AN ACT relating to public postsecondary education.

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

➔Section 1. KRS 164.321 is amended to read as follows:

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

(b)~~[(a)]~~ Each board of the comprehensive universities ***listed in subsection (1)(a) of this section*** shall consist of eight (8) members appointed by the Governor, one (1) member of the teaching faculty, one (1) member of the university nonteaching personnel, and one (1) member of the student body of the respective university~~[or college]~~. The members appointed by the Governor shall be subject to confirmation by the Senate. The members of the board shall select a chairperson annually~~[.~~

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

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

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

~~on Postsecondary Education shall notify the appointee of his or her ineligibility to serve.~~

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

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

~~(a) One (1) member shall serve a one (1) year term;~~

~~(b) One (1) member shall serve a two (2) year term;~~

~~(c) Two (2) members shall serve three (3) year terms;~~

~~(d) One (1) member shall serve a four (4) year term;~~

~~(e) One (1) member shall serve a five (5) year term; and~~

~~(f) Two (2) members shall serve six (6) year terms]~~.

(d) New appointees of a board[~~ of regents]~~ shall not serve for more than two (2) consecutive terms.

(e) 1.[~~(3)~~] The gubernatorial appointments may include one (1) graduate of the respective institution who resides outside the Commonwealth.

2. ***No***[~~Not~~] more than two (2) appointed members of any board shall be residents of one (1) county.

3. The appointments shall reflect the proportional representation of the two

(2) leading political parties of the Commonwealth based on the state's voter registration and the political affiliation of each appointee as of December 31 of the year preceding the date of his or her appointment. A particular political affiliation shall not be a prerequisite to appointment to any board generally; however, if any person is appointed to a board that does not represent either of the two (2) leading political parties of the Commonwealth, the proportional representation by political affiliation requirement shall be determined and satisfied based on the total number of members on the board less any members not affiliated with either of the two (2) leading political parties[~~. Membership on the board shall reflect no less than proportional representation of the minority racial composition of the Commonwealth based on the total minority racial population using the most recent census or estimate data from the United States Census Bureau. If the determination of proportional minority representation does not result in a whole number of minority members, it shall be rounded up to the next whole number~~].

4. Membership on the board shall not be incompatible with any state office.

5. A change in residency after the date of appointment shall not affect a member's ability to serve nor shall it prevent a member's eligibility for reappointment, except a member who assumes residency outside the fifty (50) United States shall become immediately ineligible to serve.

6. The Council on Postsecondary Education shall notify the appointee of his or her ineligibility to serve.

(f)[~~(4)~~] Appointments to fill vacancies shall be made in the same manner and within the same time after the occurrence of the vacancy as regular appointments. The person appointed shall hold the position for the unexpired

term only.

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

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

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

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

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

~~unexpired term in the same manner as provided for the original election~~].

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

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

(k)[~~(9)~~] All appointed and elected persons shall be required to attend and complete an orientation and education program prescribed by the council under KRS 164.020(24)[~~,~~] as a condition of their service and eligibility for appointment or election to a second term.

(l)[~~(10)~~] Board members may be removed by the Governor under the following circumstances:

1.[~~(a)~~] For cause, pursuant to KRS 63.080(2); or

2.[~~(b)~~] Pursuant to KRS 63.080(3) or (4).

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

(2) (a) The Kentucky Community and Technical College System shall be governed by a board of regents appointed for a term set by law pursuant to Section 93 of the Constitution of Kentucky.

(b) 1. Beginning on October 1, 2026, the board of the Kentucky Community and Technical College System shall consist of the following seventeen (17) members:

a. Fourteen (14) members appointed by the Governor, as follows:

i. One (1) member selected from a list of three (3) names submitted by the Kentucky Association of School Administrators;

ii. One (1) member selected from a list of three (3) names submitted by the Kentucky Association of Manufacturers;

iii. One (1) member selected from a list of three (3) names submitted by the Associated General Contractors of Kentucky;

iv. One (1) member selected from a list of three (3) names submitted by the Kentucky Hospital Association;

1 ***v. One (1) member selected from a list of three (3) names***
2 ***submitted by the Kentucky Association for Economic***
3 ***Development;***
4 ***vi. One (1) member selected from a list of three (3) names***
5 ***submitted by the Energy Planning and Inventory***
6 ***Commission established in KRS 164.2807; and***
7 ***vii. Eight (8) members appointed from the state at large; and***
8 ***b. Three (3) members elected in accordance with subsection (2)(h)***
9 ***of this section, as follows:***
10 ***i. One (1) member of the KCTCS teaching faculty;***
11 ***ii. One (1) member of the KCTCS nonteaching personnel;***
12 ***and***
13 ***iii. One (1) member of the KCTCS student body.***
14 ***2. The members appointed by the Governor shall be subject to***
15 ***confirmation by the Senate.***
16 ***3. The members of the board shall select a chairperson annually.***
17 ***(c) The terms of appointed board members shall be for four (4) years and until***
18 ***their successors are appointed and qualified, unless a member is removed***
19 ***by the Governor pursuant to KRS 63.080(2), (3), or (4).***
20 ***(d) New appointees of the board shall not serve for more than two (2)***
21 ***consecutive terms.***
22 ***(e) 1. No more than one (1) appointed member of the board shall be a***
23 ***resident of one (1) county.***
24 ***2. No more than two (2) appointed members of the board shall reside in***
25 ***any one (1) judicial district of the Kentucky Supreme Court as of the***
26 ***date of the appointment.***
27 ***3. The appointments to the board shall reflect the proportional***

