

1 AN ACT relating to dual credit scholarships.

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

3 ➔Section 1. KRS 164.786 is amended to read as follows:

4 (1) For purposes of this section:

5 (a) "Academic term" means the fall or spring academic semester;

6 (b) "Academic year" means July 1 through June 30 of each year;

7 (c) "Approved dual credit course" means a dual credit course developed in  
8 accordance with KRS 164.098 and shall include general education courses  
9 and career and technical education courses within a career pathway approved  
10 by the Kentucky Department of Education that leads to an industry-  
11 recognized credential;

12 (d) "Authority" means the Kentucky Higher Education Assistance Authority;

13 (e) "Dual credit" has the same meaning as in KRS 158.007;

14 (f) "Dual credit tuition rate ceiling" means ***one-half (1/2)***~~one-third (1/3)~~ of the  
15 per credit hour tuition amount charged by the Kentucky Community and  
16 Technical College System for in-state students;

17 (g) "Eligible high school student" means a student who:

18 1. Is a Kentucky resident;

19 2. Is enrolled in a Kentucky high school~~[as a senior or junior]~~;

20 3. Has completed a thirty (30) minute college success counseling session;  
21 and

22 4. Is enrolled, or accepted for enrollment, in an approved dual credit course  
23 at a participating institution; ***and***

24 (h) "Participating institution" means a postsecondary institution that:

25 1. Has an agreement with the authority for the administration of the Dual  
26 Credit Scholarship Program;

27 2. ***Offers dual credit courses approved by the Council on Postsecondary***

1                    *Education in consultation with the Kentucky Department of*  
 2                    *Education for payment by the Dual Credit Scholarship Program;*

3                    3. Charges no more than the dual credit tuition rate ceiling per credit hour,  
 4                    including any additional fees, for any dual credit course it offers to any  
 5                    Kentucky public or nonpublic high school student;

6                    ~~4[3].~~ Does not charge any tuition or fees to an eligible high school student for  
 7                    an approved dual credit course beyond what is paid by the Dual Credit  
 8                    Scholarship Program~~[ when the course is not successfully completed];~~  
 9                    and

10                  ~~5[4].~~ Is a:

- 11                  a. Kentucky Community and Technical College System institution;
- 12                  b. Four (4) year Kentucky public college or university; or
- 13                  c. Four (4) year private college or university that is accredited by the  
 14                  Southern Association of Colleges and Schools and whose main  
 15                  campus is located in Kentucky~~]; and~~

16                  ~~(i) "Successfully completed" means a student receiving both secondary and~~  
 17                  ~~postsecondary credit upon completion of an approved dual credit course].~~

18                  (2) To promote dual credit coursework opportunities at no cost to eligible Kentucky  
 19                  high school students, the General Assembly hereby establishes the Dual Credit  
 20                  Scholarship Program.

21                  (3) In consultation with the *Council on Postsecondary Education, the Kentucky*  
 22                  *Department of Education, and the* Education and Labor Cabinet, the authority  
 23                  shall administer the Dual Credit Scholarship Program and shall promulgate  
 24                  administrative regulations in accordance with KRS Chapter 13A as may be needed  
 25                  for the administration of the program.

26                  (4) (a) Each high school shall apply to the authority for dual credit scholarship funds  
 27                  for each eligible high school student.

- 1 (b) The authority may award a dual credit scholarship to an eligible high school  
2 student for an academic term to the extent funds are available for that purpose,  
3 except that **priority for awarding** a scholarship shall be **given in**  
4 **order**~~[awarded]~~ to an eligible high school senior,~~[prior to awarding an~~  
5 ~~eligible high school]~~ junior, **sophomore, and freshman.**
- 6 (c) An eligible high school student may receive a dual credit scholarship for  
7 **enrollment in** a maximum of **twelve (12) approved dual credit courses as**  
8 **follows:**
- 9 **1. Two (2) career and technical education**~~[successfully completed]~~ dual  
10 credit courses **in the freshman year;**
- 11 **2. Two (2) general education or career and technical education dual**  
12 **credit courses, in any combination, in the sophomore year;**
- 13 **3. Four (4) general education or career and technical education dual**  
14 **credit courses, in any combination, in the junior year; and**
- 15 **4. Four (4) general education or career and technical education dual**  
16 **credit courses, in any combination, in the senior year.**
- 17 (d) The dual credit scholarship award amount shall be equal to the amount  
18 charged by a participating institution, not to exceed the dual credit tuition rate  
19 ceiling for each dual credit hour~~[, except the scholarship amount shall be~~  
20 ~~reduced by fifty percent (50%) if the dual credit course is not successfully~~  
21 ~~completed by the student].~~
- 22 (e) Dual credit scholarship funds shall not be used for remedial or developmental  
23 coursework.
- 24 (5) Each participating institution shall submit information each academic term to the  
25 authority required for the administration of the scholarship as determined by the  
26 authority.
- 27 (6) Beginning August 1, 2017, and each year thereafter, the authority shall provide a

