

1 AN ACT relating to paramedic education.

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

3 ➔SECTION 1. A NEW SECTION OF KRS 164.740 TO 164.7891 IS CREATED  
4 TO READ AS FOLLOWS:

5 (1) To ensure the availability of paramedics in the coal-producing counties of the  
6 Commonwealth, the General Assembly hereby establishes the Coal County  
7 Paramedic Scholarship Program to provide eligible Kentucky students the  
8 opportunity to attend a participating postsecondary institution and to become  
9 licensed paramedics in the Commonwealth, provided that the scholarship  
10 recipient agrees to render qualified service as a paramedic in a coal-producing  
11 county for four (4) years upon program completion in accordance with this  
12 section.

13 (2) As used in this section:

14 (a) "Coal-producing county" has the same meaning as in KRS 42.4592;

15 (b) "Eligible program of study" means a paramedic program approved by the  
16 authority and offered by a participating institution accredited by the  
17 Commission on Accreditation of Allied Health Education Programs; and

18 (c) "Qualified service" means full-time employment in a coal-producing county  
19 of the Commonwealth of Kentucky as a licensed paramedic for a majority of  
20 the calendar year.

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

23 (a) Is a Kentucky resident;

24 (b) Is considered a permanent resident of a coal-producing county for at least  
25 one (1) year immediately preceding July 1 of the academic year in which the  
26 scholarship is made;

27 (c) Is a United States citizen as determined by the participating institution in

1 accordance with criteria established by the Council on Postsecondary  
2 Education for the purposes of admission and tuition assessment;

3 (d) Is enrolled or accepted for enrollment in an eligible program of study at a  
4 participating institution on a full-time basis;

5 (e) Agrees to render four (4) years of qualified service in a coal-producing  
6 county of the Commonwealth upon program completion; and

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

10 (4) (a) Notwithstanding KRS 164.753(3), the amount of the scholarship awarded  
11 under subsection (3) of this section shall not exceed one hundred percent  
12 (100%) of the in-state tuition and fees required for participation in the  
13 eligible program of study at a participating institution. The authority shall  
14 establish, by administrative regulation promulgated in accordance with KRS  
15 Chapter 13A, a procedure for awarding scholarships should funding be  
16 insufficient to award scholarships to all eligible students. The authority may  
17 also, by administrative regulation, establish scholarship amounts based on  
18 demonstration of initial financial need by eligible students.

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

23 (5) (a) The authority shall require each student receiving a scholarship under this  
24 section to execute a promissory note as evidence of the obligation.

25 (b) The recipient shall render four (4) years of qualified service in a coal-  
26 producing county upon completion of a paramedic program. Upon  
27 completion of four (4) years of qualified service in a coal-producing county,

1           the authority shall cancel all promissory notes.

2           (c) If a recipient fails to complete an eligible program of study, or fails to  
3           render qualified service 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  
7           program administered by the authority under KRS 164.740 to 164.785 shall not  
8           be awarded a scholarship under this section, or have a promissory note canceled,  
9           until all financial obligations to the authority are satisfied, except that  
10           ineligibility for this reason may be waived by the 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  
14           the revocation of the scholarship recipient's paramedic license, subject to the  
15           procedures set forth in KRS Chapter 311A.

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,  
19           cancellation of obligations, the rate of repayment, and deferment of repayment of  
20           outstanding 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  
24           payment, the judgment shall bear interest at the rate of five percent (5%) greater  
25           than the rate actually charged on the promissory note.

26           (11) (a) There is hereby established in the State Treasury a trust and agency  
27           account to be known as the coal county paramedic scholarship fund.

1       **(b) The fund shall consist of amounts transferred from coal severance tax**  
2       **receipts as provided in paragraph (e) of this subsection, state**  
3       **appropriations, gifts, grants, and federal funds.**

4       **(c) The fund shall be administered by the authority.**

5       **(d) Amounts deposited in the fund shall be used for providing scholarships to**  
6       **qualifying students studying to be a paramedic in schools in the**  
7       **Commonwealth and for no other purpose.**

8       **(e) 1. Beginning July 1, 2027, receipts from the coal severance tax levied**  
9       **under KRS 143.020 shall be transferred to the fund on an annual**  
10       **basis in an amount not to exceed the lesser of:**

11       **a. One percent (1%) of the total annual coal severance tax**  
12       **revenues collected under KRS 143.020; or**

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

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

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

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

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

26       **b. If the amount of actual coal severance tax receipts is less than**  
27       **the prevailing revenue estimate for the year, the next August 1**

1                    payment shall be reduced by the difference between the two (2)  
2                    amounts.

3                    c. No additional funds shall be transferred if the actual coal  
4                    severance tax receipts exceed the prevailing revenue estimate.

5                    (f) Notwithstanding KRS 45.229, fund amounts not expended at the close of the  
6                    fiscal year shall not lapse but shall be transferred to the local government  
7                    economic assistance fund established in KRS 42.450 within ninety (90) days  
8                    of the end of the fiscal year.

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