representation of the two (2) leading political parties of the Commonwealth based on the state's voter registration and the political affiliation of each appointee as of December 31 of the year preceding the date of his or her appointment. A particular political affiliation shall not be a prerequisite to appointment to the board generally; however, if any person is appointed to the board that does not represent either of the two (2) leading political parties of the Commonwealth, the proportional representation by political affiliation requirement shall be determined and satisfied based on the total number of members on the board less any members not affiliated with either of the two (2) leading political parties.

4. Membership on the board shall not be incompatible with any state office.

5. a. A change in residency after the date of appointment shall not affect a member's ability to serve, except that a member who assumes residency:

i. Outside the fifty (50) United States shall become immediately ineligible to serve; and

ii. That places the board in violation of the requirements of subparagraphs 1. and 2. of this paragraph shall become immediately ineligible to serve.

b. The Council on Postsecondary Education shall notify the appointee of his or her ineligibility to serve.

6. No appointed member of the board shall have a conflict of interest in accordance with KRS 45A.340 or be a relative of any employee of the system.

(f) Appointments to fill vacancies shall be made in the same manner and

within the same time after the occurrence of the vacancy as regular appointments. The person appointed shall hold the position for the unexpired term only.

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

(h) Members elected to the board shall be as follows:

1. The teaching faculty member of the board shall be a teaching member of the faculty of the KCTCS. The faculty member shall be elected by secret ballot by all regular full-time faculty members of the KCTCS. The faculty member shall serve for a term of three (3) years and until a successor is elected and qualified. The faculty member shall be eligible for reelection, but he or she shall not be eligible to continue to serve as a member of the board if he or she ceases being a member of the teaching faculty of the KCTCS. Elections to fill vacancies shall be for the unexpired term in the same manner as provided for the original election;

2. The nonteaching personnel member of the board shall be any full-time staff member, excluding the president, chancellor, provost, vice presidents, academic deans, academic department chairpersons, and any other administrator who supervises two (2) or more employees and reports directly to the president or chancellor. He or she shall represent all nonteaching employees of the KCTCS, including but not limited to building facilities and clerical personnel. The member shall be elected by secret ballot by the nonteaching employees. The nonteaching personnel member shall serve a term of three (3) years and until a successor is elected and qualified. The nonteaching

personnel member shall be eligible for reelection, but he or she shall not be eligible to continue to serve as a member of the board if he or she ceases being an employee of the KCTCS. Elections to fill vacancies shall be for the unexpired term in the same manner as provided for the original election; and

3. The student body member of the board shall be elected by means of a process established by the board. The student member shall serve a one (1) year term beginning on July 1 after being elected and sworn in as the student body member of the board and ending on the following June 30. If the student member does not maintain status as a full-time student, a special election shall be held to fill the vacancy for the remainder of the unexpired term.

(i) All appointed and elected board members shall be required to attend and complete an orientation and education program prescribed by the council under KRS 164.020(24) as a condition of their service and eligibility for appointment or election to a second term.

(j) Board members may be removed by the Governor under the following circumstances:

1. For cause, pursuant to KRS 63.080(2);

2. Pursuant to KRS 63.080(3) or (4); or

3. Upon the request of the president or chairman of the board after the member has failed to attend three (3) consecutive regularly scheduled meetings, which shall be considered gross neglect of duty pursuant to KRS 63.080(2)(d).

(k) The inability of the board to hold quarterly meetings, to elect a chairperson annually, to establish a quorum, to adopt an annual budget, to set tuition rates, to conduct an annual evaluation of the president of the system, to

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

➔Section 2. KRS 164.350 is amended to read as follows:

(1) The government of each of the state universities and the Kentucky Community and Technical College System is vested in its respective board of regents. Each board~~[of regents]~~, when its members have been appointed and qualified, shall constitute a body corporate, with the usual corporate powers, and with all immunities, rights, privileges, and franchises usually attaching to the governing bodies of educational institutions. Each board may:

(a) Receive grants of money and expend the same for the use and benefit of the university or college;

(b) Require such reports from the president, officers, faculty, and employees as it deems necessary and proper from time to time;

(c) Determine the number of divisions, departments, bureaus, offices, and agencies needed for the successful conduct of the affairs of the university or college; and

(d) Grant diplomas and confer degrees upon the recommendation of the president and faculty.