1 report to the Interim Joint Committee on Education, the secretary of the Education  
2 and Labor Cabinet, the president of the Council on Postsecondary Education, and  
3 the commissioner of the Kentucky Department of Education to include:

4 (a) The number of students, by local school district and in total, served by the  
5 Dual Credit Scholarship Program; and

6 (b) The number of general education and career and technical education dual  
7 credits earned by students by high school and in total.

8 (7) By May 31, 2019, and each year thereafter, the Kentucky Center for ~~Education and~~  
9 ~~Workforce~~ Statistics, in collaboration with the authority, shall publish data on the  
10 Dual Credit Scholarship Program's academic and workforce outcomes. The center  
11 shall annually provide a report on the data to the Interim Joint Committee on  
12 Education.

13 (8) (a) The Dual Credit Scholarship Program trust fund is hereby created as a trust  
14 fund in the State Treasury to be administered by the Kentucky Higher  
15 Education Assistance Authority for the purpose of providing scholarships  
16 described in this section.

17 (b) The trust fund shall consist of state general fund appropriations, gifts and  
18 grants from public and private sources, and federal funds. All moneys  
19 included in the fund shall be appropriated for the purposes set forth in this  
20 section.

21 (c) Any unallotted~~unalloted~~ or unencumbered balances in the trust fund shall be  
22 invested as provided in KRS 42.500(9). Income earned from the investments  
23 shall be credited to the trust fund.

24 (d) Notwithstanding KRS 45.229, any fund balance at the close of the fiscal year  
25 shall not lapse but shall be carried forward to the next fiscal year and  
26 continuously appropriated only for the purposes specified in this section.

27 ➔Section 2. KRS 164.787 is amended to read as follows:

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

1 and licensed to operate at a site in Kentucky;

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

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

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

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

20 (4) ~~[An eligible high school student shall:~~

21 ~~(a) Be a Kentucky resident;~~

22 ~~(b) Be enrolled in a Kentucky high school;~~

23 ~~(c) Be enrolled, or accepted for enrollment, in an approved dual credit course at~~  
 24 ~~an eligible institution; and~~

25 ~~(d) Complete and submit a Work Ready Kentucky Scholarship dual credit~~  
 26 ~~application to the authority.~~

27 ~~(5) [An eligible workforce student shall:~~

- 1 (a) Be a citizen or permanent resident of the United States;
- 2 (b) Be a Kentucky resident as determined by the eligible institution in accordance  
3 with criteria established by the Council on Postsecondary Education for the  
4 purposes of admission and tuition assessment;
- 5 (c) 1. Have earned a high school diploma or a High School Equivalency  
6 Diploma or be enrolled in a High School Equivalency Diploma  
7 program; or
- 8 2. For a student enrolled in a comprehensive transition and postsecondary  
9 program, have received an alternative high school diploma described in  
10 KRS 158.140(2)(b) or have attended a Kentucky public high school and  
11 is a student with an intellectual disability as defined in 34 C.F.R. sec.  
12 668.231;
- 13 (d) Not have earned an associate's degree or higher level postsecondary degree;
- 14 (e) Complete the Free Application for Federal Student Aid for the academic year  
15 in which the scholarship is awarded;
- 16 (f) Complete and submit a Work Ready Kentucky Scholarship application to the  
17 authority;
- 18 (g) Enroll in an eligible program of study at an eligible institution;
- 19 (h) Not be enrolled in an ineligible degree program, such as a bachelor or  
20 unapproved associate program, at any postsecondary institution;
- 21 (i) Following the first academic term scholarship funds are received, achieve and  
22 maintain satisfactory academic progress as determined by the eligible  
23 institution; and
- 24 (j) Not be in default on any program under Title IV of the federal act or any  
25 obligation to the authority under any program administered by the authority  
26 under KRS 164.740 to 164.7891 or 164.7894, except that ineligibility for this  
27 reason may be waived by the authority for cause.

