local  
24 government;

25 (c) Two (2) members who shall be residents of the county containing the  
26 consolidated local government or residents of counties contiguous to the  
27 county containing the consolidated local government, appointed by the

1 Governor; and

2 (d) One (1) member who shall be a member of the executive board of an  
3 incorporated alliance of incorporated neighborhood associations and cities  
4 with a population of less than three thousand (3,000) based upon the most  
5 recent federal decennial census which represents citizens living within a five  
6 (5) mile radius of airport operations, appointed by the Governor. If more than  
7 one (1) incorporated alliance exists, the Governor shall select the appointee  
8 from the executive boards of any of the incorporated alliances. If no alliances  
9 exist, the Governor shall appoint a citizen of the county who resides within a  
10 five (5) mile radius of airport operations.

11 (11) The members of an air board composed of ten (10) members established by an  
12 urban-county government shall be composed of the mayor of the urban-county  
13 government or an officer of the urban-county government designated by the mayor.  
14 The remaining nine (9) members shall be appointed by the mayor. Two (2) of the  
15 members appointed by the mayor shall live within a three (3) mile radius of the  
16 airport.

17 (12) Members of the board composed of six (6) members, or eight (8) members as set  
18 out in subsection (3) of this section, shall serve for a term of four (4) years each and  
19 until their successors are appointed and qualified. The initial appointments shall be  
20 made so that two (2) members are appointed for two (2) years, two (2) members for  
21 three (3) years, and two (2) members for four (4) years. The initial terms of the  
22 members nominated by a state university and jointly appointed by the cities and  
23 county comprising the air board under subsection (3) of this section shall be one (1)  
24 appointee serving a two (2) year term and one (1) appointee serving a four (4) year  
25 term. Upon expiration of the staggered terms, successors shall be appointed for a  
26 term of four (4) years.

27 (13) Members of the board composed of ten (10) members in a city other than a city of



1 the first class and county jointly shall serve for a term of four (4) years each and  
2 until their successors are appointed and qualified. The initial appointments made by  
3 the mayor and the county judge/executive shall be made so that one (1) member is  
4 appointed for two (2) years, two (2) members are appointed for three (3) years, and  
5 two (2) members are appointed for four (4) years. If an existing six (6) member  
6 board is being increased to a ten (10) member board, initial appointments of the  
7 four (4) new members shall be made so that the mayor and the county  
8 judge/executive, or the mayor if the board is established by an urban-county  
9 government, each appoint one (1) member for two (2) years and one (1) member for  
10 four (4) years. Upon expiration of the initial terms, successors shall be appointed  
11 for a term of four (4) years. In the case of a board established by an urban-county  
12 government, the term of the mayor for the urban-county government, or the officer  
13 of the urban-county government designated by the mayor, shall be coextensive with  
14 the term of the mayor.

15 (14) Members of an air board composed of eleven (11) members and established or  
16 maintained jointly by a city of the first class and the county containing a city of the  
17 first class shall serve for a term of three (3) years each and until their successors are  
18 appointed and qualified. The terms of the mayor and the county judge/executive  
19 shall be coextensive with their terms of office. The mayor and the county  
20 judge/executive shall each make their initial appointments to a board established  
21 jointly by a city of the first class and the county containing a city of the first class so  
22 that one (1) member is appointed for one (1) year, one (1) member is appointed for  
23 two (2) years, and one (1) member is appointed for three (3) years. The Governor  
24 shall make the initial appointments so that one (1) member is appointed for two (2)  
25 years and one (1) member is appointed for three (3) years. Upon the expiration of  
26 the initial terms, successors shall be appointed for a term of four (4) years.

27 (15) Members of an air board composed of eleven (11) members in a county that has

1 established a consolidated local government in a county containing a former city of  
2 the first class shall serve until their successors are appointed and qualified. The  
3 terms of office on the air board of the mayor of the previously existing city of the  
4 first class and the county judge/executive of this county shall expire upon the  
5 establishment of a consolidated local government. Upon the establishment of a  
6 consolidated local government, if the consolidated local government maintains the  
7 previously existing air board, the incumbent members, except the mayor of the  
8 previously existing city of the first class and the county judge/executive of that  
9 county, shall continue to serve as members of the board for the time remaining of  
10 their current terms of appointment. The Governor shall appoint members pursuant  
11 to subsection (10)(c) and (d) of this section. The mayor of the consolidated local  
12 government shall serve on the board for a term which shall be coextensive with his  
13 or her term of office. Incumbent members shall be eligible for reappointment upon  
14 the expiration of their terms. The terms of all other board members shall be for four  
15 (4) years. Upon the establishment of a consolidated local government and  
16 maintenance of a previously existing air board, any incumbent member whose term  
17 had expired but who had continued to serve because the member's successor had  
18 not been appointed, shall continue to serve until a successor is appointed.  
19 Successors shall be appointed by the mayor or the Governor as provided by law  
20 within sixty (60) days after the establishment of the consolidated local government.  
21 As the terms of the previously serving members of an air board being maintained by  
22 a consolidated local government expire, the mayor of the consolidated local  
23 government and the Governor shall respectively make their new appointments.

24 (16) Members of the board shall serve without compensation but shall be allowed any  
25 reasonable expenses incurred by them in the conduct of the affairs of the board. The  
26 board shall, upon the appointment of its members, organize and elect officers. The  
27 board, except for a board composed of eleven (11) members, shall choose a

1 chairman and vice chairman who shall serve for terms of one (1) year. Where the  
2 board is composed of eleven (11) members and established jointly by a city of the  
3 first class and the county containing a city of the first class, the mayor of the city of  
4 the first class and the county judge/executive shall jointly appoint the chairman  
5 from among the membership of the board. Where the board is composed of eleven  
6 (11) members and is in a county containing a consolidated local government, the  
7 mayor shall appoint the chairman from among the membership of the board. The  
8 board shall also choose a secretary-treasurer who may or may not be a member of  
9 the board. The board may fix a salary for the secretary-treasurer and the secretary-  
10 treasurer shall execute an official bond to be set and approved by the board, and the  
11 cost of the bond shall be paid by the board.

12 (17) The board may employ necessary counsel, agents, and employees to carry out its  
13 work and functions and prescribe rules and regulations as it deems necessary.

14 (18) The secretary-treasurer shall keep the minutes of all meetings of the board and shall  
15 also keep a set of books showing the receipts and expenditures of the board. The  
16 secretary-treasurer shall preserve on file duplicate vouchers for all expenditures and  
17 shall present to the board, upon request, complete reports of all financial  
18 transactions and the financial condition of the board. The books and vouchers shall  
19 at all times be subject to examination by the legislative body or bodies by whom the  
20 board was created. The secretary-treasurer shall transmit at least once annually a  
21 detailed report of all acts and doings of the board to the legislative body or bodies  
22 by whom the board was created.

23 (19) In the event that a joint air board is created by cities, counties, or both, and has  
24 authorized an eligible state university to become party to the air board under  
25 subsection (3) of this section, and thereafter a city, county, or state university  
26 desires to withdraw from participation, then the remaining participants may jointly  
27 choose a successor member or members of the board. A local government or state

1 university wanting to withdraw from participation in the board shall not be entitled  
2 to return of any moneys or property advanced to the board.

3 (20) A quorum for the transacting of the business of a six (6) member board shall consist  
4 of four (4) members, an eight (8) member board shall consist of five (5) members, a  
5 ten (10) member board shall consist of six (6) members, and an eleven (11) member  
6 board shall consist of six (6) members. Meetings of the board may be called by the  
7 chairman or by four (4) members. In case of tie voting by the board, the issue shall  
8 be deemed to have failed passage.

9 (21) A board member may be replaced by the appointing authority upon a showing to  
10 the authority of misconduct as a board member or upon conviction of a felony. A  
11 board member shall not hold any official office with the appointing authority,  
12 except for the mayor of a city of the first class and the county judge/executive on a  
13 board made up of eleven (11) members and established jointly by a city of the first  
14 class and the county containing a city of the first class, or the mayor of an urban-  
15 county government or a consolidated local government, or an officer of the urban-  
16 county government designated by the mayor on a board established by an urban-  
17 county government.

18 ➔Section 116. KRS 200.505 is amended to read as follows:

19 There is hereby created a State Interagency Council for Services and Supports to  
20 Children and Transition-Age Youth. The chairperson of the council shall be designated  
21 by the Governor and shall establish procedures for the council's internal procedures.

22 (1) This council shall be composed of the following:

23 (a) Members who shall serve by virtue of their positions: the commissioner of the  
24 Department of Education, the commissioner of the Department for Behavioral  
25 Health, Developmental and Intellectual Disabilities, the commissioner of the  
26 Department for Community Based Services, the commissioner of the  
27 Department for Public Health, the commissioner of the Department for

1 Medicaid Services, the commissioner of the Department of Juvenile Justice,  
2 the director of the Division of Family Resource and Youth Services Centers,  
3 the executive director of the Office for Children with Special Health Care  
4 Needs, the executive officer of the Department of Family and Juvenile  
5 Services of the Administrative Office of the Courts, the chair of the  
6 Subcommittee for Equity and Justice for all Youth of the Juvenile Justice  
7 Advisory Board, the executive director of the Kentucky Housing Corporation,  
8 the executive director of the Kentucky Office of Vocational Rehabilitation,  
9 and the executive director~~[president]~~ of the Kentucky Higher Education  
10 Assistance Authority~~[Council on Postsecondary Education]~~, or their  
11 designees;

- 12 (b) The chairperson of the council shall appoint one (1) parent of a child or  
13 transition-age youth with a behavioral health need, who is a consumer of  
14 services and supports within the system of care to serve as a member of the  
15 council, and one (1) parent who meets the same criteria to serve as the parent  
16 member's alternate to serve in the absence of the parent member. For each  
17 appointment to be made, the State Interagency Council for Services and  
18 Supports to Children and Transition-Age Youth shall vote on nominations  
19 submitted by members. The nominee receiving the most votes shall be  
20 appointed. Appointees shall serve a term of two (2) years and may be  
21 reappointed to additional two (2) year terms. If the child of the parent member  
22 or alternate parent member ceases to be a consumer of services and supports  
23 within the system of care during the term of appointment, the member shall be  
24 eligible to serve out the remainder of the term of appointment. The alternate  
25 parent member may attend and participate in all council meetings but shall  
26 vote only in the absence of the parent member. The parent member and  
27 alternate parent member shall receive no compensation in addition to that

1           which they may already receive as service providers or state employees who  
2           are required to attend as part of their duties, but the parent member and  
3           alternate parent member shall be reimbursed for expenses incurred through  
4           the performance of their duties as council members if it is outside the scope of  
5           their job duties;

6           (c) The chairperson of the council shall appoint one (1) youth between the ages of  
7           sixteen (16) and twenty-five (25), who has a behavioral health disorder and  
8           who is receiving or has received services to address mental health, substance  
9           use, or co-occurring mental health and substance use disorder, to serve as a  
10          member of the council, and one (1) youth who meets the same criteria to serve  
11          as the youth member's alternate in the absence of the youth member. For each  
12          appointment to be made, the State Interagency Council for Services and  
13          Supports to Children and Transition-Age Youth shall vote on nominations  
14          submitted by members. The nominee receiving the most votes shall be  
15          appointed. Appointees shall serve a term of two (2) years and may be  
16          reappointed to additional two (2) year terms, and the youth member and the  
17          youth member's alternate shall be eligible to serve out the remainder of their  
18          term of appointment regardless of age. The alternate youth member may  
19          attend and participate in all council meetings but shall vote only in the  
20          absence of the youth member. The youth member and alternate youth member  
21          shall receive no compensation in addition to that which they may already  
22          receive as service providers or state employees who are required to attend as  
23          part of their duties, but the youth member and alternate youth member shall be  
24          reimbursed for expenses incurred through the performance of their duties as  
25          council members if it is outside the scope of their job duties;

26          (d) The chairperson of the council shall appoint one (1) member of a nonprofit  
27          family organization representing consumers of services and supports within

1 the system of care whose membership, leadership, and governance include  
2 parents, primary caregivers, or children or transition-age youth with serious  
3 emotional, behavioral, or mental health needs, to serve as a member of the  
4 council. For each appointment to be made, the chair shall publicly post on the  
5 State Interagency Council for Services and Supports to Children and  
6 Transition-Age Youth website~~[web-site]~~ a solicitation for letters of interest  
7 from qualified organizations and submit all qualified responses to a vote of  
8 the full membership. The organization which receives the most votes shall  
9 designate a representative to serve a term of two (2) years, and may be  
10 reappointed to additional two (2) year terms. The family organization member  
11 shall receive no compensation in addition to that which the member may  
12 already receive as an employee who is required to attend as part of his or her  
13 duties, but shall be reimbursed for expenses incurred through the performance  
14 of duties as a council member if it is outside the scope of his or her job duties;  
15 and

16 (e) At the end of a term, a member shall continue to serve until a successor is  
17 appointed.

18 (2) The State Interagency Council for Services and Supports to Children and  
19 Transition-Age Youth shall:

20 (a) Make recommendations annually to the Governor and the Legislative  
21 Research Commission regarding the system of care for children and  
22 transition-age youth with or at risk of behavioral health needs;

23 (b) Direct each regional interagency council to:

24 1. Operate as the regional locus of accountability for the system of care;  
25 and

26 2. Participate in family accountability, intervention, and response teams  
27 established pursuant to KRS 605.035;

- 1 (c) Assess the effectiveness of regional councils in serving as the locus of  
2 accountability for the system of care for children and transition-age youth  
3 with or at risk of behavioral health needs;
- 4 (d) Meet at least monthly and maintain records of meetings; and
- 5 (e) Develop a comprehensive array of services and supports to meet the needs of  
6 children and transition-age youth with or at risk of developing behavioral  
7 health needs.
- 8 (3) Agencies represented on the state council shall adopt interagency agreements as  
9 necessary to advance the system of care.
- 10 (4) The State Interagency Council for Services and Supports to Children and  
11 Transition-Age Youth may promulgate administrative regulations necessary to  
12 comply with the requirements of KRS 200.501 to 200.509.
- 13 ➔Section 117. KRS 210.051 is amended to read as follows:
- 14 (1) The Kentucky Eating Disorder Council is hereby established in the Cabinet for  
15 Health and Family Services and shall be attached to the cabinet for administrative  
16 purposes.
- 17 (2) The following members shall be appointed to the council:
- 18 (a) The secretary of the Cabinet for Health and Family Services or his or her  
19 designee;
- 20 (b) The commissioner of the Department for Medicaid Services or his or her  
21 designee;
- 22 (c) The commissioner of the Department for Behavioral Health, Developmental  
23 and Intellectual Disabilities or his or her designee;
- 24 (d) The commissioner of the Department for Public Health or his or her designee;
- 25 (e) The commissioner of the Department of Insurance or his or her designee;
- 26 (f) The commissioner of the Department of Education or his or her designee;
- 27 (g) The executive director~~[president]~~ of the Kentucky Higher Education



- 1            Assistance Authority~~[Council on Postsecondary Education]~~ or his or her  
2            designee;
- 3            (h) One (1) representative to be appointed by the Governor from a list of three (3)  
4            individuals submitted by the Kentucky Hospital Association;
- 5            (i) One (1) psychologist who works with individuals who have eating disorders  
6            to be appointed by the Governor from a list of three (3) individuals provided  
7            by the Kentucky Psychological Association;
- 8            (j) One (1) pediatrician who works with individuals who have eating disorders to  
9            be appointed by the Governor from a list of three (3) individuals provided by  
10           the Kentucky Chapter of the American Academy of Pediatrics;
- 11           (k) One (1) psychiatrist 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 Psychiatric Medical Association;
- 14           (l) One (1) licensed clinical social worker who works with individuals who have  
15           eating disorders to be appointed by the Governor from a list of three (3)  
16           individuals provided by the Kentucky Chapter of the National Association of  
17           Social Workers;
- 18           (m) One (1) psychiatric nurse practitioner who works with individuals who have  
19           eating disorders to be appointed by the Governor from a list of three (3)  
20           individuals provided by the Kentucky Association of Nurse Practitioners and  
21           Nurse-Midwives;
- 22           (n) One (1) registered and licensed dietician who works with individuals who  
23           have eating disorders to be appointed by the Governor from a list of three (3)  
24           individuals provided by the Kentucky Dietetics Association;
- 25           (o) One (1) eating disorder researcher to be appointed by the Governor from a list  
26           of three (3) individuals provided by the Kentucky Psychological Association;
- 27           (p) One (1) public health policy researcher to be appointed by the Governor from

1 a list of three (3) individuals provided by the Kentucky Public Health  
2 Association; and

3 (q) Three (3) individuals who have an eating disorder or who have experience  
4 with individuals who have eating disorders to be appointed by the Governor  
5 from a list of five (5) individuals provided by the Louisville Center for Eating  
6 Disorders until a statewide consumer and family advocacy organization is  
7 established.

8 (3) The members of the council shall elect a chair and vice chair to serve one (1) year.

9 (4) The council shall meet at least quarterly or upon the call of the chair.

10 (5) After the initial appointments, members of the council shall serve terms of two (2)  
11 years, beginning the day of appointment. Members of the council shall be eligible  
12 to succeed themselves and shall serve until their successors are appointed.

13 (6) Members of the council shall serve without compensation but shall be reimbursed  
14 for reasonable and necessary expenses in accordance with state travel expenses and  
15 reimbursement administrative regulations.

16 (7) The council shall:

17 (a) Oversee the development and implementation of eating disorder awareness,  
18 education, and prevention programs;

19 (b) Identify strategies for improving access to adequate diagnosis and treatment  
20 services;

21 (c) Assist the cabinet in identifying eating disorder research projects;

22 (d) Work with the Cabinet for Health and Family Services and other appropriate  
23 entities to routinely examine existing surveillance systems, data collection  
24 systems, and administrative databases to determine the best strategies for  
25 implementing evidence-based eating disorder measures that provide data for  
26 program and policy planning purposes;

27 (e) As reasonably as possible, collaborate and coordinate on data research

1 projects with the Cabinet for Health and Family Services and other  
2 appropriate entities; and

3 (f) Make recommendations regarding legislative and regulatory changes as  
4 appropriate.

5 (8) The council shall apply for grants from the federal government, private foundations,  
6 or other sources that may be available for programs related to eating disorders.

7 (9) The council shall report annually beginning December 1, 2020, on its activities,  
8 findings, and recommendations to the Governor and the Legislative Research  
9 Commission.

10 (10) The Kentucky Eating Disorder Council shall cease to exist on December 1, 2030,  
11 unless otherwise reestablished by the General Assembly.

12 ➔Section 118. KRS 214.544 is amended to read as follows:

13 (1) A Colon Cancer Screening and Prevention Advisory Committee shall be  
14 established. The advisory committee shall include:

15 (a) One (1) member of the House of Representatives who shall be appointed by  
16 the Speaker of the House;

17 (b) One (1) member of the Senate who shall be appointed by the President of the  
18 Senate;

19 (c) The deputy commissioner of the Department for Public Health;

20 (d) The commissioner of the Department of Insurance, or his or her designee;

21 (e) The commissioner of the Department for Medicaid Services, or his or her  
22 designee;

23 (f) Two (2) at-large members who shall be appointed by the Governor;

24 (g) One (1) member who shall be appointed by the Governor from a list of three  
25 (3) names provided by the American Cancer Society;

26 (h) The director of the Kentucky Cancer Program at the University of Kentucky;

27 (i) The director of the Kentucky Cancer Program at the University of Louisville;

- 1 (j) The director of the Kentucky Cancer Registry;
- 2 (k) The director of the Colon Cancer Prevention Project;
- 3 (l) The chair of Kentucky African Americans Against Cancer; and
- 4 (m) The director of the Kentucky Cancer Consortium.

5 Members of the advisory committee shall be appointed for a term of four (4) years.

- 6 (2) (a) Members appointed under subsection (1)(a) to (g) of this section shall be  
7 appointed as follows:
- 8 1. Members shall be appointed for a term of four (4) years, except as  
9 provided in subparagraph 2. of this paragraph;
  - 10 2. The initial appointments shall be for a period of two (2) years;  
11 thereafter, the appointments shall be for a term of four (4) years; and
  - 12 3. Members shall not serve more than two (2) terms of four (4) years.
- 13 (b) Members serving under subsection (1)(h) to (m) of this section shall serve by  
14 virtue of their positions and shall not be subject to term limits.
- 15 (3) The chair of the advisory committee shall be elected from the membership of the  
16 advisory committee to serve for a two (2) year term. A member of the advisory  
17 committee may designate an alternate to attend meetings in his or her place.
- 18 (4) The advisory committee may add members from other organizations as deemed  
19 appropriate.
- 20 (5) The advisory committee shall provide recommendations for the overall  
21 implementation and conduct of the Colon Cancer Screening and Prevention  
22 Program.
- 23 (6) The advisory committee shall establish and provide oversight for a colon cancer  
24 screening public awareness campaign. The Cabinet for Health and Family Services  
25 shall contract with the Kentucky Cancer Consortium at the University of Kentucky  
26 to provide the required support. The amount of the contract shall not be included in  
27 the base budget of the university as used by the *Kentucky Higher Education*

1        *Assistance Authority*~~[Council on Postsecondary Education]~~ in determining the  
2        funding formula for the university.

3        (7) The Colon Cancer Screening and Prevention Advisory Committee shall provide an  
4        annual report on implementation and outcomes from the Colon Cancer Screening  
5        and Prevention Program and recommendations to the Legislative Research  
6        Commission, the Interim Joint Committee on Health Services, the Interim Joint  
7        Committee on Appropriations and Revenue, the Governor, the secretary of the  
8        Cabinet for Health and Family Services, and the commissioner of the Department  
9        for Public Health.

10       (8) The Kentucky Cancer Program, jointly administered by the University of Kentucky  
11       and the University of Louisville, shall establish a colon cancer screening, education,  
12       and outreach program in each of the state area development districts. The colon  
13       cancer screening, education, and outreach program shall focus on individuals who  
14       lack access to colon cancer screening. The Cabinet for Health and Family Services  
15       shall contract with the University of Louisville and the University of Kentucky to  
16       provide the required support. The amount of the contract shall not be included in  
17       the base budgets of the universities as used by the *Kentucky Higher Education*  
18       *Assistance Authority*~~[Council on Postsecondary Education]~~ in determining the  
19       funding formula for the universities.

20       ➔Section 119. KRS 309.363 is amended to read as follows:

21       (1) A person, institution, or business entity offering a massage therapy program of  
22       instruction shall file a completed application for a certificate of good standing with  
23       the board on a form prescribed by the board and pay a fee as specified in KRS  
24       309.357. The completed application shall provide proof acceptable to the board that  
25       the following criteria have been met:

26       (a) The school is licensed to operate by the Kentucky Commission on Proprietary  
27       Education, the *Kentucky Higher Education Assistance Authority*~~[Council on~~

- 1           ~~Postsecondary Education~~], or their equivalent in another state;
- 2           (b) A curriculum statement showing clock hours devoted to each subject with the
- 3           following minimums:
- 4           1. One hundred twenty-five (125) hours of anatomy, physiology, or
- 5           kinesiology;
- 6           2. A two hundred (200) hour course to include massage theory, technique,
- 7           and practice focusing on gliding strokes, kneading, direct pressure, deep
- 8           friction, joint movement, superficial warming techniques, percussion,
- 9           compression, vibration, jostling, shaking, and rocking;
- 10          3. Two hundred (200) hours of approach to the business of massage,
- 11          specifically including contraindications, benefits, business, history,
- 12          ethics, client documentation, legalities of massage, and modality courses
- 13          designed to meet the school's specific program objectives;
- 14          4. Forty (40) hours of pathology; and
- 15          5. The school may use its discretion in allotting the additional thirty-five
- 16          (35) curricular hours that are required under KRS 309.358; and
- 17          (c) A listing of instructional staff and their qualifications as follows:
- 18          1. Instructors of the practical courses shall be licensed massage therapists
- 19          and shall have three (3) years of experience in the practice of massage
- 20          therapy;
- 21          2. Instructors of science courses shall be either licensed massage therapists
- 22          with three (3) years of experience in the practice of massage therapy or
- 23          have certification or specific higher education in the subject they are
- 24          teaching; and
- 25          3. Instructors in adjunctive courses shall have subject-specific education
- 26          and experience.
- 27          (2) A school may be presumed to have met the qualifications in subsection (1)(b) and

1 (c) of this section if it holds a current designation of "Approved School" from the  
2 National Certification Board of Therapeutic Massage and Bodywork or has the  
3 designation of "accredited" or "COMTA-endorsed curriculum" from the Council for  
4 Massage Therapy Accreditation.

5 (3) The board shall accept National Certification Board for Therapeutic Massage and  
6 Bodywork guidelines in approving continuing education.

7 ➔Section 120. KRS 309.464 is amended to read as follows:

8 The department shall:

9 (1) Promulgate administrative regulations, in accordance with KRS Chapter 13A,  
10 necessary to carry out the provisions of KRS 309.462, including establishing:

11 (a) The core competencies of community health work;

12 (b) The community health worker certification application and renewal process,  
13 including training, mentorship, and continuing education requirements;

14 (c) A certification application and renewal fee;

15 (d) Procedures for certification denial, suspension, and revocation; and

16 (e) The scope of practice for certified community health workers;

17 (2) Approve competency-based training programs and training providers, which shall  
18 include the Kentucky Community and Technical College System;

19 (3) Approve organizations to provide continuing education for certified community  
20 health workers; and

21 (4) Work with the Kentucky Higher Education Assistance Authority ~~Kentucky~~  
22 ~~Council on Postsecondary Education~~ and the Kentucky Community and Technical  
23 College System to ensure that appropriate college course credits are awarded to  
24 individuals who complete certified community health worker training, mentorship,  
25 and continuing education provided by competency-based providers approved by the  
26 department.

27 ➔Section 121. KRS 367.660 is amended to read as follows:

1 The following solicitations are exempt from the provisions of KRS 367.650 to 367.670:

- 2 (1) Solicitations by an organization of contributions from its members and their  
3 families only, if membership is not included in a solicitation to avoid the provisions  
4 of KRS 367.650 to 367.670, is not granted upon the basis of contributions alone,  
5 and is within the exception of KRS 367.650(3).
- 6 (2) Solicitations by a religious organization for funds for religious purposes such as  
7 maintenance of a house of worship, conduct of services, and propagation of its faith  
8 and tenets as distinguished from other charitable and civic purposes employed by  
9 nonreligious organizations.
- 10 (3) Solicitations by a publicly-owned or nonprofit privately-endowed educational  
11 institution regulated by the Kentucky Board of Education, the Kentucky Higher  
12 Education Assistance Authority~~[Council on Postsecondary Education]~~, or an  
13 equivalent public authority of the jurisdiction where the institution is located, from  
14 the alumni, faculty members, student body of the institution and their families, and  
15 from corporations, for the continuance of an established educational program.
- 16 (4) Local solicitations by a student group or parent-teacher association for its campus  
17 or group connected activities with the approval of the administration of the  
18 educational institution.

19 ➔Section 122. KRS 11A.010 is amended to read as follows:

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

- 21 (1) "Business" means any corporation, limited liability company, partnership, limited  
22 partnership, sole proprietorship, firm, enterprise, franchise, association,  
23 organization, self-employed individual, holding company, joint stock company,  
24 receivership, trust, or any legal entity through which business is conducted, whether  
25 or not for profit;
- 26 (2) "Commission" means the Executive Branch Ethics Commission;
- 27 (3) "Compensation" means any money, thing of value, or economic benefit conferred



1 on, or received by, any person in return for services rendered, or to be rendered, by  
2 himself or herself or another;

3 (4) "Family" means spouse and children, as well as a person who is related to a public  
4 servant as any of the following, whether by blood or adoption: parent, brother,  
5 sister, grandparent, grandchild, father-in-law, mother-in-law, brother-in-law, sister-  
6 in-law, son-in-law, daughter-in-law, stepfather, stepmother, stepson, stepdaughter,  
7 stepbrother, stepsister, half brother, half sister;

8 (5) "Gift" means a payment, loan, subscription, advance, deposit of money, services, or  
9 anything of value, unless consideration of equal or greater value is received; "gift"  
10 does not include gifts from family members, campaign contributions, the waiver of  
11 a registration fee for a presenter at a conference or training described in KRS  
12 45A.097(5), or door prizes available to the public;

13 (6) "Income" means any money or thing of value received or to be received as a claim  
14 on future services, whether in the form of a fee, salary, expense allowance,  
15 forbearance, forgiveness, interest, dividend, royalty, rent, capital gain, or any other  
16 form of compensation or any combination thereof;

17 (7) "Officer" means:

18 (a) All major management personnel in the executive branch of state government,  
19 including the secretary of the cabinet, the Governor's chief executive officers,  
20 cabinet secretaries, deputy cabinet secretaries, general counsels,  
21 commissioners, deputy commissioners, executive directors, executive  
22 assistants, policy advisors, special assistants, administrative coordinators,  
23 executive advisors, staff assistants, and division directors;

24 (b) Members and full-time chief administrative officers of:

- 25 1. The Parole Board;
- 26 2. Office of Claims and Appeals;
- 27 3. Board of Tax Appeals;

- 1           4. Board of Claims;
- 2           5. Crime Victims Compensation Board;
- 3           6. Kentucky Retirement Systems board of trustees;
- 4           7. Kentucky Teachers' Retirement System board of trustees;
- 5           8. The Kentucky Public Employees Deferred Compensation Authority
- 6           board of trustees;
- 7           9. Public Service Commission;
- 8           10. Worker's Compensation Board and its administrative law judges;
- 9           11. The Kentucky Occupational Safety and Health Review Commission;
- 10          12. The Kentucky Board of Education;
- 11          13. The Kentucky Higher Education Assistance Authority~~[Council on~~
- 12          ~~Postsecondary Education]~~;
- 13          14. County Employees Retirement System board of trustees;
- 14          15. Kentucky Public Pensions Authority; and
- 15          16. The Kentucky Horse Racing and Gaming Corporation;
- 16          (c) Salaried members of executive branch boards and commissions; and
- 17          (d) Any person who, through a personal service contract or any other contractual
- 18          employment arrangement with an agency, performs on a full-time,
- 19          nonseasonal basis a function of any major management position listed in this
- 20          subsection;
- 21          (8) "Official duty" means any responsibility imposed on a public servant by virtue of
- 22          his or her position in the state service;
- 23          (9) "Public servant" means:
- 24                  (a) The Governor;
- 25                  (b) The Lieutenant Governor;
- 26                  (c) The Secretary of State;
- 27                  (d) The Attorney General;

- 1 (e) The Treasurer;
- 2 (f) The Commissioner of Agriculture;
- 3 (g) The Auditor of Public Accounts;
- 4 (h) All employees in the executive branch including officers as defined in  
5 subsection (7) of this section and merit employees; and
- 6 (i) Any person who, through any contractual arrangement with an agency, is  
7 employed to perform a function of a position within an executive branch  
8 agency on a full-time, nonseasonal basis;
- 9 (10) "Agency" means every state office, cabinet, department, board, commission, public  
10 corporation, or authority in the executive branch of state government. A public  
11 servant is employed by the agency by which his or her appointing authority is  
12 employed, unless his or her agency is attached to the appointing authority's agency  
13 for administrative purposes only, or unless the agency's characteristics are of a  
14 separate independent nature distinct from the appointing authority and it is  
15 considered an agency on its own, such as an independent department;
- 16 (11) "Lobbyist" means any person employed as a legislative agent as defined in KRS  
17 6.611(23) or any person employed as an executive agency lobbyist as defined in  
18 KRS 11A.201(9);
- 19 (12) "Lobbyist's principal" means the entity in whose behalf the lobbyist promotes,  
20 opposes, or acts;
- 21 (13) "Candidate" means those persons who have officially filed candidacy papers or who  
22 have been nominated by their political party pursuant to KRS 118.105, 118.115,  
23 118.325, or 118.760 for any of the offices enumerated in subsections (9)(a) to (g) of  
24 this section;
- 25 (14) "Does business with" or "doing business with" means contracting, entering into an  
26 agreement, leasing, or otherwise exchanging services or goods with a state agency  
27 in return for payment by the state, including accepting a grant, but not including

1 accepting a state entitlement fund disbursement;

2 (15) "Public agency" means any governmental entity;

3 (16) "Appointing authority" means the agency head or any person whom he or she has  
4 authorized by law to act on behalf of the agency with respect to employee  
5 appointments;

6 (17) "Represent" means to attend an agency proceeding, write a letter, or communicate  
7 with an employee of an agency on behalf of someone else;

8 (18) "Directly involved" means to work on personally or to supervise someone who  
9 works on personally;

10 (19) "Sporting event" means any professional or amateur sport, athletic game, contest,  
11 event, or race involving machines, persons, or animals, for which admission tickets  
12 are offered for sale and that is viewed by the public;

13 (20) "Person" means an individual, proprietorship, firm, partnership, limited partnership,  
14 joint venture, joint stock company, syndicate, business or statutory trust, donative  
15 trust, estate, company, corporation, limited liability company, association, club,  
16 committee, organization, or group of persons acting in concert; and

17 (21) "Salaried" means receiving a fixed compensation or benefit reserved for full-time  
18 employees, which is paid on a regular basis without regard to the actual number of  
19 hours worked.

20 ➔Section 123. KRS 12.020 (Effective until July 1, 2025) is amended to read as  
21 follows:

22 Departments, program cabinets and their departments, and the respective major  
23 administrative bodies that they include are enumerated in this section. It is not intended  
24 that this enumeration of administrative bodies be all-inclusive. Every authority, board,  
25 bureau, interstate compact, commission, committee, conference, council, office, or any  
26 other form of organization shall be included in or attached to the department or program  
27 cabinet in which they are included or to which they are attached by statute or statutorily

1 authorized executive order; except in the case of the Personnel Board and where the  
2 attached department or administrative body is headed by a constitutionally elected  
3 officer, the attachment shall be solely for the purpose of dissemination of information and  
4 coordination of activities and shall not include any authority over the functions,  
5 personnel, funds, equipment, facilities, or records of the department or administrative  
6 body.

7 I. Cabinet for General Government - Departments headed by elected officers:

8 (1) The Governor.

9 (2) Lieutenant Governor.

10 (3) Department of State.

11 (a) Secretary of State.

12 (b) Board of Elections.

13 (c) Registry of Election Finance.

14 (4) Department of Law.

15 (a) Attorney General.

16 (5) Department of the Treasury.

17 (a) Treasurer.

18 (6) Department of Agriculture.

19 (a) Commissioner of Agriculture.

20 (b) Agricultural Development Board.

21 (c) Kentucky Agricultural Finance Corporation.

22 (7) Auditor of Public Accounts.

23 (a) Commonwealth Office of the Ombudsman.

24 II. Program cabinets headed by appointed officers:

25 (1) Justice and Public Safety Cabinet:

26 (a) Department of Kentucky State Police.

27 1. Office of Administrative Services.

- 1 a. Division of Operational Support.
- 2 b. Division of Management Services.
- 3 2. Office of Operations.
- 4 a. Division of West Troops.
- 5 b. Division of East Troops.
- 6 c. Division of Special Enforcement.
- 7 d. Division of Commercial Vehicle Enforcement.
- 8 3. Office of Technical Services.
- 9 a. Division of Forensic Sciences.
- 10 b. Division of Electronic Services.
- 11 c. Division of Records Management.
- 12 (b) Department of Criminal Justice Training.
- 13 (c) Department of Corrections.
- 14 (d) Department of Juvenile Justice.
- 15 (e) Office of the Secretary.
- 16 (f) Office of Drug Control Policy.
- 17 (g) Office of Legal Services.
- 18 (h) Office of the Kentucky State Medical Examiner.
- 19 (i) Parole Board.
- 20 (j) Kentucky State Corrections Commission.
- 21 (k) Office of Legislative and Intergovernmental Services.
- 22 (l) Office of Human Resource Management.
- 23 1. Division of Human Resource Administration.
- 24 2. Division of Employee Management.
- 25 (m) Department of Public Advocacy.
- 26 (n) Office of Communications.
- 27 1. Information Technology Services Division.

- 1 (o) Office of Financial Management Services.
- 2 1. Division of Financial Management.
- 3 (p) Grants Management Division.
- 4 (2) Energy and Environment Cabinet:
- 5 (a) Office of the Secretary.
- 6 1. Office of Legislative and Intergovernmental Affairs.
- 7 2. Office of Legal Services.
- 8 a. Legal Division I.
- 9 b. Legal Division II.
- 10 3. Office of Administrative Hearings.
- 11 4. Office of Communication.
- 12 5. Mine Safety Review Commission.
- 13 6. Office of Kentucky Nature Preserves.
- 14 7. Kentucky Public Service Commission.
- 15 (b) Department for Environmental Protection.
- 16 1. Office of the Commissioner.
- 17 2. Division for Air Quality.
- 18 3. Division of Water.
- 19 4. Division of Environmental Program Support.
- 20 5. Division of Waste Management.
- 21 6. Division of Enforcement.
- 22 7. Division of Compliance Assistance.
- 23 (c) Department for Natural Resources.
- 24 1. Office of the Commissioner.
- 25 2. Division of Mine Permits.
- 26 3. Division of Mine Reclamation and Enforcement.
- 27 4. Division of Abandoned Mine Lands.

- 1                   5.    Division of Oil and Gas.
- 2                   6.    Division of Mine Safety.
- 3                   7.    Division of Forestry.
- 4                   8.    Division of Conservation.
- 5                   9.    Office of the Reclamation Guaranty Fund.
- 6                   (d) Office of Energy Policy.
  - 7                   1.    Division of Energy Assistance.
- 8                   (e) Office of Administrative Services.
  - 9                   1.    Division of Human Resources Management.
  - 10                  2.    Division of Financial Management.
  - 11                  3.    Division of Information Services.
- 12                  (3) Public Protection Cabinet.
  - 13                  (a) Office of the Secretary.
    - 14                  1.    Office of Communications and Public Outreach.
    - 15                  2.    Office of Legal Services.
      - 16                  a.    Insurance Legal Division.
      - 17                  b.    Charitable Gaming Legal Division.
      - 18                  c.    Alcoholic Beverage Control Legal Division.
      - 19                  d.    Housing, Buildings and Construction Legal Division.
      - 20                  e.    Financial Institutions Legal Division.
      - 21                  f.    Professional Licensing Legal Division.
    - 22                  3.    Office of Administrative Hearings.
    - 23                  4.    Office of Administrative Services.
      - 24                  a.    Division of Human Resources.
      - 25                  b.    Division of Fiscal Responsibility.
  - 26                  (b) Office of Claims and Appeals.
    - 27                  1.    Board of Tax Appeals.



- 1                   2.    Board of Claims.
- 2                   3.    Crime Victims Compensation Board.
- 3                   (c)   Kentucky Boxing and Wrestling Commission.
- 4                   (d)   Department of Alcoholic Beverage Control.
  - 5                   1.    Division of Distilled Spirits.
  - 6                   2.    Division of Malt Beverages.
  - 7                   3.    Division of Enforcement.
- 8                   (e)   Department of Charitable Gaming.
  - 9                   1.    Division of Licensing and Compliance.
  - 10                  2.    Division of Enforcement.
- 11                  (f)   Department of Financial Institutions.
  - 12                  1.    Division of Depository Institutions.
  - 13                  2.    Division of Non-Depository Institutions.
  - 14                  3.    Division of Securities.
- 15                  (g)   Department of Housing, Buildings and Construction.
  - 16                  1.    Division of Fire Prevention.
  - 17                  2.    Division of Plumbing.
  - 18                  3.    Division of Heating, Ventilation, and Air Conditioning.
  - 19                  4.    Division of Building Code Enforcement.
- 20                  (h)   Department of Insurance.
  - 21                  1.    Division of Health and Life Insurance and Managed Care.
  - 22                  2.    Division of Property and Casualty Insurance.
  - 23                  3.    Division of Administrative Services.
  - 24                  4.    Division of Financial Standards and Examination.
  - 25                  5.    Division of Licensing.
  - 26                  6.    Division of Insurance Fraud Investigation.
  - 27                  7.    Division of Consumer Protection.

- 1 (i) Department of Professional Licensing.
- 2 1. Real Estate Authority.
- 3 2. Division of Real Property Boards.
- 4 (4) Transportation Cabinet:
- 5 (a) Department of Highways.
- 6 1. Office of Project Development.
- 7 2. Office of Project Delivery and Preservation.
- 8 3. Office of Highway Safety.
- 9 4. Highway District Offices One through Twelve.
- 10 (b) Department of Vehicle Regulation.
- 11 (c) Department of Aviation.
- 12 (d) Department of Rural and Municipal Aid.
- 13 1. Office of Local Programs.
- 14 2. Office of Rural and Secondary Roads.
- 15 (e) Office of the Secretary.
- 16 1. Office of Public Affairs.
- 17 2. Office for Civil Rights and Small Business Development.
- 18 3. Office of Budget and Fiscal Management.
- 19 4. Office of Inspector General.
- 20 5. Secretary's Office of Safety.
- 21 (f) Office of Support Services.
- 22 (g) Office of Transportation Delivery.
- 23 (h) Office of Audits.
- 24 (i) Office of Human Resource Management.
- 25 (j) Office of Information Technology.
- 26 (k) Office of Legal Services.
- 27 (5) Cabinet for Economic Development:

- 1 (a) Office of the Secretary.
- 2 1. Office of Legal Services.
- 3 2. Department for Business and Community Development.
- 4 a. Development and Retention Division – West Kentucky.
- 5 b. Development, Retention, and Administrative Division –
- 6 Central and East Kentucky.
- 7 c. Community and Workforce Development Division.
- 8 3. Department for Financial Services.
- 9 a. Kentucky Economic Development Finance Authority.
- 10 b. Finance and Personnel Division.
- 11 c. IT and Resource Management Division.
- 12 d. Compliance Division.
- 13 e. Program Administration Division.
- 14 f. Bluegrass State Skills Corporation.
- 15 g. The GRANT Commission.
- 16 4. Office of Strategy and Public Affairs.
- 17 a. Marketing and Communications Division.
- 18 b. Research and Strategy Division.
- 19 5. Office of Entrepreneurship and Innovation.
- 20 a. Commission on Small Business Innovation and Advocacy.
- 21 (6) Cabinet for Health and Family Services:
- 22 (a) Office of the Secretary.
- 23 1. Office of Public Affairs.
- 24 2. Office of Legal Services.
- 25 3. Office of Inspector General.
- 26 4. Office of Human Resource Management.
- 27 5. Office of Finance and Budget.

