



Legislative Update: Financial Aid

Council on Postsecondary Education

Affordability Policy Group Meeting
March 15, 2004

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Legislative Update

- KHEAA/KHESLC Proposed Legislation
- KEES Legislation
- Other Legislation of Interest

KHEAA/KHESLC

Proposed Legislation

- **Senate Bill 96** passed the Senate with a Committee Substitute and Amendment and was posted in the House State Government Committee on March 11. The amended bill would:
 - Eliminate several definitions of school type and replace them with a revised definition of eligible institution.
 - Make a housekeeping change in language affecting KESPT.
 - Remove a limitation on eligibility that students lose KTG eligibility after being enrolled for eight semesters. Multiple programs offered at colleges are now labeled as non-traditional and do not conform to traditional semesters, and most students do not complete their degree programs in the traditional eight semesters. The proposed change allows KHEAA to establish by administrative regulation a maximum number of academic periods for grant eligibility.
- **HB 430** passed the House and was assigned to the Senate Appropriations and Revenue Committee on March 4. The bill would:
 - Ratify the executive order that transferred management of KAPT from the Kentucky State Treasurer's office to KHEAA.

KEES Legislation—HB 238

- **SB 238** was introduced in the Senate on February 25 and recommitted to Appropriations and Revenue on March 12. The bill, sponsored by Senators Casebier, Shaughnessy, and Guthrie, would:
 - Increase the minimum GPA needed to receive a KEES base GPA award from 2.5 to 3.0.
 - Increase the minimum ACT score for a supplemental ACT award from 15 to 20.
 - Equalize KEES awards for a student who graduates from high school in 3 years or less.
 - Provide additional KEES awards of \$100 for each "proficient" or "distinguished" a high school student receives on CATS assessments in reading, science, mathematics, social studies, and the writing portfolio, up to the difference between a student's ACT award and the \$500 ACT award maximum.
 - Provide Jeff Green Scholars an additional KEES award of \$500 per year.
 - Require postsecondary students to maintain at least a 3.0 GPA to continue receiving KEES awards, and those who do not would lose their awards permanently.
 - Permit eligible postsecondary students who graduate in less than 8 academic terms to be eligible to receive the remainder of their accumulated KEES scholarship.
 - Direct KHEAA to undertake a study of KEES, CAP, and KTG.

KEES Legislation—HB 238

- Committee Substitute and Floor Amendments filed:
 - **SCS** - Delete provisions permitting the Lottery to educate and inform the public of the use of lottery funds to support education. Permit KHEAA to transfer funds from KEES to state grants (CAP and KTG) if excess funds remain after disbursing all KEES awards.
 - **Senator Westwood** – Postpone the supplement for CATS scores until the State Board of Education has evidence that CATS scores are valid and reliable and can be reported individually.
 - **Senator Blevins** – Removes all of the following: (1) additional KEES award of \$100 for each "proficient" or "distinguished" on CATS assessments, (2) additional KEES award of \$500 per year to Jeff Green Scholars, and (3) requirements that (a) postsecondary students maintain at least a 3.0 GPA to continue to receive KEES awards and (b) those with less than a 3.0 GPA would lose their awards permanently.
 - **Senator Blevins** - Retain provisions of the Senate Committee Substitute. Require KHEAA to make an initial disbursement of KEES awards to a postsecondary institution based on the prior year's award amount. Require KHEAA to issue a reconciling disbursement of KEES awards within 30 days of receiving a report from an institution. Prohibit an institution from requiring a student to pay the anticipated KEES award amount prior to the disbursement of KEES awards by KHEAA.
 - **Senator Blevins** - Provide that the minimum GPA KEES base award remains at a 2.5 GPA but at reduced award amounts for the 2004-2005 academic year.
 - **Senator Shaughnessy** - Retain original provisions of KEES in KRS 164 in regard to the college GPA requirements, except postsecondary students having a cumulative GPA of less than 3.0 at the end of the second or subsequent award periods shall lose their KEES award for all succeeding award periods.

KEES Legislation

- **HB 28**, posted in the House Education Committee on March 1, would:
 - Permit students to use KEES awards to attend a postsecondary institution with a program of study comprised solely of sectarian instruction.
- **House Joint Resolution 135** has passed the House and was assigned to the Senate Education Committee on March 1. The resolution:
 - Directs KHEAA to conduct an analysis of the potential use of KEES awards to pay for dual credit courses and Advanced Placement exams and the manner in which KEES funds are distributed.
 - Requires the analysis to address the use of a high school student's average numeric grade rather than grade point average to determine the annual KEES base amount.
 - Requires CPE and KDE to provide assistance.
 - Requires KHEAA to report its findings to the Interim Joint Committee on Education by October 1, 2004.

