

1 AN ACT relating to career and technical education.

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

3 ➔Section 1. KRS 157.069 is amended to read as follows:

4 (1) As used in this section:

5 (a) "Administrative operations costs" means costs associated with the operations
6 and staffing of a state-operated area technology center, including but not
7 limited to personnel, facility costs, building utilities and maintenance, and
8 custodial and office supplies;

9 (b) "Approved career and technical education dual credit" means earning a grade
10 of "C" or higher for a Kentucky Department of Education-approved career
11 and technical education dual credit course equivalent to three (3) hours of
12 college credit;

13 (c) "Approved career and technical education pathway" means a four (4) course
14 career and technical education pathway approved by the Kentucky
15 Department of Education that provides a coherent, articulated sequence of
16 rigorous academic and career-related courses within a career and technical
17 education program area, and leads to an associate degree, an industry-
18 recognized certificate or license, or a baccalaureate or higher degree;

19 (d) "Concentrator" means a student who has earned at least two (2) credits for no
20 less than two (2) courses in a single career and technical education pathway;

21 (e) "Converted career and technical education center" means a center providing
22 locally operated career and technical education for which a local district
23 assumed authority from the state for the management and control of the center
24 during the 2020-2021, 2021-2022, or 2022-2023 academic years;

25 (f) "General-cost career and technical education program" means a career and
26 technical education program or pathway in which high-cost technical
27 equipment, materials, or facilities are not required;

- 1 (g) "General-cost full-time equivalents" means the total number of secondary
2 students enrolled in general-cost career and technical education programs,
3 multiplied by the number of hours those students are enrolled, and divided by
4 six (6) hours;
- 5 (h) "High-cost career and technical education program" means a career and
6 technical education program or pathway in which high-cost equipment,
7 materials, or facilities are required;
- 8 (i) "Locally operated career and technical education" means a district program
9 that provides secondary students with one (1) or more approved career and
10 technical education pathways;
- 11 (j) "State-operated area technology center" means a state-operated secondary
12 school facility with the primary purpose of offering approved career and
13 technical education pathways;
- 14 (k) "Supplemental funding" or "supplemental funds" means moneys appropriated
15 by the General Assembly to support qualifying locally operated career and
16 technical education centers and programs and state-operated area technology
17 centers and programs based on enrollment and incentive criteria;
- 18 (l) "Technical skill attainment" means earning an industry-recognized
19 certification, licensure, or credential as identified by the Kentucky Workforce
20 Innovation Board pursuant to KRS 158.6455(1)(e) or passing an end-of-
21 program assessment for articulated postsecondary credit as designated by the
22 Kentucky Department of Education Office of Career and Technical
23 Education;
- 24 (m) "Weighted high-cost full-time equivalents" means the total number of
25 secondary students enrolled in high-cost career and technical education
26 programs, multiplied by the number of credit hours in which those students
27 are enrolled, divided by six (6) hours, and multiplied by one and one-half

1 (1.5); and

2 (n) "Work-based learning program" means a cooperative education program,
3 internship, or registered apprenticeship within the student's chosen approved
4 career and technical education pathway.

5 (2) The Kentucky Department of Education shall provide funds from the department's
6 annual general fund appropriation to support the administrative operations costs of
7 state-operated area technology centers and converted career and technical education
8 centers.

9 (3) For converted career and technical education centers, beginning with fiscal year
10 2024-2025, the Kentucky Department of Education shall deduct from funds
11 designated for the state-operated area technology centers an amount equal to the
12 administrative operations costs of each converted career and technical education
13 center in the amount received by the center in the most recent fiscal year that the
14 center was under state management and control. The funds for each converted
15 career and technical education center shall be divided as follows:

16 (a) Seventy-five percent (75%) of the funds shall be sent to the local district that
17 has assumed management and control of the center; and

18 (b) Twenty-five percent (25%) of the funds shall be sent to the career and
19 technical education innovation and support fund established in subsection (4)
20 of this section.