- 1                   6.   Office of Legislative and Regulatory Affairs.
- 2                   7.   Office of Administrative Services.
- 3                   8.   Office of Application Technology Services.
- 4                   9.   Office of Data Analytics.
- 5                   10. Office of Medical Cannabis.
- 6                    a.   Division of Enforcement and Compliance.
- 7                    b.   Division of Licensure and Access.
- 8                   (b) Department for Public Health.
- 9                   (c) Department for Medicaid Services.
- 10                  (d) Department for Behavioral Health, Developmental and Intellectual
- 11                  Disabilities.
- 12                  (e) Department for Aging and Independent Living.
- 13                  (f) Department for Community Based Services.
- 14                  (g) Department for Income Support.
- 15                  (h) Department for Family Resource Centers and Volunteer Services.
- 16                  (7) Finance and Administration Cabinet:
- 17                   (a) Office of the Secretary.
- 18                   (b) Office of the Inspector General.
- 19                   (c) Office of Legislative and Intergovernmental Affairs.
- 20                   (d) Office of General Counsel.
- 21                   (e) Office of the Controller.
- 22                   (f) Office of Administrative Services.
- 23                   (g) Office of Policy and Audit.
- 24                   (h) Department for Facilities and Support Services.
- 25                   (i) Department of Revenue.
- 26                   (j) Commonwealth Office of Technology.
- 27                   (k) State Property and Buildings Commission.

- 1 (l) Office of Equal Employment Opportunity and Contract Compliance.
- 2 (m) Kentucky Employees Retirement Systems.
- 3 (n) Commonwealth Credit Union.
- 4 (o) State Investment Commission.
- 5 (p) Kentucky Housing Corporation.
- 6 (q) Kentucky Local Correctional Facilities Construction Authority.
- 7 (r) Kentucky Turnpike Authority.
- 8 (s) Historic Properties Advisory Commission.
- 9 (t) Kentucky Higher Education Assistance Authority.
- 10 (u) Kentucky River Authority.
- 11 (v) Kentucky Teachers' Retirement System Board of Trustees.
- 12 (w) Executive Branch Ethics Commission.
- 13 (x) Office of Fleet Management.
- 14 (8) Tourism, Arts and Heritage Cabinet:
  - 15 (a) Kentucky Department of Tourism.
    - 16 1. Division of Tourism Services.
    - 17 2. Division of Marketing and Administration.
    - 18 3. Division of Communications and Promotions.
  - 19 (b) Kentucky Department of Parks.
    - 20 1. Division of Information Technology.
    - 21 2. Division of Human Resources.
    - 22 3. Division of Financial Operations.
    - 23 4. Division of Purchasing.
    - 24 5. Division of Facilities.
    - 25 6. Division of Park Operations.
    - 26 7. Division of Sales, Marketing, and Customer Service.
    - 27 8. Division of Engagement.

- 1                   9.    Division of Food Services.
- 2                   10.   Division of Rangers.
- 3           (c)    Department of Fish and Wildlife Resources.
- 4                   1.    Division of Law Enforcement.
- 5                   2.    Division of Administrative Services.
- 6                   3.    Division of Engineering, Infrastructure, and Technology.
- 7                   4.    Division of Fisheries.
- 8                   5.    Division of Information and Education.
- 9                   6.    Division of Wildlife.
- 10                  7.    Division of Marketing.
- 11           (d)    Kentucky Horse Park.
- 12                   1.    Division of Support Services.
- 13                   2.    Division of Buildings and Grounds.
- 14                   3.    Division of Operational Services.
- 15           (e)    Kentucky State Fair Board.
- 16                   1.    Office of Administrative and Information Technology Services.
- 17                   2.    Office of Human Resources and Access Control.
- 18                   3.    Division of Expositions.
- 19                   4.    Division of Kentucky Exposition Center Operations.
- 20                   5.    Division of Kentucky International Convention Center.
- 21                   6.    Division of Public Relations and Media.
- 22                   7.    Division of Venue Services.
- 23                   8.    Division of Personnel Management and Staff Development.
- 24                   9.    Division of Sales.
- 25                   10.   Division of Security and Traffic Control.
- 26                   11.   Division of Information Technology.
- 27                   12.   Division of the Louisville Arena.

- 1                   13. Division of Fiscal and Contract Management.
- 2                   14. Division of Access Control.
- 3           (f) Office of the Secretary.
- 4                   1. Office of Finance.
- 5                   2. Office of Government Relations and Administration.
- 6           (g) Office of Legal Affairs.
- 7           (h) Office of Human Resources.
- 8           (i) Office of Public Affairs and Constituent Services.
- 9           (j) Office of Arts and Cultural Heritage.
- 10           (k) Kentucky African-American Heritage Commission.
- 11           (l) Kentucky Foundation for the Arts.
- 12           (m) Kentucky Humanities Council.
- 13           (n) Kentucky Heritage Council.
- 14           (o) Kentucky Arts Council.
- 15           (p) Kentucky Historical Society.
- 16                   1. Division of Museums.
- 17                   2. Division of Oral History and Educational Outreach.
- 18                   3. Division of Research and Publications.
- 19                   4. Division of Administration.
- 20           (q) Kentucky Center for the Arts.
- 21                   1. Division of Governor's School for the Arts.
- 22           (r) Kentucky Artisans Center at Berea.
- 23           (s) Northern Kentucky Convention Center.
- 24           (t) Eastern Kentucky Exposition Center.
- 25           (9) Personnel Cabinet:
- 26                   (a) Office of the Secretary.
- 27                   (b) Department of Human Resources Administration.

- 1 (c) Office of Employee Relations.
- 2 (d) Kentucky Public Employees Deferred Compensation Authority.
- 3 (e) Office of Administrative Services.
- 4 (f) Office of Legal Services.
- 5 (g) Governmental Services Center.
- 6 (h) Department of Employee Insurance.
- 7 (i) Office of Diversity, Equality, and Training.
- 8 (j) Office of Public Affairs.
- 9 (10) Education and Labor Cabinet:
- 10 (a) Office of the Secretary.
- 11 1. Office of Legal Services.
- 12 a. Workplace Standards Legal Division.
- 13 b. Workers' Claims Legal Division.
- 14 c. Workforce Development Legal Division.
- 15 2. Office of Administrative Services.
- 16 a. Division of Human Resources Management.
- 17 b. Division of Fiscal Management.
- 18 c. Division of Operations and Support Services.
- 19 3. Office of Technology Services.
- 20 a. Division of Information Technology Services.
- 21 4. Office of Policy and Audit.
- 22 5. Office of Legislative Services.
- 23 6. Office of Communications.
- 24 7. Office of the Kentucky Center for Statistics.
- 25 8. Board of the Kentucky Center for Statistics.
- 26 9. Early Childhood Advisory Council.
- 27 10. Governors' Scholars Program.



- 1 11. Governor's School for Entrepreneurs Program.
- 2 12. Foundation for Adult Education.
- 3 (b) Department of Education.
  - 4 1. Kentucky Board of Education.
  - 5 2. Kentucky Technical Education Personnel Board.
  - 6 3. Education Professional Standards Board.
- 7 (c) Board of Directors for the Center for School Safety.
- 8 (d) Department for Libraries and Archives.
- 9 (e) Kentucky Environmental Education Council.
- 10 (f) Kentucky Educational Television.
- 11 (g) Kentucky Commission on the Deaf and Hard of Hearing.
- 12 (h) Department of Workforce Development.
  - 13 1. Career Development Office.
  - 14 2. Office of Vocational Rehabilitation.
    - 15 a. Division of Kentucky Business Enterprise.
    - 16 b. Division of the Carl D. Perkins Vocational Training Center.
    - 17 c. Division of Blind Services.
    - 18 d. Division of Field Services.
    - 19 e. Statewide Council for Vocational Rehabilitation.
    - 20 f. Employment First Council.
  - 21 3. Office of Employer and Apprenticeship Services.
    - 22 a. Division of Apprenticeship.
    - 23 4. Kentucky Apprenticeship Council.
    - 24 5. Division of Technical Assistance.
    - 25 6. Office of Adult Education.
    - 26 7. Office of the Kentucky Workforce Innovation Board.
- 27 (i) Department of Workplace Standards.

- 1                   1.    Division of Occupational Safety and Health Compliance.
- 2                   2.    Division of Occupational Safety and Health Education and
- 3                    Training.
- 4                   3.    Division of Wages and Hours.
- 5               (j)   Office of Unemployment Insurance.
- 6               (k)   Kentucky Unemployment Insurance Commission.
- 7               (l)   Department of Workers' Claims.
- 8                   1.    Division of Workers' Compensation Funds.
- 9                   2.    Office of Administrative Law Judges.
- 10                  3.    Division of Claims Processing.
- 11                  4.    Division of Security and Compliance.
- 12                  5.    Division of Specialist and Medical Services.
- 13                  6.    Workers' Compensation Board.
- 14               (m)   Workers' Compensation Funding Commission.
- 15               (n)   Kentucky Occupational Safety and Health Standards Board.
- 16               (o)   State Labor Relations Board.
- 17               (p)   Employers' Mutual Insurance Authority.
- 18               (q)   Kentucky Occupational Safety and Health Review Commission.
- 19               (r)   Workers' Compensation Nominating Committee.
- 20               (s)   Office of Educational Programs.
- 21               (t)   Kentucky Workforce Innovation Board.
- 22               (u)   Kentucky Commission on Proprietary Education.
- 23               (v)   Kentucky Work Ready Skills Advisory Committee.
- 24               (w)   Kentucky Geographic Education Board.
- 25               (x)   Disability Determination Services Program.

26   III.   Other departments headed by appointed officers:

- 27       (1)   ~~Council on Postsecondary Education.~~

- 1        ~~(2)~~ Department of Military Affairs.
- 2        ~~(2)~~~~(3)~~ Department for Local Government.
- 3        ~~(3)~~~~(4)~~ Kentucky Commission on Human Rights.
- 4        ~~(4)~~~~(5)~~ Kentucky Commission on Women.
- 5        ~~(5)~~~~(6)~~ Department of Veterans' Affairs.
- 6        ~~(6)~~~~(7)~~ Kentucky Commission on Military Affairs.
- 7        ~~(7)~~~~(8)~~ Office of Minority Empowerment.
- 8        ~~(8)~~~~(9)~~ Governor's Council on Wellness and Physical Activity.
- 9        ~~(9)~~~~(10)~~ Kentucky Communications Network Authority.

10        ➔Section 124.    KRS 12.020 (Effective July 1, 2025) is amended to read as  
 11 follows:

12 Departments, program cabinets and their departments, and the respective major  
 13 administrative bodies that they include are enumerated in this section. It is not intended  
 14 that this enumeration of administrative bodies be all-inclusive. Every authority, board,  
 15 bureau, interstate compact, commission, committee, conference, council, office, or any  
 16 other form of organization shall be included in or attached to the department or program  
 17 cabinet in which they are included or to which they are attached by statute or statutorily  
 18 authorized executive order; except in the case of the Personnel Board and where the  
 19 attached department or administrative body is headed by a constitutionally elected  
 20 officer, the attachment shall be solely for the purpose of dissemination of information and  
 21 coordination of activities and shall not include any authority over the functions,  
 22 personnel, funds, equipment, facilities, or records of the department or administrative  
 23 body.

24 I. Cabinet for General Government - Departments headed by elected officers:

- 25        (1) The Governor.
- 26        (2) Lieutenant Governor.
- 27        (3) Department of State.

- 1 (a) Secretary of State.
- 2 (b) Board of Elections.
- 3 (c) Registry of Election Finance.
- 4 (4) Department of Law.
- 5 (a) Attorney General.
- 6 (5) Department of the Treasury.
- 7 (a) Treasurer.
- 8 (6) Department of Agriculture.
- 9 (a) Commissioner of Agriculture.
- 10 (b) Agricultural Development Board.
- 11 (c) Kentucky Agricultural Finance Corporation.
- 12 (7) Auditor of Public Accounts.
- 13 (a) Commonwealth Office of the Ombudsman.
- 14 II. Program cabinets headed by appointed officers:
- 15 (1) Justice and Public Safety Cabinet:
- 16 (a) Department of Kentucky State Police.
- 17 1. Office of Administrative Services.
- 18 a. Division of Operational Support.
- 19 b. Division of Management Services.
- 20 2. Office of Operations.
- 21 a. Division of West Troops.
- 22 b. Division of East Troops.
- 23 c. Division of Special Enforcement.
- 24 d. Division of Commercial Vehicle Enforcement.
- 25 3. Office of Technical Services.
- 26 a. Division of Forensic Sciences.
- 27 b. Division of Electronic Services.

- 1                                   c.     Division of Records Management.
- 2                                   (b)   Department of Criminal Justice Training.
- 3                                   (c)   Department of Corrections.
- 4                                   (d)   Department of Juvenile Justice.
- 5                                   (e)   Office of the Secretary.
- 6                                   (f)   Office of Drug Control Policy.
- 7                                   (g)   Office of Legal Services.
- 8                                   (h)   Office of the Kentucky State Medical Examiner.
- 9                                   (i)   Parole Board.
- 10                                  (j)   Kentucky State Corrections Commission.
- 11                                  (k)   Office of Legislative and Intergovernmental Services.
- 12                                  (l)   Office of Human Resource Management.
- 13                                  1.    Division of Human Resource Administration.
- 14                                  2.    Division of Employee Management.
- 15                                  (m)   Department of Public Advocacy.
- 16                                  (n)   Office of Communications.
- 17                                  1.    Information Technology Services Division.
- 18                                  (o)   Office of Financial Management Services.
- 19                                  1.    Division of Financial Management.
- 20                                  (p)   Grants Management Division.
- 21                                  (2)   Energy and Environment Cabinet:
- 22                                  (a)   Office of the Secretary.
- 23                                  1.    Office of Legislative and Intergovernmental Affairs.
- 24                                  2.    Office of Legal Services.
- 25                                  a.    Legal Division I.
- 26                                  b.    Legal Division II.
- 27                                  3.    Office of Administrative Hearings.

- 1                   4.   Office of Communication.
- 2                   5.   Mine Safety Review Commission.
- 3                   6.   Office of Kentucky Nature Preserves.
- 4                   7.   Kentucky Public Service Commission.
- 5           (b)   Department for Environmental Protection.
- 6                   1.   Office of the Commissioner.
- 7                   2.   Division for Air Quality.
- 8                   3.   Division of Water.
- 9                   4.   Division of Environmental Program Support.
- 10                  5.   Division of Waste Management.
- 11                  6.   Division of Enforcement.
- 12                  7.   Division of Compliance Assistance.
- 13           (c)   Department for Natural Resources.
- 14                  1.   Office of the Commissioner.
- 15                  2.   Division of Mine Permits.
- 16                  3.   Division of Mine Reclamation and Enforcement.
- 17                  4.   Division of Abandoned Mine Lands.
- 18                  5.   Division of Oil and Gas.
- 19                  6.   Division of Mine Safety.
- 20                  7.   Division of Forestry.
- 21                  8.   Division of Conservation.
- 22                  9.   Office of the Reclamation Guaranty Fund.
- 23           (d)   Office of Energy Policy.
- 24                  1.   Division of Energy Assistance.
- 25           (e)   Office of Administrative Services.
- 26                  1.   Division of Human Resources Management.
- 27                  2.   Division of Financial Management.

- 1                   3.    Division of Information Services.
- 2           (3)   Public Protection Cabinet.
- 3               (a)   Office of the Secretary.
- 4                   1.    Office of Communications and Public Outreach.
- 5                   2.    Office of Legal Services.
- 6                       a.    Insurance Legal Division.
- 7                       b.    Alcoholic Beverage Control Legal Division.
- 8                       c.    Housing, Buildings and Construction Legal Division.
- 9                       d.    Financial Institutions Legal Division.
- 10                      e.    Professional Licensing Legal Division.
- 11                   3.    Office of Administrative Hearings.
- 12                   4.    Office of Administrative Services.
- 13                       a.    Division of Human Resources.
- 14                       b.    Division of Fiscal Responsibility.
- 15               (b)   Office of Claims and Appeals.
- 16                   1.    Board of Tax Appeals.
- 17                   2.    Board of Claims.
- 18                   3.    Crime Victims Compensation Board.
- 19               (c)   Kentucky Boxing and Wrestling Commission.
- 20               (d)   Department of Alcoholic Beverage Control.
- 21                   1.    Division of Distilled Spirits.
- 22                   2.    Division of Malt Beverages.
- 23                   3.    Division of Enforcement.
- 24               (e)   Department of Financial Institutions.
- 25                   1.    Division of Depository Institutions.
- 26                   2.    Division of Non-Depository Institutions.
- 27                   3.    Division of Securities.

- 1 (f) Department of Housing, Buildings and Construction.
- 2 1. Division of Fire Prevention.
- 3 2. Division of Plumbing.
- 4 3. Division of Heating, Ventilation, and Air Conditioning.
- 5 4. Division of Building Code Enforcement.
- 6 (g) Department of Insurance.
- 7 1. Division of Health and Life Insurance and Managed Care.
- 8 2. Division of Property and Casualty Insurance.
- 9 3. Division of Administrative Services.
- 10 4. Division of Financial Standards and Examination.
- 11 5. Division of Licensing.
- 12 6. Division of Insurance Fraud Investigation.
- 13 7. Division of Consumer Protection.
- 14 (h) Department of Professional Licensing.
- 15 1. Real Estate Authority.
- 16 2. Division of Real Property Boards.
- 17 (4) Transportation Cabinet:
- 18 (a) Department of Highways.
- 19 1. Office of Project Development.
- 20 2. Office of Project Delivery and Preservation.
- 21 3. Office of Highway Safety.
- 22 4. Highway District Offices One through Twelve.
- 23 (b) Department of Vehicle Regulation.
- 24 (c) Department of Aviation.
- 25 (d) Department of Rural and Municipal Aid.
- 26 1. Office of Local Programs.
- 27 2. Office of Rural and Secondary Roads.



- 1 (e) Office of the Secretary.
- 2 1. Office of Public Affairs.
- 3 2. Office for Civil Rights and Small Business Development.
- 4 3. Office of Budget and Fiscal Management.
- 5 4. Office of Inspector General.
- 6 5. Secretary's Office of Safety.
- 7 (f) Office of Support Services.
- 8 (g) Office of Transportation Delivery.
- 9 (h) Office of Audits.
- 10 (i) Office of Human Resource Management.
- 11 (j) Office of Information Technology.
- 12 (k) Office of Legal Services.
- 13 (5) Cabinet for Economic Development:
- 14 (a) Office of the Secretary.
- 15 1. Office of Legal Services.
- 16 2. Department for Business and Community Development.
- 17 a. Development and Retention Division – West Kentucky.
- 18 b. Development, Retention, and Administrative Division –
- 19 Central and East Kentucky.
- 20 c. Community and Workforce Development Division.
- 21 3. Department for Financial Services.
- 22 a. Kentucky Economic Development Finance Authority.
- 23 b. Finance and Personnel Division.
- 24 c. IT and Resource Management Division.
- 25 d. Compliance Division.
- 26 e. Program Administration Division.
- 27 f. Bluegrass State Skills Corporation.

- 1 g. The GRANT Commission.
- 2 4. Office of Strategy and Public Affairs.
- 3 a. Marketing and Communications Division.
- 4 b. Research and Strategy Division.
- 5 5. Office of Entrepreneurship and Innovation.
- 6 a. Commission on Small Business Innovation and Advocacy.
- 7 (6) Cabinet for Health and Family Services:
- 8 (a) Office of the Secretary.
- 9 1. Office of Public Affairs.
- 10 2. Office of Legal Services.
- 11 3. Office of Inspector General.
- 12 4. Office of Human Resource Management.
- 13 5. Office of Finance and Budget.
- 14 6. Office of Legislative and Regulatory Affairs.
- 15 7. Office of Administrative Services.
- 16 8. Office of Application Technology Services.
- 17 9. Office of Data Analytics.
- 18 10. Office of Medical Cannabis.
- 19 a. Division of Enforcement and Compliance.
- 20 b. Division of Licensure and Access.
- 21 (b) Department for Public Health.
- 22 (c) Department for Medicaid Services.
- 23 (d) Department for Behavioral Health, Developmental and Intellectual
- 24 Disabilities.
- 25 (e) Department for Aging and Independent Living.
- 26 (f) Department for Community Based Services.
- 27 (g) Department for Family Resource Centers and Volunteer Services.

- 1           (7) Finance and Administration Cabinet:
- 2           (a) Office of the Secretary.
- 3           (b) Office of the Inspector General.
- 4           (c) Office of Legislative and Intergovernmental Affairs.
- 5           (d) Office of General Counsel.
- 6           (e) Office of the Controller.
- 7           (f) Office of Administrative Services.
- 8           (g) Office of Policy and Audit.
- 9           (h) Department for Facilities and Support Services.
- 10          (i) Department of Revenue.
- 11          (j) Commonwealth Office of Technology.
- 12          (k) State Property and Buildings Commission.
- 13          (l) Office of Equal Employment Opportunity and Contract Compliance.
- 14          (m) Kentucky Employees Retirement Systems.
- 15          (n) Commonwealth Credit Union.
- 16          (o) State Investment Commission.
- 17          (p) Kentucky Housing Corporation.
- 18          (q) Kentucky Local Correctional Facilities Construction Authority.
- 19          (r) Kentucky Turnpike Authority.
- 20          (s) Historic Properties Advisory Commission.
- 21          (t) Kentucky Higher Education Assistance Authority.
- 22          (u) Kentucky River Authority.
- 23          (v) Kentucky Teachers' Retirement System Board of Trustees.
- 24          (w) Executive Branch Ethics Commission.
- 25          (x) Office of Fleet Management.
- 26          (8) Tourism, Arts and Heritage Cabinet:
- 27          (a) Kentucky Department of Tourism.

- 1                   1.    Division of Tourism Services.
- 2                   2.    Division of Marketing and Administration.
- 3                   3.    Division of Communications and Promotions.
- 4                   (b)  Kentucky Department of Parks.
- 5                   1.    Division of Information Technology.
- 6                   2.    Division of Human Resources.
- 7                   3.    Division of Financial Operations.
- 8                   4.    Division of Purchasing.
- 9                   5.    Division of Facilities.
- 10                  6.    Division of Park Operations.
- 11                  7.    Division of Sales, Marketing, and Customer Service.
- 12                  8.    Division of Engagement.
- 13                  9.    Division of Food Services.
- 14                  10.  Division of Rangers.
- 15                  (c)  Department of Fish and Wildlife Resources.
- 16                  1.    Division of Law Enforcement.
- 17                  2.    Division of Administrative Services.
- 18                  3.    Division of Engineering, Infrastructure, and Technology.
- 19                  4.    Division of Fisheries.
- 20                  5.    Division of Information and Education.
- 21                  6.    Division of Wildlife.
- 22                  7.    Division of Marketing.
- 23                  (d)  Kentucky Horse Park.
- 24                  1.    Division of Support Services.
- 25                  2.    Division of Buildings and Grounds.
- 26                  3.    Division of Operational Services.
- 27                  (e)  Kentucky State Fair Board.

- 1                   1.   Office of Administrative and Information Technology Services.
- 2                   2.   Office of Human Resources and Access Control.
- 3                   3.   Division of Expositions.
- 4                   4.   Division of Kentucky Exposition Center Operations.
- 5                   5.   Division of Kentucky International Convention Center.
- 6                   6.   Division of Public Relations and Media.
- 7                   7.   Division of Venue Services.
- 8                   8.   Division of Personnel Management and Staff Development.
- 9                   9.   Division of Sales.
- 10                  10.  Division of Security and Traffic Control.
- 11                  11.  Division of Information Technology.
- 12                  12.  Division of the Louisville Arena.
- 13                  13.  Division of Fiscal and Contract Management.
- 14                  14.  Division of Access Control.
- 15                  (f)  Office of the Secretary.
  - 16                    1.   Office of Finance.
  - 17                    2.   Office of Government Relations and Administration.
- 18                  (g)  Office of Legal Affairs.
- 19                  (h)  Office of Human Resources.
- 20                  (i)  Office of Public Affairs and Constituent Services.
- 21                  (j)  Office of Arts and Cultural Heritage.
- 22                  (k)  Kentucky African-American Heritage Commission.
- 23                  (l)  Kentucky Foundation for the Arts.
- 24                  (m)  Kentucky Humanities Council.
- 25                  (n)  Kentucky Heritage Council.
- 26                  (o)  Kentucky Arts Council.
- 27                  (p)  Kentucky Historical Society.

- 1                   1.    Division of Museums.
- 2                   2.    Division of Oral History and Educational Outreach.
- 3                   3.    Division of Research and Publications.
- 4                   4.    Division of Administration.
- 5           (q)    Kentucky Center for the Arts.
- 6                   1.    Division of Governor's School for the Arts.
- 7           (r)    Kentucky Artisans Center at Berea.
- 8           (s)    Northern Kentucky Convention Center.
- 9           (t)    Eastern Kentucky Exposition Center.
- 10       (9)    Personnel Cabinet:
- 11           (a)    Office of the Secretary.
- 12           (b)    Department of Human Resources Administration.
- 13           (c)    Office of Employee Relations.
- 14           (d)    Kentucky Public Employees Deferred Compensation Authority.
- 15           (e)    Office of Administrative Services.
- 16           (f)    Office of Legal Services.
- 17           (g)    Governmental Services Center.
- 18           (h)    Department of Employee Insurance.
- 19           (i)    Office of Diversity, Equality, and Training.
- 20           (j)    Office of Public Affairs.
- 21       (10)   Education and Labor Cabinet:
- 22           (a)    Office of the Secretary.
- 23                   1.    Office of Legal Services.
- 24                        a.    Workplace Standards Legal Division.
- 25                        b.    Workers' Claims Legal Division.
- 26                        c.    Workforce Development Legal Division.
- 27                   2.    Office of Administrative Services.

- 1 a. Division of Human Resources Management.
- 2 b. Division of Fiscal Management.
- 3 c. Division of Operations and Support Services.
- 4 3. Office of Technology Services.
  - 5 a. Division of Information Technology Services.
  - 6 4. Office of Policy and Audit.
  - 7 5. Office of Legislative Services.
  - 8 6. Office of Communications.
  - 9 7. Office of the Kentucky Center for Statistics.
  - 10 8. Board of the Kentucky Center for Statistics.
  - 11 9. Early Childhood Advisory Council.
  - 12 10. Governors' Scholars Program.
  - 13 11. Governor's School for Entrepreneurs Program.
  - 14 12. Foundation for Adult Education.
- 15 (b) Department of Education.
  - 16 1. Kentucky Board of Education.
  - 17 2. Kentucky Technical Education Personnel Board.
  - 18 3. Education Professional Standards Board.
- 19 (c) Board of Directors for the Center for School Safety.
- 20 (d) Department for Libraries and Archives.
- 21 (e) Kentucky Environmental Education Council.
- 22 (f) Kentucky Educational Television.
- 23 (g) Kentucky Commission on the Deaf and Hard of Hearing.
- 24 (h) Department of Workforce Development.
  - 25 1. Career Development Office.
  - 26 2. Office of Vocational Rehabilitation.
    - 27 a. Division of Kentucky Business Enterprise.

- 1                   b.    Division of the Carl D. Perkins Vocational Training Center.
- 2                   c.    Division of Blind Services.
- 3                   d.    Division of Field Services.
- 4                   e.    Statewide Council for Vocational Rehabilitation.
- 5                   f.    Employment First Council.
- 6                   3.    Office of Employer and Apprenticeship Services.
- 7                    a.    Division of Apprenticeship.
- 8                   4.    Kentucky Apprenticeship Council.
- 9                   5.    Division of Technical Assistance.
- 10                  6.    Office of Adult Education.
- 11                  7.    Office of the Kentucky Workforce Innovation Board.
- 12                  (i)   Department of Workplace Standards.
- 13                    1.    Division of Occupational Safety and Health Compliance.
- 14                    2.    Division of Occupational Safety and Health Education and
- 15                        Training.
- 16                    3.    Division of Wages and Hours.
- 17                  (j)   Office of Unemployment Insurance.
- 18                  (k)   Kentucky Unemployment Insurance Commission.
- 19                  (l)   Department of Workers' Claims.
- 20                    1.    Division of Workers' Compensation Funds.
- 21                    2.    Office of Administrative Law Judges.
- 22                    3.    Division of Claims Processing.
- 23                    4.    Division of Security and Compliance.
- 24                    5.    Division of Specialist and Medical Services.
- 25                    6.    Workers' Compensation Board.
- 26                  (m)   Workers' Compensation Funding Commission.
- 27                  (n)   Kentucky Occupational Safety and Health Standards Board.



- 1 (o) State Labor Relations Board.
- 2 (p) Employers' Mutual Insurance Authority.
- 3 (q) Kentucky Occupational Safety and Health Review Commission.
- 4 (r) Workers' Compensation Nominating Committee.
- 5 (s) Office of Educational Programs.
- 6 (t) Kentucky Workforce Innovation Board.
- 7 (u) Kentucky Commission on Proprietary Education.
- 8 (v) Kentucky Work Ready Skills Advisory Committee.
- 9 (w) Kentucky Geographic Education Board.
- 10 (x) Disability Determination Services Program.

11 III. Other departments headed by appointed officers:

- 12 (1) ~~{Council on Postsecondary Education.~~
- 13 ~~(2) — }Department of Military Affairs.~~
- 14 ~~(2){(3)}~~ Department for Local Government.
- 15 ~~(3){(4)}~~ Kentucky Commission on Human Rights.
- 16 ~~(4){(5)}~~ Kentucky Commission on Women.
- 17 ~~(5){(6)}~~ Department of Veterans' Affairs.
- 18 ~~(6){(7)}~~ Kentucky Commission on Military Affairs.
- 19 ~~(7){(8)}~~ Office of Minority Empowerment.
- 20 ~~(8){(9)}~~ Governor's Council on Wellness and Physical Activity.
- 21 ~~(9){(10)}~~ Kentucky Communications Network Authority.

22 ➔Section 125. KRS 12.023 is amended to read as follows:

23 The following organizational units and administrative bodies shall be attached to the  
24 Office of the Governor:

- 25 (1) *Kentucky Higher Education Assistance Authority*~~{Council on Postsecondary~~  
26 ~~Education}~~;
- 27 (2) Department of Military Affairs;

- 1 (3) Department for Local Government;
- 2 (4) Kentucky Commission on Human Rights;
- 3 (5) Kentucky Commission on Women;
- 4 (6) Kentucky Commission on Military Affairs;
- 5 (7) Office of Minority Empowerment;
- 6 (a) The Martin Luther King Commission;
- 7 (8) Office of Homeland Security; and
- 8 (9) Kentucky Communications Network Authority.

9 ➔Section 126. KRS 12.295 is amended to read as follows:

10 The following organizational units and administrative bodies shall be governed by their  
11 respective substantive chapters as set out below:

- 12 (1) Board of Directors for the Center for School Safety under KRS Chapter 158;
- 13 (2) **Kentucky Higher Education Assistance Authority**~~Council on Postsecondary~~  
14 ~~Education~~ under KRS **Chapters**~~Chapter~~ 164 **and 164A**;
- 15 (3) Department of Education under KRS Chapters 156, 157, 158, 161, 163, and 167;
- 16 (4) Education Professional Standards Board under KRS Chapter 161;
- 17 (5) Kentucky Board of Education under KRS Chapters 156 and 157;
- 18 (6) Kentucky Commission on Deaf and Hard of Hearing under KRS Chapter 163; and
- 19 (7) Kentucky Educational Television under KRS Chapter 168.

20 ➔Section 127. KRS 18A.115 is amended to read as follows:

- 21 (1) The classified service to which KRS 18A.005 to 18A.200 shall apply shall comprise  
22 all positions in the state service now existing or hereafter established, except the  
23 following:
  - 24 (a) The General Assembly and employees of the General Assembly, including the  
25 employees of the Legislative Research Commission;
  - 26 (b) Officers elected by popular vote and persons appointed to fill vacancies in  
27 elective offices;

- 1 (c) Members of boards and commissions;
- 2 (d) Officers and employees on the staff of the Governor, the Lieutenant  
3 Governor, the Office of the Secretary of the Governor's Cabinet, and the  
4 Office of Program Administration;
- 5 (e) Cabinet secretaries, commissioners, office heads, and the administrative heads  
6 of all boards and commissions, including the executive director of Kentucky  
7 Educational Television;
- 8 (f) Employees of Kentucky Educational Television who have been determined to  
9 be exempt from classified service by the Kentucky Authority for Educational  
10 Television, which shall have sole authority over such exempt employees for  
11 employment, dismissal, and setting of compensation, up to the maximum  
12 established for the executive director and his or her principal assistants;
- 13 (g) One (1) principal assistant or deputy for each person exempted under  
14 subsection (1)(e) of this section;
- 15 (h) One (1) additional principal assistant or deputy as may be necessary for  
16 making and carrying out policy for each person exempted under subsection  
17 (1)(e) of this section in those instances in which the nature of the functions,  
18 size, or complexity of the unit involved are such that the secretary approves  
19 such an addition on petition of the relevant cabinet secretary or department  
20 head and such other principal assistants, deputies, or other major assistants as  
21 may be necessary for making and carrying out policy for each person  
22 exempted under subsection (1)(e) of this section in those instances in which  
23 the nature of the functions, size, or complexity of the unit involved are such  
24 that the board may approve such an addition or additions on petition of the  
25 department head approved by the secretary. Effective August 1, 2010:
- 26 1. All positions approved under this paragraph prior to August 1, 2010,  
27 shall be abolished effective December 31, 2010, unless reapproved

- 1                   under subparagraph 2. of this paragraph; and
- 2           2.   A position approved under this paragraph on or after August 1, 2010,
- 3                   shall be approved for a period of five (5) years, after which time the
- 4                   position shall be abolished unless reapproved under this subparagraph
- 5                   for an additional five (5) year period;
- 6           (i)   Division directors subject to the provisions of KRS 18A.170. Division
- 7                   directors in the classified service as of January 1, 1980, shall remain in the
- 8                   classified service;
- 9           (j)   Physicians employed as such;
- 10          (k)   One (1) private secretary for each person exempted under subsection (1)(e),
- 11                   (g), and (h) of this section;
- 12          (l)   The judicial department, referees, receivers, jurors, and notaries public;
- 13          (m)   Officers and members of the staffs of state universities and colleges and
- 14                   student employees of such institutions; officers and employees of the
- 15                   Teachers' Retirement System; and officers, teachers, and employees of local
- 16                   boards of education;
- 17          (n)   Patients or inmates employed in state institutions;
- 18          (o)   Persons employed in a professional or scientific capacity to make or conduct a
- 19                   temporary or special inquiry, investigation, or examination on behalf of the
- 20                   General Assembly, or a committee thereof, or by authority of the Governor,
- 21                   and persons employed by state agencies for a specified, limited period to
- 22                   provide professional, technical, scientific, or artistic services under the
- 23                   provisions of KRS 45A.690 to 45A.725;
- 24          (p)   Interim employees;
- 25          (q)   Officers and members of the state militia;
- 26          (r)   Department of Kentucky State Police troopers;
- 27          (s)   University or college engineering students or other students employed part-

- 1 time or part-year by the state through special personnel recruitment programs;  
2 provided that while so employed such aides shall be under contract to work  
3 full-time for the state after graduation for a period of time approved by the  
4 commissioner or shall be participants in a cooperative education program  
5 approved by the commissioner;
- 6 (t) Superintendents of state mental institutions, including heads of centers for  
7 individuals with an intellectual disability, and penal and correctional  
8 institutions as referred to in KRS 196.180(2);
- 9 (u) Staff members of the Kentucky Historical Society, if they are hired in  
10 accordance with KRS 171.311;
- 11 (v) County and Commonwealth's attorneys and their respective appointees;
- 12 (w) Chief district engineers and the state highway engineer;
- 13 (x) Veterinarians employed as such by the Kentucky Horse Racing and Gaming  
14 Corporation;
- 15 (y) Employees of the Kentucky Peace Corps;
- 16 (z) Employees of the Kentucky Higher Education Assistance Authority~~Council~~  
17 ~~on Postsecondary Education~~];
- 18 (aa) Executive director of the Commonwealth Office of Technology;
- 19 (ab) Employees of Serve Kentucky;
- 20 (ac) Persons employed in certified teaching positions at the Kentucky School for  
21 the Blind and the Kentucky School for the Deaf;
- 22 (ad) Federally funded time-limited employees as defined in KRS 18A.005; and
- 23 (ae) Employees of the Department of Agriculture who are employed to support the  
24 Agricultural Development Board and the Kentucky Agricultural Finance  
25 Corporation.
- 26 (2) Nothing in KRS 18A.005 to 18A.200 is intended, or shall be construed, to alter or  
27 amend the provisions of KRS 150.022 and 150.061.

- 1 (3) Nothing in KRS 18A.005 to 18A.200 is intended or shall be construed to affect any  
2 nonmanagement, nonpolicy-making position which must be included in the  
3 classified service as a prerequisite to the grant of federal funds to a state agency.
- 4 (4) Career employees within the classified service promoted to positions exempted  
5 from classified service shall, upon termination of their employment in the exempted  
6 service, revert to a position in that class in the agency from which they were  
7 terminated if a vacancy in that class exists. If no such vacancy exists, they shall be  
8 considered for employment in any vacant position for which they were qualified  
9 pursuant to KRS 18A.130 and 18A.135.
- 10 (5) Nothing in KRS 18A.005 to 18A.200 shall be construed as precluding appointing  
11 officers from filling unclassified positions in the manner in which positions in the  
12 classified service are filled except as otherwise provided in KRS 18A.005 to  
13 18A.200.
- 14 (6) The positions of employees who are transferred, effective July 1, 1998, from the  
15 Cabinet for Workforce Development to the Kentucky Community and Technical  
16 College System shall be abolished and the employees' names removed from the  
17 roster of state employees. Employees that are transferred, effective July 1, 1998, to  
18 the Kentucky Community and Technical College System under KRS Chapter 164  
19 shall have the same benefits and rights as they had under KRS Chapter 18A and  
20 have under KRS 164.5805; however, they shall have no guaranteed reemployment  
21 rights in the KRS Chapter 151B or KRS Chapter 18A personnel systems. An  
22 employee who seeks reemployment in a state position under KRS Chapter 151B or  
23 KRS Chapter 18A shall have years of service in the Kentucky Community and  
24 Technical College System counted towards years of experience for calculating  
25 benefits and compensation.
- 26 (7) On August 15, 2000, all certified and equivalent personnel, all unclassified  
27 personnel, and all certified and equivalent and unclassified vacant positions in the

1 Department for Adult Education and Literacy shall be transferred from the  
2 personnel system under KRS Chapter 151B to the personnel system under KRS  
3 Chapter 18A. The positions shall be deleted from the KRS Chapter 151B personnel  
4 system. All records shall be transferred including accumulated annual leave, sick  
5 leave, compensatory time, and service credit for each affected employee. The  
6 personnel officers who administer the personnel systems under KRS Chapter 151B  
7 and KRS Chapter 18A shall exercise the necessary administrative procedures to  
8 effect the change in personnel authority. No certified or equivalent employee in the  
9 Department for Adult Education and Literacy shall suffer any penalty in the  
10 transfer.

11 (8) On August 15, 2000, secretaries and assistants attached to policymaking positions  
12 in the Department for Technical Education and the Department for Adult Education  
13 and Literacy shall be transferred from the personnel system under KRS Chapter  
14 151B to the personnel system under KRS Chapter 18A. The positions shall be  
15 deleted from the KRS Chapter 151B system. All records shall be transferred  
16 including accumulated annual leave, sick leave, compensatory time, and service  
17 credit for each affected employee. No employee shall suffer any penalty in the  
18 transfer.

19 (9) On May 1, 2017, all contract employees of Eastern Kentucky University who are  
20 engaged in providing instructional and support services to the Department of  
21 Criminal Justice Training shall be transferred to the personnel system under KRS  
22 Chapter 18A. All records shall be transferred, including accumulated annual leave,  
23 sick leave, compensatory time, and service credit for each affected employee. The  
24 personnel officers who administer the personnel systems for Eastern Kentucky  
25 University and under KRS Chapter 18A shall exercise the necessary administrative  
26 procedures to effect the change in personnel authority. No employee shall suffer  
27 any penalty in the transfer.