(2) Each board shall adopt bylaws, rules, and regulations for the governance of its members, officers, agents, and employees, which shall reference the member removal and replacement provisions of KRS 63.080, and the board shall enforce obedience to such bylaws, rules, and regulations.

(3) Each board~~[of regents]~~ shall periodically evaluate the institution's progress in implementing its missions, goals, and objectives to conform to the ***adopted*** strategic

agenda. Officers and officials shall be held accountable for the status of the institution's progress.

(4) In addition to the duties required in subsections (1), (2), and (3) of this section, the board~~[of regents]~~ for the Kentucky Community and Technical College System, upon recommendation of the president of the system, shall:

(a) ~~[Develop and implement guidelines for the preparation of biennial budget requests by the administrators of the colleges within the system. The guidelines shall define the processes for review and approval by the boards of directors for the colleges;~~

~~(b) Adopt a]~~***Review the president's*** biennial budget request for the Kentucky Community and Technical College System~~[upon the recommendation of the president of the system;~~

~~(c) Adopt an allocation process for distributing funds to the colleges within the system;~~

~~(d) Consider recommendations from the boards of directors of the colleges to improve the overall budget planning and allocation processes]~~;

(b)~~[(e)]~~ Designate each college with a name;

(c)~~[(f)]~~ Encourage and accept donations of land and funds to be used in the acquisition, construction, or operations of colleges in the system. The board may commemorate donations from private persons or corporations with suitable memorials;~~[and]~~

(d)~~[(g)]~~ Accept federal grants when deemed appropriate to be used in the acquisition, construction, or operations of colleges in the system***; and***~~[.]~~

(e) ***Review***~~[The board of regents shall ensure that]~~ the budget planning and implementation processes ***to ensure consistency***~~[are consistent]~~ with the adopted strategic agenda and biennial budget and with the missions of the ***colleges***~~[institutions]~~ within the system.

➔Section 3. KRS 164.365 is amended to read as follows:

[~~(1)~~]Anything in any statute of the Commonwealth to the contrary notwithstanding, the power over and control of appointments, qualifications, salaries, and compensation payable out of the State Treasury or otherwise, promotions, and official relations of all employees of Eastern Kentucky University, Western Kentucky University, Murray State University, Northern Kentucky University, and Morehead State University, as provided in KRS 164.350 and 164.360, and of Kentucky State University and the Kentucky Community and Technical College System, shall be under the exclusive jurisdiction of the respective governing boards of each of the institutions named[~~.~~

~~(2) The board of regents for the Kentucky Community and Technical College System shall develop personnel rules for the governing of its members, officers, agents, and employees by June 30, 1998. The board shall adopt interim policies to govern employees hired from July 1, 1997, until the permanent rules are adopted.~~

~~(3) Upon receipt of a written authorization from an employee of the Kentucky Community and Technical College System, the board shall deduct dues from the employee's paycheck for employee membership organizations, except that no deduction shall be made for labor organization membership dues, fees, assessments, or contributions for political activities. Dues shall be deducted at a rate established by the organization, and shall be discontinued upon written notification by an employee to both the system and the employee organization. On a quarterly basis, the Kentucky Community and Technical College System shall provide to each employee membership organization an updated list that includes the names and home addresses of the employees who are having dues deducted from their paychecks for the purpose of maintaining membership in that organization~~].

➔Section 4. KRS 164.580 is amended to read as follows:

(1) The Kentucky Community and Technical College System is established ***and***[~~. The Kentucky Community and Technical College System~~] shall provide:

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

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

(c) Within a two (2) year college curriculum, courses in general education, including adult education, not necessarily intended for transfer nor technically oriented; and

(d) Services to Kentucky's employers and the general public to provide continuing education and customized training for purposes of improving the knowledge and skills of Kentucky workers and citizens in all regions of the state.

(2) The ***KCTCS***[~~Kentucky Community and Technical College System~~] shall be responsive to the needs of students and employers in all regions of the Commonwealth with accessible education and training to support the lifelong learning needs of Kentucky citizens in order to:

(a) Increase the basic academic and literacy skills of adults through adult basic education and remedial education services;

(b) Increase the technical skills and professional expertise of Kentucky workers through associate and technical degrees, diploma, and certificate programs;

(c) Increase the access for students to complete [~~the~~]prebaccalaureate associate ***degrees***[~~degree in arts or associate degree in science for ease of transfer to four (4) year institutions~~];

(d) Enhance the relationship of credentials between secondary and postsecondary programs which permit secondary students to enter programs through early admission, advanced placement, or dual enrollment;

(e) Facilitate transfers of credit between certificate, diploma, technical, and associate degree programs;

(f) Develop a pool of educated citizens to support the expansion of existing

business and industry and the recruitment of new business and industry;

(g) Enhance the flexibility and adaptability of Kentucky workers in an ever-changing and global economy through continuing education and customized training for business and industry;

(h) Promote the cultural and economic well-being of the communities throughout Kentucky; and

(i) Improve the quality of life for Kentucky's citizens.

