

1 AN ACT relating to education funding integrity.

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

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 160 IS CREATED TO  
4 READ AS FOLLOWS:

5 (1) As used in this section, "foreign source" means:

6 (a) A foreign government, including an agency of a foreign government;

7 (b) A legal entity, governmental or otherwise, created solely under the laws of  
8 one (1) or more foreign states;

9 (c) An individual who is not a citizen or a national of the United States or a  
10 trust territory or protectorate thereof; or

11 (d) An agent, including a subsidiary or affiliate of a foreign legal entity, acting  
12 on behalf of an individual or entity described in paragraphs (a) to (c) of this  
13 subsection.

14 (2) (a) A school district, local board of education, superintendent, or any other  
15 agent acting on behalf of a public school shall not accept or receive funds  
16 from, or enter into a contract with:

17 1. The government of the People's Republic of China;

18 2. The Chinese Communist Party; or

19 3. Any individual or entity acting directly or indirectly on behalf of a  
20 government or party listed in subparagraphs 1. and 2. of this  
21 paragraph.

22 (b) A school district, local board of education, superintendent, or any other  
23 agent acting on behalf of a public school shall, as a term of a contract  
24 entered into by or on behalf of a public school, require the parties to the  
25 contract to state that they have no association with the parties listed in  
26 paragraph (a)1. to 3. of this subsection.

27 (3) No later than thirty (30) days after receiving funds or entering into a contract

1 with a foreign source, a school district shall submit to the commissioner of  
2 education a written report that identifies:

3 (a) The name and country of origin of the foreign source;

4 (b) In a case in which a school receives funds from a foreign source:

5 1. The amount of funds received from that source; and

6 2. Any terms or conditions applicable to the receipt of the funds; and

7 (c) In a case in which a school enters into a contract with a foreign source, the  
8 terms and conditions of the contract.

9 (4) By November 1 of each year, the commissioner of education shall file a report  
10 with the Legislative Research Commission for referral to the appropriate Interim  
11 Joint Committee on Education detailing the reports received by the commissioner  
12 of education pursuant to subsection (3) of this section.

13 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 164 IS CREATED TO  
14 READ AS FOLLOWS:

15 (1) As used in this section, "foreign source" means:

16 (a) A foreign government, including an agency of a foreign government;

17 (b) A legal entity, governmental or otherwise, created solely under the laws of  
18 one (1) or more foreign states;

19 (c) An individual who is not a citizen or a national of the United States or a  
20 trust territory or protectorate thereof; or

21 (d) An agent, including a subsidiary or affiliate of a foreign legal entity, acting  
22 on behalf of an individual or entity described in paragraphs (a) to (c) of this  
23 subsection.

24 (2) (a) A public postsecondary education institution or any agent acting on behalf  
25 thereof shall not accept or receive funds from, or enter into a contract with:

26 1. The government of the People's Republic of China;

27 2. The Chinese Communist Party; or

1           3. Any individual or entity acting directly or indirectly on behalf of a  
2           government or party listed in subparagraph 1. and 2. of this  
3           paragraph.

4           (b) A public postsecondary education institution or any agent acting on behalf  
5           thereof shall, as a term of a contract entered into by or on behalf of a public  
6           institution of postsecondary education, require the parties to the contract to  
7           state that they have no association with the parties listed in paragraph (a)1.  
8           to 3. of this subsection.

9           (3) No later than thirty (30) days after receiving funds or entering into a contract  
10          with a foreign source, a public postsecondary education institution shall submit  
11          to the Council on Postsecondary Education a written report that identifies:

12          (a) The name and country of origin of the foreign source;

13          (b) In a case in which an institution receives funds from a foreign source:

14                  1. The amount of funds received from that source; and

15                  2. Any terms or conditions applicable to the receipt of the funds; and

16          (c) In a case in which an institution enters into a contract with a foreign  
17          source, the terms and conditions of the contract.

18          (4) By November 1 of each year, the Council on Postsecondary Education shall file a  
19          report with the Legislative Research Commission for referral to the appropriate  
20          Interim Joint Committee on Education detailing the reports received by the  
21          council pursuant to subsection (3) of this section.