1 (10) On July 1, 2024, all employees of the Louisville and Jefferson County Public  
2 Defender Corporation shall be transferred to the personnel system under KRS  
3 Chapter 18A. Records of each employee's job classification, compensation, dates of  
4 employment, dates of professional licensure, probationary status, accumulated leave  
5 balances by category, months of service, and any other information necessary under  
6 KRS Chapter 18A shall be transferred. The personnel officers who administer the  
7 personnel systems for the Louisville and Jefferson County Public Defender  
8 Corporation and under KRS Chapter 18A shall exercise the necessary  
9 administrative procedures to effect the change in the personnel authority. No  
10 employee shall suffer any penalty in the transfer.

11 ➔Section 128. KRS 42.732 is amended to read as follows:

- 12 (1) There is hereby created the Kentucky Information Technology Advisory Council to:
- 13 (a) Advise the executive director of the Commonwealth Office of Technology on  
14 approaches to coordinating information technology solutions among libraries,  
15 public schools, local governments, universities, and other public entities;
- 16 (b) Advise the executive director of the Commonwealth Office of Technology on  
17 coordination among and across the organizational units of the executive  
18 branch of state government to prepare for, respond to, and prevent attacks;  
19 and
- 20 (c) Provide a forum for the discussion of emerging technologies that enhance  
21 electronic accessibility to various publicly funded sources of information and  
22 services.
- 23 (2) The Kentucky Information Technology Advisory Council shall consist of:
- 24 (a) The state budget director or a designee;
- 25 (b) The state librarian or a designee;
- 26 (c) One (1) representative from the public universities to be appointed by the  
27 Governor from a list of three (3) persons submitted by the *Kentucky Higher*



- 1            *Education Assistance Authority*~~[Council on Postsecondary Education]~~;
- 2            (d) Three (3) citizen members from the private sector with information
- 3            technology knowledge and experience appointed by the Governor;
- 4            (e) Two (2) representatives of local government appointed by the Governor;
- 5            (f) One (1) representative from the area development districts appointed by the
- 6            Governor from a list of names submitted by the executive directors of the area
- 7            development districts;
- 8            (g) One (1) member of the media appointed by the Governor;
- 9            (h) The executive director of the Kentucky Authority for Educational Television;
- 10          (i) The chair of the Public Service Commission or a designee;
- 11          (j) Two (2) members of the Kentucky General Assembly, one (1) from each
- 12          chamber, selected by the Legislative Research Commission;
- 13          (k) One (1) representative of the Administrative Office of the Courts;
- 14          (l) One (1) representative from the public schools system appointed by the
- 15          Governor;
- 16          (m) One (1) representative of the Kentucky Chamber of Commerce;
- 17          (n) The executive director of the Commonwealth Office of Technology; and
- 18          (o) The executive director of the Kentucky Communications Network Authority
- 19          or designee.
- 20          (3) Appointed members of the council shall serve for a term of two (2) years. Members
- 21          who serve by virtue of an office shall serve on the council while they hold the
- 22          office.
- 23          (4) Vacancies on the council shall be filled in the same manner as the original
- 24          appointments. If a nominating organization changes its name, its successor
- 25          organization having the same responsibilities and purposes shall be the nominating
- 26          organization.
- 27          (5) Members shall receive no compensation but shall receive reimbursement for actual

1 and necessary expenses in accordance with travel and subsistence requirements  
2 established by the Finance and Administration Cabinet.

3 ➔Section 129. KRS 42.738 is amended to read as follows:

4 (1) The executive director shall establish and implement a statewide public safety  
5 interoperability plan. This plan shall include the development of required  
6 architecture and standards that will ensure~~insure~~ that new or upgraded  
7 Commonwealth public safety communications systems will interoperate. The  
8 Kentucky Wireless Interoperability Executive Committee shall be responsible for  
9 the evaluation and recommendation of all wireless communications architecture,  
10 standards, and strategies. The executive director shall provide direction,  
11 stewardship, leadership, and general oversight of information technology and  
12 information resources. The executive director shall report by September 15  
13 annually to the Interim Joint Committee on ~~Seniors,~~ Veterans, Military Affairs,  
14 and Public Protection and the Interim Joint Committee on State Government on  
15 progress and activity by agencies of the Commonwealth to comply with standards  
16 to achieve public safety communications interoperability.

17 (2) The Kentucky Wireless Interoperability Executive Committee shall serve as the  
18 advisory body for all wireless communications strategies presented by agencies of  
19 the Commonwealth and local governments. All state agencies in the  
20 Commonwealth shall present all project plans for primary wireless public safety  
21 voice or data communications systems for review and recommendation by the  
22 committee, and the committee shall forward the plans to the executive director for  
23 final approval. Local government entities shall present project plans for primary  
24 wireless public safety voice or data communications systems for review and  
25 recommendation by the Kentucky Wireless Interoperability Executive Committee.

26 (3) The committee shall develop funding and support plans that provide for the  
27 maintenance of and technological upgrades to the public safety shared

1 infrastructure, and shall make recommendations to the executive director, the  
2 Governor's Office for Policy and Management, and the General Assembly.

3 (4) The executive director shall examine the project plans for primary wireless public  
4 safety voice or data communications systems of state agencies as required by  
5 subsection (2) of this section, and shall determine whether they meet the required  
6 architecture and standards for primary wireless public safety voice or data  
7 communications systems.

8 (5) The Kentucky Wireless Interoperability Executive Committee shall consist of  
9 twenty (20) members as follows:

10 (a) A person knowledgeable in the field of wireless communications appointed by  
11 the executive director who shall serve as chair;

12 (b) The executive director of the Office of Infrastructure Services,  
13 Commonwealth Office of Technology;

14 (c) The executive director of Kentucky Educational Television, or the executive  
15 director's designee;

16 (d) The information technology lead of the Transportation Cabinet;

17 (e) The information technology lead of the Justice and Public Safety Cabinet;

18 (f) The information technology lead of the Department of Kentucky State Police;

19 (g) The commissioner of the Department of Fish and Wildlife Resources, or the  
20 commissioner's designee;

21 (h) The information technology lead of the Energy and Environment Cabinet;

22 (i) The director of the Division of Emergency Management, Department of  
23 Military Affairs;

24 (j) The executive director of the Kentucky Office of Homeland Security;

25 (k) The information technology lead of the Department for Public Health, Cabinet  
26 for Health and Family Services;

27 (l) A representative from an institution of postsecondary education appointed by

- 1 the Governor from a list of three (3) names submitted by the executive  
2 director~~[president]~~ of the Kentucky Higher Education Assistance  
3 Authority~~[Council on Postsecondary Education]~~;
- 4 (m) The executive director of the Center for Rural Development, or the executive  
5 director's designee;
- 6 (n) A representative from a municipal government to be appointed by the  
7 Governor from a list of three (3) names submitted by the Kentucky League of  
8 Cities;
- 9 (o) A representative from a county government to be appointed by the Governor  
10 from a list of three (3) names submitted by the Kentucky Association of  
11 Counties;
- 12 (p) A representative from a municipal police department to be appointed by the  
13 Governor from a list of three (3) names submitted by the Kentucky  
14 Association of Chiefs of Police;
- 15 (q) A representative from a local fire department to be appointed by the Governor  
16 from a list of three (3) names submitted by the Kentucky Association of Fire  
17 Chiefs;
- 18 (r) A representative from a county sheriff's department to be appointed by the  
19 Governor from a list of three (3) names submitted by the Kentucky Sheriffs'  
20 Association;
- 21 (s) A representative from a local Emergency Medical Services agency to be  
22 appointed by the Governor from a list of three (3) names submitted by the  
23 Kentucky Board of Emergency Medical Services; and
- 24 (t) A representative from a local 911 dispatch center to be appointed by the  
25 Governor from a list of three (3) names submitted by the Kentucky Chapter of  
26 the National Emergency Number Association/Association of Public Safety  
27 Communications Officials.

- 1 (6) Appointed members of the committee shall serve for a two (2) year term. Members  
2 who serve by virtue of an office shall serve on the committee while they hold that  
3 office.
- 4 (7) The committee shall meet quarterly, or as often as necessary for the conduct of its  
5 business. A majority of the members shall constitute a quorum for the transaction of  
6 business. Members' designees shall have voting privileges at committee meetings.
- 7 (8) The committee shall be attached to the Commonwealth Office of Technology for  
8 administrative purposes only. Members shall not be paid and shall not be  
9 reimbursed for travel expenses.
- 10 (9) The Public Safety Working Group is hereby created for the primary purpose of  
11 fostering cooperation, planning, and development of the public safety frequency  
12 spectrum as regulated by the Federal Communications Commission, including the  
13 700 MHz public safety band. The group shall endeavor to bring about a seamless,  
14 coordinated, and integrated public safety communications network for the safe,  
15 effective, and efficient protection of life and property. The Public Safety Working  
16 Group membership and other working group memberships deemed necessary shall  
17 be appointed by the chair of the Kentucky Wireless Interoperability Executive  
18 Committee.
- 19 (10) The committee may establish additional working groups as determined by the  
20 committee.
- 21 ➔Section 130. KRS 42.740 is amended to read as follows:
- 22 (1) There is hereby established a Geographic Information Advisory Council, attached  
23 to the Commonwealth Office of Technology for administrative purposes, to advise  
24 the executive director of the Commonwealth Office of Technology on issues  
25 relating to geographic information and geographic information systems.
- 26 (2) The council shall recommend policies and procedures that assist state and local  
27 jurisdictions in developing, deploying, and leveraging geographic information

1 resources and geographic information systems technology for the purpose of  
2 improving public administration.

3 (3) The council shall closely coordinate with users of geographic information systems  
4 to recommend policies and procedures that ensure the maximum use of geographic  
5 information by minimizing the redundancy of geographic information and  
6 geographic information resources, as well as to ensure that the geographic  
7 information clearinghouse maintained by the Division of Geographic Information  
8 Systems meets the needs of all state agencies.

9 (4) (a) The Geographic Information Advisory Council shall consist of twenty-five  
10 (25) members and one (1) legislative liaison. The members shall be  
11 knowledgeable in the use and application of geographic information systems  
12 technology and shall have sufficient authority within their organizations to  
13 influence the implementation of council recommendations.

14 (b) The council shall consist of:

- 15 1. The secretary of the Transportation Cabinet or his or her designee;
- 16 2. The secretary of the Cabinet for Health and Family Services or his or  
17 her designee;
- 18 3. The director of the Kentucky Geological Survey or his or her designee;
- 19 4. The secretary of the Finance and Administration Cabinet or his or her  
20 designee;
- 21 5. The executive director of the Commonwealth Office of Technology or  
22 her or his designee, who shall serve as chair;
- 23 6. The secretary of the Cabinet for Economic Development~~[-Cabinet]~~ or  
24 his or her designee;
- 25 7. The commissioner of the Department for Local Government or his or  
26 her designee;
- 27 8. The secretary of the Justice and Public Safety Cabinet or his or her

- 1                   designee;
- 2           9.    One (1) member appointed by the Governor from a list of three (3)
- 3                   persons submitted by the executive director~~[president]~~ of the Kentucky
- 4                   Higher Education Assistance Authority~~[Council on Postsecondary~~
- 5                   ~~Education]~~;
- 6           10. The adjutant general of the Department of Military Affairs or his or her
- 7                   designee;
- 8           11. The commissioner of the Department of Education or his or her
- 9                   designee;
- 10          12. The secretary of the Energy and Environment Cabinet or his or her
- 11                  designee;
- 12          13. The Commissioner of the Department of Agriculture or his or her
- 13                  designee;
- 14          14. The secretary of the Tourism, Arts and Heritage Cabinet or his or her
- 15                  designee;
- 16          15. The executive director of the Office of Property Valuation or his or her
- 17                  designee;
- 18          16. One (1) member appointed by the Governor from a list of six (6)
- 19                  persons submitted by the president of the Kentucky League of Cities;
- 20          17. One (1) member appointed by the Governor from a list of six (6)
- 21                  persons submitted by the president of the Kentucky Association of
- 22                  Counties;
- 23          18. One (1) member appointed by the Governor from a list of three (3)
- 24                  persons submitted by the president of the Kentucky Chapter of the
- 25                  American Planning Association;
- 26          19. One (1) member appointed by the Governor from a list of three (3)
- 27                  persons submitted by the president of the Kentucky Association of

- 1 Professional Surveyors;
- 2 20. One (1) member appointed by the Governor from a list of three (3)
- 3 persons submitted by the president of the Kentucky Society of
- 4 Professional Engineers;
- 5 21. One (1) member appointed by the Governor from a list of three (3)
- 6 persons submitted by the chairman of the Kentucky Board of Registered
- 7 Geologists;
- 8 22. One (1) member appointed by the Governor from a list of three (3)
- 9 persons submitted by the president of the Council of Area Development
- 10 Districts;
- 11 23. One (1) member appointed by the Governor from a list of three (3)
- 12 persons submitted by the president of the Kentucky Association of
- 13 Mapping Professionals;
- 14 24. One (1) member appointed by the Governor from a list of three (3)
- 15 persons submitted by the executive director of the Kentucky Property
- 16 Valuation Administrators Association; and
- 17 25. The executive director of the Kentucky Office of Homeland Security.
- 18 (c) The council shall have one (1) nonvoting legislative liaison, to be appointed
- 19 by the Legislative Research Commission.
- 20 (5) The council may have committees and subcommittees as determined by the council
- 21 or an executive committee, if an executive committee exists.
- 22 (6) A member of the council shall not:
- 23 (a) Be an officer, employee, or paid consultant of a business entity that has, or of
- 24 a trade association for business entities that have, a substantial interest in the
- 25 geographic information industry and is doing business in the Commonwealth;
- 26 (b) Own, control, or have, directly or indirectly, more than ten percent (10%)
- 27 interest in a business entity that has a substantial interest in the geographic



- 1 information industry;
- 2 (c) Be in any manner connected with any contract or bid for furnishing any  
3 governmental body of the Commonwealth with geographic information  
4 systems, the computers on which they are automated, or a service related to  
5 geographic information systems;
- 6 (d) Be a person required to register as a lobbyist because of activities for  
7 compensation on behalf of a business entity that has, or on behalf of a trade  
8 association of business entities that have, substantial interest in the geographic  
9 information industry;
- 10 (e) Accept or receive money or another thing of value from an individual, firm, or  
11 corporation to whom a contract may be awarded, directly or indirectly, by  
12 rebate, gift, or otherwise; or
- 13 (f) Be liable to civil action or any action performed in good faith in the  
14 performance of duties as a council member.
- 15 (7) Those council members specified in subsection (4)(a) of this section who serve by  
16 virtue of an office shall serve on the board while they hold that office.
- 17 (8) Appointed members of the council shall serve for a term of four (4) years.  
18 Vacancies in the membership of the council shall be filled in the same manner as  
19 the original appointments. If a nominating organization changes its name, its  
20 successor organization having the same responsibilities and purposes shall be the  
21 nominating organization.
- 22 (9) The council shall have no funds of its own, and council members shall not receive  
23 compensation of any kind from the council.
- 24 (10) A majority of the members shall constitute a quorum for the transaction of business.  
25 Members' designees shall have voting privileges at council meetings.
- 26 ➔Section 131. KRS 56.777 is amended to read as follows:
- 27 (1) A High-Performance Buildings Advisory Committee is hereby created and shall be

- 1           administratively staffed by the cabinet.
- 2   (2)   The committee shall consist of sixteen (16) members and shall include:
- 3           (a)   A representative of the cabinet designated by the secretary;
- 4           (b)   A representative of the Tourism, Arts and Heritage Cabinet designated by the
- 5                 secretary;
- 6           (c)   A representative of the Department of Education designated by the
- 7                 commissioner;
- 8           (d)   A representative of the *Kentucky Higher Education Assistance*
- 9                 ~~*Authority*~~~~[Council on Postsecondary Education]~~ designated by the *executive*
- 10                 ~~*director*~~~~[president]~~;
- 11           (e)   A representative of the Office of Energy Policy designated by the executive
- 12                 director; and
- 13           (f)   A representative appointed by the Governor from each of the following:
- 14                 1.   The design and construction industry involved in public works
- 15                         contracting;
- 16                 2.   The Kentucky Chapter of the U. S. Green Building Council;
- 17                 3.   The University of Kentucky College of Design;
- 18                 4.   The Kentucky Forest Industries Association;
- 19                 5.   The Kentucky Society of the American Institute of Architects;
- 20                 6.   The American Society of Heating, Refrigerating, and Air-Conditioning
- 21                         Engineers;
- 22                 7.   The Associated General Contractors of Kentucky;
- 23                 8.   The West Kentucky Construction Association;
- 24                 9.   The Kentucky Manufactured Housing Institute;
- 25                 10.  The Kentucky Ready Mixed Concrete Association; and
- 26                 11.  The Plantmix Asphalt Industry of Kentucky.
- 27   (3)   The representative of the cabinet shall serve as the chairperson of the committee.

1 All appointments shall be for a term of two (2) years. Committee members shall  
2 serve until their successors are appointed and shall be eligible for reappointment.

3 (4) The committee shall meet at least monthly or as convened by the chairperson.

4 (5) The members of the committee shall receive reimbursement for the cost of travel to  
5 and from the meetings and any costs necessarily incurred in carrying out their  
6 duties.

7 (6) The committee shall:

8 (a) Consult with architects, engineers, builders, energy and conservation  
9 organizations, and other interested stakeholders, and make recommendations  
10 to the cabinet regarding:

11 1. Standards and benchmarks developed under existing high-performance  
12 building programs, including the ENERGY STAR rating system, Green  
13 Globes rating system, and Leadership in Energy and Environmental  
14 Design (LEED) Green Building rating system; and

15 2. Standards and guidelines developed and adopted by the U.S. Green  
16 Building Council, the American Society of Heating, Refrigerating and  
17 Air-Conditioning Engineers, and the Illuminating Engineering Society  
18 of North America partnership concerning the design of sustainable  
19 buildings to balance environmental responsibility, resource efficiency,  
20 occupant comfort and well-being, and community sensitivity;

21 (b) Assist the cabinet in the review of state building projects to ensure that  
22 building performance and efficiency are maximized to the extent  
23 economically feasible using a life-cycle cost analysis;

24 (c) Assist the cabinet in developing a process of documentation of the attainment  
25 of high-performance building standards; and

26 (d) Assist the cabinet in conducting an ongoing professional development  
27 program for state and local building designers, construction companies,

1 school districts, building managers, and the general public on high-  
2 performance building design, construction, maintenance, and operation.

3 (7) Prior to the implementation of KRS 56.770 to 56.784, the cabinet shall promulgate  
4 administrative regulations pursuant to KRS Chapter 13A necessary to implement  
5 this section. The cabinet shall consider the recommendations made by the High-  
6 Performance Buildings Advisory Committee pursuant to subsection (6) of this  
7 section and shall establish the criteria for the high-performance building standards  
8 and the benchmarks by which the high-performance building standards will be  
9 measured. At a minimum, the cabinet shall:

10 (a) Include the standards for site selection and management, water efficiency,  
11 energy conservation, waste reduction, material and resource use, and indoor  
12 air quality; and

13 (b) Require that each high-performance building be designed, constructed, or  
14 renovated so that it is capable of being rated as an ENERGY STAR building  
15 in accordance with the criteria and rating system adopted by the United States  
16 Environmental Protection Agency and in effect at the time the building is  
17 designed or, in the case of leased buildings, at the time the lease is entered  
18 into on or after July 1, 2018.

19 (8) In developing the criteria for the high-performance building standards, the cabinet  
20 shall consider and encourage the use of:

21 (a) Locally grown lumber from forest lands implementing sustainable practices  
22 established by the American Tree Farm System's Sustainable Forest Initiative  
23 or the Kentucky Forest Stewardship Program established under KRS 149.330  
24 to 149.355;

25 (b) Building materials manufactured with recycled content within the  
26 Commonwealth; and

27 (c) Renewable energy sources.

1           ➔Section 132. KRS 61.932 is amended to read as follows:

- 2       (1) (a) An agency or nonaffiliated third party that maintains or otherwise possesses  
3           personal information, regardless of the form in which the personal  
4           information is maintained, shall implement, maintain, and update security  
5           procedures and practices, including taking any appropriate corrective action,  
6           to protect and safeguard against security breaches.
- 7       (b) Reasonable security and breach investigation procedures and practices  
8           established and implemented by organizational units of the executive branch  
9           of state government shall be in accordance with relevant enterprise policies  
10          established by the Commonwealth Office of Technology. Reasonable security  
11          and breach investigation procedures and practices established and  
12          implemented by units of government listed under KRS 61.931(1)(b) and (c)  
13          that are not organizational units of the executive branch of state government  
14          shall be in accordance with policies established by the Department for Local  
15          Government. The Department for Local Government shall consult with public  
16          entities as defined in KRS 65.310 in the development of policies establishing  
17          reasonable security and breach investigation procedures and practices for  
18          units of local government pursuant to this subsection. Reasonable security and  
19          breach investigation procedures and practices established and implemented by  
20          public school districts listed under KRS 61.931(1)(d) shall be in accordance  
21          with administrative regulations promulgated by the Kentucky Board of  
22          Education. Reasonable security and breach investigation procedures and  
23          practices established and implemented by educational entities listed under  
24          KRS 61.931(1)(e) shall be in accordance with policies established by the  
25          *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~  
26          ~~Education]~~. The Commonwealth Office of Technology shall, upon request of  
27          an agency, make available technical assistance for the establishment and

1 implementation of reasonable security and breach investigation procedures  
2 and practices.

- 3 (c) 1. If an agency is subject to any additional requirements under the  
4 Kentucky Revised Statutes or under federal law, protocols, or  
5 agreements relating to the protection and privacy of personal  
6 information, the agency shall comply with these additional  
7 requirements, in addition to the requirements of KRS 61.931 to 61.934.
- 8 2. If a nonaffiliated third party is required by federal law or regulation to  
9 conduct security breach investigations or to make notifications of  
10 security breaches, or both, as a result of the nonaffiliated third party's  
11 unauthorized disclosure of one (1) or more data elements of personal  
12 information that is the same as one (1) or more of the data elements of  
13 personal information listed in KRS 61.931(6)(a) to (f), the nonaffiliated  
14 third party shall meet the requirements of KRS 61.931 to 61.934 by  
15 providing to the agency a copy of any and all reports and investigations  
16 relating to such security breach investigations or notifications that are  
17 required to be made by federal law or regulations. This subparagraph  
18 shall not apply if the security breach includes the unauthorized  
19 disclosure of data elements that are not covered by federal law or  
20 regulation but are listed in KRS 61.931(6)(a) to (f).
- 21 (2) (a) For agreements executed or amended on or after January 1, 2015, any agency  
22 that contracts with a nonaffiliated third party and that discloses personal  
23 information to the nonaffiliated third party shall require as part of that  
24 agreement that the nonaffiliated third party implement, maintain, and update  
25 security and breach investigation procedures that are appropriate to the nature  
26 of the information disclosed, that are at least as stringent as the security and  
27 breach investigation procedures and practices referenced in subsection (1)(b)

1 of this section, and that are reasonably designed to protect the personal  
2 information from unauthorized access, use, modification, disclosure,  
3 manipulation, or destruction.

4 (b) 1. A nonaffiliated third party that is provided access to personal  
5 information by an agency, or that collects and maintains personal  
6 information on behalf of an agency shall notify the agency in the most  
7 expedient time possible and without unreasonable delay but within  
8 seventy-two (72) hours of determination of a security breach relating to  
9 the personal information in the possession of the nonaffiliated third  
10 party. The notice to the agency shall include all information the  
11 nonaffiliated third party has with regard to the security breach at the  
12 time of notification. Agreements referenced in paragraph (a) of this  
13 subsection shall specify how the cost of the notification and  
14 investigation requirements under KRS 61.933 are to be apportioned  
15 when a security breach is suffered by the agency or nonaffiliated third  
16 party.

17 2. The notice required by subparagraph 1. of this paragraph may be  
18 delayed if a law enforcement agency notifies the nonaffiliated third  
19 party that notification will impede a criminal investigation or jeopardize  
20 homeland or national security. If notice is delayed pursuant to this  
21 subparagraph, notification shall be given as soon as reasonably feasible  
22 by the nonaffiliated third party to the agency with which the  
23 nonaffiliated third party is contracting. The agency shall then record the  
24 notification in writing on a form developed by the Commonwealth  
25 Office of Technology that the notification will not impede a criminal  
26 investigation and will not jeopardize homeland or national security. The  
27 Commonwealth Office of Technology shall promulgate administrative

1 regulations under KRS 61.931 to 61.934 regarding the content of the  
2 form.

3 →Section 133. KRS 61.933 is amended to read as follows:

4 (1) (a) Any agency that collects, maintains, or stores personal information that  
5 determines or is notified of a security breach relating to personal information  
6 collected, maintained, or stored by the agency or by a nonaffiliated third party  
7 on behalf of the agency shall as soon as possible, but within seventy-two (72)  
8 hours of determination or notification of the security breach:

9 1. Notify the commissioner of the Kentucky State Police, the Auditor of  
10 Public Accounts, and the Attorney General. In addition, an agency shall  
11 notify the secretary of the Finance and Administration Cabinet or his or  
12 her designee if an agency is an organizational unit of the executive  
13 branch of state government; notify the commissioner of the Department  
14 for Local Government if the agency is a unit of government listed in  
15 KRS 61.931(1)(b) or (c) that is not an organizational unit of the  
16 executive branch of state government; notify the commissioner of the  
17 Kentucky Department of Education if the agency is a public school  
18 district listed in KRS 61.931(1)(d); and notify the executive  
19 director~~[president]~~ of the Kentucky Higher Education Assistance  
20 Authority~~[Council on Postsecondary Education]~~ if the agency is an  
21 educational entity listed under KRS 61.931(1)(e). Notification shall be  
22 in writing on a form developed by the Commonwealth Office of  
23 Technology. The Commonwealth Office of Technology shall  
24 promulgate administrative regulations under KRS 61.931 to 61.934  
25 regarding the contents of the form; and

26 2. Begin conducting a reasonable and prompt investigation in accordance  
27 with the security and breach investigation procedures and practices



1 referenced in KRS 61.932(1)(b) to determine whether the security  
2 breach has resulted in or is likely to result in the misuse of the personal  
3 information.

4 (b) Upon conclusion of the agency's investigation:

5 1. If the agency determined that a security breach has occurred and that the  
6 misuse of personal information has occurred or is reasonably likely to  
7 occur, the agency shall:

8 a. Within forty-eight (48) hours of completion of the investigation,  
9 notify in writing all officers listed in paragraph (a)1. of this  
10 subsection, and the commissioner of the Department for Libraries  
11 and Archives, unless the provisions of subsection (3) of this  
12 section apply;

13 b. Within thirty-five (35) days of providing the notifications required  
14 by subdivision a. of this subparagraph, notify all individuals  
15 impacted by the security breach as provided in subsection (2) of  
16 this section, unless the provisions of subsection (3) of this section  
17 apply; and

18 c. If the number of individuals to be notified exceeds one thousand  
19 (1,000), the agency shall notify, at least seven (7) days prior to  
20 providing notice to individuals under subdivision b. of this  
21 subparagraph, the Commonwealth Office of Technology if the  
22 agency is an organizational unit of the executive branch of state  
23 government, the Department for Local Government if the agency  
24 is a unit of government listed under KRS 61.931(1)(b) or (c) that is  
25 not an organizational unit of the executive branch of state  
26 government, the Kentucky Department of Education if the agency  
27 is a public school district listed under KRS 61.931(1)(d), or the

1                    Kentucky Higher Education Assistance Authority~~[Council on~~  
2                    ~~Postsecondary Education]~~ if the agency is an educational entity  
3                    listed under KRS 61.931(1)(e); and notify all consumer credit  
4                    reporting agencies included on the list maintained by the Office of  
5                    the Attorney General that compile and maintain files on consumers  
6                    on a nationwide basis, as defined in 15 U.S.C. sec. 1681a(p), of  
7                    the timing, distribution, and content of the notice; or

8                    2. If the agency determines that the misuse of personal information has not  
9                    occurred and is not likely to occur, the agency is not required to give  
10                    notice, but shall maintain records that reflect the basis for its decision  
11                    for a retention period set by the State Archives and Records  
12                    Commission as established by KRS 171.420. The agency shall notify  
13                    the appropriate entities listed in paragraph (a)1. of this subsection that  
14                    the misuse of personal information has not occurred.

15                    (2) (a) The provisions of this subsection establish the requirements for providing  
16                    notice to individuals under subsection (1)(b)1.b. of this section. Notice shall  
17                    be provided as follows:

18                    1. Conspicuous posting of the notice on the website~~[web site]~~ of the  
19                    agency;

20                    2. Notification to regional or local media if the security breach is localized,  
21                    and also to major statewide media if the security breach is widespread,  
22                    including broadcast media, such as radio and television; and

23                    3. Personal communication to individuals whose data has been breached  
24                    using the method listed in subdivision a., b., or c. of this subparagraph  
25                    that the agency believes is most likely to result in actual notification to  
26                    those individuals, if the agency has the information available:

27                    a. In writing, sent to the most recent address for the individual as

- 1 reflected in the records of the agency;
- 2 b. By electronic mail, sent to the most recent electronic mail address
- 3 for the individual as reflected in the records of the agency, unless
- 4 the individual has communicated to the agency in writing that they
- 5 do not want email notification; or
- 6 c. By telephone, to the most recent telephone number for the
- 7 individual as reflected in the records of the agency.

8 (b) The notice shall be clear and conspicuous, and shall include:

- 9 1. To the extent possible, a description of the categories of information that
- 10 were subject to the security breach, including the elements of personal
- 11 information that were or were believed to be acquired;
- 12 2. Contact information for the notifying agency, including the address,
- 13 telephone number, and toll-free number if a toll-free number is
- 14 maintained;
- 15 3. A description of the general acts of the agency, excluding disclosure of
- 16 defenses used for the protection of information, to protect the personal
- 17 information from further security breach; and
- 18 4. The toll-free numbers, addresses, and website~~[web site]~~ addresses, along
- 19 with a statement that the individual can obtain information from the
- 20 following sources about steps the individual may take to avoid identity
- 21 theft, for:
- 22 a. The major consumer credit reporting agencies;
- 23 b. The Federal Trade Commission; and
- 24 c. The Office of the Kentucky Attorney General.

25 (c) The agency providing notice pursuant to this subsection shall cooperate with

26 any investigation conducted by the agencies notified under subsection (1)(a)

27 of this section and with reasonable requests from the Office of Consumer

- 1 Protection of the Office of the Attorney General, consumer credit reporting  
2 agencies, and recipients of the notice, to verify the authenticity of the notice.
- 3 (3) (a) The notices required by subsection (1) of this section shall not be made if,  
4 after consultation with a law enforcement agency, the agency receives a  
5 written request from a law enforcement agency for a delay in notification  
6 because the notice may impede a criminal investigation. The written request  
7 may apply to some or all of the required notifications, as specified in the  
8 written request from the law enforcement agency. Upon written notification  
9 from the law enforcement agency that the criminal investigation has been  
10 completed, or that the sending of the required notifications will no longer  
11 impede a criminal investigation, the agency shall send the notices required by  
12 subsection (1)(b)1. of this section.
- 13 (b) The notice required by subsection (1)(b)1.b. of this section may be delayed if  
14 the agency determines that measures necessary to restore the reasonable  
15 integrity of the data system cannot be implemented within the timeframe  
16 established by subsection (1)(b)1.b. of this section, and the delay is approved  
17 in writing by the Office of the Attorney General. If notice is delayed pursuant  
18 to this subsection, notice shall be made immediately after actions necessary to  
19 restore the integrity of the data system have been completed.
- 20 (4) Any waiver of the provisions of this section is contrary to public policy and shall be  
21 void and unenforceable.
- 22 (5) This section shall not apply to:
- 23 (a) Personal information that has been redacted;
- 24 (b) Personal information disclosed to a federal, state, or local government entity,  
25 including a law enforcement agency or court, or their agents, assigns,  
26 employees, or subcontractors, to investigate or conduct criminal investigations  
27 and arrests or delinquent tax assessments, or to perform any other statutory

1 duties and responsibilities;

2 (c) Personal information that is publicly and lawfully made available to the  
3 general public from federal, state, or local government records;

4 (d) Personal information that an individual has consented to have publicly  
5 disseminated or listed; or

6 (e) Any document recorded in the records of either a county clerk or circuit clerk  
7 of a county, or in the records of a United States District Court.

8 (6) The Office of the Attorney General may bring an action in the Franklin Circuit  
9 Court against an agency or a nonaffiliated third party that is not an agency, or both,  
10 for injunctive relief, and for other legal remedies against a nonaffiliated third party  
11 that is not an agency to enforce the provisions of KRS 61.931 to 61.934. Nothing in  
12 KRS 61.931 to 61.934 shall create a private right of action.

13 ➔Section 134. KRS 63.080 is amended to read as follows:

14 (1) Except as provided in subsection (2) of this section and otherwise provided by law,  
15 any person appointed by the Governor, either with or without the advice and  
16 consent of the Senate, may be removed from office by the Governor for any cause  
17 the Governor deems sufficient, by an order of the Governor entered in the executive  
18 journal removing the officer.

19 (2) (a) Except as provided in subsections (3) and (4) of this section, members of the  
20 Kentucky Board of Education; the board of trustees of the University of  
21 Kentucky; the board of trustees of the University of Louisville; and the board  
22 of regents respectively of Eastern Kentucky University, Western Kentucky  
23 University, Morehead State University, Kentucky State University, Northern  
24 Kentucky University, Murray State University, and the Kentucky Community  
25 and Technical College System shall not be removed except for cause.

26 (b) Members of the Kentucky Higher Education Assistance Authority~~Council~~  
27 ~~on Postsecondary Education~~ shall not be removed except for cause.

- 1 (c) A member of a board of trustees or board of regents specified in paragraph (a)  
2 of this subsection may be removed for cause as follows:
- 3 1. The Governor or the board of trustees or board of regents, as applicable,  
4 shall notify, in writing, the member and the *Kentucky Higher*  
5 *Education Assistance Authority*~~[Council on Postsecondary Education]~~  
6 that the member should be removed for cause and shall specify the  
7 conduct warranting removal;
  - 8 2. The member shall have seven (7) days to voluntarily resign or to provide  
9 evidence to the *Kentucky Higher Education Assistance*  
10 *Authority*~~[Council on Postsecondary Education]~~ that the member's  
11 conduct does not warrant removal;
  - 12 3. Within thirty (30) days after receipt of notice from the Governor or the  
13 board, the *Kentucky Higher Education Assistance Authority*~~[Council~~  
14 ~~on Postsecondary Education]~~ shall review the written notice, investigate  
15 the member and the conduct alleged to support removal, and make a  
16 nonbinding recommendation, in writing, to the Governor as to whether  
17 the member should be removed, a copy of which shall also be provided  
18 to the Legislative Research Commission;
  - 19 4. The Governor shall then make a determination, in writing, whether the  
20 member should be removed and shall notify the member, the applicable  
21 board, the *Kentucky Higher Education Assistance Authority*~~[Council~~  
22 ~~on Postsecondary Education]~~, and the Legislative Research Commission  
23 of the determination; and
  - 24 5. If the Governor's determination is to remove the member, the Governor  
25 shall remove the member by executive order, and shall replace the  
26 member with a new appointment according to the applicable statutes for  
27 the board of trustees or board of regents.

1 (d) For the purposes of this subsection, a member may be removed for cause for  
2 conduct including but not limited to malfeasance, misfeasance, incompetence,  
3 or gross neglect of duty.

4 (3) For a board specified in subsection (2)(a) of this section that is required by law to  
5 have proportional representation in its membership based on residence, political  
6 affiliation, gender, minority racial composition, or professional qualifications, the  
7 Governor or other appointing authority may remove any member of the board and  
8 replace him or her with another individual in order to bring the membership into  
9 compliance with the statutory proportional representation requirement for the board,  
10 provided that the Governor or other appointing authority shall:

11 (a) Only exercise the removal authority granted in this subsection if appointment  
12 at the end of the next expiring term of a member, or at the end of the next  
13 expiring term of members if two (2) or more members' terms expire at the  
14 same time, cannot cure the deficiency in the proportional representation  
15 requirement;

16 (b) Remove the fewest number of members necessary to bring the membership  
17 into compliance with the proportional representation requirement for the  
18 board;

19 (c) Identify the order in which the members were appointed to their current terms  
20 on the board and, beginning with the most recently appointed member who  
21 may be removed and replaced to bring the membership into compliance with  
22 the proportional representation requirement, remove the member or members  
23 according to the length of their tenure on the board, without taking into  
24 account any prior term of service on the board by the member;

25 (d) Provide any member proposed to be removed with the following:

26 1. Written notice, at least seven (7) days prior to the member's removal  
27 from the board, stating the statutory proportional representation

- 1 requirement that the member does not satisfy; and
- 2 2. An opportunity during the seven (7) day notice period for the member to
- 3 voluntarily resign or to provide evidence to the Governor or other
- 4 appointing authority that the member does satisfy the proportional
- 5 representation requirement or that another member on the board who
- 6 also does not satisfy the requirement has a shorter tenure than the
- 7 member proposed to be removed;
- 8 (e) Replace any removed member with only those individuals who will bring the
- 9 board into compliance with the proportional representation requirement; and
- 10 (f) Appoint any new member in the same manner as provided by law for the
- 11 member being removed and to fill the remainder of the removed member's
- 12 unexpired term.
- 13 (4) For a board of trustees or board of regents specified in subsection (2)(a) of this
- 14 section, the Governor may remove for cause all appointed members of the board
- 15 and replace the entire appointed membership as follows:
- 16 (a) The Governor shall notify, in writing, the board and the *Kentucky Higher*
- 17 *Education Assistance Authority*~~[Council on Postsecondary Education]~~ that
- 18 the entire appointed membership of the board should be removed for cause
- 19 and shall specify the conduct warranting removal;
- 20 (b) The board or its members shall have seven (7) days to voluntarily resign or to
- 21 provide evidence to the *Kentucky Higher Education Assistance*
- 22 *Authority*~~[Council on Postsecondary Education]~~ that the conduct of the board
- 23 or of individual members does not warrant removal;
- 24 (c) Within thirty (30) days after receipt of notice from the Governor, the
- 25 *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~
- 26 ~~Education]~~ shall review the written notice, investigate the board and the
- 27 conduct alleged to support removal, and make a nonbinding recommendation,



1 in writing, to the Governor as to whether the appointed board membership  
 2 should be removed, a copy of which shall also be provided to the Legislative  
 3 Research Commission;

4 (d) The Governor shall then make a determination, in writing, whether the entire  
 5 appointed board membership should be removed and shall notify the  
 6 members, the Kentucky Higher Education Assistance Authority~~[Council on~~  
 7 ~~Postsecondary Education]~~, and the Legislative Research Commission of the  
 8 determination; and

9 (e) If the Governor's determination is to remove the entire appointed membership  
 10 of the board, the Governor shall remove the members by executive order, and  
 11 shall replace the members with new appointments according to the applicable  
 12 statutes for the board of trustees or board or regents.

13 For the purposes of this subsection, the entire appointed membership of a board of  
 14 trustees or board of regents may be removed for cause if the board is no longer  
 15 functioning according to its statutory mandate as specified in the enabling statutes  
 16 applicable to the board, or if the board membership's conduct as a whole constitutes  
 17 malfeasance, misfeasance, incompetence, or gross neglect of duty, such that the  
 18 conduct cannot be attributed to any single member or members.

19 ➔Section 135. KRS 64.475 is amended to read as follows:

20 (1) There is hereby established an advisory council to be known as the Executive  
 21 Branch Compensation Advisory Council.

22 (a) The council shall consist of three (3) voting members: the state budget  
 23 director, the secretary of the Governor's Executive Cabinet, and the secretary  
 24 of the Finance and Administration Cabinet.

25 (b) The state budget director shall serve as the chair of the council.

26 (c) If a voting member is unable to attend a meeting of the council, he or she shall  
 27 designate, in writing, a member of his or her staff to attend in his or her place,

1           and such designation shall confer on such designee, for that meeting only, the  
2           authority to act, including the right to vote on any matter coming before the  
3           council.

4   (2)   The council shall be attached to the Personnel Cabinet for administrative purposes.  
5        Personnel Cabinet staff shall provide necessary administrative and operational  
6        support for the council. The council may, from time to time, utilize the services of  
7        professional and technical personnel employed by other agencies of state  
8        government, if the need arises. The council shall meet on a quarterly basis at a time  
9        and place to be determined by the council. Additional meetings may be called upon  
10       request of two (2) voting members of the council.

11   (3)   The duties of the council shall include the following:

12       (a)   Advise and make recommendations to the secretary of the Personnel Cabinet  
13       on appropriate salaries for the following:

14           1.   The heads of the various departments in the executive branch of state  
15           government, with the exception of:

16               a.   Departments headed by constitutionally elected officers;

17               b.   The Department of Education;

18               c.   The Kentucky Higher Education Assistance Authority~~Council~~  
19               ~~on Postsecondary Education~~; and

20               d.   The Kentucky Authority for Educational Television;

21           2.   The heads of offices, as defined in KRS 12.010;

22           3.   The administrative heads of boards and commissions and for their  
23           employees, if they are not covered by the salary schedules set forth in  
24           KRS Chapter 16, KRS Chapter 18A, or KRS Chapter 151B,  
25           notwithstanding any other statute to the contrary empowering a board,  
26           commission, authority, or other administrative body for which the  
27           Personnel Cabinet provides personnel and payroll services except for

1 any board governing any of the Kentucky Retirement Systems, the  
2 County Employees Retirement System, the Kentucky Public Pensions  
3 Authority, the Kentucky Higher Education Assistance Authority, or the  
4 Kentucky Authority for Educational Television~~, or the Council on~~  
5 ~~Postsecondary Education~~ to establish, set, or approve the salaries of its  
6 administrative head and other employees;

7 4. Requests from boards, commissions, or cabinet heads to approve salary  
8 increases in excess of those increases provided other state employees to  
9 individuals in the positions listed in paragraphs (a), (b), and (c) of this  
10 subsection;

11 (b) Advise the secretary of the Personnel Cabinet on requests from agencies to  
12 establish or abolish a separate salary schedule, or schedules, reflective of the  
13 marketplace need to recruit and hire classified employees in technical or  
14 professional fields when the classified service salary schedule is inadequate.  
15 A positive recommendation of such requests shall not be granted unless  
16 significant credible evidence exists of a job market shortage and an  
17 inadequacy of the classified or unclassified salary schedules to recruit and  
18 retain competent, qualified applicants for such positions; and

19 (c) Recommend that the Personnel Cabinet conduct salary surveys of the  
20 executive branch positions outlined in subsection (3)(a)1., 2., and 3. of this  
21 section, using state governments in the seven (7) states contiguous to the  
22 Commonwealth, other states in the southeastern United States, and private  
23 sector employers, where appropriate.

