AN ACT relating to the Kentucky Educational Excellence Scholarship.

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

Section 1. KRS 164.7874 is amended to read as follows:

As used in KRS 164.7871 to 164.7885:

(1) "Academic term" means a semester or other time period specified in an administrative regulation promulgated by the authority;

(2) "Academic year" means a period consisting of at least the minimum school term, as defined in KRS 158.070;

(3) "ACT score" means the composite score achieved on the American College Test at a national test site on a national test date or the college admissions examination administered statewide under KRS 158.6453(5)(b)5. if the exam is the ACT, or an equivalent score, as determined by the authority, on the SAT administered by the College Board, Inc.;

(4) "Authority" means the Kentucky Higher Education Assistance Authority;

(5) "Award period" means the fall and spring consecutive academic terms within one academic year;

(6) "Council" means the Council on Postsecondary Education created under KRS 164.011;

(7) "Eligible high school student" means any person who:

(a) Is a citizen, national, or permanent resident of the United States and Kentucky resident;

(b) Was enrolled after July 1, 1998:

1. In a Kentucky high school for at least one hundred forty (140) days of the minimum school term unless exempted by the authority's executive director upon documentation of extreme hardship, while meeting the KEES curriculum requirements, and was enrolled in a Kentucky high school at the end of the academic year;
2. In a Kentucky high school for the fall academic term of the senior year and who:
   a. Was enrolled during the entire academic term;
   b. Completed the high school's graduation requirements during the fall academic term; and
   c. Was not enrolled in a secondary school during any other academic term of that academic year; or

3. In the Gatton Academy of Mathematics and Science in Kentucky, the Craft Academy for Excellence in Science and Mathematics, or in high school at a model and practice school under KRS 164.380 while meeting the Kentucky educational excellence scholarship curriculum requirements;
   c. Has a grade point average of 2.5 or above at the end of any academic year beginning after July 1, 1998, or at the end of the fall academic term for a student eligible under paragraph (b) 2. of this subsection; and
   d. Is not a convicted felon;

(8) "Eligible postsecondary student" means a citizen, national, or permanent resident of the United States and Kentucky resident, as determined by the participating institution in accordance with criteria established by the council for the purposes of admission and tuition assessment, who:
   a. Earned a KEES award;
   b. Has the required postsecondary GPA and credit hours required under KRS 164.7881;
   c. Has remaining semesters of eligibility under KRS 164.7881;
   d. Is enrolled in a participating institution as a part-time or full-time student; and
   e. Is not a convicted felon;

(9) "Full-time student" means a student enrolled in a postsecondary program of study
that meets the full-time student requirements of the participating institution in
which the student is enrolled;

(10) "Grade point average" or "GPA" means the grade point average earned by an
eligible student and reported by the high school or participating institution in which
the student was enrolled based on a scale of 4.0 or its equivalent if the high school
or participating institution that the student attends does not use the 4.0 grade scale;

(11) "High school" means any Kentucky public high school, the Gatton Academy of
Mathematics and Science in Kentucky, the Craft Academy for Excellence in
Science and Mathematics, a high school of a model and practice school under KRS
164.380, and any private, parochial, or church school located in Kentucky that has
been certified by the Kentucky Board of Education as voluntarily complying with
curriculum, certification, and textbook standards established by the Kentucky Board
of Education under KRS 156.160;

(12) "KEES" or "Kentucky educational excellence scholarship" means a scholarship
provided under KRS 164.7871 to 164.7885;

(13) "KEES award" means:

(a) For an eligible high school student, the sum of the KEES base amount for
each academic year of high school plus any KEES supplemental amount, as
adjusted pursuant to KRS 164.7881; and

(b) For a student eligible under KRS 164.7879(3)(e) only, the KEES
supplemental amount as adjusted pursuant to KRS 164.7881; and

(c) For a student eligible under subsections (2)(e) and (3)(e) of Section 2 of this
Act, the dual credit course award amount plus any KEES supplemental
amount as adjusted pursuant to KRS 164.7881;

(14) "KEES award maximum" means the sum of the KEES base amount earned in each
academic year of high school plus any KEES supplemental amount earned;

(15) "KEES base amount" or "base amount" means the amount earned by an eligible
high school student based on the student's GPA pursuant to KRS 164.7879;

(16) "KEES curriculum" means five (5) courses of study, except for students who meet the criteria of subsection (7)(b)2. of this section, in an academic year as determined in accordance with an administrative regulation promulgated by the authority;

(17) "KEES supplemental amount" means the amount earned by an eligible student based on the student's ACT score pursuant to KRS 164.7879;

(18) "KEES trust fund" means the Wallace G. Wilkinson Kentucky educational excellence scholarship trust fund;

(19) "On track to graduate" means the number of cumulative credit hours earned as compared to the number of hours determined by the postsecondary education institution as necessary to complete a bachelor's degree by the end of eight (8) academic terms or ten (10) academic terms if a student is enrolled in an undergraduate program that requires five (5) years of study;