(3) Students attending a college under the administration of the board of regents for the ***KCTCS***[~~Kentucky Community and Technical College System~~] may pursue ***a***[~~three (3) kinds of~~] degree***, certificate, or diploma through the following*** programs:

(a) [~~Associate degree programs approved by the board of trustees as of the effective date of the transfer of the management responsibilities of the University of Kentucky Community College System to the Kentucky Community and Technical College System;~~

~~(b)~~]Associate degree programs developed by the ***KCTCS***[~~Kentucky Community and Technical College System~~], approved by the board of regents and the Council on Postsecondary Education. The board of regents shall confer degrees and award diplomas for the approved programs;[~~ and~~]

(b)[~~(c)~~] Joint degree programs developed between the ***KCTCS***[~~Kentucky Community and Technical College System~~] and other institutions***; and***

(c) Certificate and diploma programs developed by the KCTCS and reviewed by the board of regents that do not lead to an associate degree.

(4) [~~University of Kentucky Community College System students who were officially enrolled on or before June 30, 1999, in associate degree programs approved by the board of trustees of the University of Kentucky and who complete the associate degree programs on or before June 30, 2004, shall have their degrees conferred by the University of Kentucky board of trustees. The degrees for all other students~~

~~enrolled shall be awarded by the board of regents for the Kentucky Community and Technical College System.~~

~~(5)~~]The board of regents for the ***KCTCS***[~~ Kentucky Community and Technical College System~~] shall expedite, whenever possible, action on requests for any new technical or associate degree program of a vocational-technical or occupational nature.

(5)[~~(6)~~] ***The president of*** the ***KCTCS shall be responsible for oversight and management of the system, including but not limited to:***

(a) The supervision of all administrative and managerial aspects of the KCTCS's operations, including personnel matters and fiscal management;

(b) Oversight of the operational and facilities plans of the KCTCS;

(c) Establishment of partnerships with community members, local governments, and other entities to enhance the mission of the KCTCS; and

(d) Approval, modification, and discontinuance of academic and workforce programs after input and recommendations from college faculty relating to curriculum and consultation with the board of regents[~~Kentucky Community and Technical College System college faculty senates shall have the primary responsibility for determining academic policy and curricula development that shall be recommended to the president of the Kentucky Community and Technical College System.~~

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

➔SECTION 5. A NEW SECTION OF KRS CHAPTER 164 IS CREATED TO

READ AS FOLLOWS:

(1) By August 1, 2026, the president of the Kentucky Community and Technical College System shall employ a chief financial officer who shall be responsible for the development, administration, and oversight of the systemwide operating and capital budgets in accordance with the following:

(a) The chief financial officer shall provide the president with timely, accurate, and comprehensive financial information, including but not limited to systemwide and college-level:

1. Budget summaries;

2. Revenue and expenditure reports;

3. Fund balances and reserves;

4. Cash flow projections;

5. Financial risks, variances, and material changes;

6 Any other financial information necessary for informed executive decision-making or requested by the president; and

7. Any other information requested by the president;

(b) The chief financial officer shall provide financial information to the board of regents:

1. Quarterly or more often at the request of the president or the board of regents;

2. In a standardized format that allows comparison across colleges and over time; and

3. In writing and in person at a regularly scheduled meeting;

(c) The chief financial officer shall certify the accuracy of financial reports provided to the president or the board of regents;

(d) The chief financial officer shall immediately disclose any material misstatements, omissions, or financial concerns upon discovery to the

president and the board of regents; and

(e) The chief financial officer shall oversee and ensure cooperation with all required audits and financial reviews of the KCTCS.

(2) By August 1, 2026, the president of the KCTCS shall name a workforce liaison who shall provide guidance to the president regarding ways the system shall remain responsive to local labor market demands, foster strong employer relationships, and support the success of students and graduates in the workforce. The workforce liaison shall:

(a) Work closely with the Cabinet for Economic Development and the Education and Labor Cabinet to ensure the KCTCS is available and ready to provide workforce training in necessary areas based on economic development needs;

(b) Facilitate employer engagement;

(c) Support recruitment and placement of students and graduates; and

(d) Represent the system in discussions and planning relating to policy discussions with the Cabinet for Economic Development and the Education and Labor Cabinet, community members, college staff, and students.

➔Section 6. KRS 164.583 is amended to read as follows:

(1) Each ~~[community]~~college ***in***~~[of]~~ the Kentucky Community and Technical College System may offer, within the two (2) year academic curriculum of the college, any and all lower division academic courses offered for undergraduate credit at any and all of the four (4) year public colleges and universities.

(2) All lower division academic courses offered by the ***KCTCS***~~[community colleges]~~ shall be transferable for academic credit to any and all four (4) year public colleges and universities, regardless of the number of academic credits earned by any student at one (1) or more ***KCTCS colleges***~~[community college]~~.

(3) ~~[Nothing in]~~This section shall ***not*** be construed or interpreted to change, reduce, or

otherwise affect the required distribution between lower division and upper division courses now required for matriculation in an undergraduate program at any institution of higher education.