24 (4) The council's recommendations shall:

25 (a) Take into consideration the provisions of KRS 64.640, if the specific position  
26 in question is subject to the provisions of KRS 64.640; and

27 (b) Not take into consideration the provisions of KRS 64.640, if the specific

1 position in question is exempt from the provisions of KRS 64.640.

2 ➔Section 136. KRS 64.640 is amended to read as follows:

3 (1) Except as otherwise provided in subsection (2) of this section, and excepting  
4 officers elected by popular vote, employees of the General Assembly, including  
5 employees of the Legislative Research Commission, members of boards and  
6 commissions, those officers and employees of Kentucky Educational Television  
7 exempt from classified service as provided in KRS 18A.115, presidents and  
8 employees of the state universities and the state colleges, officers employed by the  
9 Department of Kentucky State Police under KRS Chapter 16, and persons  
10 employed by the commissioner of parks on a temporary basis under KRS 148.026,  
11 the Personnel Cabinet shall prepare schedules of compensation, payable out of the  
12 State Treasury, with a minimum salary rate, and other salary rates as are deemed  
13 necessary or advisable, for the office or position of employment of every state  
14 officer and employee, including specifically the offices and positions of  
15 employment in every constitutional administrative department, statutory  
16 administrative department, independent agency, board, commission, or other unit of  
17 state government. The language of any statute empowering a board, commission,  
18 authority, or other administrative body for which the Personnel Cabinet provides  
19 personnel and payroll services, except for any board governing any of the Kentucky  
20 Retirement Systems, the County Employees Retirement System, the Kentucky  
21 Public Pensions Authority, the Kentucky Higher Education Assistance Authority,  
22 or the Kentucky Authority for Educational Television~~, or the Council on~~  
23 ~~Postsecondary Education,~~ to establish, set, or approve the salaries of its  
24 administrative head and other employees to the contrary notwithstanding, the  
25 establishment or setting of salaries for administrative heads or other employees  
26 shall be subject to the approval of the secretary of the Personnel Cabinet. The  
27 schedules and rates shall be based upon studies of the duties and responsibilities of

1 the offices and positions and upon a comparison with rates being paid for similar or  
2 comparable services elsewhere, and in the preparation of such schedules, the  
3 Personnel Cabinet shall ascertain and record the duties, responsibilities, and  
4 authority pertaining to the various offices and positions in the state service, and  
5 classify such positions in the manner provided in KRS 18A.030, 18A.035, 18A.110,  
6 18A.130, 18A.135, and 18A.150 to 18A.160. No such schedule shall become  
7 effective until it has been approved by the Governor by executive order.

8 (2) The Governor shall set the compensation payable out of the State Treasury to each  
9 officer or position in the state service, which officer or position heads a statutory  
10 administrative department, independent agency, or other unit of state government,  
11 except for those excluded under subsection (1) of this section. Such compensation  
12 shall be based upon studies of the duties and responsibilities and classification of  
13 the positions by the Governor and upon a comparison with compensation being paid  
14 for similar or comparable services elsewhere, provided, however, such  
15 compensation shall not exceed the total taxable compensation of the Governor  
16 derived from state sources, the provisions of KRS 64.660 to the contrary  
17 notwithstanding. For the purposes of this section, the total taxable compensation of  
18 the Governor from state sources shall include the amount provided for  
19 compensation to the Governor under KRS 64.480 and any benefits or discretionary  
20 spending accounts that are imputed as taxable income for federal tax purposes.

21 (3) The compensation payable out of the State Treasury to officers and employees  
22 subordinate to any office or position covered by subsection (2) of this section shall  
23 not exceed the maximum rate established pursuant to subsection (2) of this section  
24 for such office or position, except with respect to physicians as provided in KRS  
25 64.655 and employees of the Public Service Commission of Kentucky whose  
26 compensation shall be fixed, within constitutional limits, by the Personnel Cabinet  
27 with the approval of the Governor as provided in subsection (1) of this section.

1 (4) Nothing in this section shall preclude the allowance of maintenance to officers and  
2 employees of the state.

3 ➔Section 137. KRS 138.510 is amended to read as follows:

4 (1) (a) Before August 1, 2022, except as provided in paragraph (e) of this subsection  
5 and subsection (3) of this section, an excise tax is imposed on all tracks  
6 conducting pari-mutuel wagering on live racing under the jurisdiction of the  
7 corporation as follows:

8 1. For each track with a daily average live handle of one million two  
9 hundred thousand dollars (\$1,200,000) or above, the tax shall be in the  
10 amount of three and one-half percent (3.5%) of all money wagered on  
11 live races at the track during the fiscal year; and

12 2. For each track with a daily average live handle under one million two  
13 hundred thousand dollars (\$1,200,000), the tax shall be one and one-half  
14 percent (1.5%) of all money wagered on live races at the track during  
15 the fiscal year.

16 (b) Beginning August 1, 2022, the excise tax imposed on all tracks conducting  
17 pari-mutuel wagering on live racing under jurisdiction of the corporation shall  
18 be one and one-half percent (1.5%) of all money wagered on live races at the  
19 track during the fiscal year.

20 (c) Beginning on April 1, 2014, an excise tax is imposed on all tracks conducting  
21 pari-mutuel wagering on historical horse races under the jurisdiction of the  
22 corporation at a rate of one and one-half percent (1.5%) of all money wagered  
23 on historical horse races at the track during the fiscal year.

24 (d) Money shall be deducted from the tax paid under paragraphs (a), (b), and (c)  
25 of this subsection and deposited as follows:

26 1. a. Before August 1, 2022, an amount equal to three-quarters of one  
27 percent (0.75%) of all money wagered on live races and historical

- 1 horse races at the track for Thoroughbred racing shall be deposited  
2 in the Thoroughbred development fund established in KRS  
3 230.400; and
- 4 b. Beginning August 1, 2022, an amount equal to three-quarters of  
5 one percent (0.75%) of all money wagered on live races and  
6 historical horse races at the track for Thoroughbred racing shall be  
7 deposited in the Thoroughbred development fund established in  
8 KRS 230.400 until forty-five million dollars (\$45,000,000) has  
9 been deposited during a fiscal year, at which point the amount  
10 deposited in the fund shall decrease to four-tenths of one percent  
11 (0.4%) of all money wagered on live and historical horse races at  
12 the track for Thoroughbred racing for the remainder of the fiscal  
13 year;
- 14 2. a. Before August 1, 2022, an amount equal to one percent (1%) of all  
15 money wagered on live races and historical horse races at the track  
16 for harness racing shall be deposited in the Kentucky standardbred  
17 development fund established in KRS 230.770. Beginning August  
18 1, 2022, an amount equal to one percent (1%) of all money  
19 wagered on live races at the track for harness racing shall be  
20 deposited in the Kentucky standardbred development fund until a  
21 total of twenty million dollars (\$20,000,000) has been deposited  
22 during a fiscal year from this subparagraph, at which point the  
23 amount deposited shall decrease to four-tenths of one percent  
24 (0.4%) of all money wagered for the remainder of the fiscal year;  
25 and
- 26 b. Beginning August 1, 2022, an amount equal to one percent (1%)  
27 of all money wagered on historical horse races at the track for

1 harness racing shall be distributed in the exact amounts based  
2 upon contracts between the parties that have been filed with the  
3 corporation, but at least one-half (1/2) of the funds shall be  
4 deposited into the Kentucky standardbred development fund  
5 established in KRS 230.770 until a total of twenty million dollars  
6 (\$20,000,000) has been deposited into the Kentucky standardbred  
7 development fund during a fiscal year from this subparagraph, at  
8 which point the amount deposited in this subdivision shall  
9 decrease to four-tenths of one percent (0.4%) of all money  
10 wagered for the remainder of the fiscal year. The corporation shall  
11 provide the department all information necessary from the  
12 contracts in order for the funds in this subparagraph to be  
13 distributed;

14 3. An amount equal to one percent (1%) of all money wagered on live  
15 races and historical horse races at the track for quarter horse, paint  
16 horse, Appaloosa, and Arabian horse racing shall be deposited in the  
17 Kentucky quarter horse, paint horse, Appaloosa, and Arabian  
18 development fund established by KRS 230.445;

19 4. An amount equal to two-tenths of one percent (0.2%) of all money  
20 wagered on live races and historical horse races at the track shall be paid  
21 out in equal amounts as follows:

22 a. To the equine industry program trust and revolving fund  
23 established by KRS 230.550 to support the Equine Industry  
24 Program at the University of Louisville, except that the amount  
25 deposited from money wagered on historical horse races in any  
26 fiscal year shall not exceed eight hundred fifty thousand dollars  
27 (\$850,000);



- 1           b. To the University of Kentucky for equine industry programs at the  
2           university, except that the amount paid from money wagered on  
3           historical horse races in any fiscal year shall not exceed four  
4           hundred thousand dollars (\$400,000);
- 5           c. To the Bluegrass Community and Technical College for the  
6           provision of equine industry programs by the system, except that  
7           the amount paid from money wagered on historical horse races in  
8           any fiscal year shall not exceed two hundred fifty thousand dollars  
9           (\$250,000);
- 10          d. Amounts remaining from money wagered on historical horse races  
11          in a fiscal year after payments are made in accordance with  
12          subdivisions a., b., and c. of this subparagraph shall be distributed  
13          in equal amounts to:
- 14            i. The Kentucky Horse Racing and Gaming Corporation for the  
15            benefit of Thoroughbred, standardbred, and American  
16            quarter horse aftercare facilities in Kentucky, in an amount  
17            not to exceed two hundred fifty thousand dollars (\$250,000).  
18            The Kentucky Horse Racing and Gaming Corporation shall  
19            serve as the administrative agent for these funds, and shall  
20            distribute them annually to organizations engaged in the  
21            accreditation and monitoring of aftercare facilities. Any  
22            funds distributed under this subpart by the Kentucky Horse  
23            Racing and Gaming Corporation shall be awarded to  
24            aftercare facilities based in Kentucky only after the facilities  
25            have achieved and maintained levels of service and operation  
26            that resulted in national accreditation; and
- 27            ii. The Kentucky equine management internship program for

- 1 equine management training, in an amount not to exceed two  
2 hundred fifty thousand dollars (\$250,000); and
- 3 e. Any amounts remaining from money wagered on historical horse  
4 races in a fiscal year after payments are made in accordance with  
5 subdivisions a., b., c., and d. of this subparagraph shall be paid to  
6 the general fund;
- 7 5. a. An amount equal to one-tenth of one percent (0.1%) of all money  
8 wagered on live races and historical horse races at the track shall  
9 be deposited in a trust and revolving fund to be used for the  
10 construction, expansion, or renovation of facilities or the purchase  
11 of equipment for equine programs at state universities and the  
12 Bluegrass Community and Technical College, except that the  
13 amount deposited from money wagered on historical horse races in  
14 any fiscal year shall not exceed three hundred twenty thousand  
15 dollars (\$320,000).
- 16 b. These funds shall not be used for salaries or for operating funds  
17 for teaching, research, or administration. Funds allocated under  
18 this subparagraph shall not replace other funds for capital purposes  
19 or operation of equine programs at state universities and the  
20 Bluegrass Community and Technical College.
- 21 c. The *Kentucky Higher Education Assistance Authority* ~~Kentucky~~  
22 ~~Council on Postsecondary Education~~ shall serve as the  
23 administrative agent for these funds, and shall establish an  
24 advisory committee of interested parties, including all universities  
25 and the Bluegrass Community and Technical College with  
26 established equine programs, to evaluate proposals and make  
27 recommendations for the awarding of funds.

- 1                   d. The Kentucky Higher Education Assistance Authority~~[Kentucky~~  
2                   ~~Council on Postsecondary Education]~~ may promulgate  
3                   administrative regulations to establish procedures for  
4                   administering the program and criteria for evaluating and awarding  
5                   grants; and
- 6                   6. An amount equal to one-tenth of one percent (0.1%) of all money  
7                   wagered on live races and historical horse races shall be distributed to  
8                   the corporation to support equine drug testing as provided in KRS  
9                   230.265(3), except that the amount deposited from money wagered on  
10                  historical horse races in any fiscal year shall not exceed three hundred  
11                  twenty thousand dollars (\$320,000).
- 12               (e) The excise tax imposed by paragraphs (a) and (b) of this subsection shall not  
13               apply to pari-mutuel wagering on live harness racing at a county fair.
- 14               (2) (a) Except as provided in paragraph (c) of this subsection, an excise tax is  
15               imposed on:
- 16                   1. All tracks conducting telephone account wagering;  
17                   2. All tracks participating as receiving tracks in intertrack wagering under  
18                   the jurisdiction of the corporation; and  
19                   3. All tracks participating as receiving tracks displaying simulcasts and  
20                   conducting interstate wagering thereon.
- 21               (b) 1. Before August 1, 2022, the tax shall be three percent (3%) of all money  
22               wagered on races as provided in paragraph (a) of this subsection during  
23               the fiscal year.
- 24                   2. Beginning August 1, 2022, the tax shall be one and one-half percent  
25               (1.5%) of all money wagered on races as provided in paragraph (a) of  
26               this subsection during the fiscal year.
- 27               (c) A noncontiguous track facility approved by the corporation on or after

1 January 1, 1999, shall be exempt from the tax imposed under this subsection,  
2 if the facility is established and operated by a licensed track which has a total  
3 annual handle on live racing of two hundred fifty thousand dollars (\$250,000)  
4 or less. The amount of money exempted under this paragraph shall be retained  
5 by the noncontiguous track facility, KRS 230.3771 and 230.378  
6 notwithstanding.

7 (d) Money shall be deducted from the tax paid under paragraphs (a) and (b) of  
8 this subsection as follows:

9 1. An amount equal to one percent (1%) of the amount wagered shall be  
10 deposited as follows:

11 a. In the Thoroughbred development fund established in KRS  
12 230.400 if the host track is conducting a Thoroughbred race  
13 meeting or the interstate wagering is conducted on a Thoroughbred  
14 race meeting;

15 b. In the Kentucky standardbred development fund established in  
16 KRS 230.770, if the host track is conducting a harness race  
17 meeting or the interstate wagering is conducted on a harness race  
18 meeting; or

19 c. In the Kentucky quarter horse, paint horse, Appaloosa, and  
20 Arabian development fund established by KRS 230.445, if the host  
21 track is conducting a quarter horse, paint horse, Appaloosa, or  
22 Arabian horse race meeting or the interstate wagering is conducted  
23 on a quarter horse, paint horse, Appaloosa, or Arabian horse race  
24 meeting;

25 2. An amount equal to twenty-five thousandths of one percent (0.025%) of  
26 the amount wagered shall be allocated to the equine industry program  
27 trust and revolving fund established by KRS 230.550 to be used to

- 1 support the Equine Industry Program at the University of Louisville;
- 2 3. An amount equal to one-twentieth of one percent (0.05%) of the amount  
3 wagered shall be deposited in a trust and revolving fund to be used for  
4 the construction, expansion, or renovation of facilities or the purchase of  
5 equipment for equine programs at state universities, as detailed in  
6 subsection (1)(d)5. of this section; and
- 7 4. An amount equal to one-twentieth of one percent (0.05%) of the amount  
8 wagered shall be distributed to the corporation to support equine drug  
9 testing as provided in KRS 230.265(3).
- 10 (3) If a host track in this state is the location for the conduct of a two (2) day  
11 international horse racing event that distributes in excess of a total of twenty million  
12 dollars (\$20,000,000) in purses and awards:
- 13 (a) The excise tax imposed by subsection (1)(a) and (b) of this section shall not  
14 apply to money wagered at the track on live races conducted at the track  
15 during the two (2) day international horse racing event; and
- 16 (b) Amounts wagered at the track on live races conducted at the track during the  
17 two (2) day international horse racing event shall not be included in  
18 calculating the daily average live handle for purposes of subsection (1) of this  
19 section.
- 20 (4) If a host track in this state is the location for the conduct of an international harness  
21 racing event spanning multiple days that distributes at least five million dollars  
22 (\$5,000,000) in purses and awards, the Tourism, Arts and Heritage Cabinet shall be  
23 granted a race title sponsorship and promotional package at the international  
24 harness racing event with all usual and customary benefits assigned to promote  
25 Kentucky tourism. The Tourism, Arts and Heritage Cabinet shall not be charged  
26 any fees for the promotional package.
- 27 (5) The taxes imposed by this section shall be paid, collected, and administered as

1 provided in KRS 138.530.

2 ➔Section 138. KRS 151B.132 is amended to read as follows:

- 3 (1) The Office of the Kentucky Center for Statistics is hereby established and attached  
4 to the Education and Labor Cabinet, Office of the Secretary.
- 5 (2) The office's purpose is to collect accurate data in the Kentucky Longitudinal Data  
6 System in order to link the data and generate timely reports about student  
7 performance through employment to be used to guide decision makers in improving  
8 the Commonwealth of Kentucky's education system and training programs.
- 9 (3) The office shall be headed by an executive director appointed by the Governor  
10 pursuant to KRS 12.050. The executive director shall be appointed from  
11 nominations made to the Governor by the board. The office may employ additional  
12 staff necessary to carry out the office's duties consistent with available funding and  
13 state personnel laws.
- 14 (4) The public agencies providing data to the Kentucky Longitudinal Data System shall  
15 be:
- 16 (a) ~~{The Council on Postsecondary Education;~~  
17 ~~(b)}~~ The Department of Education;  
18 ~~(b)}~~~~(c)}~~ The Early Childhood Advisory Council;  
19 ~~(c)}~~~~(d)}~~ The Kentucky Higher Education Assistance Authority;  
20 ~~(d)}~~~~(e)}~~ The Kentucky Commission on Proprietary Education; and  
21 ~~(e)}~~~~(f)}~~ Other agencies of the Education and Labor Cabinet.
- 22 (5) The Kentucky Longitudinal Data System, upon approval of the board, may include  
23 data from any additional public agency.
- 24 (6) Any private institution of higher education, private school, or parochial school,  
25 upon approval of the board, may provide data to the Kentucky Longitudinal Data  
26 System.
- 27 (7) Any data provided to the Kentucky Longitudinal Data System shall be certified to

1 be accurate by the providing agency, institution, or school. Ownership of data  
2 provided shall be retained by the providing entity.

3 (8) The office may receive funding for its operation of the Kentucky Longitudinal Data  
4 System from the following sources:

- 5 (a) State appropriations;
- 6 (b) Federal grants;
- 7 (c) User fees; and
- 8 (d) Any other grants or contributions from public agencies or other entities.

9 ➔Section 139. KRS 151B.133 is amended to read as follows:

10 The duties of the Office of the Kentucky Center for Statistics shall be to:

- 11 (1) Oversee and maintain the warehouse of data in the Kentucky Longitudinal Data  
12 System;
- 13 (2) Develop de-identification standards and processes using modern statistical methods;
- 14 (3) Conduct research and evaluation regarding federal, state, and local education and  
15 training programs at all levels;
- 16 (4) Audit and ensure compliance of education and training programs with applicable  
17 federal and state requirements as authorized by federal and state law;
- 18 (5) Work with public agencies and other entities to define statewide education,  
19 workforce development, and employment metrics and ensure the integrity and  
20 quality of data being collected;
- 21 (6) Link data from multiple sources for consideration in developing broad public policy  
22 initiatives;
- 23 (7) Develop requirements and definitions for data to be provided by any public agency,  
24 private institution of higher education, private school, or parochial school, as  
25 directed by the Board of the Kentucky Center for Statistics;
- 26 (8) Develop a reasonable fee schedule for services provided;
- 27 (9) Establish data quality standards;

- 1 (10) Promulgate administrative regulations necessary for the proper administration of  
2 the Kentucky Longitudinal Data System;
- 3 (11) Ensure compliance with the federal Family Educational Rights and Privacy Act, 20  
4 U.S.C. sec 1232g, and all other relevant federal and state privacy laws;
- 5 (12) Respond to approved research data requests in accordance with the data access and  
6 use policy established by the board;
- 7 (13) Develop and disseminate, in cooperation with the *Kentucky Higher Education*  
8 *Assistance Authority*~~[Council on Postsecondary Education]~~ and the Department of  
9 Education, information on the employment and earnings of the public  
10 postsecondary institution graduates in Kentucky. This information shall be updated  
11 at least every three (3) years and shall be:
- 12 (a) Posted on the website~~[Web site]~~ of the Office of the Kentucky Center for  
13 Statistics;
- 14 (b) Posted on the website~~[Web site]~~ of the *Kentucky Higher Education*  
15 *Assistance Authority*~~[Council on Postsecondary Education]~~;
- 16 (c) Posted on the website~~[Web site]~~ of each public postsecondary institution, with  
17 the website~~[Web site]~~ address published in each institution's catalogue; and
- 18 (d) Made available to every high school guidance and career counselor, who shall  
19 be notified of its availability for the purpose of informing all high school  
20 students preparing for postsecondary education; and
- 21 (14) Enter into contracts or other agreements with appropriate entities, including but not  
22 limited to federal, state, and local agencies, to the extent necessary to carry out its  
23 duties and responsibilities only if such contracts or agreements incorporate adequate  
24 protections with respect to the confidentiality of any information to be shared.
- 25 ➔Section 140. KRS 151B.134 is amended to read as follows:
- 26 (1) The Board of the Kentucky Center for Statistics is hereby established and attached  
27 to the Education and Labor Cabinet, Office of the Secretary.



- 1 (2) The board shall be composed of:
- 2 (a) The commissioner of the Department of Education or designee;
- 3 (b) The secretary of the Cabinet for Health and Family Services or designee;
- 4 (c) ~~{The president of the Council on Postsecondary Education or designee;~~
- 5 ~~(d)}~~ The secretary of the Education and Labor Cabinet or designee; and
- 6 (d)~~{(e)}~~ The executive director of the Kentucky Higher Education Assistance
- 7 Authority or designee.
- 8 (3) The duties and functions of the board shall be to:
- 9 (a) Develop a detailed data access and use policy for requests that shall include
- 10 but not be limited to the following:
- 11 1. Direct access to data in the Kentucky Longitudinal Data System shall be
- 12 restricted to authorized staff of the office;
- 13 2. Data or information that may result in any individual or employer being
- 14 identifiable based on the size or uniqueness of the population under
- 15 consideration may not be reported in any form by the office; and
- 16 3. The office may not release data or information if disclosure is prohibited
- 17 under relevant federal or state privacy laws;
- 18 (b) Establish the research agenda of the office;
- 19 (c) Make nominations to the Governor for the appointment of an executive
- 20 director;
- 21 (d) Oversee compliance by the office with the federal Family Educational Rights
- 22 and Privacy Act, 20 U.S.C. sec. 1232g, and other relevant federal and state
- 23 privacy laws;
- 24 (e) Ensure that reports generated by the Office of the Kentucky Center for
- 25 Statistics are distributed to appropriate personnel within the agencies
- 26 represented by the board members; and
- 27 (f) Provide general oversight of the office.

1 (4) The secretary of the Education and Labor Cabinet shall serve as chair of the board.

2 (5) The board shall meet at least semiannually and at other times upon the call of the  
3 chair. The meetings shall be subject to the open meetings requirements of KRS  
4 61.800 to 61.850 and 61.991.

5 (6) The board may form committees, work groups, or advisory councils to accomplish  
6 its purposes.

7 ➔Section 141. KRS 151B.290 is amended to read as follows:

8 (1) The Kentucky Education and Workforce Collaborative is hereby created for the  
9 purpose of ensuring the continued implementation of the Kentucky Workforce  
10 Innovation Board's strategic plan.

11 (2) The Kentucky Education and Workforce Collaborative shall consist of the  
12 following twenty-one (21) members:

13 (a) The Governor or his or her designee, who shall serve as chair;

14 (b) The secretary of the Education and Labor Cabinet or his or her designee;

15 (c) The secretary of the Cabinet for Health and Family Services or his or her  
16 designee;

17 (d) The president of the Kentucky Community and Technical College System or  
18 his or her designee;

19 (e) The executive director~~[president]~~ for the Kentucky Higher Education  
20 Assistance Authority~~[Council on Postsecondary Education]~~ or his or her  
21 designee;

22 (f) The commissioner of the Kentucky Department of Education or his or her  
23 designee;

24 (g) The president of the Kentucky Chamber of Commerce or his or her designee;

25 (h) A representative of the board of directors from each of the Commonwealth's  
26 ten (10) local workforce development areas as selected by the board of  
27 directors;

- 1 (i) A representative selected by the Kentucky Association of Counties;
- 2 (j) A representative selected by the Kentucky Farm Bureau;
- 3 (k) The chair of the Kentucky Workforce Innovation Board or his or her  
4 designee; and
- 5 (l) The executive director/CEO of the Kentucky League of Cities or his or her  
6 designee.
- 7 (3) Meetings shall be held at least quarterly or at the call of the chair.
- 8 (4) The Kentucky Education and Workforce Collaborative shall submit quarterly  
9 reports to the Legislative Research Commission summarizing its progress.
- 10 (5) The Kentucky Education and Workforce Collaborative shall designate one (1)  
11 member as its legislative liaison to communicate with the General Assembly about  
12 the collaborative's progress and ensure that the work of the collaborative is separate  
13 and distinct from the work of the Kentucky Workforce Innovation Board. The  
14 liaison shall not be a member who is also a representative of a local workforce  
15 development area.
- 16 (6) The Kentucky Education and Workforce Collaborative shall reach the following  
17 milestones and report findings, determinations, and procedures to the Kentucky  
18 Workforce Innovation Board:
- 19 (a) Identification of all federal and state-funded workforce programs in the  
20 Commonwealth by September 30, 2023;
- 21 (b) Development of a complete framework for implementation and transition by  
22 September 30, 2023; and
- 23 (c) Evaluation and preparation of a determination of viability concerning the  
24 transfer of child-care services to local workforce development boards.
- 25 (7) The Commonwealth shall reach the following milestones:
- 26 (a) Procurement of a replacement for the UI and Case Management/Reporting  
27 System by December 31, 2023; and

- 1 (b) Transition and consolidation of all federal and state workforce training,  
2 employment, and employment-related programs into one (1) entity that shall  
3 have primary responsibility for the operation of and management of funding  
4 for the newly created consolidated entity by December 31, 2023.
- 5 (8) The local workforce development boards shall each reach the following milestones:
- 6 (a) By July 1, 2024, assumption of fiscal and administrative responsibilities for  
7 planning, oversight, and evaluation of all public workforce programs in the  
8 board's local workforce development area in the state. Each plan shall include:
- 9 1. Governor-certified local workforce development boards to provide local  
10 control;
  - 11 2. Designated Kentucky Career Centers (KCCs) throughout the local  
12 workforce development area to provide the entire array of program  
13 services at each identified location;
  - 14 3. Integrated cross-program, functional service delivery systems to provide  
15 ease of access to local businesses and job seekers, with individual  
16 programs that are not apparent, but are defined by service requested by  
17 customer; and
  - 18 4. An emphasis on core competencies such that:
    - 19 a. Local workforce development boards are focused on fiscal and  
20 program administration;
    - 21 b. KCCs are focused on service delivery; and
    - 22 c. Educational entities are focused on providing data-driven,  
23 workforce preparation services and competencies; and
  - 24 5. Functional services that include but are not limited to business services,  
25 job search, group training and assessment services, intensive job search  
26 preparation, and training with case management;
- 27 (b) By July 1, 2024, development of comprehensive system-wide budgets,

1 strategic plans, implementation plans, supervision agreements with different  
2 programmatic employers, memoranda of understanding for the KCCs, and  
3 any infrastructure funding agreements required by the Workforce Innovation  
4 and Opportunity Act; and

5 (c) By July 1, 2025, and annually thereafter, preparation and transmission of a  
6 report to the Kentucky Education and Workforce Collaborative and Kentucky  
7 Workforce Innovation Board, detailing its attainment of the policies and goals  
8 contained in the Governor's current executive order issued pursuant to the  
9 Workforce Innovation and Opportunity Act.

10 ➔Section 142. KRS 154.12-205 is amended to read as follows:

11 (1) There is hereby created an independent, de jure corporation of the Commonwealth  
12 with all the general corporate powers incidental thereto which shall be known as the  
13 "Bluegrass State Skills Corporation." The corporation shall be a political  
14 subdivision of the state and shall be attached to the Cabinet for Economic  
15 Development.

16 (2) The corporation is created and established to improve and promote the employment  
17 opportunities of the citizens of the Commonwealth by creating and expanding  
18 programs of skills training and education which meet the needs of qualified  
19 companies.

20 (3) The corporation shall be governed by a board of directors consisting of seventeen  
21 (17) members, including the following five (5) ex officio members: the  
22 commissioner of the Department of Workforce Development or his or her designee,  
23 the secretary of the Cabinet for Economic Development, the secretary of the  
24 Education and Labor Cabinet, the ***executive director***~~[president]~~ of the ***Kentucky***  
25 ***Higher Education Assistance Authority***~~[Council on Postsecondary Education]~~, and  
26 the president of the Kentucky Community and Technical College System. The  
27 twelve (12) other members shall be appointed by the Governor, including persons

- 1 having knowledge and experience in business and industry, skills training,  
2 education, and minority employment; and at least one (1) of the twelve (12)  
3 members shall be appointed to represent labor organizations. Each member  
4 appointed by the Governor shall serve for a term of four (4) years, except that in  
5 making the initial appointments, the Governor shall appoint three (3) members to  
6 serve for one (1) year, three (3) members to serve for two (2) years, three (3)  
7 members to serve for three (3) years, and three (3) members to serve for four (4)  
8 years. All succeeding appointments shall be for a term of four (4) years.
- 9 (4) In the event of a vacancy, the Governor may appoint a replacement member who  
10 shall hold office during the remainder of the term so vacated.
- 11 (5) Any member may be removed from his or her appointment by the Governor for  
12 cause.
- 13 (6) The Governor shall designate a member of the board as its chairman.
- 14 (7) Members of the board of directors of the corporation, except for ex officio  
15 members, shall be entitled to compensation for their services in the amount of one  
16 hundred dollars (\$100) for each regular or special called meeting of the corporation,  
17 and all members shall be entitled to reimbursement for any actual and necessary  
18 expenses incurred in the performance of their duties.
- 19 (8) The board of directors of the corporation shall annually elect a vice chairman, a  
20 secretary, and a treasurer. The secretary shall keep a record of the proceedings of  
21 the corporation and shall be custodian of all books, documents, and papers filed  
22 with the corporation, and its official seal.
- 23 (9) The Cabinet for Economic Development shall provide staff and support services to  
24 the corporation and shall direct and supervise its administrative affairs and general  
25 management subject to the policies, control, and direction of the board.
- 26 (10) All officers and employees of the corporation having access to its funding shall give  
27 bond to the corporation, at its expense, in the amount and with the surety as the

1 board may prescribe.

2 ➔Section 143. KRS 154.15-020 is amended to read as follows:

- 3 (1) The Kentucky Communications Network Authority is established and shall be  
4 attached to the Office of the Governor. The authority shall be headed by an  
5 executive director who shall be hired by the board and approved by the Governor.
- 6 (2) Notwithstanding KRS 42.726, the duties of the authority shall be to:
- 7 (a) Oversee and maintain KentuckyWired, the Commonwealth's open-access  
8 broadband network;
- 9 (b) Manage the master agreement establishing the public-private partnership  
10 between the Commonwealth and its private industry partner or partners. The  
11 purpose of the agreement is to design, engineer, build, operate, maintain, and  
12 upgrade the network;
- 13 (c) Provide network connectivity to public agencies;
- 14 (d) Offer access to entities eligible to utilize excess capacity on the network;
- 15 (e) Manage other aspects of the network and its utilization through the executive  
16 director and with oversight and input from the board established in KRS  
17 154.15-030 and the advisory group established in this section;
- 18 (f) Promulgate administrative regulations pursuant to KRS Chapter 13A  
19 necessary to implement the purposes of this subchapter;
- 20 (g) Enter into contracts with public and private entities to carry out its duties and  
21 responsibilities. A contract or other agreement involving the acquisition or  
22 disposition of a property interest by the Commonwealth shall be signed by the  
23 secretary of the Finance and Administration Cabinet. KRS Chapters 45A and  
24 56 may require the secretary's signature on other contracts or agreements;
- 25 (h) Provide program management services ensuring the financial viability of the  
26 master agreement and related contracts and agreements, including grant  
27 administration, contract compliance and oversight, community planning

1 support, and constituent services;

2 (i) Seek out, secure, and manage funding sources for the network; and

3 (j) Create an advisory group, including major stakeholders, to provide input and  
4 feedback on issues important to the user community and to the long-term  
5 sustainability of the project and the network. The advisory group shall be  
6 administratively attached to and managed by the authority. The advisory  
7 group shall include but not be limited to representatives of:

8 1. The Department of Education;

9 2. The Kentucky Higher Education Assistance Authority~~[Council on~~  
10 ~~Postsecondary Education]~~;

11 3. The Cabinet for Economic Development;

12 4. The Cabinet for Health and Family Services;

13 5. The Transportation Cabinet;

14 6. The Justice and Public Safety Cabinet;

15 7. The Finance and Administration Cabinet;

16 8. The Administrative Office of the Courts;

17 9. The Legislative Research Commission;

18 10. Institutions of higher education;

19 11. Local government entities;

20 12. Libraries;

21 13. Public health care institutions or agencies;

22 14. Kentucky Educational Television; and

23 15. Others whose input will benefit the network.

24 (3) With the approval of the board, the executive director may hire additional officers  
25 and other personnel necessary for the proper functioning of the authority, fix their  
26 salaries, and prescribe their duties. The executive director and persons employed by  
27 the authority shall not be subject to the provisions of KRS Chapter 18A.



- 1 (4) (a) With the approval of the board, the executive director may make, execute, and  
2 effectuate contracts, leveraging future revenues from provision of  
3 government-to-government services and sale or lease of excess capacity, to  
4 incur debt in the name of the authority and enter into financing agreements  
5 with the Commonwealth, agencies of the Commonwealth, lending  
6 institutions, investors, or investing entities.
- 7 (b) The total amount of debt or financing under this subsection shall not exceed  
8 one hundred ten million dollars (\$110,000,000), and shall not leverage any  
9 future revenues committed to the repayment of any other debt, or expected to  
10 be used for the repayment of any other debt, as of the time the debt or  
11 financing is entered into.
- 12 (c) Any proposed debt or financing under this subsection shall be submitted to the  
13 Capital Projects and Bond Oversight Committee for review at least fourteen  
14 (14) days prior to the committee meeting.
- 15 (d) If any debt or financing is incurred under this subsection, the authority shall  
16 provide to the Legislative Research Commission:
- 17 1. Within thirty (30) days of entering into a debt or financing agreement, a  
18 copy of the agreement; and
  - 19 2. On January 1, April 1, July 1, and October 1 of each year that the debt  
20 or financing is outstanding:
    - 21 a. The amount of principal and interest remaining on the debt or  
22 financing;
    - 23 b. The use to which the capital gained from the debt or financing has  
24 been put; and
    - 25 c. Any amendments, if any, to the original debt or financing  
26 instruments or agreements.

27 ➔Section 144. KRS 156.029 is amended to read as follows:

1 (1) There is hereby established a Kentucky Board of Education, which shall consist of  
2 eleven (11) voting members appointed by the Governor and confirmed by the  
3 Senate of the General Assembly, with the executive director~~[president]~~ of the  
4 Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~  
5 ~~Education]~~ and the secretary of the Education and Labor Cabinet serving as ex  
6 officio nonvoting members, and an active public elementary or secondary school  
7 teacher and a public high school student appointed by the board as described in  
8 subsection (3) of this section serving as nonvoting members. Seven (7) voting  
9 members shall represent each of the Supreme Court districts as established by KRS  
10 21A.010, and four (4) voting members shall represent the state at large. Each of the  
11 voting members shall serve for a four (4) year term, except the initial appointments  
12 shall be as follows: the seven (7) members representing Supreme Court districts  
13 shall serve a term which shall expire on April 14, 1994; and the four (4) at-large  
14 members shall serve a term which shall expire on April 14, 1992. Subsequent  
15 appointments shall be submitted to the Senate for confirmation in accordance with  
16 KRS 11.160.

17 (2) Appointments of the voting members shall be made without reference to  
18 occupation. No voting member at the time of his or her appointment or during the  
19 term of his or her service shall be engaged as a professional educator. Beginning  
20 with voting members appointed on or after June 29, 2021, appointments to the  
21 group of members representing Supreme Court districts and to the group of at-large  
22 members, respectively, shall reflect equal representation of the two (2) sexes,  
23 inasmuch as possible; reflect no less than proportional representation of the two (2)  
24 leading political parties of the Commonwealth based on the state's voter registration  
25 and the political affiliation of each appointee as of December 31 of the year  
26 preceding the date of his or her appointment; and reflect the minority racial  
27 composition of the Commonwealth based on the total minority racial population

1 using the most recent census or estimate data from the United States Census  
2 Bureau. If the determination of proportional minority representation does not result  
3 in a whole number of minority members, it shall be rounded up to the next whole  
4 number. A particular political affiliation shall not be a prerequisite to appointment  
5 to the board generally; however, if any person is appointed to the board that does  
6 not represent either of the two (2) leading political parties of the Commonwealth,  
7 the proportional representation by political affiliation requirement shall be  
8 determined and satisfied based on the total number of members on the board less  
9 any members not affiliated with either of the two (2) leading political parties.  
10 Pursuant to KRS 63.080, a member shall not be removed except for cause or,  
11 beginning with voting members appointed on or after June 29, 2021, in accordance  
12 with KRS 63.080(3). Notwithstanding KRS 12.028, the board shall not be subject to  
13 reorganization by the Governor.

14 (3) Ex officio and other nonvoting members shall not be represented by proxy at any  
15 meeting of the board.

16 (4) The nonvoting teacher and student members shall be selected by the board from the  
17 state's six (6) congressional districts on a rotating basis from different districts. The  
18 public high school student shall be classified as a junior at the time of appointment.  
19 The teacher and student members shall serve for a one (1) year term, except the  
20 initial appointments shall serve a term which shall expire on April 14, 2022. The  
21 board shall promulgate an administrative regulation establishing the process for  
22 selecting the nonvoting teacher and student members.

23 (5) A vacancy in the voting membership of the board shall be filled by the Governor  
24 for the unexpired term with the consent of the Senate. In the event that the General  
25 Assembly is not in session at the time of the appointment, the consent of the Senate  
26 shall be obtained during the time the General Assembly next convenes.

27 (6) At the first regular meeting of the board in each fiscal year, a chairperson shall be

1 elected from its voting membership.

2 (7) The members shall be reimbursed for actual and necessary expenses incurred in the  
3 performance of their duties.

4 (8) The commissioner of education shall serve as the executive secretary to the board.

5 (9) The primary function of the board shall be to develop and adopt policies and  
6 administrative regulations, with the advice of the Local Superintendents Advisory  
7 Council, by which the Department of Education shall be governed in planning,  
8 coordinating, administering, supervising, operating, and evaluating the educational  
9 programs, services, and activities within the Department of Education which are  
10 within the jurisdiction of the board.

11 ➔Section 145. KRS 156.555 is amended to read as follows:

12 (1) The Center for Middle School Academic Achievement is created to improve the  
13 content knowledge and instructional practice of middle school teachers through the  
14 coordination of professional development programs for middle school teachers, the  
15 provision of technical assistance to schools and teachers, and the collection and  
16 dissemination of information and research regarding effective models of teaching  
17 the core disciplines to middle school students.

