

1 AN ACT relating to teacher scholarships.

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

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

5 *(1) The General Assembly hereby establishes the Promise Program to assist*
6 *individuals to become certified Kentucky teachers and render teaching service in*
7 *Kentucky schools.*

8 *(2) For purposes of this section, the terms listed below shall have the following*
9 *meanings:*

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

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

13 *(c) "Eligible student" means a student who:*

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

15 *2. Is a Kentucky resident, as determined by the participating institution*
16 *in accordance with criteria established by the Council on*
17 *Postsecondary Education for the purposes of admission and tuition*
18 *assessment;*

19 *3. Is enrolled at a participating institution;*

20 *4. Scored in the top twenty-five percent (25%) of all Kentucky students*
21 *on the college admissions examination administered in the spring of*
22 *grade eleven (11) as required by KRS 158.6453; and*

23 *5. Meets any other criteria established in administrative regulation*
24 *promulgated by the authority;*

25 *(d) "Participating institution" means an institution of higher education located*
26 *in Kentucky which offers an eligible program of study and has in force an*
27 *agreement with the authority providing for administration of this program;*

1 and

2 (e) "Qualified teaching service" means teaching the major portion of each
3 school day for at least eighty (80) days each semester in a public school of
4 the Commonwealth while satisfying a one (1) year contract, except that an
5 individual having a disability as defined in Title II of the Americans with
6 Disabilities Act, 42 U.S.C. sec. 12131 et seq., or serious and extended
7 illness, whose disability or illness, certified by a licensed physician, prevents
8 that individual from teaching a major portion of each school day, shall be
9 deemed to perform qualified teaching service by teaching the maximum
10 time permitted by their attending physician.

11 (3) The authority may, to the extent of appropriations and other funds available to it
12 pursuant to subsection (8) of this section, award promise awards to eligible
13 students pursuant to subsection (4) of this section, who initially demonstrate
14 financial need in accordance with standards and criteria established by the
15 authority. Each promise award shall be evidenced by a promissory note that
16 requires repayment or cancellation pursuant to subsection (5) of this section.

17 (4) Promise awards shall be provided to eligible students accepted into an eligible
18 program of study. To the extent funds are available, the authority shall provide
19 eligible students a maximum award of up to the highest tuition charged by a
20 Kentucky public university for full-time enrollment in an undergraduate
21 program, not to exceed the applicant's total cost of attendance minus other
22 financial assistance received or expected to be received by the applicant during
23 the academic period.

24 (5) (a) The authority shall disburse promise awards to eligible students who agree
25 to render qualified teaching service as certified teachers and are
26 unconditionally admitted and enrolled in an eligible program of study.

27 (b) A promise award shall not be provided or a promissory note cancellation

1 shall not be granted to any person who is in default on any obligation to the
2 authority under any program administered by the authority pursuant to
3 KRS 164.740 to 164.7870 until financial obligations to the authority are
4 satisfied, except that ineligibility for this reason may be waived by the
5 authority for cause.

6 (c) Recipients shall render five (5) years of qualified teaching service with no
7 accrual of interest or payment due on the amount of promise awards. At the
8 completion of each year of qualified teaching service, twenty percent (20%)
9 of the initial promise award shall be cancelled.

10 (d) If the recipient of a promise award fails to complete an eligible program of
11 study at a participating institution or fails to render qualified teaching
12 service, unless the failure is temporarily waived for cause by the authority,
13 the recipient shall immediately become liable to the authority for repayment
14 of the sum of all outstanding promissory notes and interest accrued.
15 Persons liable for repayment of awards under this paragraph shall be liable
16 for interest accruing from the date on which the recipient ceases to be
17 enrolled in an eligible program of study and ceases qualified teaching
18 service.

19 (e) The authority shall establish, by administrative regulation, the terms and
20 conditions for the award, cancellation, and repayment of promise
21 scholarships, including but not limited to the selection criteria, eligibility for
22 renewal awards, amount of scholarship payments, deferments, the rate of
23 repayment, and the interest rate thereon.

24 (f) Notwithstanding any other statute to the contrary, the maximum interest
25 rate applicable to repayment of a promissory note under this section shall be
26 eight percent (8%) per annum, except that if a judgment is rendered to
27 recover payment, the judgment shall bear interest at the rate of five percent

- 1 (5%) greater than the rate actually charged on the promissory note.
- 2 (6) A repayment obligation imposed by this section shall not be voidable by reason of
3 the age of the recipient at the time of receiving the promise award.
- 4 (7) Failure to meet repayment obligations imposed by this section shall be cause for
5 the revocation of a person's teaching certificate, subject to the procedures set
6 forth in KRS 161.120.
- 7 (8) All moneys repaid to the authority under this section shall be added to the
8 appropriations made for purposes of this section, and the funds and unobligated
9 appropriations shall not lapse.
- 10 (9) The authority may execute appropriate contracts and promissory notes for
11 administering this section.
- 12 (10) (a) Notwithstanding any other statute to the contrary, if available funds are
13 insufficient for all requested awards for eligible students during any fiscal
14 year, the authority shall give priority consideration to eligible students who
15 previously received promise awards. If funds are insufficient to make all
16 requested renewal awards to eligible students, the authority shall reduce all
17 awards to the extent necessary to provide awards to all qualified renewal
18 students.
- 19 (b) If after awarding to all eligible renewal students, funds are not depleted,
20 initial eligible students shall be ranked according to regulatory selection
21 criteria, which may include application date, and awards shall be made to
22 eligible students until funds are depleted.
- 23 (11) The authority shall submit a report on the number of promise awards provided in
24 each fiscal year, the program of study in which recipients are enrolled, recipient
25 retention rates, total number of applications, and scholarship recruitment
26 strategies to the Legislative Research Commission for referral to the Interim
27 Joint Committee on Postsecondary Education by December 1 of each year.