(4) (a) If the KCTCS seeks to offer a new accredited program or workforce initiative program which may require additional general fund appropriations for capital or operating expenses beyond the system's regular appropriations, the president shall submit a proposal to the Council on Postsecondary Education for review and evaluation. The board's review shall include but not be limited to:

1. The proposed program's alignment with the mission and goals of the system;

2. The statewide or regional need the proposed program seeks to fill and how the system, through the offering of this program, would meet this need;

3. Student demand for the proposed program;

4. Employer demand for the proposed program, including any potential industry partners;

5. Utilization of existing institutional resources to deliver the proposed program and how the program would complement existing program offerings and not shift resources away from those existing programs;

6. A five (5) year budgetary analysis of the proposed program, including program costs, funding sources projected to support the program, and the amount of general fund appropriations needed for capital or operating expenses;

7. The proposed program curriculum;

8. Any specialized accreditation or licensure requirements for the proposed program and analysis of how those would be met;

9. Admission and graduation requirements for the proposed program; and

10. Administrative oversight to ensure the quality of the proposed program.

(b) Any specialized resources needed by the council to evaluate a KCTCS proposal for a new program submitted in accordance with paragraph (a) of this subsection shall be funded by the KCTCS.

(c) A proposal submitted to the council in accordance with paragraph (a) of this subsection shall be submitted no later than January 1 of an odd-numbered year for consideration in the system's budget request for the next biennial budget in accordance with KRS 164.020(10) and 164.7915.

(5) The Council on Postsecondary Education shall review each proposal submitted in accordance with subsection (4)(a) of this section and shall make a recommendation to the General Assembly on the viability of the proposed program. The recommendation:

(a) Shall identify whether a general fund appropriation should be made to fund capital or operations for the proposed program amount. If the council recommends a general fund appropriation, the recommendation shall include a proposed amount for the general fund appropriation; and

(b) May provide recommendations regarding alternative options to meet any statewide or regional needs identified by the KCTCS in its proposal.

(6) If the General Assembly appropriates funds for a program proposed in accordance with subsection (4)(a) of this section, the KCTCS shall submit the program approval request to the council for regular review and approval. The Council on Postsecondary Education may:

(a) Provide conditional approval of the program to permit the institution to begin the process of programmatic accreditation or licensure; and

(b) Condition final approval upon obtaining full programmatic accreditation or licensure, as applicable.

(7) If the new accredited program or workforce initiative will not require additional general fund appropriations for capital or operating expenses, the KCTCS may proceed with the new program. KCTCS shall submit documentation of capital and operating expenses associated with and specific to the new program with the next biennial budget request to ensure that no additional budget request is being made for capital or operating expenses of the program.

➔Section 7. KRS 164.591 is amended to read as follows:

(1) If the president of the KCTCS determines that there is a necessity to reduce, expand, or create any college or campus facilities or grounds due to a new accredited program or workforce initiative program proposed in accordance with subsection (4)(a) of Section 6 of this Act, the president shall:

(a) Include a reduction, expansion, or creation plan as part of the proposal submitted under subsection (4) of Section 6 of this Act; and

(b) The president shall not be authorized to move forward to reduce, expand, or create college or campus facilities or grounds under this subsection unless the General Assembly appropriates funds and the council approves the proposal in accordance with subsection (6) of Section 6 of this Act.

(2) If the president of the KCTCS determines that there is a necessity to reduce, expand, or create any college or campus facilities or grounds that are not part of a proposal submitted under subsection (4) of Section 6 of this Act, the president shall provide a proposed plan for the reduction, expansion, or creation to the board.

(3) The board of regents may review and provide feedback on the proposed plan to the president prior to submission to the council. After the proposed plan is reviewed and approved by the council, the president shall be authorized to

1 ***implement the proposed plan for the KCTCS.***
2 ***(4) No later than thirty (30) days after approval of the proposed plan by the council,***
3 ***the KCTCS shall submit the proposed plan in its entirety and a report on the***
4 ***proposed plan to the Legislative Research Commission for referral to the Interim***
5 ***Joint Committees on Education and Appropriations and Revenue or, when the***
6 ***General Assembly is in session, to the Senate Standing Committees on Education***
7 ***and Appropriations and Revenue and the House Standing Committees on***
8 ***Postsecondary Education and Appropriations and Revenue, which includes the***
9 ***following as it relates to the proposed plan:***
10 ***(a) An accounting of all necessary expenditures by fund source;***
11 ***(b) A detailed accounting of all administrative expenses;***
12 ***(c) A detailed accounting of all expenses not otherwise classified;***
13 ***(d) Identification of any reduction in expenditures;***
14 ***(e) An explanation of any new expenses or cost savings expected to be realized***
15 ***based on the plan; and***
16 ***(f) An explanation of how the plan aligns with the operational plan of the***
17 ***KCTCS and the strategic plan of the council.***
18 ***(5) The KCTCS shall submit documentation of capital and operating expenses***
19 ***associated with and specific to the expansion, reduction, and creation plan with***
20 ***the next biennial budget request to:***
21 ***(a) Ensure that no additional budget request is being made for capital or***
22 ***operating expenses of the plan; or***
23 ***(b) Support the additional budget request associated with the plan.***
24 ***(6) Final approval of the proposed plan shall require the president of the KCTCS to***
25 ***obtain approval by the General Assembly by means of an act or joint resolution***
26 ***explicitly identifying and authorizing implementation of the plan.***
27 ***(7) By October 1, 2026, the KCTCS shall submit a report to the Legislative Research***