18 (2) The center shall:

19 (a) Foster collaboration between the center, the Department of Education, the  
20 Education Professional Standards Board, postsecondary institutions of  
21 education, postsecondary departments or colleges of arts and sciences, and  
22 other entities to develop content-based teacher preparation programs and  
23 ongoing professional development programs for middle school teachers,  
24 aligned with the Department of Education's core content for assessment;

25 (b) Assist school districts in assessing and addressing their needs and deficiencies  
26 in middle school curriculum and instruction;

27 (c) Assist grant recipients of the Middle School Mathematics and Science

- 1 Scholars Program established under KRS 158.848 with professional  
2 development for participating teachers;
- 3 (d) Assist middle school teachers in establishing and maintaining networks of  
4 communication to share information regarding middle school instructional  
5 practice, curriculum development, and other areas of common interest,  
6 building upon existing networks;
- 7 (e) Develop and maintain a clearinghouse for information about:
- 8 1. Educational models addressing content knowledge and skills of middle  
9 school students, based on reliable, replicable research;
- 10 2. Core content achievement levels of Kentucky students in relation to  
11 students in other states and other countries; and
- 12 3. The relationship between student achievement levels and curriculum  
13 content, curriculum structure and alignment with content, teacher  
14 training, and teaching methods;
- 15 (f) Develop and implement a research structure, in collaboration with the  
16 Department of Education, to evaluate the effectiveness of different middle  
17 school instructional models; and
- 18 (g) Submit an annual report to the Governor and the Legislative Research  
19 Commission by September 1 of each year. The report shall include  
20 information outlining the center's activities, information provided by the  
21 Kentucky Department of Education regarding the use of money from the  
22 Teachers' Professional Growth Fund, and other information regarding efforts  
23 to improve the quality of middle school instruction in Kentucky.
- 24 (3) With the advice of the commissioner of education and the Education Professional  
25 Standards Board, the Kentucky Higher Education Assistance Authority~~Council~~  
26 ~~on Postsecondary Education~~ shall develop a process to solicit, review, and approve  
27 a proposal for locating the Center for Middle School Academic Achievement at a

1 public or private college or university. The authority~~[council]~~ shall choose a  
 2 college or university that has demonstrated the coordination of course delivery  
 3 between the faculties of the college of education and arts and sciences departments  
 4 within the college or university. The authority~~[council]~~ shall approve the location  
 5 for the center no later than November 15, 2000.

6 ➔Section 146. KRS 156.671 is amended to read as follows:

7 The chief state school officer shall convene the Commissioner of the Department for  
 8 Information Systems, one (1) representative of Kentucky Educational Television, one (1)  
 9 representative of the Kentucky Higher Education Assistance Authority~~[Council on~~  
 10 ~~Postsecondary Education]~~, and one (1) representative of the Department of Education to  
 11 create a strategic plan for distance learning in the Commonwealth and submit it to the  
 12 Legislative Research Commission by July 1, 1993. The plan shall set forth the  
 13 Commonwealth's vision for developing a long-term and statewide distance learning  
 14 strategy. It shall include, but not be limited to, definitions of the types of distance  
 15 learning delivery systems, an evaluation process for determining and certifying the  
 16 educational and cost effectiveness of each type of delivery system, comparisons of the  
 17 various types of delivery systems, and recommendations for implementation.

18 ➔Section 147. KRS 156.740 is amended to read as follows:

19 (1) The Interagency Commission on Educational and Job Training Coordination is  
 20 hereby created. Its membership shall be composed of the following individuals,  
 21 serving in an ex officio capacity:

22 (a) The chairman of the Kentucky Higher Education Assistance  
 23 Authority~~[Council on Postsecondary Education]~~;

24 (b) The executive director~~[president]~~ of the Kentucky Higher Education  
 25 Assistance Authority~~[Council on Postsecondary Education]~~;

26 (c) The chairman of the Kentucky Board of Education;

27 (d) The commissioner of the Department of Education;

- 1 (e) The commissioner of the Department of Workforce Development; ***and***  
 2 (f) ~~the chairman of the Board for the Kentucky Higher Education Assistance~~  
 3 ~~Authority; and~~  
 4 ~~(g) the president of the Kentucky Community and Technical College System.~~

5 (2) Members shall serve by virtue of their office. The chairman of the commission shall  
 6 be chosen annually by a simple majority vote of the members. A quorum for  
 7 conducting business shall be one-half (1/2) of the members plus one (1). The chair  
 8 shall rotate annually, so that no person or agency holds the chairmanship in  
 9 successive years.

10 ➔Section 148. KRS 156.856 is amended to read as follows:

11 Tuition and fees for secondary pupils enrolled in the state secondary area vocational  
 12 education and technology centers operated by the Office of Career and Technical  
 13 Education shall be free to all residents of Kentucky. The Kentucky Board of Education  
 14 shall fix the rate of tuition and fees for adults who are enrolled in secondary programs in  
 15 the state-operated area vocational education and technology centers under its control.  
 16 Adult students enrolled in full-time postsecondary programs under the jurisdiction of the  
 17 Kentucky Community and Technical College System that are physically located in an  
 18 area vocational education or technology center shall pay the tuition as established by the  
 19 ***Kentucky Higher Education Assistance Authority***~~Council on Postsecondary Education~~  
 20 and fees as established by the board of regents for the Kentucky Community and  
 21 Technical College System.

22 ➔Section 149. KRS 157.921 is amended to read as follows:

23 (1) The Kentucky Geographic Education Board is established to provide leadership and  
 24 planning for geography education for the population of Kentucky through the  
 25 efforts of elementary, secondary, and postsecondary educators, government  
 26 agencies, and public interests. The board shall be an independent agency and be  
 27 attached to the Education and Labor Cabinet for administrative purposes.

- 1 (2) The twelve (12) member board shall be appointed to two (2) year terms, initially  
2 appointed by the Governor, and composed of the following members:
- 3 (a) Three (3) representatives from postsecondary institutions;
  - 4 (b) One (1) representative from the Council for Social Sciences;
  - 5 (c) Six (6) representatives from elementary and secondary schools;
  - 6 (d) One (1) representative of the Department of Education; and
  - 7 (e) One (1) representative of the Kentucky Higher Education Assistance  
8 Authority~~[Council on Postsecondary Education]~~.
- 9 (3) The board shall select from its membership a chair and establish bylaws, including  
10 bylaws governing board membership and length of terms. Upon expiration of the  
11 initial appointments and adoption of bylaws governing membership and length of  
12 terms by the board, the board shall be self-perpetuating, and the appointment and  
13 length of terms shall be made in accordance with the board's bylaws. Vacancies that  
14 occur before the expiration of the initial appointments shall be filled by the  
15 Governor for the remaining term of the vacancy.
- 16 (4) The board members shall receive no compensation but shall be reimbursed for  
17 actual expenses incurred in accordance with state procedures and policies.

18 ➔Section 150. KRS 157.922 is amended to read as follows:

19 The functions of the board shall be to:

- 20 (1) Create an annual plan to improve assessment, curriculums, outreach, and  
21 professional development related to geography education in Kentucky;
- 22 (2) Establish a competitive system for awarding grants for programs to encourage and  
23 support geography education;
- 24 (3) Seek and receive private support to fund state programs to encourage and support  
25 geography education;
- 26 (4) Prepare an annual report of its activities and annual plan, forward copies of the  
27 report to the Governor, the Legislative Research Commission, the Kentucky Board



1 of Education, and the Kentucky Higher Education Assistance Authority ~~Council~~  
2 ~~on Postsecondary Education~~, and make copies available to citizens of the  
3 Commonwealth; and

4 (5) Make recommendations and seek changes through administrative regulations,  
5 legislation, and other means to promote geography education in Kentucky.

6 ➔Section 151. KRS 158.007 is amended to read as follows:

7 As used in KRS Chapter 158 unless the context requires otherwise:

8 (1) "Advanced placement" or "AP" means a college-level course that incorporates all  
9 topics and instructional strategies specified by the College Board on its standard  
10 syllabus for a given subject area and is licensed by the College Board.

11 (2) "Advanced science and mathematics" means Advanced Placement or AP biology,  
12 calculus, chemistry, computer science, environmental science, and physics, and  
13 International Baccalaureate or IB biology, chemistry, computer science,  
14 environmental systems, mathematical studies, further mathematics, and physics.

15 (3) "Board" means the Kentucky Board of Education.

16 (4) "College Board Advanced Placement examination" means the advanced placement  
17 test administered by the College Entrance Examination Board.

18 (5) "College Board" means the College Entrance Examination Board, a national  
19 nonprofit association that provides college admission guidance and advanced  
20 placement examinations.

21 (6) "Core curriculum" means at least one (1) course in science, one (1) course in  
22 mathematics, and at least one (1) course in two (2) of the following subject areas:  
23 English, social studies, foreign language, and the arts.

24 (7) "Department" means the Kentucky Department of Education.

25 (8) "Dual credit" means a college-level course of study developed in accordance with  
26 KRS 164.098 in which a high school student receives credit from both the high  
27 school and postsecondary institution in which the student is enrolled upon

1 completion of a single class or designated program of study.

2 (9) "Dual enrollment" means a college-level course of study developed in accordance  
3 with KRS 164.098 in which a student is enrolled in a high school and  
4 postsecondary institution simultaneously.

5 (10) "International Baccalaureate" or "IB" means the International Baccalaureate  
6 Organization's Diploma Programme, a comprehensive two (2) year program  
7 designed for highly motivated students.

8 (11) "Kentucky Virtual High School" means secondary-level instructional programs or  
9 courses offered by the Kentucky Department of Education through the internet and  
10 other on-line, computer-based methods.

11 (12) "Kentucky Virtual University" means a college-level instructional program offered  
12 by the Kentucky Higher Education Assistance Authority~~[Council on~~  
13 ~~Postsecondary Education]~~ through the internet or other on-line, computer-based  
14 methods.

15 ➔Section 152. KRS 158.305 is amended to read as follows:

16 (1) As used in this section:

17 (a) "Aphasia" means a condition characterized by either partial or total loss of the  
18 ability to communicate verbally or through written words. A person with  
19 aphasia may have difficulty speaking, reading, writing, recognizing the names  
20 of objects, or understanding what other people have said. The condition may  
21 be temporary or permanent and does not include speech problems caused by  
22 loss of muscle control;

23 (b) "Dyscalculia" means the inability to understand the meaning of numbers, the  
24 basic operations of addition and subtraction, the complex operations of  
25 multiplication and division, or to apply math principles to solve practical or  
26 abstract problems;

27 (c) "Dysgraphia" means difficulty in automatically remembering and mastering

1 the sequence of muscle motor movements needed to accurately write letters or  
2 numbers;

3 (d) "Dyslexia" has the same meaning as in KRS 158.307;

4 (e) "Enrichment program" means accelerated intervention within the school day  
5 or outside of the school day or school calendar led by individuals most  
6 qualified to provide the intervention that includes evidence-based reading  
7 instructional programming related to reading instruction in the areas of  
8 phonemic awareness, phonics, fluency, vocabulary, and comprehension, and  
9 other instructional strategies aligned to reading and writing standards required  
10 by KRS 158.6453 and outlined in administrative regulation promulgated by  
11 the Kentucky Board of Education;

12 (f) "Evidence-based" has the same meaning as in 20 U.S.C. sec. 7801(21);

13 (g) "Phonemic awareness" has the same meaning as in KRS 158.307;

14 (h) "Reading diagnostic assessment" has the same meaning as in KRS 158.792;

15 (i) "Reading improvement plan" means an accelerated intervention plan for a  
16 student in kindergarten through grade four (4) that is developed to increase a  
17 student's rate of progress toward proficient performance in reading that is  
18 identified as necessary based on the student's results on an approved reading  
19 diagnostic assessment. This plan should be developed in collaboration and  
20 accordance with any existing program services plan, individualized education  
21 program, or Section 504 Plan unless the program services plan, individualized  
22 education program, or Section 504 Plan already addresses improving reading;

23 (j) "Reading improvement team" means a team that develops and oversees the  
24 progress of a reading improvement plan and includes:

25 1. The parent or guardian of the student that is the subject of the reading  
26 improvement plan;

27 2. No less than one (1) regular education teacher of the student to provide

- 1 information about the general curriculum for same-aged peers;
- 2 3. A representative of the local education agency who is knowledgeable
- 3 about the reading curriculum and the availability of the evidence-based
- 4 literacy resources of the local education agency; and
- 5 4. Any specialized certified school employees for students receiving
- 6 language instruction educational programming or special education
- 7 services; and
- 8 (k) "Universal screener" means a process of providing a brief assessment to all
- 9 students within a grade level to assess the students' performance on the
- 10 essential components of reading.
- 11 (2) Notwithstanding any other statute or administrative regulation to the contrary, the
- 12 Kentucky Board of Education shall promulgate administrative regulations to further
- 13 define a multitiered system of supports for district-wide use of a system for students
- 14 in kindergarten through grade three (3), that includes a tiered continuum of
- 15 interventions with varying levels of intensity and duration and which connects
- 16 general, compensatory, and special education programs to provide interventions
- 17 implemented with fidelity to evidence-based research and matched to individual
- 18 student strengths and needs. At a minimum, evidence of implementation shall be
- 19 submitted by the district to the department by October 1 of each year and shall
- 20 include but not be limited to the activities required under KRS 158.649.
- 21 (3) The Department of Education shall provide technical assistance and training, if
- 22 requested by a local district, to assist in the implementation of the district-wide,
- 23 multitiered system of supports as a means to identify and assist any student
- 24 experiencing difficulty in reading, writing, mathematics, or behavior and to
- 25 determine appropriate instructional modifications needed by advanced learners to
- 26 make continuous progress.
- 27 (4) The technical assistance and training shall be designed to improve:

- 1 (a) The use of specific screening processes and programs to identify student  
2 strengths and needs;
- 3 (b) The use of screening data for designing instructional interventions;
- 4 (c) The use of multisensory instructional strategies and other interventions  
5 validated for effectiveness by evidence-based research;
- 6 (d) Progress monitoring of student performance; and
- 7 (e) Accelerated, intensive, direct instruction that addresses students' individual  
8 differences, including advanced learners, and enables students that are  
9 experiencing difficulty to catch up with typically performing peers.
- 10 (5) (a) By January 1, 2023, each superintendent or public charter school board of  
11 directors shall select:
- 12 1. At least one (1) universal screener for reading that is determined by the  
13 department to be reliable and valid to be administered to all students in  
14 kindergarten through grade three (3); and
- 15 2. At least one (1) reading diagnostic assessment for reading that is  
16 determined by the department to be reliable and valid to be administered  
17 as part of a multitiered system of supports for students in kindergarten  
18 through grade three (3).
- 19 (b) Notwithstanding KRS 158.6453(19) and 160.345, each superintendent or  
20 public charter school board shall adopt a common comprehensive reading  
21 program that is determined by the department to be reliable, valid, and aligned  
22 to reading and writing standards required by KRS 158.6453 and outlined in  
23 administrative regulation promulgated by the Kentucky Board of Education  
24 for kindergarten through grade three (3) for all schools or a subset of schools,  
25 with consultation of all affected elementary school councils.
- 26 (c) All teachers of students in kindergarten through grade three (3), including  
27 public charter school teachers, shall be trained on any reading diagnostic

1 assessment and universal screener selected by the superintendent or public  
2 charter school board prior to administration of the assessment. The training  
3 shall address:

- 4 1. How to properly administer the reading diagnostic assessment;
- 5 2. How to interpret the results of the reading diagnostic assessment to  
6 identify students needing interventions;
- 7 3. How to use the assessment results to design instruction and  
8 interventions;
- 9 4. The use of the assessment to monitor the progress of student  
10 performance; and
- 11 5. The use of accelerated, intensive, and direct instruction that addresses  
12 students' individual differences and enables students to achieve  
13 proficiency in reading, including but not limited to daily, one-on-one  
14 instruction.

15 (6) Beginning with the 2023-2024 school year, a universal screener determined by the  
16 Department of Education to be reliable and valid shall be:

- 17 (a) Given in the first forty-five (45) days of the school year for all kindergarten  
18 students at a public school or public charter school; and
- 19 (b) Given in the first thirty (30) days of the school year for grades one (1) through  
20 three (3) at a public school or public charter school.

21 (7) A reading improvement plan shall be developed and implemented by a reading  
22 improvement team for any student in kindergarten through grade three (3) identified  
23 as needing accelerated interventions to progress toward proficient performance in  
24 reading. The reading improvement plan shall require:

- 25 (a) Intensive intervention that includes effective instructional strategies and  
26 appropriate instructional materials necessary to help the student make  
27 accelerated progress toward proficient performance in reading and become

- 1 ready for the next grade, including but not limited to daily, one-on-one  
2 instruction with students the most in need provided by certified teachers  
3 specifically trained to provide one-on-one instruction;
- 4 (b) A school to provide a written quarterly progress report containing the  
5 information required by paragraph (a) of this subsection to a parent or  
6 guardian of any student subject to a reading improvement plan. The written  
7 quarterly progress report for the reading improvement plan may be included  
8 in the school's existing quarterly progress report; and
- 9 (c) Individual placement decisions for children who are eligible for special  
10 education and related services to be determined by the appropriate admissions  
11 and release committee in accordance with administrative regulations  
12 promulgated by the Kentucky Board of Education.
- 13 (8) Beginning in the 2023-2024 school year, if a student's rate of progress toward  
14 proficient performance in reading needs accelerated interventions as demonstrated  
15 by the results of an approved reading diagnostic assessment, the local school district  
16 shall provide:
- 17 (a) Enrichment programs through grade three (3) using evidence-based reading  
18 instruction and other strategies;
- 19 (b) Intensive instructional services, progress monitoring measures, and supports  
20 to students through grade three (3); and
- 21 (c) Parents and legal guardians of students identified for accelerated interventions  
22 in reading in kindergarten through grade three (3) with a "Read at Home"  
23 plan, including information on how to participate in regular parent-guided  
24 home reading.
- 25 (9) Beginning in the 2024-2025 school year, if a student does not score in the proficient  
26 performance level or higher in reading, as defined in KRS 158.791(2), on the state  
27 annually required grade three (3) assessment, the local school district shall provide:

- 1 (a) 1. Enrichment programs in grade four (4) using evidence-based reading  
2 instruction and other strategies; or  
3 2. Intensive instructional services, progress monitoring measures, and  
4 supports to students in grade four (4); and  
5 (b) Written notification of the interventions and supports described in paragraph  
6 (a) of this subsection to the parent or legal guardian of the student, including a  
7 description of proposed interventions and supports to be provided.
- 8 (10) By September 1, 2023, if funds are appropriated, the department shall establish  
9 required teacher academies or coaching models for teachers of students in  
10 prekindergarten through grade three (3). The teacher academies or coaching models  
11 shall be related to evidence-based practices in instruction, instructional materials,  
12 and assessment in reading.
- 13 (11) The department shall develop and maintain a web-based resource providing  
14 teachers access to:
- 15 (a) Information on the use of specific screening processes and programs to  
16 identify student strengths and needs, including those for advanced learners;  
17 (b) Current, evidence-based research and age-appropriate instructional tools that  
18 may be used for substantial, steady improvement in:
- 19 1. Reading when a student is experiencing difficulty with phonemic  
20 awareness, phonics, vocabulary, fluency, general reading  
21 comprehension, or reading in specific content areas, or is exhibiting  
22 characteristics of dyslexia, aphasia, or other reading difficulties;
- 23 2. Writing when a student is experiencing difficulty with consistently  
24 producing letters or numbers with accuracy or is exhibiting  
25 characteristics of dysgraphia;
- 26 3. Mathematics when a student is experiencing difficulty with basic math  
27 facts, calculations, or application through problem solving, or is



1 exhibiting characteristics of dyscalculia or other mathematical  
2 difficulties; or

3 4. Behavior when a student is exhibiting behaviors that interfere with his  
4 or her learning or the learning of other students; and

5 (c) Current, evidence-based research and age-appropriate instructional tools that  
6 may be used for continuous progress of advanced learners.

7 (12) The department shall encourage districts to utilize both state and federal funds as  
8 appropriate to implement a district-wide multitiered system of supports.

9 (13) The department is encouraged to coordinate technical assistance and training on  
10 current best practice interventions with state postsecondary education institutions.

11 (14) The department shall collaborate with the statewide reading research center  
12 established under KRS 164.0207, the Kentucky Center for Mathematics, the  
13 Kentucky Center for Instructional Discipline, the Education Professional Standards  
14 Board, the Kentucky Higher Education Assistance Authority~~[Council on~~  
15 ~~Postsecondary Education]~~, postsecondary teacher education programs, and other  
16 agencies and organizations as deemed appropriate to ensure that teachers are  
17 prepared to utilize evidence-based interventions in reading, writing, mathematics,  
18 and behavior.

19 (15) In compliance with 20 U.S.C. sec. 1414(a)(1)(E), screening of a student to  
20 determine appropriate instructional strategies for curriculum implementation shall  
21 not be considered to be an evaluation for eligibility for special education and related  
22 services and nothing in this section shall limit a school district from completing an  
23 initial evaluation of a student suspected of having a disability.

24 ➔Section 153. KRS 158.307 is amended to read as follows:

25 (1) As used in this section:

26 (a) "Dyslexia" means a specific learning disability that is neurological in origin. It  
27 is characterized by difficulties with accurate or fluent word recognition and by

1 poor spelling and decoding abilities. These difficulties typically result from a  
2 deficit in the phonological component of language that is often unexpected in  
3 relation to other cognitive abilities and the provision of effective classroom  
4 instruction. Secondary consequences may include problems in reading  
5 comprehension and reduced reading experience that can impede the growth of  
6 vocabulary and background knowledge;

7 (b) "Evidence-based" has the same meaning as in 20 U.S.C. sec. 7801(21); and

8 (c) "Phonemic awareness" means the ability to recognize that a spoken word  
9 consists of a sequence of individual sounds and the ability to manipulate  
10 individual sounds in speaking.

11 (2) By January 1, 2019, the Department of Education shall make available a dyslexia  
12 toolkit that includes guidance, technical assistance, and training to assist all local  
13 school districts in the implementation of evidence-based practices for instructing  
14 students identified with or displaying characteristics of dyslexia.

15 (3) The dyslexia toolkit shall include but not be limited to the following guidance for  
16 local districts targeting students in kindergarten through grade three (3) who have  
17 been identified with or displaying characteristics of dyslexia:

18 (a) Evidence-based practices designed specifically for students with dyslexia;

19 (b) Characteristics of targeted instruction for dyslexia;

20 (c) Guidance on developing instructional plans for students with dyslexia;

21 (d) Best practices toward meaning-centered reading and writing;

22 (e) Structured multisensory and literacy approaches to teaching language and  
23 reading skills; and

24 (f) Suggested professional development activities.

25 (4) The department shall collaborate with the Education Professional Standards Board,  
26 Kentucky Higher Education Assistance Authority~~Council on Postsecondary~~  
27 ~~Education~~, and other groups as necessary to improve and update professional

- 1 development opportunities for teachers specifically related to dyslexia. Professional  
2 development opportunities may focus on:
- 3 (a) Development and ongoing implementation of training and coaching for  
4 teachers;
  - 5 (b) Identifying high-quality trainers to provide support to local districts utilizing a  
6 coaching model to develop building level dyslexia experts;
  - 7 (c) Developing awareness training modules for all instructional staff to include  
8 information about characteristics of dyslexia; and
  - 9 (d) Evidence-based interventions, structured multisensory and literacy approaches  
10 to teach language and reading skills, and accommodations for dyslexia and  
11 other specific learning disabilities.
- 12 (5) Each local board of education may develop a policy addressing the implementation  
13 of a program for the identification of and strategies for assisting students in  
14 kindergarten through grade three (3) with dyslexia.
- 15 (6) The local board policies may include but not be limited to:
- 16 (a) The definition and characteristics of dyslexia;
  - 17 (b) A process for identifying students who are displaying characteristics of  
18 dyslexia;
  - 19 (c) A process for the utilization of evaluation tools to accurately identify students  
20 who are displaying characteristics of dyslexia. Any qualified dyslexia  
21 evaluation tool utilized by a local district shall address but not be limited to  
22 the following components:
    - 23 1. Phonological awareness and phonemic awareness;
    - 24 2. Sound symbol recognition;
    - 25 3. Alphabet knowledge;
    - 26 4. Decoding skills;
    - 27 5. Encoding skills; and

- 1           6. Rapid naming;
- 2           (d) A process for how evaluation tools are administered and evaluated by trained
- 3           district personnel or licensed professionals;
- 4           (e) A process for outreach to parents of students identified with or displaying the
- 5           characteristics of dyslexia with information and resource materials and how
- 6           dyslexia may be addressed in the student's educational setting;
- 7           (f) Identification of evidence-based interventions, structured multisensory and
- 8           literacy approaches to teach language and reading skills, and accommodations
- 9           that schools may utilize to provide services to students identified as having
- 10          dyslexia; and
- 11          (g) A process for monitoring a student's progress after the positive identification,
- 12          including assessments to ascertain whether the intervention services improve
- 13          the student's language processing and reading skills.
- 14       (7) By June 30 of each year, each local school district that developed a policy
- 15       addressing the implementation of a program for the identification of and strategies
- 16       for assisting students in kindergarten through grade three (3) with dyslexia shall
- 17       provide the department the following data for the current school year:
- 18       (a) The number of students in kindergarten through grade three (3) that were
- 19       identified as displaying characteristics of dyslexia;
- 20       (b) The number of students in paragraph (a) of this subsection that were identified
- 21       through the response-to-intervention process;
- 22       (c) The number of students in kindergarten through grade three (3) that were
- 23       evaluated for dyslexia;
- 24       (d) The number of students in kindergarten through grade three (3) that were
- 25       identified with dyslexia;
- 26       (e) The dyslexia evaluation tools used to identify students;
- 27       (f) The number of students in kindergarten through grade three (3) that were

- 1 participating in interventions within the school setting;
- 2 (g) The process or tools used to evaluate student progress; and
- 3 (h) The number of trained district personnel or licensed professionals used to
- 4 administer the dyslexia evaluation tools.
- 5 (8) (a) The department shall establish a study project to gather information on early
- 6 screening and intervention services for children with characteristics of
- 7 dyslexia. The commissioner of education shall select three (3) school districts
- 8 to participate in the study project, one (1) of which shall be located in an
- 9 urban setting, one (1) of which shall be located in a suburban setting, and one
- 10 (1) of which shall be located in a rural setting.
- 11 (b) The department shall establish guidelines and procedures for the study
- 12 project.
- 13 (c) The study project shall operate for three (3) full school years, beginning with
- 14 the school year that begins at least three (3) months after July 14, 2018.
- 15 (d) The goal of the study project shall be to evaluate the effectiveness of early
- 16 reading assistance programs for children with characteristics of dyslexia.
- 17 (e) The commissioner may consult with recognized organizations that specialize
- 18 in structured literacy programs for the treatment of dyslexia in establishing
- 19 and operating the study project.
- 20 (f) The department shall submit a final report outlining the findings of the study
- 21 to the Interim Joint Committee on Education by November 1 after the final
- 22 academic year of the study project.

23 ➔Section 154. KRS 158.622 is amended to read as follows:

- 24 (1) The Kentucky Board of Education shall promulgate administrative regulations
- 25 establishing the criteria a school shall meet in order to designate a course an
- 26 advanced placement course, including content and program standards concerning
- 27 student admission criteria, data collection, and reporting.

- 1 (2) Upon receipt of adequate federal funding for these purposes, the Department of  
2 Education shall:
- 3 (a) Expand advanced placement teacher training institutes, including offering  
4 advanced placement teacher training instruction and assistance through the  
5 Kentucky Virtual High School or in conjunction with the *Kentucky Higher*  
6 *Education Assistance Authority*~~[Council on Postsecondary Education]~~  
7 through the Kentucky Virtual University;
- 8 (b) Require teachers who are planning to participate in advanced placement  
9 teacher training and complete advanced placement training at advanced  
10 placement institutes facilitated by the department to sign an agreement to  
11 teach at least one (1) advanced placement course in a Kentucky public school  
12 or the Kentucky Virtual High School when assigned by the school principal;
- 13 (c) Develop the Kentucky Virtual Advanced Placement Academy which shall  
14 offer school districts and their students access to a core advanced placement  
15 curriculum through the Kentucky Virtual High School;
- 16 (d) Identify, in conjunction with the *Kentucky Higher Education Assistance*  
17 *Authority*~~[Council on Postsecondary Education]~~, resources at the secondary  
18 and postsecondary levels that can be directed toward advanced placement or  
19 dual enrollment instruction;
- 20 (e) Compare the costs of offering advanced placement courses through traditional  
21 on-site instruction, the Kentucky Virtual High School, and other methods and  
22 shall offer each school district assistance, if requested, in analyzing how the  
23 school district can most cost-effectively offer the largest number of advanced  
24 placement courses;
- 25 (f) Identify current and future funding sources for advanced placement or dual  
26 enrollment instructional programs and the amount of funds available or  
27 anticipated from those sources; and

1 (g) Submit a report to the Kentucky General Assembly outlining compliance with  
2 this section.

3 (3) Each school district shall:

4 (a) Accept for credit toward graduation any course a student successfully  
5 completes through the Kentucky Virtual High School and incorporate the  
6 grade the student receives in a Kentucky Virtual High School course in  
7 calculating that student's grade point average without distinction between the  
8 grade received in the Kentucky Virtual High School course and courses taught  
9 within the school district for which the student receives a grade;

10 (b) Accept for credit toward graduation and completion of high school course  
11 requirements an advanced placement, a high school equivalent, or a Kentucky  
12 Virtual High School course taken by a student in grades 5, 6, 7, or 8 if that  
13 student attains performance levels expected of high school students in that  
14 district as determined by achieving a score of "3" or higher on a College  
15 Board Advanced Placement examination or a grade of "B" or better in a high  
16 school equivalent or a Kentucky Virtual High School course; and

17 (c) Pay tuition and other costs for students from their districts who are enrolled in  
18 a Kentucky Virtual High School course for credit that is part of the student's  
19 regular school day coursework by proportionately sharing funds generated  
20 under KRS 157.360 or other funding sources.

21 ➔Section 155. KRS 158.6453 is amended to read as follows:

22 (1) As used in this section:

23 (a) "Accelerated learning" means an organized way of helping students meet  
24 individual academic goals by providing direct instruction to eliminate student  
25 performance deficiencies or enable students to move more quickly through  
26 course requirements and pursue higher level skill development;

27 (b) "Constructed-response items" or "performance-based items" means individual

- 1 test items that require the student to create an answer rather than select a  
2 response and may include fill-in-the-blank, short-answer, extended-answer,  
3 open-response, and writing-on-demand formats;
- 4 (c) "Criterion-referenced test" means a test that is aligned with defined academic  
5 content standards and measures an individual student's level of performance  
6 against the standards;
- 7 (d) "End-of-course examination" means the same as defined in KRS 158.860;
- 8 (e) "Formative assessment" means a process used by teachers and students during  
9 instruction to adjust ongoing teaching and learning to improve students'  
10 achievement of intended instructional outcomes. Formative assessments may  
11 include the use of commercial assessments, classroom observations, teacher-  
12 designed classroom tests and assessments, and other processes and  
13 assignments to gain information about individual student learning;
- 14 (f) "Interim assessments" means assessments that are given periodically  
15 throughout the year to provide diagnostic information and to show individual  
16 student performance against content standards;
- 17 (g) "Summative assessment" means an assessment given at the end of the school  
18 year, semester, or other period of time to evaluate students' performance  
19 against content standards within a unit of instruction or a course; and
- 20 (h) "Writing" means a purposeful act of thinking and expression that uses  
21 language to explore ideas and communicate meaning to others. Writing is a  
22 complex, multifaceted act of communication and is distinct from basic  
23 handwriting or penmanship.
- 24 (2) (a) Beginning in fiscal year 2017-2018, and every six (6) years thereafter, the  
25 Kentucky Department of Education shall implement a process for reviewing  
26 Kentucky's academic standards and the alignment of corresponding  
27 assessments for possible revision or replacement to ensure alignment with



1 transition readiness standards necessary for global competitiveness, state  
2 career and technical education standards, and KRS 158.196.

3 (b) The revisions to the content standards shall:

- 4 1. Focus on critical knowledge, skills, and capacities needed for success in  
5 the global economy;
- 6 2. Result in fewer but more in-depth standards to facilitate mastery  
7 learning;
- 8 3. Communicate expectations more clearly and concisely to teachers,  
9 parents, students, and citizens;
- 10 4. Be based on evidence-based research;
- 11 5. Consider international benchmarks; and
- 12 6. Ensure that the standards are aligned from elementary to high school to  
13 postsecondary education so that students can be successful at each  
14 education level.

15 (c) 1. The department shall establish four (4) standards and assessments  
16 review committees, with each committee composed of a minimum of six  
17 (6) Kentucky public school teachers and a minimum of two (2)  
18 representatives from Kentucky institutions of higher education,  
19 including at least one (1) representative from a public institution of  
20 higher education. Each committee member shall teach in the subject  
21 area that his or her committee is assigned to review and have no prior or  
22 current affiliation with a curriculum or assessment resources vendor.

23 2. One (1) of the four (4) committees shall be assigned to focus on the  
24 review of language arts and writing academic standards and  
25 assessments, one (1) on the review of mathematics academic standards  
26 and assessments, one (1) on the review of science academic standards  
27 and assessments, and one (1) on the review of social studies academic

1 standards and assessments.

- 2 (d) 1. The department shall establish twelve (12) advisory panels to advise and  
3 assist each of the four (4) standards and assessments review committees.  
4 2. Three (3) advisory panels shall be assigned to each standards and  
5 assessments review committee. One (1) panel shall review the standards  
6 and assessments for kindergarten through grade five (5), one (1) shall  
7 review the standards and assessments for grades six (6) through eight  
8 (8), and one (1) shall review the standards and assessments for grades  
9 nine (9) through twelve (12).  
10 3. Each advisory panel shall be composed of at least one (1) representative  
11 from a Kentucky institution of higher education and a minimum of six  
12 (6) Kentucky public school teachers who teach in the grade level and  
13 subject reviewed by the advisory panel to which they are assigned and  
14 have no prior or current affiliation with a curriculum or assessment  
15 resources vendor.
- 16 (e) The commissioner of education and the *executive director*~~[president]~~ of the  
17 *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~  
18 ~~Education]~~ shall also provide consultants for the standards and assessments  
19 review committees and the advisory panels who are business and industry  
20 professionals actively engaged in career fields that depend on the various  
21 content areas.
- 22 (f) 1. The standards and assessments process review committee is hereby  
23 established and shall be composed of the commissioner of education or  
24 designee as a nonvoting member and nine (9) voting representatives of  
25 public schools, of whom at least two (2) shall be parents of public  
26 school students, appointed by the Governor and confirmed by the Senate  
27 in accordance with KRS 11.160 as follows:

- 1 a. One (1) language arts teacher;
  - 2 b. One (1) math teacher;
  - 3 c. One (1) science teacher;
  - 4 d. One (1) social studies teacher;
  - 5 e. Two (2) school principals;
  - 6 f. Two (2) school superintendents; and
  - 7 g. One (1) school board member.
- 8 2. On making appointments to the committee, the Governor shall ensure
  - 9 broad geographical urban and rural representation and representation of
  - 10 elementary, middle, and high school levels; ensure equal representation
  - 11 of the two (2) sexes, inasmuch as possible; and ensure that appointments
  - 12 reflect the minority racial composition of the Commonwealth.
  - 13 3. The review of the committee shall be limited to the procedural aspects
  - 14 of the review process undertaken prior to its consideration.
  - 15 4. Notwithstanding KRS 12.028, the committee shall not be subject to
  - 16 reorganization by the Governor.
- (g) 1. The review process implemented under this subsection shall be an open,
- 18 transparent process that allows all Kentuckians an opportunity to
- 19 participate. The department shall ensure the public's assistance in
- 20 reviewing and suggesting changes to the standards and alignment
- 21 adjustments to corresponding state assessments by establishing a
- 22 website dedicated to collecting comments by the public and educators.
- 23 An independent third party, which has no prior or current affiliation with
- 24 a curriculum or assessment resources vendor, shall be selected by the
- 25 department to collect and transmit the comments to the department for
- 26 dissemination to the appropriate advisory panel for review and
- 27 consideration.

- 1           2. Each advisory panel shall review the standards and assessments for its  
2           assigned subject matter and grade level and the suggestions made by the  
3           public and educators. After completing its review, each advisory panel  
4           shall make recommendations for changes to the standards and alignment  
5           adjustments for assessments to the appropriate standards and  
6           assessments review committee.
- 7           3. Each standards and assessments review committee shall review the  
8           findings and make recommendations to revise or replace existing  
9           standards and to adjust alignment of assessments.
- 10          4. The recommendations shall be published on the website established in  
11          this subsection for the purpose of gathering additional feedback from the  
12          public. The commissioner shall subsequently present the  
13          recommendations and the public feedback to the Interim Joint  
14          Committee on Education.
- 15          5. The commissioner shall subsequently provide a report to the standards  
16          and assessments process review committee summarizing the process  
17          conducted under this subsection and the resulting recommendations. The  
18          report shall include but not be limited to the timeline of the review  
19          process, public feedback, and responses from the Interim Joint  
20          Committee on Education.
- 21          6. After receiving the commissioner's report, the standards and assessments  
22          process review committee shall either concur that stakeholders have had  
23          adequate opportunity to provide input on standards and the  
24          corresponding alignment of state assessments or find the input process  
25          deficient. If the process is found deficient, the recommendations may be  
26          returned to the appropriate standards and assessments review committee  
27          for review as described in subparagraph 3. of this paragraph. If the

1 process is found sufficient, the recommendations shall be forwarded  
2 without amendment to the Kentucky Board of Education.

3 (h) The Kentucky Board of Education shall promulgate administrative regulations  
4 in accordance with KRS Chapter 13A as may be needed for the administration  
5 of the review process, including staggering the timing and sequence of the  
6 review process by subject area and remuneration of the review committees  
7 and advisory panels described in paragraphs (c) and (d) of this subsection.

8 (i) 1. The Kentucky Board of Education shall consider for approval the  
9 revisions to academic standards for a content area and the alignment of  
10 the corresponding state assessment once recommendations are received  
11 from the standards and assessments process review committee. Existing  
12 state academic standards shall remain in place until the board approves  
13 new standards.

14 2. Any revision to, or replacement of, the academic standards and  
15 assessments as a result of the review process conducted under this  
16 subsection shall be implemented in Kentucky public schools no later  
17 than the second academic year following the review process. Existing  
18 academic standards shall be used until new standards are implemented.

19 3. The Department of Education shall disseminate the academic content  
20 standards to the schools and teacher preparation programs.

21 (j) The Department of Education shall provide or facilitate statewide training  
22 sessions for existing teachers and administrators on how to:

- 23 1. Integrate the revised content standards into classroom instruction;
- 24 2. Better integrate performance assessment of students within their  
25 instructional practices; and
- 26 3. Help all students use higher-order thinking and communication skills.

27 (k) The Education Professional Standards Board in cooperation with the

1 Kentucky Board of Education and the Kentucky Higher Education  
2 Assistance Authority~~[Council on Postsecondary Education]~~ shall coordinate  
3 information and training sessions for faculty and staff in all of the teacher  
4 preparation programs in the use of the revised academic content standards.  
5 The Education Professional Standards Board shall ensure that each teacher  
6 preparation program includes use of the academic standards in the pre-service  
7 education programs and that all teacher interns will have experience planning  
8 classroom instruction based on the revised standards.

9 (l) The Kentucky Higher Education Assistance Authority~~[Council on~~  
10 ~~Postsecondary Education]~~ in cooperation with the Kentucky Department of  
11 Education and the postsecondary education institutions in the state shall  
12 coordinate information sessions regarding the academic content standards for  
13 faculty who teach in the various content areas.

14 (3) (a) The Kentucky Board of Education shall be responsible for creating and  
15 implementing a balanced statewide assessment program that measures the  
16 students', schools', and districts' achievement of the goals set forth in KRS  
17 158.645 and 158.6451, to ensure compliance with the federal Every Student  
18 Succeeds Act of 2015, Pub. L. No. 114-95, or its successor, and to ensure  
19 school accountability.

20 (b) The board shall revise the annual statewide assessment program as needed in  
21 accordance with revised academic standards and corresponding assessment  
22 alignment adjustments approved by the board under subsection (2) of this  
23 section.

24 (c) The statewide assessments shall not include any academic standards not  
25 approved by the board under subsection (2) of this section.

26 (d) The board shall seek the advice of the Office of Education Accountability; the  
27 School Curriculum, Assessment, and Accountability Council; the Education

1 Assessment and Accountability Review Subcommittee, and the department's  
2 technical advisory committee in the development of the assessment program.  
3 The statewide assessment program shall not include measurement of a  
4 student's ability to become a self-sufficient individual or to become a  
5 responsible member of a family, work group, or community.

6 (4) (a) The academic components of the statewide assessment program shall be  
7 composed of annual student summative tests, which may include a  
8 combination of multiple competency-based assessment and performance  
9 measures approved by the Kentucky Board of Education.

10 (b) The annual student summative tests shall:

- 11 1. Measure individual student achievement in language, reading, English,  
12 mathematics, science, and social studies at designated grades;
- 13 2. Provide teachers and parents a valid and reliable comprehensive analysis  
14 of skills mastered by individual students;
- 15 3. Provide diagnostic information that identifies strengths and academic  
16 deficiencies of individual students in the content areas;
- 17 4. Provide information to teachers that can enable them to improve  
18 instruction for current and future students;
- 19 5. Provide longitudinal profiles for students; and
- 20 6. Ensure school and district accountability for student achievement of the  
21 goals set forth in KRS 158.645 and 158.6451, except the statewide  
22 assessment program shall not include measurement of a student's ability  
23 to become a self-sufficient individual or to become a responsible  
24 member of a family, work group, or community.