- 1 ~~(5)~~~~(6)~~ (a) Beginning with the 2019-2020 academic year, the authority shall award  
2 a Work Ready Kentucky Scholarship each academic term to any person who  
3 meets the requirements of this section to the extent funds are available for that  
4 purpose.
- 5 (b) The scholarship amount awarded to an eligible workforce student for an  
6 academic term shall be the amount remaining after subtracting the student's  
7 federal and state grants and scholarships from the maximum scholarship  
8 amount. The maximum scholarship amount shall be the per credit hour in-  
9 state tuition rate at the Kentucky Community and Technical College System  
10 multiplied by the number of credit hours in which the student is enrolled and  
11 the fees charged to the student. The authority shall promulgate an  
12 administrative regulation in accordance with KRS Chapter 13A to specify the  
13 maximum amount to be awarded for fees~~, except that for the 2019-2020~~  
14 ~~academic year the amount awarded for fees shall not exceed four hundred~~  
15 ~~dollars (\$400).~~
- 16 ~~(c) The scholarship award for an eligible high school student shall be limited to~~  
17 ~~two (2) approved dual credit courses per academic year. The scholarship~~  
18 ~~amount awarded shall be equal to the amount charged by an eligible~~  
19 ~~institution for an approved dual credit course, in accordance with subsection~~  
20 ~~(2)(e)3. of this section].~~
- 21 ~~(6)~~~~(7)~~ (a) Except as provided in paragraph (b) of this subsection, an eligible  
22 workforce student's eligibility for the scholarship shall terminate upon the  
23 earlier of:
- 24 1. Receiving the scholarship for a total of sixty (60) credit hours; or
  - 25 2. Obtaining an associate's degree.
- 26 (b) For an eligible workforce student enrolled in a comprehensive transition and  
27 postsecondary program, eligibility for the scholarship shall terminate upon the

1 earlier of completing the program or receiving the scholarship for up to nine  
2 (9) academic terms within three (3) academic years.

3 ~~(7)~~<sup>(8)</sup> The authority shall annually provide a report on the Work Ready Kentucky  
4 Scholarship Program, prepared in collaboration with the Kentucky Center~~[Office]~~  
5 for~~[ Education and Workforce]~~ Statistics, to the Interim Joint Committee on  
6 Education, the president of the Council for Postsecondary Education, and the  
7 secretary of the Education and Labor Cabinet that includes, by academic term,  
8 academic year, institution, and workforce sector, the number of:

- 9 (a) Students served by the scholarship and the total amount disbursed;  
10 (b) Credits, certificates, diplomas, and associate of applied science degrees earned  
11 by students receiving the scholarship; and  
12 (c) Students receiving the scholarship who are enrolled in a comprehensive  
13 transition and postsecondary program and credentials earned by those  
14 students.

15 ~~(8)~~<sup>(9)</sup> The authority shall report Work Ready Kentucky Scholarship program data to  
16 the Kentucky Center~~[Office]~~ for~~[ Education and Workforce]~~ Statistics for analysis  
17 of the program's success in meeting the goal of increasing skilled workforce  
18 participation rates.

19 ~~(9)~~<sup>(10)</sup> (a) The Work Ready Kentucky Scholarship fund is hereby created as a trust  
20 fund in the State Treasury to be administered by the authority for the purpose  
21 of providing scholarships as described in this section.

22 (b) The trust fund shall consist of state general fund appropriations, gifts and  
23 grants from public and private sources, and federal funds. All moneys  
24 included in the fund shall be appropriated for the purposes set forth in this  
25 section.

26 (c) Any unallotted or unencumbered balances in the trust fund shall be invested  
27 as provided in KRS 42.500(9). Income earned from the investments shall be

1                   credited to the trust fund.

2           (d) Notwithstanding KRS 45.229, any fund balance at the close of the fiscal year  
3                   shall not lapse but shall be carried forward to the next fiscal year and  
4                   continuously appropriated only for the purposes specified in this section.

5           ➔Section 3. This Act takes effect July 1, 2024.