Commission for referral to the Interim Joint Committees on Education and Appropriations and Revenue providing the location, size of property, square footage of buildings, whether owned, leased, or rented, and the use of each property or building utilized by each college within the system, including all main campuses and satellite facilities, buildings, and properties as of January 1, 2026

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

➔Section 8. KRS 164.600 is amended to read as follows:

(1) As used in this section ***and Sections 1 and 7 of this Act***, unless the context requires otherwise:

(a) ***"Campus" means a location of a college of the system that is not located contiguous to the main college location***~~["Chief executive officer" means a president or the head administrator of a college within the Kentucky Community and Technical College System]~~;

(b) ***"Chancellor" means the chief officer of a college or colleges within the system;***

(c) "College" means a community college, a technical college, or a community and technical college within the system;

(d)~~[(c)]~~ "***KCTCS*** president" means the ***president***~~[chief executive officer]~~ of the

system;

(e)[~~(d)~~] "Relative" means father, mother, brother, ***brother-in-law,*** sister, ***sister-in-law,*** husband, wife, son, daughter, aunt, uncle, ***first cousin,*** son-in-law, and daughter-in-law; and

(f)[~~(e)~~] "System" ***or "KCTCS"*** means the Kentucky Community and Technical College System.

(2) There shall be a ***chancellor named for each***[~~board of directors for each community college or community and technical~~] college under the Kentucky Community and Technical College system***.***[~~, except as provided in KRS 165.160. The board of regents may designate that a local board of directors serve more than one college. Each board of directors shall~~]

(3) Each chancellor shall be responsible for creating an annual budget request for his or her college and submitting it to the KCTCS president for consideration in the creation of the systemwide budget request to be submitted to the General Assembly.

(4) Each chancellor shall create and implement an operations plan for his or her college that is developed in coordination with local employers, civic leaders, campus constituents, and other postsecondary institutions in the region and consistent with the strategic agenda of the Council on Postsecondary Education. The KCTCS president shall review and approve each operations plan prior to implementation by the chancellor of each college[~~:~~

~~(a) Recommend one (1) candidate for college chief executive officer from three (3) candidates provided by the president. The president shall have the authority to make the final appointment and shall not be bound by the recommendation from the board of directors;~~

~~(b) Evaluate the college chief executive officer and advise the president of his or her performance. The president has final authority for the appointment and~~

1 ~~termination of the college chief executive officer;~~
2 ~~(c) Approve budget requests for recommendation to the Kentucky Community~~
3 ~~and Technical College System;~~
4 ~~(d) Adopt and amend an annual operating budget and submit it to the board of~~
5 ~~regents for approval as to the compliance with its guidelines;~~
6 ~~(e) Approve a strategic plan that is developed in coordination with local~~
7 ~~employers, civic leaders, campus constituents, and other postsecondary~~
8 ~~institutions in the region and that is consistent with the strategic agenda of the~~
9 ~~General Assembly]~~.
10 ***(5)***[~~(3)~~] ***Each chancellor***[~~The chief executive officer of each college~~] shall ***implement***
11 ***his or her college's***[~~have full authority and discretion regarding the use and~~
12 ~~management of the~~] budget ***within the system budget as*** approved by the ***KCTCS***
13 board of regents[~~ for the Kentucky Community and Technical College System~~]
14 under KRS 164.350.
15 ***(6) Each chancellor shall be responsible for the day-to-day operations of his or her***
16 ***college***[~~:~~
17 ~~(4) Each board of directors shall consist of ten (10) members, seven (7) of whom~~
18 ~~shall be appointed by the Governor from nominees of the respective college nominating~~
19 ~~commission established under KRS 164.602 for a term set by law pursuant to Section 23~~
20 ~~of the Constitution of Kentucky. The other three (3) board members shall be one (1)~~
21 ~~member of the teaching faculty, one (1) member of the staff, and one (1) member of the~~
22 ~~student body. An appointed member's term shall be six (6) years.~~
23 ~~(5) The faculty member shall be on the teaching or research faculty of the college.~~
24 ~~The faculty member shall be elected by secret ballot of all full-time faculty members of~~
25 ~~the college. Faculty members shall serve for terms of three (3) years and until their~~
26 ~~successors are elected and qualified. Faculty members shall be eligible for reelection, but~~
27 ~~they shall be ineligible to continue to serve as members of the boards if they cease to be~~