25 (5) The state student assessments shall include the following components:

26 (a) Elementary and middle grades requirements are:

- 27 1. A criterion-referenced test each in mathematics and reading in grades

- 1 three (3) through eight (8) that is valid and reliable for an individual  
2 student and that measures the depth and breadth of Kentucky's academic  
3 content standards;
- 4 2. A criterion-referenced test each in science and social studies that is valid  
5 and reliable for an individual student as necessary to measure the depth  
6 and breadth of Kentucky's academic content standards to be  
7 administered one (1) time within the elementary and middle grades,  
8 respectively;
- 9 3. An on-demand assessment of student writing to be administered one (1)  
10 time within the elementary grades and one (1) time within the middle  
11 grades; and
- 12 4. An editing and mechanics test relating to writing, using multiple choice  
13 and constructed response items, to be administered one (1) time within  
14 the elementary and the middle grades, respectively;
- 15 (b) High school requirements are:
- 16 1. A criterion-referenced test in mathematics, reading, and science that is  
17 valid and reliable for an individual student and that measures the depth  
18 and breadth of Kentucky's academic content standards to be  
19 administered one (1) time within the high school grades;
- 20 2. A criterion-referenced test in social studies that is valid and reliable for  
21 an individual student as necessary to measure the depth and breadth of  
22 Kentucky's academic content standards to be administered one (1) time  
23 within the high school grades;
- 24 3. An on-demand assessment of student writing to be administered one (1)  
25 time within the high school grades;
- 26 4. An editing and mechanics test relating to writing, using multiple choice  
27 and constructed response items, to be administered one (1) time within



- 1                   the high school grades; and
- 2           5. A college admissions examination to assess English, reading,
- 3           mathematics, and science in the spring of grade eleven (11);
- 4       (c) The Kentucky Board of Education shall add any other component necessary
- 5           to comply with the Every Student Succeeds Act of 2015, Pub. L. No. 114-95,
- 6           or its successor, as determined by the United States Department of Education;
- 7       (d) The criterion-referenced components required in this subsection shall be
- 8           composed of constructed response items and multiple choice items;
- 9       (e) The Kentucky Board of Education may incorporate end-of-course
- 10           examinations into the assessment program to be used in lieu of requirements
- 11           for criterion-referenced tests required under paragraph (b) of this subsection;
- 12           and
- 13       (f) The results of the assessment program developed under this subsection shall
- 14           be used by schools and districts to determine appropriate instructional
- 15           modifications for all students in order for students to make continuous
- 16           progress, including that needed by advanced learners.
- 17   (6) Each school district shall administer the statewide student assessment during the
- 18           last fourteen (14) days of school in the district's instructional calendar. The
- 19           Kentucky Board of Education may change the testing window to allow for
- 20           innovative assessment systems or other online test administration and shall
- 21           promulgate administrative regulations that minimize the number of days of testing
- 22           and outline the procedures to be used during the testing process to ensure test
- 23           security, including procedures for testing makeup days, and to comply with federal
- 24           assessment requirements.
- 25   (7) A student enrolled in a district-operated or district-contracted alternative program
- 26           shall participate in the appropriate assessments required by this section.
- 27   (8) A local school district may select and use commercial interim or formative

1 assessments or develop and use its own formative assessments to provide data on  
2 how well its students are growing toward mastery of Kentucky academic standards,  
3 so long as the district's local school board develops a policy minimizing the  
4 reduction in instructional time related to the administration of the interim  
5 assessments. Nothing in this section precludes teachers from using ongoing teacher-  
6 developed formative processes.

7 (9) Each school that enrolls primary students shall use diagnostic assessments and  
8 prompts that measure readiness in reading and mathematics for its primary students  
9 as determined by the school to be developmentally appropriate. The schools may  
10 use commercial products, use products and procedures developed by the district, or  
11 develop their own diagnostic procedures. The results shall be used to inform the  
12 teachers and parents or guardians of each student's skill level.

13 (10) The state board shall ensure that a technically sound longitudinal comparison of the  
14 assessment results for the same students shall be made available.

15 (11) The following provisions shall apply to the college admissions examination  
16 described in subsection (5)(b)5. of this section:

17 (a) The cost of the college admissions examination administered to students in  
18 high school shall be paid for by the Kentucky Department of Education. The  
19 costs of additional college admissions examinations shall be the responsibility  
20 of the student;

21 (b) If funds are available, the Kentucky Department of Education shall provide a  
22 college admissions examination preparation program to all public high school  
23 juniors. The department may contract for necessary services; and

24 (c) Accommodations provided to a student with a disability taking the college  
25 admissions assessment under this subsection shall consist of:

26 1. Accommodations provided in a manner allowed by the college  
27 admissions assessment provider when results in test scores are

1 reportable to a postsecondary institution for admissions and placement  
2 purposes, except as provided in subparagraph 2. of this paragraph; or

3 2. Accommodations provided in a manner allowed by a student's  
4 individualized education program as defined in KRS 158.281 for a  
5 student whose disability precludes valid assessment of his or her  
6 academic abilities using the accommodations provided under  
7 subparagraph 1. of this paragraph when the student's scores are not  
8 reportable to a postsecondary institution for admissions and placement  
9 purposes.

10 (12) Kentucky teachers shall have a significant role in providing feedback about the  
11 design of the assessments, except for the college admissions exam described in  
12 subsection (5)(b)5. of this section. The assessments shall be designed to:

13 (a) Measure grade appropriate core academic content, basic skills, and higher-  
14 order thinking skills and their application;

15 (b) Provide valid and reliable scores for schools. If scores are reported for  
16 students individually, they shall be valid and reliable;

17 (c) Minimize the time spent by teachers and students on assessment; and

18 (d) Assess Kentucky academic standards only.

19 (13) The results from assessment under subsections (3) and (5) of this section shall be  
20 reported to the school districts and schools no later than seventy-five (75) days  
21 following the last day the assessment can be administered. Assessment reports  
22 provided to the school districts and schools shall include an electronic copy of an  
23 operational subset of test items from each assessment administered to their students  
24 and the results for each of those test items by student and by school.

25 (14) The Department of Education shall gather information to establish the validity of  
26 the assessment and accountability program. It shall develop a biennial plan for  
27 validation studies that shall include but not be limited to the consistency of student

1 results across multiple measures, the congruence of school scores with documented  
2 improvements in instructional practice and the school learning environment, and the  
3 potential for all scores to yield fair, consistent, and accurate student performance  
4 level and school accountability decisions. Validation activities shall take place in a  
5 timely manner and shall include a review of the accuracy of scores assigned to  
6 students and schools, as well as of the testing materials. The plan shall be submitted  
7 to the Commission by July 1 of the first year of each biennium. A summary of the  
8 findings shall be submitted to the Legislative Research Commission by September  
9 1 of the second year of the biennium.

10 (15) The Department of Education and the state board shall offer optional assistance to  
11 local school districts and schools in developing and using continuous assessment  
12 strategies needed to ensure student progress. The continuous assessment shall  
13 provide diagnostic information to improve instruction to meet the needs of  
14 individual students.

15 (16) The Administration Code for Kentucky's Assessment Program shall include  
16 prohibitions of inappropriate test preparation activities by school district employees  
17 charged with test administration and oversight, including but not limited to the issue  
18 of teachers being required to do test practice in lieu of regular classroom instruction  
19 and test practice outside the normal work day. The code shall include disciplinary  
20 sanctions that may be taken toward a school or individuals.

21 (17) The Kentucky Board of Education, after the Department of Education has received  
22 advice from the Office of Education Accountability; the School Curriculum,  
23 Assessment, and Accountability Council; and the department's technical advisory  
24 committee, shall promulgate an administrative regulation under KRS Chapter 13A  
25 to establish the components of a reporting structure for assessments administered  
26 under this section. The reporting structure shall include the following components:

27 (a) A school report card that clearly communicates with parents and the public

1 about school performance. The school report card shall be sent to the parents  
2 of the students of the districts, and information on electronic access to a  
3 summary of the results for the district shall be published in the newspaper  
4 with the largest circulation in the county. It shall include but not be limited to  
5 the following components reported by race, gender, and disability when  
6 appropriate:

- 7 1. Student academic achievement, including the results from each of the  
8 assessments administered under this section;
- 9 2. For Advanced Placement, Cambridge Advanced International, and  
10 International Baccalaureate, the courses offered, the number of students  
11 enrolled, completing, and taking the examination for each course, and  
12 the percentage of examinees receiving a score of three (3) or better on  
13 AP examinations, a score of "e" or better on Cambridge Advanced  
14 International examinations, or a score of four (4) or better on IB  
15 examinations. The data shall be disaggregated by gender, race, students  
16 with disabilities, and economic status;
- 17 3. Nonacademic achievement, including the school's attendance, retention,  
18 graduation rates, and student transition to postsecondary;
- 19 4. School learning environment, including measures of parental  
20 involvement; and
- 21 5. Any other school performance data required by the Every Student  
22 Succeeds Act of 2015, Pub. L. No. 114-95, or its successor;

- 23 (b) An individual student report to parents for each student in grades three (3)  
24 through eight (8) summarizing the student's skills in reading, science, social  
25 studies, and mathematics. The school's staff shall develop a plan for  
26 accelerated learning for any student with identified deficiencies or strengths;  
27 and

- 1 (c) A student's score on the college admissions assessment administered under  
2 subsection (5)(b)5. of this section.
- 3 (18) (a) Beginning in fiscal year 2017-2018, and every six (6) years thereafter, the  
4 Kentucky Department of Education shall implement a comprehensive process  
5 for reviewing and revising the academic standards in visual and performing  
6 arts and practical living skills and career studies for all levels and in foreign  
7 language for middle and high schools. The department shall develop review  
8 committees for the standards for each of the content areas that include  
9 representation from certified specialist public school teachers and  
10 postsecondary teachers in those subject areas.
- 11 (b) The academic standards in practical living skills for elementary, middle, and  
12 high school levels shall include a focus on drug abuse prevention, with an  
13 emphasis on the prescription drug epidemic and the connection between  
14 prescription opioid abuse and addiction to other drugs, such as heroin and  
15 synthetic drugs.
- 16 (c) The department shall provide to all schools guidelines for programs that  
17 incorporate the adopted academic standards in visual and performing arts and  
18 practical living and career studies. The department shall provide to middle and  
19 high schools guidelines for including a foreign language program. The  
20 guidelines shall address program length and time, courses offered, staffing,  
21 resources, and facilities.
- 22 (d) The Kentucky Department of Education, in consultation with certified public  
23 school teachers of visual and performing arts, may develop program standards  
24 for the visual and performing arts.
- 25 (19) The Kentucky Department of Education shall provide to all school districts  
26 guidelines for including an effective writing program within the curriculum.
- 27 (20) (a) The Kentucky Department of Education, in consultation with the review

1 committees described in subsection (18) of this section, shall develop a school  
2 profile report to be used by all schools to document how they will address the  
3 adopted academic standards in their implementation of the programs as  
4 described in subsection (18) of this section, which may include student  
5 opportunities and experiences in extracurricular activities. The department  
6 shall include the essential workplace ethics program on the school profile  
7 report.

8 (b) By October 1 of each year, each school principal shall complete the school  
9 profile report, which shall be signed by the members of the school council, or  
10 the principal if no school council exists, and the superintendent. The report  
11 shall be electronically transmitted to the Kentucky Department of Education,  
12 and the original shall be maintained on file at the local board office and made  
13 available to the public upon request. The department shall include a link to  
14 each school's profile report on its website.

15 (c) If a school staff member, student, or a student's parent has concerns regarding  
16 deficiencies in a school's implementation of the programs described in  
17 subsection (18) of this section, he or she may submit a written inquiry to the  
18 school council.

19 ➔Section 156. KRS 158.6455 is amended to read as follows:

20 It is the intent of the General Assembly that schools succeed with all students and receive  
21 the appropriate consequences in proportion to that success.

22 (1) (a) The Kentucky Board of Education shall create an accountability system to  
23 classify districts and schools in accordance with the academic standards and  
24 student assessment program developed pursuant to KRS 158.6453.

25 (b) The accountability system shall include an annual meaningful differentiation  
26 of all public schools in the state using multiple measures that describe the  
27 overall performance of each district, school, and student subgroup.

1 Performance shall be based on a combination of academic and school quality  
2 indicators and measures, hereinafter called "state indicators." The state  
3 indicators shall exclusively include:

- 4 1. Student assessment results;
- 5 2. Progress toward achieving English proficiency by limited English  
6 proficiency students;
- 7 3. Quality of school climate and safety;
- 8 4. High school graduation rates;
- 9 5. Postsecondary readiness for each high school student, which shall be  
10 included as an academic indicator, and shall be measured by one (1) of  
11 the following:

- 12 a. Meeting or exceeding a college readiness benchmark score on the  
13 college admissions examination used as the statewide assessment  
14 in KRS 158.6453(5)(b)5. or a college placement examination  
15 approved by the Kentucky Higher Education Assistance  
16 Authority~~[Council on Postsecondary Education]~~. The college  
17 readiness benchmark score shall be established by the Kentucky  
18 Higher Education Assistance Authority~~[Council on~~  
19 ~~Postsecondary Education]~~;

- 20 b. Achieving a minimum of three (3) hours of dual credit by  
21 completing a course approved by the Kentucky Board of  
22 Education or qualifying for a minimum of three (3) hours of  
23 postsecondary articulated credit associated with a statewide  
24 articulation agreement;

- 25 c. Achieving a benchmark score on an Advanced Placement,  
26 International Baccalaureate, Cambridge Advanced International,  
27 or other nationally recognized exam approved by the Kentucky



- 1 Board of Education that generally qualifies the student for three  
2 (3) or more hours of college credit;
- 3 d. Completing a required number of hours or achieving a benchmark  
4 within an apprenticeship, cooperative, or internship that is:
- 5 i. Not required to be offered as a high school course or during  
6 the regular school day, week, or year;
- 7 ii. Aligned with a credential or associate degree; and  
8 iii. Approved by the Kentucky Board of Education after  
9 receiving input from the Local Superintendents Advisory  
10 Council; or
- 11 e. Achieving any industry-recognized certifications, licensures, or  
12 credentials, with more weight in accountability for industry-  
13 recognized certifications, licensures, or credentials identified as  
14 high demand in accordance with the process described in  
15 paragraph (e) of this subsection. Eligible industry-recognized  
16 certifications, licensures, or credentials shall not be limited to  
17 those earned in conjunction with a minimum sequence of courses.  
18 Each high school shall publicly report the credits, hours, and  
19 credentials on an annual basis; and
- 20 6. Any other factor mandated by the federal Every Student Succeeds Act  
21 of 2015, Pub. L. No. 114-95, or its successor.
- 22 (c) 1. Beginning with data from the 2020-2021 and 2021-2022 school years,  
23 the accountability system performance for each district, school, and  
24 student subgroup determined by the state indicators shall be based on a  
25 combination of annual performance, hereinafter called "status," and  
26 improvement over time, hereinafter called "change."
- 27 2. Status and change shall receive equal weight in determining overall

- 1 performance. For all students as a group and separately for individual  
2 subgroups, status shall be determined, beginning with the data from the  
3 2020-2021 academic year, by using the current year performance and  
4 change shall be determined, beginning with the data from the 2021-2022  
5 academic year, by using the difference in performance from the prior to  
6 current year, except change shall be based on the difference in  
7 performance for the prior three (3) years for the purpose of determining  
8 the lowest-performing five percent (5%) of schools under KRS  
9 160.346(2) and (3).
- 10 3. For each state indicator, there shall be five (5) status levels ranging from  
11 very high to very low and five (5) change levels ranging from increased  
12 significantly to declined significantly.
- 13 4. The percentile cut scores for status and change levels shall be based on  
14 distribution and shall be approved by the Kentucky Department of  
15 Education and the Local Superintendents Advisory Council. The cut  
16 scores shall remain in place for at least six (6) years unless existing cut  
17 scores no longer support meaningful differentiation of schools as  
18 required by the federal Every Student Succeeds Act of 2015, Pub. L. No.  
19 114-95, or its successor.
- 20 (d) Beginning in the fall of 2022, the Kentucky Department of Education shall  
21 develop an online display of the accountability system results hereinafter  
22 called a "dashboard." A color-coded performance level for each state indicator  
23 shall be displayed in a straightforward manner on the dashboard for overall  
24 performance, status, and change by district, school, and individual subgroups.  
25 Overall performance shall aggregate all available data for the state indicators.
- 26 (e) Based on data from the Kentucky Center for Education and Workforce  
27 Statistics, each local workforce investment board, in conjunction with local

1 economic development organizations from its state regional sector, shall  
2 annually compile a list of industry-recognized certifications, licensures, and  
3 credentials specific to the state and regional workforce area, rank them by  
4 demand for the state and regional area, and provide the list to the Kentucky  
5 Workforce Innovation Board. The Kentucky Workforce Innovation Board, in  
6 conjunction with the Kentucky Department of Education, may revise the lists  
7 before the Kentucky Department of Education disseminates the lists to all  
8 school districts to be used as postsecondary readiness indicators.

9 (f) 1. The Kentucky Department of Education shall pay for the cost of an  
10 assessment taken by a high school student for attaining an industry-  
11 recognized certification, credential, or licensure if the student  
12 consecutively completes at least two (2) related career pathway courses  
13 approved by the department prior to taking the assessment.

14 2. If a high school student has not completed the two (2) course  
15 requirement described in subparagraph 1. of this paragraph but meets  
16 performance-based experience eligibility and passes an assessment, the  
17 department shall provide a weighted reimbursement amount to the  
18 school district for the cost of the assessment based on the level of  
19 demand of the certificate, credential, or license earned. The Kentucky  
20 Board of Education shall promulgate regulations establishing the  
21 performance-based experience eligibility requirements and weighted  
22 reimbursement amounts.

23 (g) Prior to promulgating administrative regulations to revise the accountability  
24 system, the board shall seek advice from the School Curriculum, Assessment,  
25 and Accountability Council; the Office of Education Accountability; the  
26 Education Assessment and Accountability Review Subcommittee; and the  
27 department's technical advisory committee.

- 1 (2) A student's test scores shall be counted in the accountability measure of:
- 2 (a) 1. The school in which the student is currently enrolled if the student has
- 3 been enrolled in that school for at least a full academic year as defined
- 4 by the Kentucky Board of Education; or
- 5 2. The school in which the student was previously enrolled if the student
- 6 was enrolled in that school for at least a full academic year as defined by
- 7 the Kentucky Board of Education; and
- 8 (b) The school district if the student is enrolled in the district for at least a full
- 9 academic year as defined by the Kentucky Board of Education; and
- 10 (c) The state if the student is enrolled in a Kentucky public school prior to the
- 11 beginning of the statewide testing period.
- 12 (3) After receiving the advice of the Office of Education Accountability; the School
- 13 Curriculum, Assessment, and Accountability Council; and the department's
- 14 technical advisory committee, the Kentucky Board of Education shall promulgate
- 15 an administrative regulation in conformity with KRS 158.6471 and 158.6472 and
- 16 KRS Chapter 13A to establish more rigorous action, intervention, and appropriate
- 17 consequences for schools that fail to exit comprehensive support and improvement
- 18 status described in KRS 160.346. The consequences shall be designed to improve
- 19 the academic performance and learning environment of identified schools and may
- 20 include but not be limited to:
- 21 (a) A review and audit process to determine the appropriateness of a school's or
- 22 district's classification and to recommend needed assistance;
- 23 (b) School and district improvement plans;
- 24 (c) Eligibility to receive Commonwealth school improvement funds under KRS
- 25 158.805;
- 26 (d) Education assistance from highly skilled certified staff; and
- 27 (e) Observation of school personnel.

- 1 (4) All students who drop out of school during a school year shall be included in a  
2 school's annual average school graduation rate calculation.
- 3 (5) After receiving the advice of the Education Assessment and Accountability Review  
4 Subcommittee, the Office of Education Accountability; the School Curriculum,  
5 Assessment, and Accountability Council; and the department's technical advisory  
6 committee, the Kentucky Board of Education may promulgate by administrative  
7 regulation, in conformity with KRS 158.6471 and 158.6472 and KRS Chapter 13A,  
8 a system of district accountability that includes establishing a formula for  
9 accountability, goals for improvement over a three (3) year period, rewards for  
10 leadership in improving teaching and learning in the district, and consequences that  
11 address the problems and provide assistance when one (1) or more schools in the  
12 district fail to exit comprehensive support and improvement status after three (3)  
13 consecutive years of implementing the turnaround intervention process described in  
14 KRS 160.346.
- 15 (6) After receiving the advice of the Office of Education Accountability; the School  
16 Curriculum, Assessment, and Accountability Council; and the department's  
17 technical advisory committee, the Kentucky Board of Education shall promulgate  
18 administrative regulations in conformity with KRS 158.6471 and 158.6472 and  
19 KRS Chapter 13A to establish a process whereby a school or school district shall be  
20 allowed to appeal any performance judgment made by the department under this  
21 section or KRS 160.346 of a principal, superintendent, school, or school district  
22 which it considers grossly unfair. Upon appeal, an administrative hearing shall be  
23 conducted in accordance with KRS Chapter 13B. The state board may adjust a  
24 performance judgment on appeal when evidence of unusual circumstances warrants  
25 the conclusion that the performance judgment is based on fraud or a mistake in  
26 computations, is arbitrary, is lacking any reasonable basis, or when there are  
27 significant new circumstances occurring during the three (3) year assessment period

1 which are beyond the control of the appellant school or school district.

2 (7) Advice and recommendations provided by the department's technical advisory  
3 committee shall be summarized and reported by the department by July 1 and  
4 December 1 of each year to the Office of Education Accountability. The report shall  
5 include:

6 (a) Advice and recommendations provided by panel members relating to:

7 1. Development and modification to the assessment and accountability  
8 system;

9 2. The development of administrative regulations governing the  
10 assessment and accountability system;

11 3. The setting of standards used in the assessment and accountability  
12 system; and

13 4. KRS 158.6453, 158.6455, 158.782, or 158.860; and

14 (b) Any documentation used by the panel in support of the panel's advice and  
15 recommendations.

16 Upon receipt of the report, the Office of Education Accountability shall forward the  
17 report to the Education Assessment and Accountability Review Subcommittee and  
18 the co-chairs of the Interim Joint Committee on Education.

19 ➔Section 157. KRS 158.6459 is amended to read as follows:

20 (1) A high school student whose highest score on the college admissions examination  
21 under KRS 158.6453(5)(b)5. in English, reading, or mathematics is below the  
22 systemwide standard established by the *Kentucky Higher Education Assistance*  
23 *Authority*~~[Council on Postsecondary Education]~~ for entry into a credit-bearing  
24 course at a public postsecondary institution without placement in a remedial course  
25 or an entry-level course with supplementary academic support shall be provided the  
26 opportunity to participate in accelerated learning designed to address his or her  
27 identified academic deficiencies prior to high school graduation.

- 1 (2) A high school, in collaboration with its school district, shall develop and implement  
2 accelerated learning that:
- 3 (a) Allows a student's learning plan to be individualized to meet the student's  
4 academic needs based on an assessment of test results and consultation among  
5 parents, teachers, and the student; and
- 6 (b) May include changes in a student's class schedule.
- 7 (3) The Kentucky Department of Education, the Kentucky Higher Education  
8 Assistance Authority~~[Council on Postsecondary Education]~~, and public  
9 postsecondary institutions shall offer support and technical assistance to schools  
10 and school districts in the development of accelerated learning.
- 11 ➔Section 158. KRS 158.646 is amended to read as follows:
- 12 (1) The Kentucky Institute for Education Research Board is hereby created.
- 13 (2) The board shall establish a corporation which can qualify and obtain status under  
14 Section 501(c)(3) of the Internal Revenue Code. The purpose and mission of the  
15 corporation shall be to solicit and raise funds through private foundations, grants,  
16 and government agencies to support the independent evaluation of the Kentucky  
17 Education Reform Act and related activities. The corporation shall serve as a  
18 stimulus and clearinghouse for Kentucky Education Reform Act related research  
19 projects.
- 20 (3) (a) The board shall cause an in-depth evaluation of the impact of Kentucky  
21 Education Reform Act to be performed. This evaluation shall include, but not  
22 be limited to, the effect of the reforms on students, individual schools, school  
23 systems, and educators. The evaluation shall also include an analysis of the  
24 reliability and validity of the changes in scores between baseline scores and  
25 scores from subsequent administrations of tests.
- 26 (b) The board shall make recommendations to the citizens and elected leaders of  
27 the Commonwealth concerning the enhancement of the benefits of the

1 Kentucky Education Reform Act and the expansion and improvement of  
2 services to students.

3 (c) The board shall establish an organizational capacity to:

4 1. Develop and manage implementation of a research design to include the  
5 issuing of requests for proposals; awarding of contracts; and general  
6 oversight and coordination of the quality and quantity of research;

7 2. Conduct research in accordance with a comprehensive research design  
8 and establish priorities; and

9 3. Design and implement a comprehensive educational data information  
10 system.

11 (d) The board shall prepare an annual report of its activities and the activities of  
12 the corporation and forward copies to the Governor, the Legislative Research  
13 Commission, the Kentucky Board of Education, and the Kentucky Higher  
14 Education Assistance Authority~~[Council on Postsecondary Education]~~ and  
15 make copies available to the citizens of the Commonwealth.

16 (e) The board shall hire an executive officer and other necessary personnel to  
17 carry out its responsibilities.

18 (f) The board shall consist of ten (10) members who shall initially be appointed  
19 to two (2) year terms by the Governor. The board shall select from its  
20 membership a chairperson and establish bylaws, including bylaws governing  
21 board membership and length of terms. Upon expiration of the initial  
22 appointments and adoption of bylaws governing membership and length of  
23 terms by the board, the board shall be self-perpetuating, and the appointment  
24 and length of terms shall be made in accordance with the board's bylaws.  
25 Vacancies which occur before the expiration of the initial appointments shall  
26 be filled by the Governor for the remaining term of the vacancy.

27 ➔Section 159. KRS 158.648 is amended to read as follows:



1 (1) The State Advisory Council for Gifted and Talented Education is hereby created  
2 and attached to the Kentucky Department of Education. The council's purpose is to  
3 make recommendations regarding the provisions of services for gifted and talented  
4 students in Kentucky's education system.

5 (a) The council shall be composed of nineteen (19) voting members who shall be  
6 appointed by the Governor and three (3) nonvoting, ex officio members. The  
7 members shall be appointed representing various constituencies as follows:

8 1. Four (4) members shall be teachers within local school districts  
9 representing elementary, middle, and high school levels with at least one  
10 (1) full-time teacher of gifted and talented students and one (1) full-time  
11 teacher who teaches in a regular classroom;

12 2. Four (4) members shall be parents of students in local school districts,  
13 including two (2) parents of students identified as gifted and talented  
14 and at least one (1) who serves or has served on a school council;

15 3. Three (3) members shall be from postsecondary education institutions,  
16 including one (1) from an independent college or university;

17 4. One (1) member shall be a superintendent of a local school district;

18 5. Two (2) members shall be principals, including one (1) from an  
19 elementary or middle school and one (1) from a high school;

20 6. Two (2) members shall be coordinators of gifted and talented programs  
21 and services in local school districts;

22 7. One (1) member shall be a local board of education member;

23 8. One (1) member shall represent the visual and performing arts; and

24 9. One (1) member shall be appointed from the private business sector.

25 (b) The three (3) nonvoting ex officio members shall be: the state consultant for  
26 gifted and talented education in the Kentucky Department of Education, a  
27 staff person designated by the executive secretary of the Education

1 Professional Standards Board, and a staff person designated by the executive  
2 director~~president~~ of the Kentucky Higher Education Assistance  
3 Authority~~Council on Postsecondary Education~~. Vacancies shall be filled by  
4 the Governor as they occur in a manner consistent with the provisions for  
5 initial appointment.

6 (c) Each board member shall serve a three (3) year term or until a successor is  
7 appointed, except that for initial appointments to the board, three (3) of the  
8 members shall be appointed to serve a one (1) year term, eight (8) of the  
9 members shall be appointed to serve a two (2) year term, and eight (8) of the  
10 members shall be appointed to serve a three (3) year term. A member may be  
11 reappointed but may not serve more than two (2) consecutive terms.

12 (2) The council shall advise the commissioner of education, the Kentucky Board of  
13 Education, and the Education Professional Standards Board concerning the  
14 development of administrative regulations and education policy regarding gifted  
15 and talented students. The commissioner of education and the executive secretary  
16 for the Education Professional Standards Board shall submit proposed  
17 administrative regulations and educational policies relating to gifted and talented  
18 education and other administrative regulations that impact gifted and talented  
19 students for review by the advisory council prior to seeking approval of the  
20 appropriate board.

21 (3) As the advisory council considers issues relating to gifted and talented students, it  
22 shall seek dialogue with other agencies and organizations, including the Parent  
23 Teachers Association, the Governor's Scholars Program, the Governor's School for  
24 the Arts, the Governor's School for Entrepreneurs Program, the Kentucky  
25 Association of School Councils, the Kentucky Association for Gifted Education, the  
26 Kentucky School Boards Association, the Kentucky Association of School  
27 Administrators, and the Kentucky Council for Exceptional Children.

1 (4) The advisory council shall annually elect a chair from its membership, establish  
2 meeting operational procedures, and meet at least two (2) times annually.

3 (5) The Department of Education shall provide staff and administrative support and  
4 shall administer the funds appropriated to support the expenses of the council.

5 (6) The members of the advisory council shall serve without compensation but shall be  
6 reimbursed for necessary expenses in the same manner as state employees.

7 ➔Section 160. KRS 158.6485 is amended to read as follows:

8 (1) The Governor's School for Entrepreneurs Program is established as a statewide  
9 summer experiential education program for creative and enterprising students to  
10 enhance the next generation of business and economic leaders and enrich future  
11 economic development across the Commonwealth. The Governor's School for  
12 Entrepreneurs Program shall be attached to the Office of the Secretary in the  
13 Education and Labor Cabinet for administrative purposes.

14 (2) As used in this section, "entrepreneurship education organization" means a not-for-  
15 profit organization that has:

16 (a) Received tax-exempt status from the United States Internal Revenue Service;

17 (b) Registered with the Office of the Kentucky Secretary of State;

18 (c) A statewide mission to generate interest and knowledge in entrepreneurship;  
19 and

20 (d) A history of operating education programs focused on entrepreneurship.

21 (3) (a) The Governor or the Governor's designee from the executive cabinet, the  
22 commissioner of education, the executive director~~[president]~~ of the Kentucky  
23 Higher Education Assistance Authority~~[Council on Postsecondary~~  
24 ~~Education]~~, and the secretary of the Education and Labor Cabinet shall serve  
25 as ex officio members of an advisory board to the Governor's School for  
26 Entrepreneurs Program. In addition, the Governor shall appoint five (5)  
27 members to the advisory board as provided in paragraph (b) of this

1 subsection.

2 (b) By July 31, 2016, the Governor shall appoint five (5) initial members of the  
3 advisory board to serve as follows:

- 4 1. One (1) shall be appointed to serve a three (3) year term;
- 5 2. Two (2) shall be appointed to serve a (2) year term; and
- 6 3. Two (2) shall be appointed to serve a (1) year term.

7 Members appointed by the Governor may be reappointed by the Governor to serve  
8 successive terms. In making gubernatorial appointments, the Governor shall  
9 consider recommendations and information on business and entrepreneurial  
10 experience provided by a nominating committee of the board and shall attempt to  
11 promote geographic balance on the board. The Governor shall make appointments  
12 to fill gubernatorial vacancies as they occur. Each appointment after the initial  
13 appointment shall be for a three (3) year term unless the appointment is to fill the  
14 unexpired portion of a term.

15 (4) The Education and Labor Cabinet shall contract with an entrepreneurship education  
16 organization to administer and operate the statewide Governor's School for  
17 Entrepreneurs Program created in this section. The Education and Labor Cabinet  
18 shall approve the contract application criteria, the process for submission of a  
19 contract application, and the structure and type of evaluation criteria used in the  
20 contract application review process.

21 (5) The annual appropriation for the statewide Governor's School for Entrepreneurs  
22 Program from the general fund shall be transmitted to an entrepreneurship  
23 education organization on July 1 of each year to facilitate the operation of the  
24 summer program. Funds shall be used only for the purposes of the statewide  
25 Governor's School for Entrepreneurs Program and, notwithstanding KRS 45.229,  
26 shall not lapse at the end of the fiscal year.

27 (6) (a) The entrepreneurship education organization shall follow standard accounting

1 practices and shall submit the following financial reports to the Office of the  
2 Secretary of the Education and Labor Cabinet, the Finance and  
3 Administration Cabinet, and the Legislative Research Commission:

- 4 1. Quarterly reports of expenditures of state funds for the Governor's  
5 School for Entrepreneurs Program, submitted on or before the thirtieth  
6 day after the end of each quarter in the organization's fiscal year;
- 7 2. Annual reports of receipts and expenditures for the Governor's School  
8 for Entrepreneurs Program, submitted on or before the sixtieth day after  
9 the end of the fiscal year of the organization; and
- 10 3. The report of an annual financial compilation or review conducted by an  
11 independent accounting firm, submitted on or before September 1 of  
12 each year.

13 (b) On or before March 1 of each year, the entrepreneurship education  
14 organization shall file a report detailing the operations of the Governor's  
15 School for Entrepreneurs Program for the preceding year with the Office of  
16 the Secretary of the Education and Labor Cabinet, the Finance and  
17 Administration Cabinet, and the Legislative Research Commission. The report  
18 shall include information concerning the program, student and faculty  
19 demographics, and program outcomes according to such measures of success  
20 as the advisory board to the statewide Governor's School for Entrepreneurs  
21 Program, in collaboration with the entrepreneurship education organization,  
22 may develop.

23 (c) Nothing in this section shall prevent the entrepreneurship education  
24 organization from soliciting program support, cooperation, and funds from  
25 private businesses, foundations, industries, and government agencies with an  
26 interest in technological innovations, economic development, and  
27 entrepreneurial education. Funds may be solicited, accepted, received, and

1           expended from public and private sources for the purpose of implementing  
2           this section.

3 (7) The entrepreneurship education organization may perform other programs and  
4 initiatives pertaining to its mission so long as all funds appropriated for the  
5 statewide Governor's School for Entrepreneurs Program are restricted solely for the  
6 design, development, and operation of the statewide Governor's School for  
7 Entrepreneurs Program.

8       ➔Section 161. KRS 158.796 is amended to read as follows:

9 (1) The Governor's Scholars Program is established to implement an enrichment  
10 program for academically gifted students to enhance the next generation of civic  
11 and economic leaders and create models of educational excellence. Governor's  
12 Scholars Program, Inc. is authorized to operate the Governor's Scholars Program.  
13 The Governor's Scholars Program shall be attached to the Office of the Secretary in  
14 the Education and Labor Cabinet for administrative purposes.

15 (2) (a) The Governor or the Governor's designee from the executive cabinet, the  
16 commissioner of education, and the executive director~~[president]~~ of the  
17 Kentucky Higher Education Assistance Authority~~[Council on Postsecondary~~  
18 ~~Education]~~ shall serve as ex officio voting members of the board of directors  
19 of Governor's Scholars Program, Inc. In addition, the Governor shall appoint  
20 five (5) members of the board as provided in paragraph (b) of this subsection.  
21 Other board members of Governor's Scholars Program, Inc. shall be selected  
22 in the manner set forth in the articles of incorporation and bylaws of the  
23 corporation.

24 (b) After June 20, 2005, the Governor shall appoint board members as follows:

- 25 1. In 2005, the Governor shall appoint two (2) board members to serve  
26 three (3) year terms;
- 27 2. In 2006, the Governor shall appoint two (2) members to serve three (3)

1                   year terms; and

2           3.    In 2007, the Governor shall appoint one (1) member to serve a three (3)  
3                   year term.

4           Members appointed by the Governor may be reappointed by the Governor to  
5           serve successive terms. In making gubernatorial appointments, the Governor  
6           shall consider recommendations and information provided by the nominating  
7           committee of the board and shall attempt to promote geographic balance on  
8           the board. One (1) of the gubernatorial appointees shall be designated by the  
9           board to serve on the committee that functions as the executive committee of  
10          Governor's Scholars Program, Inc. The Governor shall make appointments to  
11          fill gubernatorial vacancies as they occur. Each appointment after the initial  
12          appointment shall be for a three (3) year term unless the appointment is to fill  
13          the unexpired portion of a term.

14          (c)   The board of directors shall have the authority to hire, fire, and manage all  
15                  program personnel, including the executive director.

16   (3)   The annual appropriation for the Governor's Scholars Program from the general  
17          fund shall be transmitted to Governor's Scholars Program, Inc. on July 1 of each  
18          year to facilitate the operation of the summer program. Funds shall be used only for  
19          the purposes of the Governor's Scholars Program and shall not lapse at the end of  
20          the fiscal year.

21   (4)   (a)   Governor's Scholars Program, Inc. shall follow standard accounting practices  
22                  and shall submit the following financial reports to the Office of the Governor,  
23                  the Finance and Administration Cabinet, and the Legislative Research  
24                  Commission:

25          1.    Quarterly reports of expenditures of state funds, submitted on or before  
26                  the thirtieth day after the end of each quarter in the corporation's fiscal  
27                  year;

- 1           2. Annual reports of receipts and expenditures for the Governor's Scholars  
2           Program, submitted on or before the sixtieth day after the end of the  
3           fiscal year of the corporation; and
- 4           3. The report of an annual financial audit conducted by an independent  
5           auditor, submitted on or before September 1 of each year.
- 6           (b) On or before March 1 of each year, Governor's Scholars Program, Inc. shall  
7           file with the Office of the Governor, the Finance and Administration Cabinet,  
8           and the Legislative Research Commission a report detailing the operations of  
9           the Governor's Scholars Program for the preceding year. The report shall  
10          include information concerning the summer program, student and faculty  
11          demographics, and program outcomes according to such measures of success  
12          as the board may adopt.

13          ➔Section 162. KRS 158.799 is amended to read as follows:

14          The Kentucky Science and Technology Council, Inc., shall, in cooperation with the  
15          Department of Education and the *Kentucky Higher Education Assistance*  
16          *Authority*~~[Council on Postsecondary Education]~~, develop and conduct a competition  
17          among Kentucky middle and high school students for the purpose of choosing a  
18          Kentuckian of national or international acclaim as a scientist, mathematician, or engineer  
19          for whom the programs developed under KRS 158.798 shall be named.

20          ➔Section 163. KRS 158.803 is amended to read as follows:

- 21          (1) The Kentucky Early Mathematics Testing Program is created to lower the number  
22          of high school graduates in Kentucky who require remediation in mathematics upon  
23          enrollment in postsecondary education institutions, by providing information to  
24          primarily high school sophomores and juniors statewide regarding their level of  
25          mathematics knowledge in relation to standards required for community and  
26          technical colleges and university level mathematics courses early enough for  
27          students to address deficiencies while still in high school.



- 1 (2) The testing program shall be a computer website-based program that incorporates a  
2 variety of diagnostic mathematics tests to identify knowledge and skills needed for  
3 postsecondary education courses.
- 4 (3) The testing program shall be developed and conducted by a public university. The  
5 Kentucky Higher Education Assistance Authority~~Council on Postsecondary~~  
6 ~~Education~~, with the advice of the Department of Education, shall develop a process  
7 to solicit, review, and select a proposal for the development and implementation of  
8 the computer website-based testing program. The authority~~council~~ shall approve  
9 the location of the program at a public university no later than September 1, 2000.  
10 The university shall be the fiscal agent for the testing program and shall receive the  
11 funds appropriated by the General Assembly.
- 12 (4) The program shall be available to all interested Kentucky public and private high  
13 school students in grades ten (10) and eleven (11). Student participation in the  
14 program shall be voluntary, and program test scores shall not be:
- 15 (a) Placed on a student's high school transcript; or  
16 (b) Used by postsecondary education institutions in the admissions process.
- 17 (5) The computer website testing program shall be available to all Kentuckians for  
18 evaluation of an individual's mathematics knowledge and skills.
- 19 (6) The program shall encourage the active participation of all public and private high  
20 schools in Kentucky.
- 21 (7) The computer website testing program shall:
- 22 (a) Develop or adopt appropriate tests to determine the level of mathematics  
23 knowledge of high school students in relation to the standards of placement  
24 tests given at the community and technical colleges and undergraduate public  
25 universities. In the development or adoption of the tests, consideration shall  
26 be given to the program of studies and the minimum requirements for high  
27 school graduation established in KRS 156.160 and the alignment of these

- 1 standards with postsecondary course standards;
- 2 (b) Develop a structure to permit each participating student the opportunity to  
3 take the computer-based test at school in the presence of school personnel or  
4 at the student's home in the presence of his or her parents or guardian;
- 5 (c) Score the completed tests and provide the test scores and diagnostic  
6 information on a student's knowledge and skills electronically to the student  
7 and the high school upon completion of the test in the form of electronic mail  
8 or printable files or screens.
- 9 (d) Provide the following information for up to three (3) participating  
10 postsecondary education institutions specified by the student as a possible  
11 college choice:
- 12 1. The student's test score;
  - 13 2. A list of mathematics courses required for the student's intended major  
14 at a postsecondary education institution;
  - 15 3. A list of any remedial courses the student might be required to take  
16 based on the student's current level of mathematics knowledge as  
17 demonstrated on the test;
  - 18 4. The estimated cost of the remedial courses the student might be required  
19 to take; and
  - 20 5. The high school courses and the specific mathematical concepts or  
21 functions a student should consider studying in order to address any  
22 deficiencies;
- 23 (e) Encourage the chair of the mathematics department or the academic dean at  
24 each of the participating postsecondary education institutions specified by the  
25 student as a possible college choice to send a personalized letter to the student  
26 that:
- 27 1. Encourages the student to take additional high school mathematics

- 1 courses to address deficiencies in mathematics knowledge; or
- 2 2. Congratulates the student who does well on the test for his or her
- 3 achievement and encourages continued study in mathematics; and
- 4 (f) Develop and implement a strategy to raise awareness and encourage
- 5 participation in the program, targeting high school students, parents, high
- 6 school faculty and administrators, mathematics departments or faculty at
- 7 postsecondary education institutions, and the general public.