KEES Legislation

- **HB 183**, has passed House and was assigned to the Senate Education Committee on February 18. The bill would:
 - Equalize KEES amounts for students who graduate from high school in three or fewer years with the amount earned by students graduating in four years.
 - Include summer school sessions in the definition of "academic term."
 - Allow postsecondary students who complete an undergraduate program in less than 8 academic terms to receive the remainder of their accumulated KEES scholarship in their final academic term.

KEES—No Recent Activity

- **HB 69**, passed by the House Education Committee and reassigned to the House Appropriations and Revenue Committee on January 9, would:
 - Direct the General Assembly to appropriate General Funds to supplement lottery revenue, if needed, to cover the full cost of awarding KEES scholarships and prohibit CPE from lowering award amounts as currently specified in statute.
- **HB 79**, assigned to the House Education Committee on January 6, would:
 - Permit students to use their KEES award at an out-of-state institution if the student's degree major in engineering or health, physical, biological, or earth sciences is not available in Kentucky or the Academic Common Market.
- **HB 169**, assigned to the House Education Committee on January 7, would:
 - Allow a student to be eligible for a KEES award if the student's parent or guardian is a resident of Kentucky but teaches in a school in a contiguous state and if the student graduates from an accredited high school in the district in which the parent or guardian teaches.

KEES—No Recent Activity

- **HB 99**, assigned to the House Education Committee on January 6, would:
 - Provide KEES scholarships to eligible high school seniors enrolled in dual credit courses of study.
- **HB 250**, assigned to the House Education Committee on January 12, would:
 - Permit a student to use a KEES award to attend an accredited institution in a contiguous state that offers a degree program in a field of study not offered at any institution in Kentucky.
- **HB 480**, assigned to the House State Government Committee on February 10, would:
 - Require that the KEES base scholarship shall be calculated based on a student's numerical grade average between 80 and 100 rather than grade point average between 2.5 and 4.0.
 - Define "numerical grade average."
 - Require that numerical scores for AP and international baccalaureate courses be increased by 10 points.

Student Credit Cards

- **HB 63** (College Campus Credit Card Solicitation Act) passed the House and was assigned to Senate Judiciary Committee on March 11. The bill would:
 - Require credit card issuers to register with a postsecondary institution prior to soliciting students on campus and provide the principal place of business of the credit card issuer.
 - Make an application for a credit card executed by a student who was solicited for the card on a college campus void and unenforceable unless the parent or legal guardian consents in writing to the student's submission of the application.
 - Prohibit a credit card issuer to take any debt collection action against the parent or legal guardian of a student for whom a credit card has been issued unless the parent or guardian has agreed in writing to be liable for the student's debt.
- **HB 130** passed the House and was assigned to Senate Judiciary Committee on March 1. The bill would:
 - Prohibit the offer of a gift in exchange for a student credit card application.
 - Require public, and encourage nonpublic, postsecondary institutions to include credit card/debt education sessions as part of new student orientation.
 - Direct CPE to promulgate administrative regulations to regulate credit card marketing practices on public postsecondary campuses.
 - Make the adoption of a credit card marketing policy a requirement for licensure of a nonpublic postsecondary college or university.

State Lottery— No Recent Activity

- **HB 80**, posted for passage by the full House on January 15, would:
 - Eliminate the intent of the General Assembly that government programs and services not be mentioned in advertising or promoting the lottery.
- **HB 154**, assigned to the House State Government Committee on January 7, would:
 - Allow government services and programs to be mentioned in advertising and promotion of the lottery.

Public Service

Student Law School Loan Assistance

- **HB 483** was posted for passage in the House on March 11 but did not come up for vote March 11 or 12. The bill would:
 - Create the Public Service Student Law School Loan Assistance Program to reimburse eligible attorneys for a portion of their law school student loan expenses paid by them in the preceding year. Eligible attorneys must be employed by:
 - Attorney General's Office
 - Prosecutors Advisory Council
 - Department of Public Advocacy
 - A nonprofit legal services organization
 - Be administered by KHEAA which would promulgate administrative regulations.
 - Direct that 2% of each court cost (up to \$1.2 million) deposited in the court cost distribution fund be paid to support the program.

Kentucky National Guard Tuition Award

- **HB 618**, posted March 5 in the House Seniors, Military Affairs, and Public Safety Committee, would:
 - Provide tuition assistance for former members of the National Guard who have been unable to complete their degree due to activations of their unit.