~~members of the teaching staff of the college. Elections to fill vacancies shall be for the unexpired term in the same manner as provided for original election.~~

~~(6) The staff member shall be a classified or midmanagement employee who does not hold faculty rank and who does not hold an upper administrative position. The staff member shall be elected by secret ballot of all full-time staff members of the college. Staff members shall serve for terms of three (3) years and until their successors are elected and qualified. Staff members shall be eligible for reelection, but shall be ineligible to continue to serve as members of the boards if they cease to be members of the staff of the college. An election to fill a vacancy for an unexpired term shall be held in the same manner as an election to an original full term.~~

~~(7) The student member shall be elected by secret ballot from the student body of the college to serve a term of one (1) year. The student member shall be a full-time student who maintains permanent residency in the Commonwealth of Kentucky.~~

~~(8) If a board of directors is designated by the board of regents to serve more than one college as permitted under subsection (2) of this section, the board of regents shall define procedures for the selection of the faculty, staff, and student representatives to the board of directors to ensure that there is opportunity for all colleges to be represented.~~

~~(9) The members of the board of directors shall receive no compensation for their services but shall be paid for their actual and necessary expenses.~~

~~(10) No citizen member of the board of directors shall have a conflict of interest in accordance with KRS 45A.340 or be a relative of any employee of the college under its jurisdiction. A person who is a member of the board on July 15, 1998, who is a relative of an employee of the college may finish out the appointed term of office but the member may not be reappointed~~].

➔Section 9. KRS 164.011 is amended to read as follows:

(1) There is hereby created and established a Council on Postsecondary Education in Kentucky as an agency, instrumentality, and political subdivision of the

Commonwealth and a public body corporate and politic having all powers, duties, and responsibilities as are provided to it by law, appointed for a term set by law pursuant to Section ***93***~~[23]~~ of the Constitution of Kentucky. The council shall be composed of the commissioner of education, a faculty member, a student member, and thirteen (13) citizen members appointed by the Governor. The citizen members shall be confirmed by the Senate under KRS 11.160, and the commissioner of education shall serve as a nonvoting ex officio member. Citizen council members shall be selected from a list of nominees provided to the Governor under the nominating process set forth in KRS 164.005. If the General Assembly is not in session at the time of the appointment, persons appointed shall serve prior to confirmation, but the Governor shall seek the consent of the Senate at the next regular session or at an intervening extraordinary session if the matter is included in the call of the General Assembly.

(2) ~~[By no later than thirty (30) days after May 30, 1997,]~~The Governor's Postsecondary Education Nominating Committee shall submit nominations to the Governor as set forth in KRS 164.005. On making appointments to the council, the Governor shall ensure broad geographical and political representation ***and***~~[; ensure equal representation of the two (2) sexes, inasmuch as possible;]~~ ensure no less than proportional representation of the two (2) leading political parties of the Commonwealth based on the state's voter registration and the political affiliation of each appointee as of December 31 of the year preceding the date of his or her appointment~~[; and ensure that appointments reflect the minority racial composition of the Commonwealth based on the total minority racial population using the most recent census or estimate data from the United States Census Bureau. If the determination of proportional minority representation does not result in a whole number of minority members, it shall be rounded up to the next whole number]~~. A particular political affiliation shall not be a prerequisite to appointment to the

council generally; however, if any person is appointed to the council that does not represent either of the two (2) leading political parties of the Commonwealth, the proportional representation by political affiliation requirement shall be determined and satisfied based on the total number of members on the council less any members not affiliated with either of the two (2) leading political parties.~~[In filling vacancies to the council, the Governor shall act so as to provide, inasmuch as possible, equal representation of the two (2) sexes by appointing a member of the sex that is the lesser represented at the time of the appointment. If the remaining membership already has an equal number of males and females, the Governor may appoint a member of either sex.]~~ No more than two (2) members of the council shall hold an undergraduate degree from any one (1) Kentucky university, and no more than three (3) voting members of the council shall reside in any one (1) judicial district of the Kentucky Supreme Court as of the date of the appointment. However, change in residency after the date of appointment shall not affect the ability to serve.

(3) One (1) member shall be a full-time faculty member employed at a state institution of postsecondary education. The faculty member shall be appointed to a four (4) year term by the Governor from a list of three (3) nominees selected and submitted by majority vote of the ten (10) faculty members who serve as faculty representatives of the boards of trustees and boards of regents of the nine (9) postsecondary education institutions.

(4) One (1) member shall be enrolled as a full-time student at a state institution of postsecondary education and shall be selected annually in the following manner: not later than June 1 of each year***,*** the eight (8) student body presidents of the four (4) year state public institutions of higher education, the ~~[two (2)]~~student ***body member of***~~[members to]~~ the Kentucky Community and Technical College System ***board of regents***, and one (1) student body president representing the members of

the Association of Independent Kentucky Colleges and Universities shall elect by majority vote three (3) nominees to submit to the Governor. From this list of nominees, the Governor shall appoint a student member.