8 (8) The Kentucky Department of Education shall provide assistance as necessary to the

9 Kentucky Early Mathematics Testing Program to implement the provisions of this

10 section and KRS 158.801.

11 (9) The public university that conducts the testing program shall submit an annual

12 report to the Kentucky Board of Education and the *Kentucky Higher Education*

13 *Assistance Authority*~~[Council on Postsecondary Education]~~ regarding its activities,

14 and the effects of the program on levels of remediation required by participating

15 students.

16 ➔Section 164. KRS 158.807 is amended to read as follows:

17 (1) There is hereby created the Kentucky data research initiative, a partnership between

18 elementary and secondary schools and postsecondary education research

19 institutions to maximize research capabilities through computer resources. The

20 initiative shall be jointly facilitated by the Kentucky Department of Education and

21 the *Kentucky Higher Education Assistance Authority*~~[Council on Postsecondary~~

22 ~~Education]~~.

23 (2) The purposes of the data research initiative are to expand the availability of

24 computing resources not available at the research institutions at a relatively low

25 cost, to do education outreach to students and teachers in Kentucky's K-12 system,

26 to expand the research institutions' presence throughout the state, and to maximize

27 the use of computer assets that have already been purchased in K-12 systems but

1 are often underused.

2 (3) By December 1, 2005, the commissioner of the Department of Education and the  
3 executive director~~[president]~~ of the Kentucky Higher Education Assistance  
4 Authority~~[Council on Postsecondary Education]~~ shall convene appropriate  
5 postsecondary education and elementary and secondary educators and  
6 administrators to determine how this initiative might be developed, funded, and  
7 utilized to enhance research capabilities in the sciences and health-related fields or  
8 other appropriate fields of research.

9 ➔Section 165. KRS 158.840 is amended to read as follows:

10 (1) The General Assembly hereby finds that reading and mathematics proficiency are  
11 gateway skills necessary for all Kentucky students to achieve the academic goals  
12 established in KRS 158.6451. It is the General Assembly's intent that:

13 (a) All students in kindergarten through grade three (3) having difficulty in  
14 reading and mathematics receive early diagnosis and intervention services  
15 from highly trained teachers;

16 (b) All students in kindergarten through grade three (3) needing to make  
17 accelerated progress toward proficiency in mathematics based on data from  
18 valid and reliable universal screening and diagnostic assessments receive  
19 high-quality, evidence-based mathematics instruction and intervention aligned  
20 to the Kentucky academic standards for mathematics;

21 (c) All students demonstrate proficiency in reading and mathematics as they  
22 progress through the relevant curricula and complete each assessment level  
23 required by the Kentucky Board of Education for the state assessment  
24 program established under KRS 158.6453 and in compliance with the  
25 requirements of the federal Every Student Succeeds Act of 2015, Pub. L. No.  
26 114-95, or its successor; and

27 (d) Students who are struggling in reading and mathematics or are not at the

1           proficient level on statewide assessments shall be provided evidence-based  
2           and developmentally appropriate diagnostic and intervention services, and  
3           instructional modifications necessary to learn.

4           The General Assembly, the Kentucky Board of Education, the Kentucky  
5           Department of Education, the *Kentucky Higher Education Assistance*  
6           *Authority*~~[Council on Postsecondary Education]~~, colleges and universities, local  
7           boards of education, school administrators, school councils, teachers, parents and  
8           families, and other educational entities, such as the Education Professional  
9           Standards Board, P-16 councils, the statewide reading research center established  
10          under KRS 164.0207, and the Center for Middle School Academic Achievement  
11          must collaborate if the intentions specified in this subsection are to be met.  
12          Intensive focus on student achievement in reading and mathematics does not negate  
13          the responsibility of any entity to help students obtain proficiency in other core  
14          curriculum content areas.

15       (2) The General Assembly's role is to set policies that address the achievement levels of  
16          all students and provide resources for the professional growth of teachers and  
17          administrators, assessing students' academic achievement, including valid and  
18          reliable universal screening and diagnostic assessment and instructional  
19          interventions, technology innovations, targeted reading and mathematics statewide  
20          initiatives, research and the distribution of research findings, services for students  
21          beyond the regular school day, and other services needed to help struggling  
22          learners.

23       (3) The Kentucky Board of Education shall regularly review and modify, when  
24          appropriate, its statewide assessment policies and practices to enable local school  
25          districts and schools to carry out the provisions of the statewide assessment and  
26          accountability system, required under KRS 158.6453 to improve student  
27          achievement in mathematics and reading.

- 1 (4) The Kentucky Department of Education shall:
- 2 (a) Provide assistance to schools and teachers, including publicizing professional  
3 development opportunities, methods of measuring effective professional  
4 development, the availability of high quality instructional materials, and  
5 developmentally appropriate, valid, and reliable screening and diagnostic  
6 assessments of student competency in mathematics and reading. The  
7 department shall provide access to samples of units of study, annotated  
8 student work, diagnostic instruments, and research findings, and give  
9 guidance on parental engagement;
- 10 (b) Work with state and national educators and subject-matter experts to identify  
11 student reading and mathematical skills in each subject area that align with the  
12 state content standards adopted under KRS 158.6453 and identify teaching  
13 strategies in each subject area that can be used explicitly to develop the  
14 identified reading and mathematical skills under this paragraph;
- 15 (c) Encourage the development of comprehensive middle and high school  
16 adolescent reading and mathematics plans to be incorporated into the curricula  
17 of each subject area to improve the reading comprehension and mathematical  
18 skills of all students;
- 19 (d) Conduct an annual review of the state grant programs it manages and make  
20 recommendations, when needed, to the Interim Joint Committee on Education  
21 for changes to statutory requirements that are necessary to gain a greater  
22 return on investment;
- 23 (e) Provide administrative support and oversight to programs to train classroom  
24 coaches and mentors to help teachers with reading and mathematics  
25 instruction; and
- 26 (f) Require no reporting of instructional plans, formative assessment results, staff  
27 effectiveness processes, or interventions implemented in the classroom,

1           except for:

- 2           1. Interventions implemented under KRS 158.305(2) and 158.8402;
- 3           2. Funds provided under KRS 158.792 or 158.844; or
- 4           3. Schools that are identified for comprehensive support and improvement  
5           and fail to exit comprehensive support and improvement status after  
6           three (3) consecutive years of implementing the turnaround intervention  
7           process as described in KRS 160.346.

8 (5) The ***Kentucky Higher Education Assistance Authority***~~[Council on Postsecondary~~  
9 ~~Education]~~, in cooperation with the Education Professional Standards Board, shall  
10 exercise its duties and functions under KRS 164.020 to ensure that teacher  
11 education programs are fulfilling the needs of Kentucky for highly skilled teachers.

12 The ***authority***~~[council]~~ shall:

- 13 (a) Coordinate the federal and state grant programs it administers with other  
14 statewide initiatives relating to improving student achievement in reading and  
15 mathematics to avoid duplication of effort and to make efficient use of  
16 resources;
- 17 (b) No later than November 1 of each year, submit an annual report to the  
18 Legislative Research Commission for referral to the Interim Joint Committee  
19 on Education and the Interim Joint Committee on Appropriations and  
20 Revenue, summarizing the compliance of each teacher preparation program  
21 for alignment to early childhood education or elementary regular education  
22 standards and to the instructional requirements set forth in KRS 164.306(1)  
23 and 164.3061; and
- 24 (c) Require that an external evaluator provide an annual analysis of the ability of  
25 teacher preparation programs to properly train and equip teacher preparation  
26 program students with the literacy and mathematics content knowledge and  
27 skills to educate students in kindergarten through grade three (3).

- 1 (6) The Education Professional Standards Board shall exercise its duties and  
2 responsibilities under KRS 161.030 and 161.048 to ensure highly qualified  
3 teachers.
- 4 (7) Colleges and universities shall:
- 5 (a) Utilize institution-wide resources to work with elementary and secondary  
6 educators and other entities to align curriculum content to ensure that students  
7 who achieve proficiency on standards established at the prekindergarten  
8 through secondary levels will require no remediation to successfully enter a  
9 postsecondary education program;
- 10 (b) Provide quality undergraduate teacher preparation programs to ensure that  
11 those preparing to teach reading or mathematics at all grade levels have the  
12 necessary content knowledge, assessment and diagnostic skills, and teaching  
13 methodologies and that teachers in all subject areas have the requisite skills  
14 for helping students at all grade levels develop critical strategies and skills for  
15 reading and comprehending subject matter;
- 16 (c) Deliver evidence-based continuing education for teachers in reading and  
17 mathematics through institutes, graduate level courses, and other professional  
18 development activities that support a statewide agenda for improving student  
19 achievement in reading and mathematics;
- 20 (d) Conduct or assist with research on best practices in assessment, intervention  
21 strategies, teaching methodologies, costs and effectiveness of instructional  
22 models, and other factors as appropriate to reading and mathematics;
- 23 (e) Provide staff to consult and provide technical assistance to teachers, staff, and  
24 administrators at elementary, middle, and secondary school sites;
- 25 (f) Assume active roles in the statewide initiatives referenced in KRS 156.553  
26 and 158.842; and
- 27 (g) Develop written procedures for measuring the effectiveness of activities



1 outlined in paragraphs (a) to (f) of this subsection.

2 (8) School councils at all school levels are encouraged to identify and allocate  
3 resources to qualified teachers to become coaches or mentors in mathematics or  
4 coaches or mentors in reading with a focus on improving student achievement in  
5 their respective schools.

6 (9) Local school boards and superintendents shall provide local resources to  
7 supplement or match state and federal resources to support teachers, school  
8 administrators, and school councils in helping students achieve proficiency in  
9 reading and mathematics.

10 (10) Local school superintendents shall provide leadership and resources to the  
11 principals of all schools to facilitate curriculum alignment, communications, and  
12 technical support among schools to ensure that students are academically prepared  
13 to move to the next level of schooling.

14 ➔Section 166. KRS 158.842 is amended to read as follows:

15 (1) The Committee for Mathematics Achievement is hereby created for the purposes of  
16 developing a multifaceted strategic plan to improve student achievement in  
17 mathematics at all levels of schooling, prekindergarten through postsecondary and  
18 adult. At a minimum the plan shall address:

19 (a) Evidence-based curriculum that is aligned prekindergarten through  
20 postsecondary, including consensus among high school teachers and  
21 postsecondary education faculty about expectations, curriculum, and  
22 assessment;

23 (b) Attitudes and beliefs of teachers about mathematics;

24 (c) Teachers' knowledge of mathematics;

25 (d) Diagnostic assessment, intervention services, universal screeners, and  
26 instructional strategies;

27 (e) Shortages of teachers of mathematics, including incentives to attract strong

- 1 candidates to mathematics teaching;
- 2 (f) Statewide institutes that prepare cadres of mathematics leaders in local school  
3 districts, which may include highly skilled retired mathematics teachers, to  
4 serve as coaches and mentors in districts and schools;
- 5 (g) Cohesive continuing education options for experienced mathematics  
6 classroom teachers;
- 7 (h) Closing the student achievement gap among various student subpopulations;
- 8 (i) Curriculum expectations and assessments of students among the various  
9 school levels, prekindergarten, primary, elementary, middle, and high school;
- 10 (j) Curriculum expectations and assessments for adult education centers;
- 11 (k) Introductory postsecondary education mathematics courses that are  
12 appropriate to the wide array of academic programs and majors;
- 13 (l) Research to analyze further the issues of transition from high school or High  
14 School Equivalency Diploma programs to postsecondary education  
15 mathematics; and
- 16 (m) The early mathematics testing program under KRS 158.803.
- 17 Other factors may be included in the strategic plan as deemed appropriate by the  
18 committee to improve mathematics achievement of Kentucky students.
- 19 (2) The committee shall be composed of twenty-three (23) members as follows:
- 20 (a) The commissioner of education or his or her designee;
- 21 (b) The executive director~~[president]~~ of the Kentucky Higher Education  
22 Assistance Authority~~[Council on Postsecondary Education]~~ or his or her  
23 designee;
- 24 (c) The president of the Association of Independent Kentucky Colleges and  
25 Universities or his or her designee;
- 26 (d) The secretary of the Education and Labor Cabinet or his or her designee;
- 27 (e) Four (4) representatives with a specialty in mathematics or mathematics

- 1 education who have expertise and experience in professional development,  
2 especially with coaching and mentoring of teachers, from any of the public  
3 postsecondary education institutions defined in KRS 164.001. The  
4 representatives shall be selected by mutual agreement of the executive  
5 director~~[president]~~ of the Kentucky Higher Education Assistance  
6 Authority~~[Council on Postsecondary Education]~~ and the commissioner of  
7 education;
- 8 (f) One (1) adult education mathematics instructor selected by the secretary of  
9 the Education and Labor Cabinet;
- 10 (g) Two (2) elementary, two (2) middle, and two (2) high school mathematics  
11 teachers, appointed by the commissioner of education;
- 12 (h) Three (3) school administrators or building-level mathematics instructional  
13 coaches, with one (1) each representing elementary, middle, and high school,  
14 appointed by the commissioner of education;
- 15 (i) Two (2) district administrators or district-level mathematics instructional  
16 coaches appointed by the commissioner of education;
- 17 (j) The executive director of the Center for Mathematics created under KRS  
18 164.525 or his or her designee;
- 19 (k) The executive director of AdvanceKentucky or his or her designee; and
- 20 (l) The executive director of the Partnership Institute for Math and Science  
21 Education Reform or his or her designee.
- 22 (3) A majority of the membership present shall constitute a quorum.
- 23 (4) Each member of the committee, other than members who serve by virtue of their  
24 positions, shall serve for a term of three (3) years or until a successor is appointed  
25 and qualified.
- 26 (5) A chair of the committee shall be elected each calendar year. An individual may not  
27 serve as chair for more than three (3) consecutive years. The chair shall be the

- 1       presiding officer of the committee, and coordinate the functions and activities of the  
2       committee.
- 3       (6) The committee shall be attached to the Kentucky Department of Education for  
4       administrative purposes. The commissioner of education shall contract with a  
5       mathematics-trained professional to provide part-time staff support to the  
6       committee. The commissioner of education and the executive director~~[president]~~ of  
7       the authority~~[council]~~ shall reach consensus in the selection of a person to fill the  
8       position. The person selected shall have a graduate degree, a mathematics or  
9       mathematics education major, and teaching or administrative experience in  
10      elementary and secondary education. The person shall not be a current employee of  
11      any entity represented on the committee. The department shall provide office space  
12      and other resources necessary to support the staff position and the work of the  
13      committee.
- 14      (7) The committee, under the leadership of the chair, may organize itself into  
15      appropriate subcommittees and work structures to accomplish the purposes of the  
16      committee.
- 17      (8) Members of the committee shall serve without compensation but shall be  
18      reimbursed for necessary travel and expenses while attending meetings at the same  
19      per diem rate promulgated in administrative regulation for state employees under  
20      provisions of KRS Chapter 45. Funds shall be provided school districts to cover the  
21      cost of substitute teachers for those teachers on the committee at each district's  
22      established rate for substitute teachers.
- 23      (9) If a vacancy occurs within the committee during its duration, the vacancy shall be  
24      filled in the same manner as set forth in the original appointment.
- 25      (10) The committee shall provide a final written report of committee activities and  
26      progress regarding the strategic plan required under subsection (1) of this section to  
27      the Interim Joint Committee on Education and the Legislative Research

1 Commission by May 1, 2025.

2 (11) 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 (12) The committee shall collaborate with the Center for Mathematics to ensure that  
9 there is ongoing identification of research and evidence-based intervention  
10 programs for K-12 students who have fallen behind in mathematics, rigorous  
11 mathematics curricula that prepare students for the next level of schooling, research  
12 and evidence-based professional development models that prepare teachers in  
13 mathematics and pedagogy, and strategies for closing the gap between high school  
14 or a High School Equivalency Diploma program and postsecondary mathematics  
15 preparation.

16 ➔Section 167. KRS 158.844 is amended to read as follows:

17 (1) The mathematics achievement fund is hereby created to provide developmentally  
18 appropriate diagnostic assessment and intervention services to students, primary  
19 through grade 12, to help them reach proficiency in mathematics on the state  
20 assessments under KRS 158.6453 and in compliance with the "No Child Left  
21 Behind Act of 2001," 20 U.S.C. secs. 6301 et seq., as required under KRS 158.840.

22 (2) The grant funds may be used to support the implementation of diagnostic and  
23 intervention services in mathematics. The use of funds may include: pay for  
24 extended time for teachers, released time for teachers to serve as coaches and  
25 mentors or to carry out other responsibilities needed in the implementation of  
26 intervention services, payment of substitute teachers needed for the support of  
27 mathematics teachers, purchase of materials needed for modification of instruction,

- 1 and other costs associated with diagnostic and intervention services or to cover  
2 other costs deemed appropriate by the Kentucky Board of Education.
- 3 (3) The fund shall:
- 4 (a) Provide funding for the Center for Mathematics created in KRS 164.525 and  
5 the costs of training selected teachers in the diagnostic assessment and  
6 intervention skills that are needed to assist struggling students in the primary  
7 program and other grade levels;
- 8 (b) Provide renewable, two (2) year local grants to school districts and for  
9 purposes described in subsection (2) of this section; and
- 10 (c) Provide operational funding for the Committee for Mathematics Achievement  
11 created in KRS 158.842.
- 12 (4) Any funds appropriated to the mathematics achievement fund that are specifically  
13 designated by the General Assembly to support the Center for Mathematics shall be  
14 appropriated to the *Kentucky Higher Education Assistance Authority*~~[Council on~~  
15 ~~Postsecondary Education]~~ and distributed to the university administering the center,  
16 as determined by the *authority*~~[council]~~ under KRS 164.525.
- 17 (5) Any moneys in the fund at the close of a fiscal year shall not lapse but shall be  
18 carried forward to be used for the purposes specified in this section.
- 19 (6) Any interest earnings of the fund shall become a part of the fund and shall not  
20 lapse.
- 21 (7) (a) Any funds appropriated to the mathematics achievement fund and specifically  
22 designated by the General Assembly as funding for grants to local school  
23 districts or to support the Committee for Mathematics Achievement shall be  
24 administered by the Kentucky Department of Education.
- 25 (b) The Kentucky Board of Education shall promulgate administrative regulations  
26 relating to the grants for local school districts based on recommendations  
27 from the Committee for Mathematics Achievement, the secretary of the

1 Education and Labor Cabinet, the commissioner of education, and the Center  
2 for Mathematics established in KRS 164.525. The administrative regulations  
3 shall:

- 4 1. Identify eligibility criteria for grant applicants;
- 5 2. Specify the criteria for acceptable diagnostic assessments and  
6 intervention programs and coaching and mentoring programs;
- 7 3. Establish the minimum annual evaluation process for each grant  
8 recipient;
- 9 4. Identify the annual data that must be provided from each grant recipient;
- 10 5. Define the application and approval process;
- 11 6. Establish matching fund requirements if deemed necessary by the board;
- 12 7. Define the obligations for professional development and continuing  
13 education for teachers, administrators, and staff of each grant recipient;
- 14 8. Establish the conditions for renewal of a two (2) year grant; and
- 15 9. Specify other conditions necessary to implement the purposes of this  
16 section.

17 (c) As part of the application process, the board shall require that a grant  
18 applicant provide assurances that the following principles will be met if the  
19 applicant's request for funding is approved:

- 20 1. Mathematics instruction will be standards-based and utilize research-  
21 based practices;
- 22 2. Intervention and support services will supplement, not replace, regular  
23 classroom instruction; and
- 24 3. Intervention services will be provided to primary program students and  
25 other students who are at risk of mathematics failure within the school  
26 based upon ongoing assessments of their needs.

27 (d) If matching funds are required, the school council or, if none exists, the

1 principal or the superintendent of schools, shall allocate matching funds.  
2 Funding for professional development allocated to the school council under  
3 KRS 160.345 and for continuing education under KRS 158.070 may be used  
4 to provide a portion or all of a school's required match.

5 (e) The Department of Education shall make available to schools:

- 6 1. Information from the Center for Mathematics regarding diagnostic  
7 assessment and intervention programs and coaching and mentoring  
8 programs of proven-practice in meeting the needs of primary students  
9 and other students who are at risk of failure;
- 10 2. Technical assistance to potential applicants and grant recipients;
- 11 3. A list of professional development providers offering teacher training in  
12 diagnostic assessment and intervention strategies and coaching and  
13 mentoring; and
- 14 4. Information from the Center for Mathematics on how to communicate to  
15 parents effective ways of interacting with their children to improve their  
16 mathematics concepts, skills, and understanding.

17 (f) The Department of Education shall submit a report to the Interim Joint  
18 Committee on Education no later than September 1 of each year outlining the  
19 use of grant funds. By November 1, 2007, the Department of Education with  
20 input from the Committee for Mathematics Achievement and the Center for  
21 Mathematics shall conduct a statewide needs assessment of the resources  
22 needed in each school to help each child achieve proficiency in mathematics  
23 by the year 2014 and report to the Interim Joint Committee on Education an  
24 estimate of the cost and a specific timeline for meeting the goal established by  
25 the Commonwealth.

26 ➔Section 168. KRS 160.348 is amended to read as follows:

27 (1) (a) The Kentucky Department of Education shall make available to middle and



1 high schools information concerning the prerequisite content necessary for  
2 success in secondary courses, Advanced Placement or AP courses, and  
3 International Baccalaureate or IB courses. The department shall provide  
4 sample syllabi, instructional resources, and instructional supports for teachers  
5 that will assist in preparing students for more rigorous coursework.  
6 Instructional supports shall include professional development for assisting  
7 students enrolled in the Kentucky Virtual High School or other virtual  
8 learning settings.

9 (b) Each secondary school-based decision making council shall offer a core  
10 curriculum of AP, IB, dual enrollment, or dual credit courses, using either or  
11 both on-site instruction or electronic instruction through the Kentucky Virtual  
12 High School or other on-line alternatives. In addition, each school-based  
13 decision making council shall comply with any additional requirements for  
14 AP, IB, dual enrollment, and dual credit courses that may be established  
15 cooperatively by the Kentucky Department of Education, the Education  
16 Professional Standards Board, and the Kentucky Higher Education  
17 Assistance Authority~~[Council on Postsecondary Education]~~ in accordance  
18 with the definitions in KRS 158.007.

19 (2) Each secondary school-based decision making council shall establish a policy on  
20 the recruitment and assignment of students to AP, IB, dual enrollment, and dual  
21 credit courses that recognizes that all students have the right to participate in a  
22 rigorous and academically challenging curriculum. All students who are willing to  
23 accept the challenge of a rigorous academic curriculum shall be admitted to AP  
24 courses, including AP courses offered through the Kentucky Virtual High School  
25 and accepted for credit toward graduation under KRS 158.622(3)(a), IB courses,  
26 dual enrollment courses, and dual credit courses, if they have successfully  
27 completed the prerequisite coursework or have otherwise demonstrated mastery of

1 the prerequisite content knowledge and skills as determined by measurable  
2 standards. If a school does not offer an AP course in a particular subject area, the  
3 school shall permit a qualified student to enroll in the AP course offered by the  
4 Kentucky Virtual High School and receive credit toward graduation under KRS  
5 158.622(3)(a).

6 (3) Effective with the 2008-2009 school year and thereafter, students enrolled in AP or  
7 IB courses in the public schools shall have the cost of the examinations paid by the  
8 Kentucky Department of Education.

9 ➔Section 169. KRS 160.730 is amended to read as follows:

10 (1) Parents or eligible students may challenge the content of a student record to ensure  
11 that the record or report is not inaccurate, misleading, or otherwise in violation of  
12 privacy or other rights of the student. The right to challenge shall also provide the  
13 opportunity for rebuttal to, and the correction, deletion, or expunction of, any  
14 inaccurate, misleading, or inappropriate information.

15 (2) A challenge to the record may take the form of an informal discussion among the  
16 parents, student, and school officials. Any agreement between these parties shall be  
17 reduced in writing, signed by all parties, and placed in the student's records. If no  
18 agreement can be reached, either party may request a formal hearing to the  
19 challenge which shall be conducted in accordance with procedures established by  
20 rules and regulations of the Department of Education and the Kentucky Higher  
21 Education Assistance Authority~~[Council on Postsecondary Education]~~ for  
22 educational institutions under their jurisdiction. The rules and regulations shall  
23 provide that a formal hearing be conducted within a reasonable time after the  
24 request for a hearing; and an official of the educational institution who has no direct  
25 interest in the outcome of the challenge shall conduct the hearing and render a  
26 decision on the challenge within a reasonable time after the hearing. All parties to  
27 the challenge shall be afforded a full and fair opportunity to present evidence

1 relevant to the issues raised. Furthermore, school officials shall take the necessary  
2 action to implement the decision.

3 ➔Section 170. KRS 161.027 is amended to read as follows:

- 4 (1) The Education Professional Standards Board, pursuant to KRS 161.028, shall by  
5 administrative regulation establish requirements for a preparation program in  
6 institutions of higher education for all new applicants for principal certification and  
7 establish criteria for admission to the program.
- 8 (2) The Education Professional Standards Board and the *Kentucky Higher Education*  
9 *Assistance Authority*~~[Council on Postsecondary Education]~~ shall evaluate the  
10 preparation programs for principals and maintain only those institutional programs  
11 that can demonstrate both the quality and the capability to enroll adequate numbers  
12 of students to justify the resources necessary for maintenance of a quality program.
- 13 (3) The Education Professional Standards Board shall develop or select appropriate  
14 assessments for applicants seeking certification as principals, including an  
15 assessment of the ability to apply knowledge, instructional leadership, management,  
16 and supervision skills.
- 17 (4) The Education Professional Standards Board shall establish the minimum score for  
18 successful completion of assessments and shall establish a reasonable fee to be  
19 charged applicants for the actual cost of administration of the assessments. The  
20 Education Professional Standards Board shall provide for confidentiality of  
21 assessment scores.
- 22 (5) The Education Professional Standards Board shall develop an internship program  
23 which shall provide for the supervision, assistance, and assessment of beginning  
24 principals and assistant principals. The internship shall not be required of applicants  
25 who have completed, within a ten (10) year period prior to making application, at  
26 least two (2) years of successful experience as a principal in a school situation. The  
27 Education Professional Standards Board, by administrative regulation, shall

1 establish the internship program.

2 (6) The certification of principals shall require the successful completion of the  
3 examinations required by subsection (3) of this section. A one (1) year certificate  
4 may be given to a person who has:

5 (a) A comparable certificate from another state; or

6 (b) All other qualifications except the assessments and is selected as a principal or  
7 assistant principal in a district where the superintendent certifies to the  
8 Education Professional Standards Board that there is a limited number of  
9 applicants to meet the requirements.

10 Upon successful completion of the assessments, a certificate shall be issued for an  
11 additional four (4) years. A person employed in Kentucky as a principal or assistant  
12 principal who was certified in another state and practiced in that state for two (2) or  
13 more years is exempt from taking the assessment described in subsection (3)(a) of  
14 this section.

15 (7) Upon successful completion of the approved preparation program and the  
16 assessments, the Education Professional Standards Board shall issue to the  
17 applicant a statement of eligibility for internship valid for five (5) years. If the  
18 applicant does not participate in an internship program within the five (5) year  
19 period, the applicant shall reestablish eligibility by repeating and passing the  
20 assessments in effect at that time or by completing a minimum of six (6) graduate  
21 hours, directly related to instructional leadership, management, or supervision, at a  
22 regionally or nationally accredited institution. The option for renewal through  
23 completion of graduate hours shall be available only for the first reestablishment of  
24 eligibility. Upon obtaining employment for an internship position as principal or  
25 assistant principal within the period of eligibility, the applicant shall be issued the  
26 appropriate one (1) year certificate for the position.

27 (8) All applicants for principal certification, after successfully completing the

1 assessments, shall successfully complete the internship program described in  
2 subsection (5) of this section for principal certification. If the principal's or assistant  
3 principal's internship performance is judged to be less than satisfactory pursuant to  
4 administrative regulations developed by the Education Professional Standards  
5 Board, the applicant for principal certification shall be provided with an opportunity  
6 to repeat the internship one (1) time if the applicant is employed by a school district  
7 as a principal or assistant principal.

8 (9) Following successful completion of the internship program, the principal certificate  
9 shall be extended for four (4) years. Renewal of the certificate shall require the  
10 completion of a continuing education requirement as prescribed by the Education  
11 Professional Standards Board.

12 ➔Section 171. KRS 161.028 is amended to read as follows:

13 (1) The Education Professional Standards Board is recognized to be a public body  
14 corporate and politic and an agency and instrumentality of the Commonwealth, in  
15 the performance of essential governmental functions. The Education Professional  
16 Standards Board has the authority and responsibility to:

17 (a) Establish standards and requirements for obtaining and maintaining a teaching  
18 certificate;

19 (b) Set standards for, approve, and evaluate college, university, and school district  
20 programs for the preparation of teachers and other professional school  
21 personnel. College or university programs may be approved by the board for a  
22 college or university with regional institutional level accreditation or national  
23 institutional level accreditation that is recognized by the United States  
24 Department of Education and is eligible to receive federal funding under 20  
25 U.S.C. secs. 1061 to 1063. Program standards shall reflect national standards  
26 and shall address, at a minimum, the following:

27 1. The alignment of programs with the state's core content for assessment

- 1 as defined in KRS 158.6457;
- 2 2. Research-based classroom practices, including effective classroom  
3 management techniques;
- 4 3. Emphasis on subject matter competency of teacher education students;
- 5 4. Methodologies to meet diverse educational needs of all students;
- 6 5. The consistency and quality of classroom and field experiences,  
7 including early practicums and student teaching experiences;
- 8 6. The amount of college-wide or university-wide involvement and support  
9 during the preparation as well as the induction of new teachers;
- 10 7. The diversity of faculty;
- 11 8. The effectiveness of partnerships with local school districts; and
- 12 9. The performance of graduates on various measures as determined by the  
13 board;
- 14 (c) Conduct an annual review of diversity in teacher preparation programs;
- 15 (d) Provide assistance to universities and colleges in addressing diversity, which  
16 may include researching successful strategies and disseminating the  
17 information, encouraging the development of nontraditional avenues of  
18 recruitment and providing incentives, waiving administrative regulations  
19 when needed, and other assistance as deemed necessary;
- 20 (e) Discontinue approval of programs that do not meet standards or whose  
21 graduates do not perform according to criteria set by the board;
- 22 (f) Issue, renew, revoke, suspend, or refuse to issue or renew; impose  
23 probationary or supervisory conditions upon; issue a written reprimand or  
24 admonishment; or any combination of actions regarding any certificate;
- 25 (g) Develop specific guidelines to follow upon receipt of an allegation of sexual  
26 misconduct by an employee certified by the Education Professional Standards  
27 Board. The guidelines shall include investigation, inquiry, and hearing

- 1 procedures which ensure the process does not revictimize the alleged victim  
2 or cause harm if an employee is falsely accused;
- 3 (h) Receive, along with investigators hired by the Education Professional  
4 Standards Board, training on the dynamics of sexual misconduct of  
5 professionals, including the nature of this abuse of authority, characteristics of  
6 the offender, the impact on the victim, the possibility and the impact of false  
7 accusations, investigative procedures in sex offense cases, and effective  
8 intervention with victims and offenders;
- 9 (i) Recommend to the Kentucky Board of Education the essential data elements  
10 relating to teacher preparation and certification, teacher supply and demand,  
11 teacher attrition, teacher diversity, and employment trends to be included in a  
12 state comprehensive data and information system and periodically report data  
13 to the Interim Joint Committee on Education;
- 14 (j) Submit reports to the Governor and the Legislative Research Commission and  
15 inform the public on the status of teaching in Kentucky;
- 16 (k) Devise a credentialing system that provides alternative routes to gaining  
17 certification and greater flexibility in staffing local schools while maintaining  
18 standards for teacher competence;
- 19 (l) Develop a professional code of ethics;
- 20 (m) Charge reasonable fees for the issuance, reissuance, and renewal of  
21 certificates that are established by administrative regulation. The proceeds  
22 shall be used to meet a portion of the costs of the issuance, reissuance, and  
23 renewal of certificates, and the costs associated with disciplinary action  
24 against a certificate holder under KRS 161.120;
- 25 (n) Waive a requirement that may be established in an administrative regulation  
26 promulgated by the board. A request for a waiver shall be submitted to the  
27 board, in writing, by an applicant for certification, a postsecondary institution,

1 or a superintendent of a local school district, with appropriate justification for  
2 the waiver. The board may approve the request if the person or institution  
3 seeking the waiver has demonstrated extraordinary circumstances justifying  
4 the waiver. Any waiver granted under this subsection shall be subject to  
5 revocation if the person or institution falsifies information or subsequently  
6 fails to meet the intent of the waiver;

7 (o) Promote the development of one (1) or more innovative, nontraditional or  
8 alternative administrator or teacher preparation programs through public or  
9 private colleges or universities, private contractors, the Department of  
10 Education, or the Kentucky Commonwealth Virtual University and waive  
11 administrative regulations if needed in order to implement the program;

12 (p) Grant approval, if appropriate, of a university's request for an alternative  
13 program that enrolls an administrator candidate in a postbaccalaureate  
14 administrator preparation program concurrently with employment as an  
15 assistant principal, principal, assistant superintendent, or superintendent in a  
16 local school district. An administrator candidate in the alternative program  
17 shall be granted a temporary provisional certificate and shall be a candidate in  
18 the Kentucky Principal Internship Program, notwithstanding provisions of  
19 KRS 161.030, or the Superintendent's Assessment process, notwithstanding  
20 provisions of KRS 156.111, as appropriate. The temporary certificate shall be  
21 valid for a maximum of two (2) years, and shall be contingent upon the  
22 candidate's continued enrollment in the preparation program and compliance  
23 with all requirements established by the board. A professional certificate shall  
24 be issued upon the candidate's successful completion of the program,  
25 internship requirements, and assessments as required by the board;

26 (q) Employ consultants as needed;

27 (r) Enter into contracts. Disbursements to professional educators who receive less



- 1 than one thousand dollars (\$1,000) in compensation per fiscal year from the  
2 board for serving on an assessment validation panel or as a test scorer or  
3 proctor shall not be subject to KRS 45A.690 to 45A.725;
- 4 (s) Sponsor studies, conduct research, conduct conferences, and publish  
5 information as appropriate; and
- 6 (t) Issue orders as necessary in any administrative action before the board.
- 7 (2) (a) The board shall be composed of seventeen (17) members. The secretary of the  
8 Education and Labor Cabinet and the executive director~~[president]~~ of the  
9 Kentucky Higher Education Assistance Authority~~[Council on Postsecondary  
10 Education]~~, or their designees, shall serve as ex officio voting members. The  
11 Governor shall make the following fifteen (15) appointments:
- 12 1. Nine (9) members who shall be teachers representative of elementary,  
13 middle or junior high, secondary, special education, and secondary  
14 vocational classrooms;
  - 15 2. Two (2) members who shall be school administrators, one (1) of whom  
16 shall be a school principal;
  - 17 3. One (1) member representative of local boards of education; and
  - 18 4. Three (3) members representative of postsecondary institutions, two (2)  
19 of whom shall be deans of colleges of education at public universities  
20 and one (1) of whom shall be the chief academic officer of an  
21 independent not-for-profit college or university.
- 22 (b) The members appointed by the Governor shall be confirmed by the Senate  
23 under KRS 11.160. If the General Assembly is not in session at the time of the  
24 appointment, persons appointed shall serve prior to confirmation, but the  
25 Governor shall seek the consent of the Senate at the next regular session or at  
26 an intervening extraordinary session if the matter is included in the call of the  
27 General Assembly.

- 1 (c) Each appointed member shall serve a three (3) year term. A vacancy on the  
2 board shall be filled in the same manner as the original appointment within  
3 sixty (60) days after it occurs. A member shall continue to serve until his or  
4 her successor is named. Any member who, through change of employment  
5 status or residence, or for other reasons, no longer meets the criteria for the  
6 position to which he or she was appointed shall no longer be eligible to serve  
7 in that position.
- 8 (d) Members of the board shall serve without compensation but shall be permitted  
9 to attend board meetings and perform other board business without loss of  
10 income or other benefits.
- 11 (e) A state agency or any political subdivision of the state, including a school  
12 district, required to hire a substitute for a member of the board who is absent  
13 from the member's place of employment while performing board business  
14 shall be reimbursed by the board for the actual amount of any costs incurred.
- 15 (f) A chairman shall be elected by and from the membership. A member shall be  
16 eligible to serve no more than three (3) one (1) year terms in succession as  
17 chairman. Regular meetings shall be held at least semiannually on call of the  
18 chairman.
- 19 (g) The commissioner of education shall serve as executive secretary to the board  
20 and may designate staff to facilitate his or her duties.
- 21 (h) To carry out the functions relating to its duties and responsibilities, the board  
22 is empowered to receive donations and grants of funds; to appoint consultants  
23 as needed; and to sponsor studies, conduct conferences, and publish  
24 information.

25 ➔Section 172. KRS 161.165 is amended to read as follows:

- 26 (1) The Kentucky Department of Education in cooperation with the Education  
27 Professional Standards Board, the Kentucky Board of Education, local school

1 districts, universities, and colleges, and the *Kentucky Higher Education Assistance*  
 2 *Authority*~~[Council on Postsecondary Education]~~ shall review and revise as needed  
 3 the strategic plan for increasing the number of minority teachers and administrators  
 4 in the Commonwealth. The plan shall include, but not be limited to,  
 5 recommendations on ways to:

- 6 (a) Identify methods for increasing the percentage of minority educators in  
 7 proportion to the number of minority students;
- 8 (b) Establish programs to identify, recruit, and prepare as teachers minority  
 9 persons who have already earned college degrees in other job fields;
- 10 (c) Create awareness among secondary school guidance counselors of the need  
 11 for minority teachers.

12 (2) The Kentucky Department of Education and the Education Professional Standards  
 13 Board shall promote programs that increase the percentage of minorities who enter  
 14 and successfully complete a four (4) year teacher preparation program and provide  
 15 support to minority students in meeting qualifying requirements for students  
 16 entering a teacher preparation program at institutions of higher education.

17 (3) The Kentucky Department of Education with input from the Education Professional  
 18 Standards Board shall periodically submit a report to the Interim Joint Committee  
 19 on Education that evaluates the results of these efforts and includes accompanying  
 20 recommendations to establish a continuing program for increasing the number of  
 21 minorities in teacher education.

22 ➔Section 173. KRS 161.167 is amended to read as follows:

23 (1) By January 1, 2001, the Kentucky Department of Education, with help from  
 24 representatives of the Education Professional Standards Board,~~[the Council on~~  
 25 ~~Postsecondary Education,]~~ the Kentucky Higher Education Assistance Authority,  
 26 the Association of Independent Kentucky Colleges and Universities, public and  
 27 private not-for-profit postsecondary institutions, and local educational agencies,

1 shall develop a plan, including timelines for implementation, for a multidimensional  
2 recruitment and information program, to encourage persons to enter the teaching  
3 profession and to seek employment in Kentucky.

4 (2) The program shall not supplant or diminish current efforts required in KRS  
5 161.165.

6 (3) The components of the program shall include:

7 (a) Early recruitment programs to inform middle and high school students about  
8 the potential of teaching as a career;

9 (b) Programs to encourage paraprofessionals in schools, as well as other  
10 nontraditional students, to pursue additional education to become teachers;

11 (c) Programs to enlist highly skilled career employees in specific content areas to  
12 pursue teaching as a second career;

13 (d) Options for recruiting persons with liberal arts and sciences majors and  
14 current students with nondeclared majors into nontraditional and accelerated  
15 teacher preparation programs;

16 (e) Marketing strategies for informing the public of the importance of high  
17 quality teaching to student achievement, the value of teachers to society as a  
18 whole, the benefits and rewards of teaching, and the options for entering  
19 teacher preparation, including scholarship information; and

20 (f) Expanding the Kentucky Department of Education's electronic bulletin board  
21 for certified vacancies in local school districts to include an option for  
22 potential teachers to voluntarily post their availability for education positions  
23 within the state.†

24 ~~(4) No later than March 15, 2001, the Department of Education shall present a status~~  
25 ~~report of the recruitment and information program to the Interim Joint Committee~~  
26 ~~on Education; and no later than October 15, 2001, the Department of Education~~  
27 ~~shall present to the Interim Joint Committee on Education and the Interim Joint~~

1 ~~Committee on Appropriations and Revenue a summary report with~~  
2 ~~recommendations.]~~

3 ➔Section 174. KRS 164.038 is amended to read as follows:

- 4 (1) (a) There is hereby created an endowment fund as defined in KRS 273.600 called  
5 the endowed research fund to be administered by the authority~~ouncil~~ for  
6 the purposes of funding the work of research consortiums selected by the  
7 authority~~ouncil~~ in accordance with subsection (2) of this section.
- 8 (b) The endowed research fund shall contain moneys received from the general  
9 fund, federal funds, and any other proceeds from contributions, gifts, or grants  
10 made available for the purposes of the fund.
- 11 (c) Moneys deposited in the endowed research fund are hereby appropriated for  
12 the purposes under this section.
- 13 (d) All moneys in the endowed research fund shall be endowed in accordance  
14 with KRS 273.600 to 273.645.
- 15 (e) Notwithstanding KRS 45.229, moneys in the endowed research fund at the  
16 close of a fiscal year shall not lapse but shall be carried forward to the next  
17 fiscal year. Any interest earnings of the fund shall be transferred quarterly on  
18 a pro rata basis to the five (5) consortium accounts created in paragraph (g) of  
19 this subsection.
- 20 (f) Notwithstanding KRS 42.500, moneys in the endowed research fund shall be  
21 invested in accordance with endowment management best practices.
- 22 (g) The endowed research fund shall contain five (5) consortium accounts. Each  
23 consortium account shall be reserved for funding the research consortium  
24 assigned to the account by the authority~~ouncil~~ in accordance with  
25 subsection (2) of this section. Each consortium account shall contain interest  
26 earnings from the endowed research fund transferred quarterly under  
27 paragraph (e) of this subsection by the authority~~ouncil~~, federal funds, and

1           any other proceeds from contributions, gifts, or grants made available for the  
2           purposes of the account.