(20) "Participating institution" means an "institution" as defined in KRS 164.001 that is eligible to participate in the federal Pell Grant program, executes a contract with the authority on terms the authority deems necessary or appropriate for the administration of its programs, and:

(a) 1. Is publicly operated;

2. Is licensed by the Commonwealth of Kentucky and has operated for at least ten (10) years, offers an associate or baccalaureate degree program of study not comprised solely of sectarian instruction, and admits as regular students only high school graduates, recipients of a High School Equivalency Diploma, or students transferring from another accredited degree granting institution; or

3. Is designated by the authority as an approved out-of-state institution that offers a degree program in a field of study that is not offered at any institution in the Commonwealth; and
(b) Continues to commit financial resources to student financial assistance programs; and

(21) "Part-time student" means a student enrolled in a postsecondary program of study who does not meet the full-time student requirements of the participating institution in which the student is enrolled and who is enrolled for at least six (6) credit hours, or the equivalent for an institution that does not use credit hours.

Section 2. KRS 164.7879 is amended to read as follows:

(1) Kentucky educational excellence scholarship awards shall be based upon an established base scholarship amount and an eligible high school student's grade point average. The base scholarship amount for students attaining a grade point average of at least 2.5 for the 1998-1999 academic year shall be as follows:

<table>
<thead>
<tr>
<th>GPA</th>
<th>Amount</th>
<th>GPA</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.50</td>
<td>$125.00</td>
<td>3.30</td>
<td>$325.00</td>
</tr>
<tr>
<td>2.60</td>
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<td>2.70</td>
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<td>2.75</td>
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<td>3.75</td>
<td>$437.00</td>
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<td>3.00</td>
<td>$250.00</td>
<td>3.80</td>
<td>$450.00</td>
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<tr>
<td>3.10</td>
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<td>3.90</td>
<td>$475.00</td>
</tr>
<tr>
<td>3.20</td>
<td>$300.00</td>
<td>4.00</td>
<td>$500.00</td>
</tr>
<tr>
<td>3.25</td>
<td>$312.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The authority shall review the base amount of the Kentucky educational excellence scholarship each academic year and may promulgate an administrative regulation to make adjustments after considering the availability of funds.

(2) (a) The authority shall commit to provide to each eligible high school student the base amount of the Kentucky educational excellence scholarship for each
academic year of high school study in the Kentucky educational excellence scholarship curriculum that the high school student has attained at least a 2.5 grade point average. The award shall be based upon the eligible high school student's grade point average at the close of each academic year. An award attributable to a past academic year shall not be increased after the award has been earned by an eligible high school student, regardless of any subsequent increases made to the base amount of the Kentucky educational excellence scholarship through the promulgation of an administrative regulation by the authority.

(b) Notwithstanding the definitions of "eligible high school student" and "high school" in KRS 164.7874, any high school student who maintains Kentucky residency and completes the academic courses that are required for a Kentucky educational excellence scholarship while participating in an approved educational high school foreign exchange program or participating in the United States Congressional Page School may apply his or her grade point average for that academic year toward the base as described in paragraph (a) of this subsection. The grade point average shall be reported by the student's Kentucky home high school, based on an official transcript from the school that the student attended during the out-of-state educational experience. The authority shall promulgate administrative regulations that describe the approval process for the educational exchange programs that qualify under this paragraph. The provisions in this paragraph shall likewise apply to any Kentucky high school student who participated in an approved educational exchange program or in a Congressional Page School since the 1998-99 school year and maintained his or her Kentucky residency throughout.

(c) 1. Notwithstanding the definitions of "eligible high school student" and "high school" in KRS 164.7874 and the requirement that a student
graduate from a Kentucky high school, a high school student who
completes the KEES curriculum while attending an accredited out-of-
state high school or Department of Defense school may apply the grade
point average for any applicable academic year toward the base as
described in paragraph (a) of this subsection and shall also qualify for a
supplemental award under subsection (3) of this section when:

a. His or her custodial parent or guardian is in active service of the
   Armed Forces of the United States; and

b. The custodial parent or guardian maintained Kentucky as the home
   of record at the time the student attended an accredited out-of-state
   high school or a Department of Defense school.

2. The student or parent shall arrange for the out-of-state school to report
the student's grade point average each academic year and the student's
highest ACT score to the authority as required under KRS 164.7885.

   The authority shall promulgate administrative regulations implementing
   the requirements in this paragraph, including:

a. The documentation that the parent shall submit to the authority
   establishing the student's eligibility for the scholarship; and

b. The assurances that an out-of-state institution shall submit to the
   authority for submission of the student grade point average.

3. The provisions in this paragraph shall apply to the 2001-2002 school
   year and thereafter.

(d) Beginning with the 2013-2014 academic year, a student who meets the
Kentucky core academic standards for high school graduation established in
administrative regulation and graduates after completing three (3) years of
high school shall receive a Kentucky educational excellence scholarship
award equivalent to completing high school in four (4) years. The award shall
be determined by dividing the total actual KEES scholarship earned under subsection (1) of this section by three (3) and multiplying that number by four (4). The resulting number shall be the annual award the student is eligible for under subsection (1) of this section.