(5) In filling any vacancies, the Governor shall ensure the continuing representation upon the council of the broad constituencies as set forth in subsection (2) of this section. Vacancies on the council shall be filled for the unexpired term in accordance with the procedures established for the original appointments.

(6) Each ***newly appointed*** citizen member shall serve a term of ***four (4)***[~~ six (6)~~] years unless removed by the Governor for cause[~~, except the initial appointments shall be as follows:~~

~~(a) Two (2) appointments shall expire December 31, 1997;~~

~~(b) Three (3) appointments shall expire December 31, 1998;~~

~~(c) Two (2) appointments shall expire December 31, 1999;~~

~~(d) Two (2) appointments shall expire December 31, 2000;~~

~~(e) Two (2) appointments shall expire December 31, 2001; and~~

~~(f) Two (2) appointments shall expire December 31, 2002~~].

(7) Any person, other than the chief state school officer, holding either an elective or appointive state office or who is a member of the governing board of any state university in Kentucky, shall be ineligible for membership or appointment on the council during his term.

(8) The members of the council shall elect the chair and the vice chair of the council from among the council's membership, and the chair and vice chair shall serve at the pleasure of the council. The vice chair shall serve as chair in the absence of the chair.

(9) The council shall meet at least quarterly and at other times upon the call of the chair or a majority of the council.

(10) A quorum shall be a majority of the appointive membership of the council.

(11) A quorum shall be required to organize and conduct the business of the council, except that an affirmative vote of eight (8) or more appointive members of the entire council shall be required to dismiss from employment the president of the council, and to adopt or amend the state strategic postsecondary education agenda.

(12) New appointees to the council shall not serve more than two (2) consecutive terms.

(13) New appointees to the council shall complete an orientation and education program set forth in KRS 164.020(24) to be eligible for appointment to a second term.

➔Section 10. KRS 164.0211 is amended to read as follows:

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

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

(3) At least once each year, the Board of Student Body Presidents shall meet with the Council on Postsecondary Education and the Advisory Conference of Presidents.

(4) The Board of Student Body Presidents shall submit the names of three (3) nominees to the Governor for consideration in the appointment of a student member to the Council on Postsecondary Education pursuant to KRS 164.011.

➔Section 11. KRS 164.001 is amended to read as follows:

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

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

(2) "Adult basic education" means instruction in mathematics, science, social studies,

reading, language arts, and related areas to enable individuals to better function in society;

(3) "Benchmarks" means objective measures developed where applicable or practical by the Council on Postsecondary Education to judge the performance of the postsecondary education system and progress toward the goals as stated in KRS 164.003(2);

(4) "Board" or "governing board" means the board of trustees for the University of Kentucky or the University of Louisville, the board of regents for a comprehensive university, or the board of regents for the Kentucky Community and Technical College System;

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

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

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

(8) "Council" means the Council on Postsecondary Education created in KRS 164.011;

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

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

(11) "Independent institution" means a nonpublic postsecondary education institution in Kentucky whose instruction is not solely sectarian in nature, is accredited by a regional accrediting association recognized by the United States Department of Education, and is licensed by the Council on Postsecondary Education;

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

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

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

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

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

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

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

(18) "P-16 council" or "council of partners" means a local or state council that is

composed of educators from public and private preschools, elementary, secondary, and postsecondary education institutions, local board of education members, and may include community and business representatives that have voluntarily organized themselves for the purpose of improving the alignment and quality of the education continuum from preschool through postsecondary education as well as student achievement at all levels;

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

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

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

(22) "Standardized degree program" means a program, approved by the Council on Postsecondary Education, that consists of specific competencies, curriculum, and performance requirements regardless of the providing institution;

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

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

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

➔Section 12. The following KRS sections are repealed:

164.586 Personnel dispute resolution system.

164.587 Medical and accident insurance program for students.

164.594 Service area of Prestonsburg Community College to include Pike County.

164.602 Nominating commission for appointments to board of directors.

164.5833 Transferability of course work accepted prior to establishment of system.

➔Section 13. (1) Notwithstanding subsection (2)(c) of Section 1 of this Act, initial appointments to the board of regents of the Kentucky Community and Technical College System under subsection (2)(b)1.a.i. to vi. of Section 1 of this Act shall be as follows:

(a) One member shall serve a one-year term;

(b) One member shall serve a two-year term;

(c) Two members shall serve a three-year term; and

(d) Two members shall serve a four-year term.

(2) Upon the expiration of the initial appointments under subsection (1) of this section, members shall be appointed under subsection (2)(b)1.a.i. to vi. of Section 1 of this Act to four-year terms in accordance with subsection (2)(c) of Section 1 of this Act.

(3) The eight members appointed to the board of regents of the Kentucky Community and Technical College System by the Governor under KRS 164.321 before the effective date of this Act shall continue to serve on the board until the expiration of their terms, at which time their successors shall be appointed in accordance with Section 1 of this Act.