

1 AN ACT establishing the Adult Workforce Diploma Pilot Program.

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

3 ➔ SECTION 1. A NEW SECTION OF KRS CHAPTER 156 IS CREATED TO
4 READ AS FOLLOWS:

5 (1) As used in this section:

6 (a) "Academic skills intake assessment" means a criterion-referenced
7 assessment of numeracy and literacy skills that is determined by third-party
8 research to be highly reliable and valid and that may be administered in
9 person or online;

10 (b) "Accredited provider" means an entity that is currently accredited by one
11 (1) of the seven (7) regional accreditation organizations or any successor
12 entity;

13 (c) "Approved program provider" means a public, nonprofit, or other entity
14 that meets the requirements of this section and does not receive federal or
15 state funding or private tuition for a student in the program;

16 (d) "Average cost per graduate" means the total program funding dispersed to
17 an approved program provider divided by the total number of graduates for
18 a cohort calculated twelve (12) months after the close of the cohort;

19 (e) "Career pathways coursework" means one (1) or more courses that align
20 with the skill needs of industries within the state or region and assist
21 students to enter into or advance within a specific occupation or
22 occupational cluster;

23 (f) "Career placement services" means services designed to assist students in
24 obtaining employment, including career interest self-assessments, job
25 search skills, resume development, and mock interviews;

26 (g) "Cohort" means students who enter the program between July 1 and June
27 30 of each program year;

1 (h) "Employability skills certification" means a certificate earned by
2 demonstrating professional nontechnical skills through assessment and
3 shall include the program standards of the United States Department of
4 Labor's Skills to Pay the Bills: Mastering Soft Skills for Workplace Success
5 curriculum;

6 (i) "Fund" means the Adult Workforce Diploma Pilot Program fund
7 established in subsection (3) of this section;

8 (j) "Graduate" means a student who has successfully completed all state and
9 approved program provider requirements to earn a high school diploma;

10 (k) "Graduation rate" means the total number of graduates from a cohort
11 divided by the total number of students from the same cohort calculated
12 twelve (12) months after the close of the cohort multiplied by one hundred
13 (100);

14 (l) "Graduation requirements" means course and credit requirements needed
15 to earn a high school diploma from an approved program provider that are
16 equivalent to the minimum requirements for high school graduation set by
17 the Kentucky Board of Education in accordance with KRS 156.160, except
18 no state-mandated testing or physical education credit shall be required;

19 (m) "High school diploma" means a diploma that is issued by an accredited
20 provider and that is recognized as a secondary school diploma by this state
21 and fits within the definition of a Tier 1 education credential as defined by
22 the United States Department of Defense;

23 (n) "Learning plan" means a documented plan that:

24 1. Is designed to prepare a student to succeed in the program and the
25 student's future endeavors; and

26 2. Identifies the courses and credits that are needed for a student to
27 complete the program and are approved program provider graduation

requirements;

(o) "Milestones" means objective measures of progress for which payment is made to an approved program provider under this section, including earned units of high school credit, earned industry-recognized credentials, and earned high school diplomas;

(p) "Program" means the Adult Workforce Diploma Pilot Program;

(q) "Student" means a participant in the program who is at least twenty-one (21) years of age, a Kentucky resident, and has not earned a high school diploma;

(r) "Transcript evaluation" means a documented summary of credits that were earned in previous public or private accredited high schools compared with program and approved program provider graduation requirements;

(s) "Unit of high school credit" means a credit that is:

1. Awarded based on a student's demonstration that the student has successfully met the content expectations for the credit area as defined by subject area standards, expectations, or guidelines; and
2. Equivalent to one (1) full academic year or two (2) semesters of study in a time-based system; and

(t) *"Workforce credential"* means a third-party credential that:

1. Is part of a sequence of credentials that can be accumulated over time to build an individual's qualifications to advance along a career pathway and results in an industry-recognized certificate; or
2. Verifies an individual's qualification or competence and is issued by a third-party with the authority to issue the credential.

25 (2) The General Assembly hereby establishes the Adult Workforce Diploma Pilot
26 Program administered by the Education and Labor Cabinet to assist a person
27 who is at least twenty-one (21) years of age in earning a high school diploma and

1 developing critical employability and career and technical skills to prepare the
2 person for employment.

3 (3) (a) There is hereby created a trust and agency account called the Adult
4 Workforce Diploma Pilot Program fund to be administered by the
5 Education and Labor Cabinet for the purpose of funding approved program
6 providers in accordance with subsection (6) of this section.

7 (b) The fund shall contain moneys received from the general fund, federal
8 funds, and any other proceeds from contributions, gifts, or grants made
9 available for the purposes of the fund.

10 (c) Moneys deposited in the fund are hereby appropriated for the purposes
11 under this section.

12 (d) Notwithstanding KRS 45.229, moneys in the fund at the close of a fiscal
13 year shall not lapse but shall be carried forward to the next fiscal year.

14 (4) The Education and Labor Cabinet shall create a standardized form for use by
15 accredited providers. To be designated as an approved program provider able to
16 participate in the program, on or before August 15 of each year, an accredited
17 provider shall submit a form to the Education and Labor Cabinet showing that
18 the accredited provider:

19 (a) Is operating a regionally accredited high school diploma-granting entity;

20 (b) Has the ability to develop a learning plan for each student that integrates
21 graduation requirements and career goals;

22 (c) Provides a course catalog that includes all courses that are necessary to
23 meet graduation requirements; and

24 (d) Has the ability to provide the following:

25 1. Remediation opportunities in literacy and numeracy;

26 2. Career pathways coursework;

27 3. Preparation for workforce credentials;

1 4. Career placement services; and

2 5. Academic skills intake assessments and transcript evaluations.

