

1 AN ACT relating to the Work Ready Kentucky Scholarship Program.

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

3 ➔Section 1. KRS 164.787 is amended to read as follows:

- 4 (1) The General Assembly hereby establishes the Work Ready Kentucky Scholarship
 5 Program to ensure that all Kentuckians who have not yet earned a postsecondary
 6 degree have affordable access to an industry-recognized certificate, diploma, or
 7 associate of applied science degree and, for students with intellectual disabilities
 8 enrolled in comprehensive transition and postsecondary programs, affordable
 9 access to meaningful credentials to prepare for competitive integrated employment.
- 10 (2) For purposes of this section:
- 11 (a) "Academic term" means a fall, spring, or summer academic term or other time
 12 period specified in an administrative regulation promulgated by the authority;
- 13 (b) "Academic year" means July 1 through June 30 of each year;
- 14 (c) **"Adjusted gross income" means the federal adjusted gross income reported**
 15 **on an eligible workforce student's Free Application for Federal Student Aid**
 16 **for the academic year in which the scholarship is awarded;**
- 17 **(d)** "Approved dual credit course" means a dual credit course developed in
 18 accordance with KRS 164.098 that is a career and technical education course
 19 within a career pathway approved by the Kentucky Department of Education
 20 that leads to an industry-recognized credential;
- 21 **(e)**~~(d)~~ "Dual credit tuition rate ceiling" means the same as defined in 164.786;
- 22 **(f)**~~(e)~~ "Eligible institution" means an institution defined in KRS 164.001 that:
- 23 1. Actively participates in the federal Pell Grant program;
- 24 2. Executes a contract with the authority on terms the authority deems
 25 necessary or appropriate for the administration of its programs;
- 26 3. Charges no more than the dual credit tuition rate ceiling per credit hour,
 27 including any additional fees, for any dual credit course it offers to any

1 Kentucky public or nonpublic high school student; and

2 4. Is a:

3 a. Kentucky Community and Technical College System institution;

4 b. Kentucky public university; or

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

8 ~~(g)~~~~(f)~~ "Eligible program of study" means a program approved by the authority
9 that leads to an industry-recognized certificate, diploma, or associate of
10 applied science degree in one (1) of Kentucky's top five (5) high-demand
11 workforce sectors identified by the Kentucky Workforce Innovation Board
12 and the Education and Labor Cabinet or a program of study in a
13 comprehensive transition and postsecondary program that leads to a
14 credential, certificate, diploma, or degree;

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

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

21 (3) In consultation with the Education and Labor Cabinet, the Kentucky Department of
22 Education, and the Council on Postsecondary Education, the Kentucky Higher
23 Education Assistance Authority shall administer the Work Ready Kentucky
24 Scholarship Program and promulgate administrative regulations in accordance with
25 KRS Chapter 13A as may be needed for the administration of the scholarship.

26 (4) An eligible high school student shall:

27 (a) Be a Kentucky resident;

- 1 (b) Be enrolled in a Kentucky high school;
- 2 (c) Be enrolled, or accepted for enrollment, in an approved dual credit course at
3 an eligible institution; and
- 4 (d) Complete and submit a Work Ready Kentucky Scholarship dual credit
5 application to the authority.
- 6 (5) An eligible workforce student shall:
- 7 (a) Be a citizen or permanent resident of the United States;
- 8 (b) Be a Kentucky resident as determined by the eligible institution in accordance
9 with criteria established by the Council on Postsecondary Education for the
10 purposes of admission and tuition assessment;
- 11 (c) 1. Have earned a high school diploma or a High School Equivalency
12 Diploma or be enrolled in a High School Equivalency Diploma
13 program; or
- 14 2. For a student enrolled in a comprehensive transition and postsecondary
15 program, have received an alternative high school diploma described in
16 KRS 158.140(2)(b) or have attended a Kentucky public high school and
17 is a student with an intellectual disability as defined in 34 C.F.R. sec.
18 668.231;
- 19 (d) Not have earned an associate's degree or higher level postsecondary degree;
- 20 (e) Complete the Free Application for Federal Student Aid for the academic year
21 in which the scholarship is awarded;
- 22 (f) **Not have an adjusted gross income that exceeds two hundred fifty percent**
23 **(250%) of median household income in Kentucky for the most recently**
24 **available year as published by the United States Census Bureau as of July 1**
25 **preceding the award year;**
- 26 (g) Complete and submit a Work Ready Kentucky Scholarship application to the
27 authority;

1 amount awarded shall be equal to the amount charged by an eligible
2 institution for an approved dual credit course, in accordance with subsection
3 (2)(e)3. of this section.

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

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

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

12 (8) The authority shall annually provide a report on the Work Ready Kentucky
13 Scholarship Program, prepared in collaboration with the Office for Education and
14 Workforce Statistics, to the secretary of the Education and Labor Cabinet that
15 includes, by academic term, academic year, institution, and workforce sector, the
16 number of:

- 17 (a) Students served by the scholarship and the total amount disbursed;
- 18 (b) Credits, certificates, diplomas, and associate of applied science degrees earned
19 by students receiving the scholarship; and
- 20 (c) Students receiving the scholarship who are enrolled in a comprehensive
21 transition and postsecondary program and credentials earned by those
22 students.

23 (9) The authority shall report Work Ready Kentucky Scholarship program data to the
24 Office for Education and Workforce Statistics for analysis of the program's success
25 in meeting the goal of increasing skilled workforce participation rates.

26 (10) (a) The Work Ready Kentucky Scholarship fund is hereby created as a trust fund
27 in the State Treasury to be administered by the authority for the purpose of

- 1 providing scholarships as described in this section.
- 2 (b) The trust fund shall consist of state general fund appropriations, gifts and
3 grants from public and private sources, and federal funds. All moneys
4 included in the fund shall be appropriated for the purposes set forth in this
5 section.
- 6 (c) Any unallotted or unencumbered balances in the trust fund shall be invested
7 as provided in KRS 42.500(9). Income earned from the investments shall be
8 credited to the trust fund.
- 9 (d) Notwithstanding KRS 45.229, any fund balance at the close of the fiscal year
10 shall not lapse but shall be carried forward to the next fiscal year and
11 continuously appropriated only for the purposes specified in this section.