3       (2) The authority~~[council]~~ shall solicit, accept, and review joint funding applications  
4       submitted by two (2) or more Kentucky public universities to receive funding from  
5       a consortium account. Each joint funding application shall be reviewed using  
6       criteria established by the authority~~[council]~~ in accordance with subsection (6) of  
7       this section. The authority~~[council]~~ shall select five (5) high-quality research  
8       consortiums to receive funding from a consortium account. Each research  
9       consortium selected by the authority~~[council]~~ shall be assigned to a unique  
10      consortium account within the fund for a term of five (5) years.

11      (3) Moneys in the five (5) consortium accounts shall constitute seed money for the  
12      research consortium assigned to the account by the authority~~[council]~~ to perform  
13      initial research and to prepare proposals to seek grant money from public and  
14      private sources in larger funding amounts.

15      (4) Prior to the expiration of a research consortium's term of eligibility under  
16      subsection (2) of this section to receive funding from a consortium account, the  
17      authority~~[council]~~ shall review the performance of the research consortium to  
18      determine whether:

19      (a) The term of eligibility of the research consortium should be renewed for up to  
20      five (5) additional years; or

21      (b) The research consortium's eligibility to receive funding from the endowed  
22      research fund should be terminated.

23      (5) The authority~~[council]~~ shall maintain a research consortium assigned to each of the  
24      five (5) accounts within the endowed research fund. If a research consortium's  
25      eligibility to receive funding from the endowed research fund is terminated, the  
26      authority~~[council]~~ shall solicit, accept, and review joint funding applications to fill  
27      the vacancy in accordance with subsection (2) of this section.

1 (6) The authority~~[council]~~ shall promulgate administrative regulations in accordance  
2 with this subsection and KRS Chapter 13A to administer this section. The  
3 administrative regulations shall include metrics to evaluate joint funding  
4 applications submitted by two (2) or more Kentucky public universities in  
5 accordance with subsection (2) of this section. The metrics shall include but not be  
6 limited to the research consortium's:

- 7 (a) Impact upon human quality of life advancements, prioritizing innovations that  
8 advance medicine, health, or economic development; and
- 9 (b) 1. Additional funding sources for seed money to perform initial research  
10 and to prepare proposals to seek grant money from public and private  
11 sources in larger funding amounts; and
- 12 2. Anticipated future funding sources and amounts.

13 (7) The authority~~[council]~~ may expend up to four percent (4%) of all interest earnings  
14 of the endowed research fund on the costs of managing and administering the  
15 endowed research fund.

16 ➔Section 175. KRS 164.2802 is amended to read as follows:

17 (1) The Kentucky Nuclear Energy Development Authority is hereby established and  
18 attached to the University of Kentucky Center for Applied Energy Research for  
19 administrative purposes. The mission of the Kentucky Nuclear Energy  
20 Development Authority shall be to:

- 21 (a) Serve as the nonregulatory, trusted state government agency on nuclear  
22 energy issues and development in the Commonwealth; and
- 23 (b) Support and facilitate the development of the nuclear energy ecosystem across  
24 the Commonwealth in a collaborative manner that:
- 25 1. Enhances the Commonwealth's economy;
- 26 2. Offers energy production and economic development opportunities that  
27 are safe;

- 1           3.   Protects the environment across the Commonwealth;
- 2           4.   Supports community voices, especially in underrepresented or
- 3                 historically impacted areas;
- 4           5.   Increases energy education; and
- 5           6.   Prepares a future workforce.

6   (2)   The Kentucky Nuclear Energy Development Authority shall be governed by an  
7         advisory board consisting of the following twenty-two (22) voting members and  
8         eight (8) nonvoting members:

9         (a)   Seven (7) state government members or their designees who shall be voting  
10            members:

- 11           1.   The director of the University of Kentucky Center for Applied Energy  
12                 Research, who shall serve as chair;
- 13           2.   The secretary of the Energy and Environment Cabinet;
- 14           3.   The secretary of the Cabinet for Economic Development;
- 15           4.   The chair of the Public Service Commission;
- 16           5.   The ***executive director***~~[president]~~ of the ***Kentucky Higher Education***  
17                 ***Assistance Authority***~~[Council on Postsecondary Education]~~;
- 18           6.   The secretary of the Education and Labor Cabinet; and
- 19           7.   The director of the Division of Emergency Management;

20         (b)   Fifteen (15) at-large members who shall be voting members:

- 21           1.   A representative from each of the four (4) investor-owned electric  
22                 utilities operating in the Commonwealth, designated by the president of  
23                 each investor-owned electric utility, unless two (2) or more of the  
24                 investor-owned electric utilities are operated under common ownership,  
25                 in which case only one (1) representative shall be designated for the  
26                 commonly owned utilities;
- 27           2.   Three (3) representatives of electric cooperatives designated by the chief



1 operating officer of the Kentucky Association of Electric Cooperatives,  
2 as follows:

- 3 a. One (1) of whom shall represent distribution cooperatives; and
- 4 b. Two (2) of whom shall represent each of the generation and  
5 transmission electric cooperatives operating in the  
6 Commonwealth, unless they are operated under common  
7 ownership, in which case only one (1) representative shall be  
8 designated for the commonly owned generation and transmission  
9 electric cooperatives;
- 10 3. A representative of the Tennessee Valley Authority, designated by its  
11 chief nuclear officer;
- 12 4. A representative of municipal utilities, designated by the executive  
13 director of the Kentucky League of Cities;
- 14 5. A representative of nuclear site remediation services, designated by the  
15 director of business services for the Four Rivers Nuclear Partnership or  
16 by another organization that provides nuclear site remediation services;
- 17 6. A representative for environmental interests, designated by the  
18 executive director of the Kentucky Conservation Committee;
- 19 7. A representative of manufacturers, designated by the president of the  
20 Kentucky Association of Manufacturers;
- 21 8. A representative for commercial interests, designated by the president of  
22 the Kentucky Chamber of Commerce;
- 23 9. A mayor of a city, designated by the executive director of the Kentucky  
24 League of Cities, who lives in an "energy community" as that term is  
25 used in the Inflation Reduction Act of 2022, Pub. L. No. 117-169, and as  
26 it is defined in the latest guidance by the Internal Revenue Service; and
- 27 10. A county judge/executive, designated by the executive director of the

1 Kentucky Association of Counties, who lives in an "energy community"  
2 as that term is used in the Inflation Reduction Act of 2022, Pub. L. No.  
3 117-169, and as it is defined in the latest guidance by the Internal  
4 Revenue Service; and

5 (c) Eight (8) nonvoting members:

- 6 1. The president of the Nuclear Energy Institute, or designee;
- 7 2. A representative from a national nuclear educational nonprofit  
8 organization, designated by the chair and confirmed by a majority of the  
9 voting members;
- 10 3. A representative from a United States Department of Energy National  
11 Laboratory with expertise in nuclear energy policy issues, designated by  
12 the chair and confirmed by a majority of the voting members;
- 13 4. A representative from a nongovernmental nuclear policy advocacy  
14 organization, designated by the chair and confirmed by a majority of the  
15 voting members;
- 16 5. Two (2) members of the Senate, who shall serve as ex officio members,  
17 designated by the President of the Senate; and
- 18 6. Two (2) members of the House of Representatives, who shall serve as  
19 ex officio members, designated by the Speaker of the House of  
20 Representatives.

21 (3) State government members named in subsection (2)(a) of this section and members  
22 of the General Assembly named in subsection (2)(c)5. and 6. of this section shall  
23 serve on the advisory board during the terms of their appointed or elected state  
24 government positions. After the initial appointments, all other members of the  
25 advisory board shall serve terms of four (4) years. Members shall be eligible to  
26 succeed themselves and shall serve until their successors are appointed. A vacancy  
27 occurring during the term of any member shall be filled in the same manner as the

1 original appointment.

2 (4) A majority of the voting members of the advisory board shall constitute a quorum  
3 for the purposes of conducting business. The advisory board shall meet at least  
4 quarterly, or more often at the call of the chair.

5 (5) Members of the advisory board shall not be paid for their service as board  
6 members, and they shall not be reimbursed for any expenses relating to their  
7 attendance of board meetings.

8 (6) The advisory board shall hire a director of the authority who shall possess the skills  
9 and experience necessary to lead the authority effectively, promote the safe and  
10 responsible development of nuclear energy, and achieve the authority's purposes  
11 described in subsection (7) of this section.

12 (7) The purposes of the authority shall be to:

13 (a) Assist interested communities in understanding advanced nuclear  
14 opportunities, including the importance of secure, firm, cost-competitive  
15 power for customers and for economic development opportunities, as well as  
16 the potential for direct and indirect economic benefits associated with the  
17 employment and tax revenue generated from nuclear energy projects;

18 (b) Provide information to the public on the history of nuclear energy  
19 technologies in the Commonwealth, the status of existing nuclear energy  
20 projects within the Commonwealth, and the potential benefits and concerns  
21 associated with nuclear energy technologies;

22 (c) Develop the capacity for nuclear energy economic development in the  
23 Commonwealth, which shall include providing information to educational  
24 institutions on the types of career opportunities that will be available with the  
25 development of nuclear energy, building strong relationships with economic  
26 development professionals, promoting existing economic development  
27 incentives applicable to nuclear energy development, and seeking out new

- 1 grants and other financial support for nuclear energy development;
- 2 (d) Seek greater clarity and certainty with stakeholders on financial support for  
3 early nuclear site permitting, the process for obtaining a nuclear power facility  
4 certificate of public convenience and necessity, and the recovery of  
5 construction work in progress for nuclear energy projects;
- 6 (e) Work with communities that have previously hosted nuclear-related activities  
7 and other communities facing a transition away from fossil fuels to empower  
8 those communities with the resources and information necessary to engage  
9 with regulators, developers, and decisionmakers on new nuclear power  
10 facilities, nuclear component manufacturing facilities, and fuel cycle facilities;
- 11 (f) Strengthen engagement with the federal Nuclear Regulatory Commission by  
12 reviewing current safety and security practices implemented at different types  
13 of nuclear energy facilities under their purview, promoting the streamlining of  
14 permitting efforts, and supporting the siting of interim and permanent nuclear  
15 storage facilities via the continued use of consent-based siting;
- 16 (g) Build the organizational capacity to engage and potentially convene a  
17 consortium of stakeholders interested in nuclear energy technologies that  
18 would consist of utilities, environmental advocates, electric cooperatives, and  
19 major industrial companies in order to share best practices, including how to  
20 share risk associated with developing and constructing new nuclear power  
21 plants within the Commonwealth;
- 22 (h) Engage with the United States Department of Energy National Laboratories,  
23 academic institutions, and private companies on efforts to develop deployable  
24 technologies to reprocess or recycle spent nuclear fuel; and
- 25 (i) Maintain awareness of potential events that could initiate or accelerate the  
26 development of new nuclear energy technologies within the Commonwealth  
27 to allow the public to benefit from these projects.

- 1 (8) The authority, with the approval of the advisory board, shall:
- 2 (a) Propose and adopt bylaws for the management and operation of the authority;
- 3 (b) Develop and adopt a strategic plan for carrying out the purposes of the
- 4 authority described in subsection (7) of this section;
- 5 (c) Create and update at least once every two (2) years a nuclear energy economic
- 6 impact analysis for the Commonwealth;
- 7 (d) Employ necessary staff to carry out the functions of the authority; and
- 8 (e) By December 1, 2025, and each December 1 thereafter, submit a report to the
- 9 Governor and the Legislative Research Commission for referral to the Interim
- 10 Joint Committees on Natural Resources and Energy, Appropriations and
- 11 Revenue, and Economic Development and Workforce Investment providing a
- 12 summary of the authority's activities and achievements since its last report and
- 13 offering recommendations for the support and expansion of the nuclear energy
- 14 ecosystem in the Commonwealth.

15 ➔Section 176. KRS 164.7011 is amended to read as follows:

16 As used in KRS 164.7011 to 164.7021:

- 17 (1) "Advisory committee" means the Kentucky Aerospace, Aviation, and Defense
- 18 Investment Fund Advisory Committee established in KRS 164.7013;
- 19 (2) "Aviation" means the operation, maintenance, or manufacturing of aircraft or other
- 20 aerospace equipment, aerospace initiatives and efforts, and defense-related products
- 21 related to aerospace and aviation;
- 22 (3) "Aviation industry partner" means a grantor to the fund that the authority~~council~~
- 23 determines customarily employs individuals with an eligible aviation or aerospace
- 24 credential in a relevant aviation role in the usual course of the grantor's business;
- 25 (4) "Aviation program":
- 26 (a) Means an education or training program located in Kentucky that issues
- 27 eligible aviation or aerospace credentials or is a specific requirement to

- 1           earning an eligible aviation or aerospace credential, including but not limited  
2           to a public high school vocational program; and
- 3           (b) Notwithstanding paragraph (a) of this subsection, does not include a flight  
4           training program unless that program is a certified pilot school regulated by  
5           the Federal Aviation Administration in accordance with 14 C.F.R. pt. 141 or  
6           is a public high school vocational program;
- 7           (5) "Council" means the Kentucky Higher Education Assistance Authority~~[Council on~~  
8           ~~Postsecondary Education]~~;
- 9           (6) "Dedicated moneys" means a gift, grant, or donation to the fund that is subject to  
10          restrictions imposed by a private grantor under KRS 164.7015;
- 11          (7) "Eligible aviation credential" means:
- 12          (a) Any license or certification issued by the Federal Aviation Administration;
- 13          (b) A Bachelor of Science in aviation issued by a postsecondary education  
14          institution overseen or licensed by the authority~~[council]~~ and located in  
15          Kentucky;
- 16          (c) Any engineering degree issued by a postsecondary education institution  
17          overseen or licensed by the authority~~[council]~~ and located in Kentucky; or
- 18          (d) A career and technical education license or certification determined by the  
19          authority~~[council]~~, in collaboration with the advisory committee, to be in high  
20          demand and relevant to the aerospace industry;
- 21          (8) "Fund" means the Kentucky aerospace, aviation, and defense investment fund  
22          established in KRS 164.7013;
- 23          (9) "Grantor" means an individual or an entity that gifts, grants, or donates moneys to  
24          the fund;
- 25          (10) "Immediate family" means an individual's parents, siblings, spouse, and children;
- 26          (11) "Kentucky resident" means a Kentucky resident as defined by the  
27          authority~~[council]~~ pursuant to KRS 164.020(8); and

1 (12) "Public aviation program" is an aviation program that is a public high school  
2 vocational program or institution that is a member of Kentucky's public  
3 postsecondary education system.

4 ➔Section 177. KRS 164.7013 is amended to read as follows:

5 (1) It is the intent of the General Assembly to incentivize collaboration between  
6 aviation programs, aviation industry partners, and the Commonwealth to grow and  
7 strengthen the education and training pipeline of aviation professionals within  
8 Kentucky by:

- 9 (a) Improving the ability of a broad variety of Kentucky's aviation programs to  
10 meet the workforce demands and capacity of the Commonwealth;
- 11 (b) Raising awareness of and interest in a broad variety of aviation occupations;
- 12 (c) Reducing the barriers of access to the aviation programs necessary to pursue  
13 these occupations, including financial barriers;
- 14 (d) Improving pathways between high school career and technical programs and  
15 aviation programs; and
- 16 (e) Developing strategies for aviation industry partners to support career growth  
17 and development for their employees.

18 (2) (a) The Kentucky Aerospace, Aviation, and Defense Investment Fund Advisory  
19 Committee is hereby created to be administered by the authority~~[council]~~.  
20 The advisory committee shall be responsible for advising the  
21 authority~~[council]~~ on the implementation of KRS 164.7011 to 164.7021.

22 (b) The advisory committee shall be composed of the following twelve (12)  
23 members:

- 24 1. The president of the authority~~[council]~~, who shall serve as chair of the  
25 advisory committee;
- 26 2. The commissioner of the Department of Aviation in the Transportation  
27 Cabinet;

- 1           3. Ten (10) members appointed by the chair of the authority~~[council]~~, of  
2           whom:
- 3           a. One (1) member shall be selected from a list of three (3)  
4           candidates nominated by the Kentucky Association of  
5           Manufacturers who possess professional experience and expertise  
6           with aviation manufacturing;
- 7           b. One (1) member shall have professional experience and expertise  
8           as an aviation engineer;
- 9           c. One (1) member shall have professional experience and expertise  
10          with Department of Defense contracts related to aviation;
- 11          d. One (1) member shall have professional experience and expertise  
12          with Department of Defense contracts related to aerospace;
- 13          e. One (1) member shall have professional experience and expertise  
14          with airport management or Federal Aviation Administration  
15          airport compliance and classifications;
- 16          f. One (1) member shall be a member from the Kentucky Aviation  
17          Association;
- 18          g. One (1) member shall be a licensed air transport pilot;
- 19          h. One (1) member that is a licensed airframe and powerplant  
20          mechanic; and
- 21          i. Two (2) members shall be employees of a public aviation  
22          program.
- 23          (c) Members appointed under paragraph (b)3. of this subsection shall serve for  
24          terms of two (2) years, and any vacancy on the advisory committee shall be  
25          filled for the remainder of the unexpired term in the same manner as the  
26          original appointment. An appointed member shall continue to serve until  
27          reappointed or replaced.



- 1 (d) The majority of the voting members shall constitute a quorum, and all  
2 meetings shall be conducted in accordance with the Open Meetings Act, KRS  
3 61.805 to 61.850.
- 4 (e) A member of the advisory committee shall not receive compensation or  
5 benefits for the member's service, but a member appointed under paragraph  
6 (b)3. of this subsection shall receive per diem and travel expenses consistent  
7 with the reimbursement policy for state employees.
- 8 (3) There is hereby created a trust and agency account called the Kentucky aerospace,  
9 aviation, and defense investment fund to be administered by the Council for  
10 Postsecondary Education for the purpose of funding:
- 11 (a) Public and private partnerships to provide aviation training scholarships in  
12 accordance with KRS 164.7015 to reduce the financial barriers of Kentucky  
13 residents seeking eligible aviation credentials;
- 14 (b) Public and private partnerships to provide aviation and aerospace equipment  
15 grants in accordance with KRS 164.7017 to enhance Kentucky's aviation  
16 programs' ability to meet the workforce demands and capacity of the  
17 Commonwealth; and
- 18 (c) The authority's~~council's~~ administrative, research, consulting, fundraising,  
19 planning, and analysis costs of administering KRS 164.7011 to 164.7021.
- 20 (4) (a) It is the intent of the General Assembly to encourage private financial and  
21 philanthropic support of the Kentucky aerospace, aviation, and defense  
22 investment fund, as the aerospace, aviation, and defense industries directly  
23 benefit from a well-trained workforce capable of meeting their employment  
24 needs and the needs of the Commonwealth. To the extent allowed by  
25 applicable laws, the fund may directly accept gifts, grants, or donations  
26 subject to restrictions imposed by a grantor.
- 27 (b) 1. The Kentucky aerospace, aviation, and defense investment fund shall

- 1 consist of two (2) accounts.
- 2 2. There shall be an appropriation account containing all moneys  
3 appropriated by the General Assembly and any federal funds received  
4 for this purpose.
- 5 3. There shall be a grantor account containing all moneys received in the  
6 form of gifts, grants, or donations subject to restrictions imposed by a  
7 grantor, or any other moneys made available for the purposes of the  
8 fund.
- 9 (c) Notwithstanding KRS 45.229, any moneys appropriated to the fund by the  
10 General Assembly that remain in the fund at the end of any fiscal year prior to  
11 the 2029-2030 fiscal year shall not lapse.
- 12 (d) Any moneys remaining in the appropriation account at the end of fiscal year  
13 2029-2030 shall be forfeited and shall lapse to the general fund.
- 14 (e) Any moneys remaining in the grantor fund at the end of the 2029-2030 fiscal  
15 year shall be returned to each grantor proportionally based on the amount  
16 donated by the grantor in relation to the total amount donated by all grantors.
- 17 (5) Subject to available funds, the fund shall consist of any:
- 18 (a) Appropriations designated for the fund;
- 19 (b) Funds, grants, and receipts from the authority's~~council's~~ fundraising  
20 activities on behalf of the fund;
- 21 (c) Federal funds; and
- 22 (d) Other moneys made available for the purposes of the fund.
- 23 (6) Any interest earnings of the fund shall become a part of the fund and shall lapse  
24 only as provided in subsection (4) of this section. Moneys in the fund are hereby  
25 appropriated for the purposes set forth in this section.
- 26 (7) The portion of the fund expended towards the authority's~~council's~~ costs of  
27 administering KRS 164.7011 to 164.7021 shall not exceed one-half of one percent

1 (0.5%) of all gross moneys in the fund or seventy-five thousand dollars (\$75,000)  
2 annually, whichever is less.

3 (8) (a) The authority~~[council]~~ shall promulgate administrative regulations by August  
4 1, 2024, in accordance with this subsection and KRS Chapter 13A to  
5 administer KRS 164.7011, 164.7013, 164.7015, and 164.7017.

6 (b) At least thirty (30) days before filing an administrative regulation with the  
7 regulations compiler, the authority~~[council]~~ shall first submit the draft  
8 administrative regulation, a detailed implementation plan, and other  
9 documents required to be filed by KRS Chapter 13A to the members of the  
10 Interim Joint Committee on Education and the Interim Joint Committee on  
11 Transportation for review and comment.

12 (c) The authority~~[council]~~ shall consider any comments and recommendations  
13 provided by the members of the Interim Joint Committee on Education and  
14 the Interim Joint Committee on Transportation before filing the administrative  
15 regulation.

16 (9) A member of the advisory committee shall recuse himself or herself from any vote  
17 related to any aviation program or industry partner:

18 (a) Owned by the member or an immediate family of a member;

19 (b) That employs the member or immediate family member of the member; or

20 (c) That would otherwise result in a direct benefit, financial or otherwise, to that  
21 member or an immediate family member of that member.

22 ➔Section 178. KRS 164.7015 is amended to read as follows:

23 (1) The authority~~[council]~~ shall reserve at least sixty-five percent (65%) of all net  
24 moneys in the fund for partnership proposals between aviation programs and  
25 aviation industry partners to provide aviation training scholarships to Kentucky  
26 residents enrolled in aviation programs.

27 (2) In accepting partnerships, the authority~~[council]~~ shall collaborate with the advisory

1 committee to evaluate each partnership proposal to determine if the proposal meets  
2 the requirements of this section and administrative regulations promulgated by the  
3 authority[council]. The administrative regulations shall create a process to  
4 prioritize accepting partnerships to proposals targeted to reduce the workforce  
5 demand of a specific eligible aviation credential that is determined by the  
6 authority[council], in collaboration with the advisory committee, to be among the  
7 highest in demand in the Commonwealth based on objective criteria.

8 (3) A partnership shall require a written partnership contract between an aviation  
9 program, aviation industry partner, and the authority[council]. The partnership  
10 contract shall:

11 (a) Prohibit any disbursement of moneys from the fund until the moneys  
12 appropriated by the General Assembly to be distributed are matched, at least  
13 dollar for dollar, with moneys deposited to the fund by the aviation industry  
14 partner;

15 (b) Require the aviation program to use all moneys distributed to the aviation  
16 program pursuant to the partnership contract to issue direct aviation training  
17 scholarships to Kentucky students enrolled in the aviation program;

18 (c) If applicable to an aviation program, require that the aviation training  
19 scholarship application process encourage applicants to complete the Free  
20 Application for Federal Student Aid; and

21 (d) Meet all other requirements set forth in this section and administrative  
22 regulations, including but not limited to any reporting requirements to the  
23 authority[council].

24 (4) Disbursements of moneys from the fund to support aviation training scholarships  
25 shall be made directly to an aviation program pursuant to the terms of the  
26 partnership contract.

27 (5) An aviation program that enters a partnership contract shall solicit, accept, and

1 review aviation training scholarship applications submitted by students enrolled in  
2 the aviation program. A partnership contract may require that an aviation program  
3 do so in collaboration with the aviation industry partner. The aviation program shall  
4 award aviation training scholarships pursuant to any scholarship criteria set forth in  
5 the partnership contract, this section, and administrative regulations. The decisions  
6 of the aviation program in the issuance of scholarships shall be final.

7 (6) An aviation training scholarship issued by an aviation program pursuant to a  
8 partnership contract shall be made directly to a recipient pursuant to a written  
9 scholarship contract between the recipient and the aviation program. The  
10 scholarship contract shall not restrict the recipient's ability to utilize the scholarship  
11 for the total cost of attendance. Each recipient of a scholarship shall:

12 (a) Agree in the written contract to be employed within Kentucky's aviation  
13 industry for a contract period of one (1) year for each academic year funded  
14 by the scholarship, up to a maximum of two (2) total years; and

15 (b) Sign a promissory note as evidence of the scholarship and the obligation to  
16 repay the scholarship amount upon failure to complete terms of the contract.

17 (7) A grantor may place restrictions upon a contribution to the fund requiring specific  
18 criteria for an aviation training scholarship or scholarships funded by the grantor's  
19 dedicated moneys, including but not limited to criteria restricting employment at the  
20 aviation industry partner for the contract period.

21 (8) The aviation training scholarship contract shall grant the aviation program, the  
22 Commonwealth, or the aviation industry partner the authority to initiate recoupment  
23 proceedings for the recovery of the total amount of all aviation training scholarships  
24 awarded to an individual that fails to complete the terms of a contract entered into  
25 in accordance with subsection (6) of this section, together with reasonable attorney  
26 fees and interest at a compound rate not to exceed eight percent (8%) per annum  
27 from the date of disbursement from the fund.

1        ➔Section 179. KRS 164.7017 is amended to read as follows:

- 2        (1) The authority~~[council]~~ shall reserve up to thirty-five percent (35%) of all net  
3        moneys in the fund for aviation equipment partnership contracts between public  
4        aviation programs and aviation industry partners to provide aviation and aviation  
5        equipment grants for a public high school vocational program or public  
6        postsecondary education institution to maintain, acquire, or lease aviation or  
7        aviation equipment.
- 8        (2) An aviation equipment partnership shall require a written partnership contract  
9        between a public aviation program, aviation industry partner, and the  
10       authority~~[council]~~. The partnership contract shall:
- 11       (a) Prohibit any disbursement of moneys from the fund until the moneys  
12       appropriated by the General Assembly to be distributed are matched, at least  
13       dollar for dollar, with moneys deposited to the fund by the aviation partner;
- 14       (b) Require a public aviation program to use all moneys of an aviation equipment  
15       grant to maintain, acquire, or lease aviation or aviation equipment;
- 16       (c) Prohibit the aviation industry partner from maintaining any ownership interest  
17       in aviation or aviation equipment maintained, acquired, or leased with the  
18       funds from the aviation equipment grant;
- 19       (d) Prohibit the aviation industry partner from receiving direct or indirect  
20       compensation for the maintenance or purchase of aviation or aviation  
21       equipment above the fair market value cost of the services or equipment; and
- 22       (e) Meet all other requirements set forth in this section and administrative  
23       regulation, including but not limited to any reporting requirements to the  
24       authority~~[council]~~.
- 25       (3) (a) The authority~~[council]~~ shall collaborate with the advisory committee to  
26       solicit, accept, and review proposals for partnership contracts by aviation  
27       industry partners and public aviation programs located in Kentucky. The

1            authority[council] shall select proposals for partnership contracts, and  
2            decisions of the authority[council] in these matters shall be final. The  
3            authority[council] may prioritize partnership contracts:

- 4            1. Targeted towards maintaining, acquiring, or leasing equipment used by  
5            a public aviation program for a high-demand eligible aviation credential;
- 6            2. Based upon the financial advantages afforded to a public aviation  
7            program; or
- 8            3. Based upon the number of students that would have access to the  
9            aviation or aviation equipment maintained, acquired, or leased by a  
10           public aviation program with funds from an aviation equipment grant.

11           (b) Disbursements of moneys from the fund to support aviation equipment grants  
12           shall be made directly to a public aviation program pursuant to the terms of  
13           the partnership contract.

14           (4) The authority[council] shall require the public aviation program to submit proof  
15           that the entire amount of the aviation equipment grant is invested in the  
16           maintenance, acquisition, or lease of aviation or aviation training equipment utilized  
17           by students enrolled in a public aviation program. A public aviation program that  
18           fails to submit the proof required by the authority[council] shall return the entire  
19           amount of the grant to the fund.

20           ➔Section 180. KRS 164.7019 is amended to read as follows:

21           (1) By December 1 of each year, the authority[council] shall collaborate with the  
22           advisory committee to submit a written report to the Legislative Research  
23           Commission for referral to the Interim Joint Committee on Education, the Interim  
24           Joint Committee on Transportation, and the Interim Joint Committee on  
25           Appropriations and Revenue Budget Review Subcommittee on Education. The  
26           report shall include:

27           (a) A detailed summary of the authority's[council's] costs throughout the year;

- 1 (b) Legislative recommendations to help grow and strengthen the education and  
2 training pipeline of aviation professions within Kentucky;
- 3 (c) A detailed overview of the Kentucky aerospace, aviation, and defense  
4 investment fund, including an accounting of all moneys raised and expended;
- 5 (d) A detailed analysis of aviation training scholarships awarded pursuant to KRS  
6 164.7015, including but not limited to:
- 7 1. The criteria used to award the scholarships;
- 8 2. The number of scholarships awarded and the amount of each  
9 scholarship;
- 10 3. An overview of the demographic information of scholarship recipients,  
11 including the county of residence;
- 12 4. The names of the aviation programs with scholarship recipients and the  
13 type of eligible aviation credential corresponding to each program; and
- 14 5. To the extent available, student and program outcomes, including but  
15 not limited to:
- 16 a. Graduation rates of the aviation program overall and of  
17 scholarship recipients as compared to an established baseline  
18 within any such program;
- 19 b. Employment and employment retention rates of the aviation  
20 program overall and scholarship recipients; and
- 21 c. The workforce participation of program graduates practicing in  
22 Kentucky under an eligible aviation credential in relation to the  
23 workforce demand and capacity for that specific eligible aviation  
24 credential; and
- 25 (e) A detailed analysis of aviation equipment partnership contracts awarded  
26 pursuant to KRS 164.7017, including but not limited to the following for each  
27 aviation equipment partnership contract:



- 1           1.    The amount of the aviation equipment grant;
- 2           2.    The public aviation program that is a party to the partnership contract
- 3                 and the eligible aviation credential corresponding to that program;
- 4           3.    The aviation industry partner or partners that are a party to the
- 5                 partnership contract and the amount contributed by each aviation
- 6                 industry partner to the fund;
- 7           4.    A detailed summary of the aviation or aviation equipment maintained,
- 8                 acquired, or leased by the public aviation program with moneys from the
- 9                 aviation equipment grant;
- 10          5.    Financial documentation of all transactions utilizing moneys from the
- 11                 aviation equipment grant; and
- 12          6.    A detailed summary of how the aviation equipment grant will impact the
- 13                 opportunities and outcomes for students enrolled in public aviation
- 14                 program.

15 (2) If the report required by subsection (1) of this section is not filed by December 14  
 16 of each year, or a later date jointly approved by the Interim Joint Committee on  
 17 Education and the Interim Joint Committee on Transportation, any appropriations to  
 18 the fund shall be forfeited and any remaining moneys in the fund appropriated by  
 19 the General Assembly shall lapse to the general fund. The authority~~[council]~~ shall  
 20 return any remaining private moneys to its grantor, prorated as necessary.

21 ➔Section 181. KRS 164.771 is amended to read as follows:

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

25 (2) As used in this section:

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

27 (b) "Eligible program of study" means an undergraduate or graduate program of

1 study which is preparatory to teacher certification, as determined by the  
2 authority;

3 (c) "Eligible student" means a student who:

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

5 2. Is a Kentucky resident, as determined by the participating institution in  
6 accordance with criteria established by the Kentucky Higher Education  
7 Assistance Authority~~[Council on Postsecondary Education]~~ for the  
8 purposes of admission and tuition assessment;

9 3. Is enrolled at a participating institution; and

10 4. Meets any other criteria established in administrative regulation  
11 promulgated by the authority;

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

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

25 (f) "Semester" means a period of about eighteen (18) weeks, which usually  
26 makes up one-half (1/2) of a school year or one-half (1/2) of a participating  
27 institution's academic year; and

- 1 (g) "Summer term" means an academic period consisting of one (1) or more  
2 sessions of instruction between a spring and a fall semester.
- 3 (3) The authority may, to the extent of appropriations and other funds available to it  
4 pursuant to subsection (9) of this section, provide teacher recruitment awards to  
5 eligible students pursuant to subsection (4) of this section, who initially demonstrate  
6 financial need in accordance with standards and criteria established by the  
7 authority. Each teacher recruitment award shall be evidenced by a promissory note  
8 that requires repayment or cancellation pursuant to subsection (6) of this section.
- 9 (4) Teacher recruitment awards shall first be provided to eligible students accepted into  
10 an eligible program of study and then to eligible students who have declared a  
11 major that is an eligible program of study in pursuit of initial teacher certification.
- 12 (5) To the extent funds are available, the authority shall provide to eligible students:
- 13 (a) Accepted into an eligible program of study, a maximum award of up to five  
14 thousand dollars (\$5,000) per semester or summer term; or
- 15 (b) Having declared a major that is an eligible program of study, a maximum  
16 award of up to two thousand five hundred dollars (\$2,500) per semester or  
17 summer term.
- 18 (6) (a) The authority shall disburse teacher recruitment awards to eligible students  
19 who agree to render qualified teaching service as certified teachers, are  
20 unconditionally admitted and enrolled in a participating institution, and have  
21 declared a major that is an eligible program of study.
- 22 (b) A teacher recruitment award shall not be provided, or a promissory note  
23 cancellation shall not be granted, to any person who is in default on any  
24 obligation to the authority under any program administered by the authority  
25 pursuant to KRS 164.740 to 164.7891 until financial obligations to the  
26 authority are satisfied, except that ineligibility for this reason may be waived  
27 by the authority for cause.

- 1 (c) Recipients shall render one (1) year of qualified teaching service for each  
2 semester of award received. The authority shall cancel a promissory note upon  
3 completion of each year of qualified teacher service beginning with the oldest  
4 promissory note.
- 5 (d) If the recipient of a teacher recruitment award fails to complete an eligible  
6 program of study at a participating institution or fails to render qualified  
7 teaching service in any semester following certification or recertification,  
8 unless the failure is temporarily waived for cause by the authority, the  
9 recipient shall immediately become liable to the authority for repayment of  
10 the sum of all outstanding promissory notes and accrued interest. Persons  
11 liable for repayment of awards under this paragraph shall be liable for interest  
12 accruing from the dates on which the teacher recruitment awards were  
13 disbursed.
- 14 (e) The authority shall establish, by administrative regulation, the terms and  
15 conditions for the award and cancellation and repayment of teacher  
16 recruitment awards, including but not limited to the selection criteria,  
17 eligibility for renewal awards, amount of award payments, deferments, the  
18 rate of repayment, and the interest rate thereon.
- 19 (f) Notwithstanding any other statute to the contrary, the maximum interest rate  
20 applicable to repayment of a promissory note under this section shall be eight  
21 percent (8%) per annum, except that if a judgment is rendered to recover  
22 payment, the judgment shall bear interest at the rate of five percent (5%)  
23 greater than the rate actually charged on the promissory note.
- 24 (7) A repayment obligation imposed by this section shall not be voidable by reason of  
25 the age of the recipient at the time of receiving the teacher recruitment award.
- 26 (8) Failure to meet repayment obligations imposed by this section shall be cause for the  
27 revocation of a person's teaching certificate, subject to the procedures set forth in

1 KRS 161.120.

2 (9) All moneys repaid to the authority under this section shall be deposited into the  
3 Teacher Recruitment Student Loan Forgiveness Pilot Program fund created in  
4 subsection (13) of this section.

5 (10) The authority may execute appropriate contracts and promissory notes for  
6 administering this section.

7 (11) (a) Notwithstanding any other statute to the contrary, if available funds are  
8 insufficient for all requested awards for eligible applicants during any fiscal  
9 year, the authority shall give priority consideration to eligible applicants who  
10 previously received teacher recruitment awards.

11 (b) If funds are insufficient to make all requested renewal awards to eligible  
12 applicants, the authority shall reduce all awards to the extent necessary to  
13 provide awards to all qualified renewal applicants.

14 (c) If, after awarding all eligible renewal applicants, funds are not depleted, initial  
15 applications shall be ranked according to regulatory selection criteria, and  
16 awards shall be made to eligible applicants until funds are depleted.

17 (12) The authority shall submit a report on the number of teacher awards provided in  
18 each fiscal year, the program of study in which recipients are enrolled, recipient  
19 retention rates, total number of applications, and award recruitment strategies to the  
20 Legislative Research Commission for referral to the Interim Joint Committee on  
21 Education by December 1 of each year.

22 (13) (a) The Teacher Recruitment Student Loan Forgiveness Pilot Program fund is  
23 hereby created as a revolving account in the State Treasury to be administered  
24 by the authority for the purpose of providing loan repayment as described in  
25 this section.

26 (b) The fund shall consist of state general fund appropriations, gifts and grants  
27 from public and private sources, and federal funds. All moneys included in the

1 fund shall be appropriated for the purposes set forth in this section.

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

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

8 ➔Section 182. KRS 164.773 is amended to read as follows:

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

12 (2) As used in this section:

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

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

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

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

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

20 2. Is a Kentucky resident as determined by the participating institution in  
21 accordance with criteria established by the authority~~Council on~~  
22 ~~Postsecondary Education~~ for the purposes of admission and tuition  
23 assessment;

24 3. Is enrolled in an approved educator preparation program at a  
25 participating institution;

26 4. Is approved for student teaching by the participating institution;

27 5. Has not previously received a student teacher stipend under this section;

1                   and

2                   6. Meets any other criteria established in administrative regulation  
3                   promulgated by the authority;

4                   (e) "Participating institution" means an institution of higher education located in  
5                   Kentucky that offers an approved educator preparation program and executes  
6                   an agreement with the authority on terms the authority deems necessary or  
7                   appropriate for the administration of the Student Teacher Stipend Program;  
8                   and

9                   (f) "Student teacher" has the same meaning as in KRS 161.010.

10                  (3) The Kentucky Higher Education Assistance Authority shall administer the Student  
11                  Teacher Stipend Program and shall promulgate administrative regulations in  
12                  accordance with KRS Chapter 13A as may be needed for administration of the  
13                  program.

14                  (4) (a) Beginning with the 2024-2025 academic year, to the extent funds are  
15                  available, the authority may award a student teacher stipend of up to five  
16                  thousand dollars (\$5,000) to an eligible student during the academic term in  
17                  which the student is a student teacher.

18                  (b) If funds are not sufficient to award stipends to all eligible students, awards  
19                  shall be determined in accordance with administrative regulations  
20                  promulgated by the authority.

21                  (5) For each academic term, by the deadline established by the authority, a participating  
22                  institution shall submit to the authority a report of all eligible students for that  
23                  academic term. The authority shall disburse stipend funds monthly to the  
24                  participating institution to distribute to eligible students.

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

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

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

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

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

11 1. School district of high school graduation;

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

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

15 4. The school and district in which the eligible student is a student teacher;  
16 and

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

20 ➔Section 183. KRS 164A.550 is amended to read as follows:

21 As used in KRS 164A.555 to 164A.630 unless the context otherwise requires:

22 (1) "Governing board" means the board of trustees or board of regents constituting the  
23 corporate bodies established by KRS 164.160 and 164.310 for the purpose of  
24 governing universities and colleges and technical institutions.

25 (2) "Institutions" means all public supported postsecondary educational institutions in  
26 Kentucky recognized in KRS 164.100, 164.290, 164.580, or 164.810(1)(~~b~~)(~~a~~).

27 (3) "Affiliated corporation" means a corporate entity which is not a public agency and



1           which is organized pursuant to the provisions of KRS Chapter 273 over which an  
2           institution exercises effective control, by means of appointments to its board of  
3           directors, and which could not exist or effectively operate in the absence of  
4           substantial assistance from an institution.

5       (4) "Depository bank" means any bank so designated by the Treasurer of the  
6           Commonwealth as appropriate for receiving public moneys.

7           ➔Section 184. The following KRS section is repealed:

8       164.011 Council on Postsecondary Education -- Membership -- Terms -- Meetings.

9           ➔Section 185. The Council on Postsecondary Education as previously established  
10          is hereby dissolved. All personnel, records, files, equipment, and funds of the Council on  
11          Postsecondary Education shall be transferred to the Kentucky Higher Education  
12          Assistance Authority as established in this Act.

13          ➔Section 186. In order to reflect the abolition of the Council on Postsecondary  
14          Education and the transfer of the council's duties, personnel, materials, and funds to the  
15          Kentucky Higher Education Assistance Authority effectuated by this Act, the reviser of  
16          statutes shall replace any remaining or newly enacted references to the Council on  
17          Postsecondary Education in the Kentucky Revised Statutes to the Kentucky Higher  
18          Education Assistance Authority.