3 (5) On or before October 15 of each year, the Education and Labor Cabinet shall
4 approve all accredited providers who meet the requirements in subsection (4) of
5 this section and place all approved program providers on an approved program
6 providers list. Approved program providers shall begin enrolling students on or
7 before November 15 of each year. Approved program providers shall maintain
8 approval status unless the approved program provider is removed from the
9 approved program providers list pursuant to subsection (11) of this section.

10 (6) The Education and Labor Cabinet shall pay approved program providers the
11 following amounts for each student who completes the following milestones:

12 (a) Two hundred seventy-five dollars (\$275) for each:

13 1. Completed half unit of high school credit;

14 2. Completed employability skills certification; and

15 3. Earned workforce credential that requires less than fifty (50) hours of
16 training;

17 (b) Five hundred fifty dollars (\$550) for each earned workforce credential that
18 requires at least fifty (50) hours but not more than one hundred (100) hours
19 of training;

20 (c) Eight hundred twenty-five dollars (\$825) for each earned workforce
21 credential that requires more than one hundred (100) hours of training;
22 and

23 (d) One thousand one hundred dollars (\$1,100) for each earned high school
24 diploma.

25 (7) Approved program providers shall submit monthly invoices to the Education and
26 Labor Cabinet not later than the tenth calendar day of each month for milestones
27 met in the previous calendar month. The cabinet shall pay approved program

1 providers in the order in which invoices are submitted until all available monies
2 are exhausted. The cabinet shall provide a written update to the approved
3 program providers on or before the last calendar day of each month, including:
4 (a) The aggregate total dollars that have been paid to approved program
5 providers to date;
6 (b) The aggregate number of students currently enrolled in the program that
7 have had a previously invoiced milestone;
8 (c) The aggregate number of newly enrolled students that have not been
9 included in a previous invoice; and
10 (d) The estimated number of enrollments still available for the program year.
11 (8) An approved program provider shall only invoice for courses and credits required
12 to earn a high school diploma which may include additional courses that meet
13 workforce credential requirements.
14 (9) On or before October 30 of each year, each approved program provider shall
15 report the following to the Education and Labor Cabinet:
16 (a) The total number of:
17 1. Students who were funded through the program;
18 2. Earned credits;
19 3. Earned workforce credentials earned for each tier of funding; and
20 4. Students who graduated through the program; and
21 (b) The information required by the performance measures established by the
22 Education and Labor Cabinet pursuant to subsection (12) of this section.
23 (10) The Education and Labor Cabinet shall compile the reports received from each
24 approved program provider in accordance with subsection (9) of this section and,
25 by December 15 of each year, shall provide an annual report to the:
26 (a) Kentucky Board of Education;
27 (b) Secretary of State; and

(c) Legislative Research Commission for referral to the:

1. Senate Committee on Economic Development, Tourism, and Labor;
and
2. House Committee on Economic Development and Workforce
Investment.

(11) (a) Beginning July 1, 2027, and each July 1 thereafter, the Education and Labor Cabinet shall review data from each approved program provider to ensure that each provider is achieving minimum program performance standards, including:

10 1. A graduation rate of at least fifty percent (50%) beginning with the
11 second cohort; and
12 2. An average student cost per graduate of seven thousand five hundred
13 dollars (\$7,500) or less.

14 **(b) The Education and Labor Cabinet may implement a process to bring an**
15 **approved program provider into compliance.**

16 (c) If the program is extended by an act of the General Assembly, the
17 Education and Labor Cabinet shall revoke an approved program provider's
18 authorization to participate in the program if the approved program
19 provider does not comply with the requirements of paragraph (a) of this
20 subsection within two (2) years. If the cabinet has revoked an approved
21 program provider's authorization, the provider shall be removed from the
22 program provider list.

23 (12) On or before November 1, 2027, the Education and Labor Cabinet shall
24 promulgate administrative regulations in accordance with KRS Chapter 13A
25 necessary to carry out this section, including but not limited to:

26 (a) The form required by subsection (4) of this section;

27 (b) *Performance measures to evaluate the performance of adult education and*

1 *workforce development programs offered by approved program providers*
2 *that:*
3 *1. Allow for a comparable evaluation across adult education and*
4 *workforce development programs;*
5 *2. Take into consideration the variety of learning levels of adult learners*
6 *entering the programs; and*
7 *3. Include:*
8 *a. Measurements of adult learner progress toward earning a high*
9 *school diploma;*
10 *b. The number of high school diplomas earned;*
11 *c. The number of industry-recognized credentials earned;*
12 *d. The number of adult learners or graduates who have*
13 *matriculated at an institution of higher learning or*
14 *postsecondary educational institution;*
15 *e. The number of adult learners or graduates who have newly*
16 *acquired employment, went on to earn higher wages, or who*
17 *have obtained a better job or a promotion; and*
18 *f. Other relevant measures identified by the Education and Labor*
19 *Cabinet; and*
20 *(c) A compliance process for approved program providers.*
21 *(13) This section shall expire on and have no force or effect after July 1, 2029, unless*
22 *extended by an act of the General Assembly.*