(e) 1. **Notwithstanding the definitions of "eligible high school student" and "high school" in Section 1 of this Act, the authority shall commit to provide an award based on grades achieved for dual credit courses to Kentucky residents who are citizens, nationals, or permanent residents of the United States and who graduate from a nonpublic secondary school not certified by the Kentucky Board of Education.**

2. **An award calculated under this paragraph shall be based on the average grade point average achieved for two (2) dual credit courses taken during the junior or senior year of high school at a college or university whose main campus is located in Kentucky and shall be calculated using the same scale used to calculate the grade point average of an eligible high school student. The dual credit course award amount shall be the corresponding grade point average base amount provided in subsection (1) of this section multiplied by four (4).**

3. **The authority shall promulgate administrative regulations establishing the eligibility criteria and procedures for implementing this paragraph.**

4. **The provisions in this paragraph shall apply to high school students graduating from high school after the 2021-2022 academic year.**

(3) (a) The authority shall commit to provide to each eligible high school student graduating from high school before June 30, 1999, and achieving a score of at least 15 on the American College Test, a supplemental award for the award
period beginning in the fall of 1999, based on the eligible high school student's highest ACT score attained by the date of graduation from high school. The amount of the supplemental award shall be determined as follows:

<table>
<thead>
<tr>
<th>ACT Score</th>
<th>Annual Bonus</th>
</tr>
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<tbody>
<tr>
<td>15</td>
<td>$21</td>
</tr>
<tr>
<td>16</td>
<td>$43</td>
</tr>
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<td>17</td>
<td>$64</td>
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<td>19</td>
<td>$107</td>
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<td>20</td>
<td>$129</td>
</tr>
<tr>
<td>21</td>
<td>$150</td>
</tr>
<tr>
<td>22 or above</td>
<td>$300</td>
</tr>
</tbody>
</table>

Subsequent supplemental awards for eligible high school students graduating before June 30, 1999, shall be determined in accordance with the provisions of paragraph (b) of this subsection.

(b) The authority shall commit to provide to each eligible high school student upon achievement after June 30, 1999, of an ACT score of at least 15 on the American College Test a supplemental award based on the eligible high school student's highest ACT score attained by the date of graduation from high school. The amount of the supplemental award shall be determined as follows:

<table>
<thead>
<tr>
<th>ACT Score</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td>$36</td>
</tr>
<tr>
<td>16</td>
<td>$71</td>
</tr>
<tr>
<td>17</td>
<td>$107</td>
</tr>
<tr>
<td>18</td>
<td>$143</td>
</tr>
<tr>
<td>22 or above</td>
<td>$286</td>
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<tr>
<td>23</td>
<td>$321</td>
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<tr>
<td>24</td>
<td>$357</td>
</tr>
<tr>
<td>25</td>
<td>$393</td>
</tr>
</tbody>
</table>
The authority shall review the base amount of the supplemental award beginning with the 2001-2002 academic year and each academic year thereafter and may promulgate an administrative regulation to make adjustments after considering the availability of funds.

(c) Beginning with the 2008-2009 academic year, the authority shall commit to provide a supplemental award for achievement on examinations for Advanced Placement or International Baccalaureate as defined in KRS 164.002 to an eligible high school student whose family was eligible for free or reduced-price lunch for any year during high school enrollment.

1. The supplemental award for AP examination scores are as follows:
   a. Two hundred dollars ($200) for each score of three (3);
   b. Two hundred fifty dollars ($250) for each score of four (4); and
   c. Three hundred dollars ($300) for each score of five (5).

2. The supplemental award for IB examination scores are as follows:
   a. Two hundred dollars ($200) for each score of five (5);
   b. Two hundred fifty dollars ($250) for each score of six (6); and
   c. Three hundred dollars ($300) for each score of seven (7).

(d) Beginning with the 2013-2014 academic year, the authority shall commit to provide a supplemental award for achievement on examinations for Cambridge Advanced International as defined in KRS 164.002 to an eligible high school student whose family was eligible for free or reduced-priced lunch for any year during high school enrollment. The supplemental award for Cambridge Advanced International examination scores are as follows:

1. Two hundred dollars ($200) for each score of "e";
2. Two hundred fifty dollars ($250) for each score of "c" or "d"; and
3. Three hundred dollars ($300) for each score of "a*", "a", or "b".

(e) The authority shall promulgate administrative regulations establishing the eligibility criteria and procedures for making a supplemental award to Kentucky residents who are citizens, nationals, or permanent residents of the United States and who graduate from a nonpublic secondary school not certified by the Kentucky Board of Education and Kentucky residents who are citizens, nationals, or permanent residents of the United States and who obtain a High School Equivalency Diploma within five (5) years of their high school graduating class, and students under subsection (2)(c) of this section who do not attend an accredited high school.