21 (4) (a) There is hereby established in the State Treasury a restricted fund to be known
22 as the career and technical education innovation and support fund to receive
23 the funds allocated under subsection (3)(b) of this section. The fund shall
24 consist of moneys received from state appropriations, gifts, grants, and federal
25 funds. The fund shall be administered by the Office of Career and Technical
26 Education. Amounts deposited in the fund shall be used for:

27 1. Supporting innovation in new or emerging career fields;

- 1 2. Supporting state-operated area technology centers that may experience
- 2 hardship or natural disasters;
- 3 3. Personnel costs to provide technical assistance to local districts
- 4 providing locally operated career and technical education, including
- 5 technical assistance relating to the monitoring and oversight on the use
- 6 of supplemental career and technical education funding; and
- 7 4. Any other purposes reasonably related to improving student outcomes in
- 8 career and technical education.

9 (b) Notwithstanding KRS 45.229, fund amounts not expended at the close of a
10 fiscal year shall not lapse but shall be carried forward into the next fiscal year.

11 (5) Beginning with the 2024-2025 fiscal year and for each fiscal year thereafter, the
12 Kentucky Department of Education shall distribute to local districts providing
13 locally operated career and technical education and to state-operated area
14 technology centers all general funds designated as supplemental funds to career and
15 technical education programs, subject to the following:

16 (a) A local district providing locally operated career and technical education or a
17 state-operated area technology center shall maintain eligibility for receipt of
18 federal funding pursuant to the Strengthening Career and Technical Education
19 for the 21st Century Act, Pub. L. No. 115-224, to be eligible to receive
20 supplemental funding pursuant to this subsection;

21 (b) All supplemental funds distributed pursuant to this subsection shall be used to
22 improve student outcomes in career and technical education pathways for
23 students in grades nine (9) through twelve (12), including but not limited to
24 student supplies, resources, materials, and equipment that is designed for
25 enhanced quality of instruction in a career and technical education pathway,
26 the purchase and maintenance of industry standard equipment, assisting
27 students with achieving technical skill attainment, and supporting career and

1 technical student organization participation;

2 (c) 1. Supplemental funds for career and technical education shall be divided
3 and allocated to each local district providing locally operated career and
4 technical education and to each state-operated area technology center,
5 with ~~seventy-five~~^[sixty] percent ~~(75%)~~^[(60%)] dedicated for enrollment-
6 based funding and ~~twenty-five~~^[forty] percent ~~(25%)~~^[(40%)] for
7 incentive-based funding.

8 2. The ~~seventy-five~~^[sixty] percent ~~(75%)~~^[(60%)] enrollment-based funding
9 shall be based on a statewide full-time equivalent calculation of the total
10 weighted high-cost full-time equivalents and general-cost full-time
11 equivalents during the prior school year, subject to the following:

12 a. The department shall then distribute the enrollment-based funds
13 for each state-operated area technology center or local district
14 providing locally operated career and technical education based on
15 the center's or district's proportional share of the combined
16 weighted high-cost full-time equivalents and general-cost full-time
17 equivalents of the prior year;

18 b. The department shall distribute the state-operated area technology
19 center fund portion to the respective state-operated area
20 technology centers and the local district fund portion to the
21 respective local districts; and

22 c. The department shall classify qualifying programs as either a high-
23 cost career and technical education program or a general-cost
24 career and technical education program.

25 3. The ~~twenty-five~~^[forty] percent ~~(25%)~~^[(40%)] incentives-based funding
26 shall be based on an annual statewide calculation of the total number of
27 qualifying student incentives. The calculation shall only use students

1 that are in grade twelve (12) and use the total qualifying student
2 incentives earned by those students during secondary education at a
3 state-operated area technology center or within a local district. Once a
4 student has been included in a year's calculation, that student shall not
5 be included in any subsequent year's calculation, subject to the
6 following:

7 a. The first qualifying student incentive~~[incentives]~~ for students in
8 their grade twelve (12) year shall be attained if the student
9 reached the designation of a concentrator. Upon reaching the
10 designation, a student may attain a second qualifying student
11 incentive by~~[include]~~:

12 i. ~~[Reaching the designation of a concentrator;~~

13 ~~ii. —] Technical skill attainment;~~

14 ii.~~[iii.]~~ Completing a required number of hours or achieving a
15 benchmark within a work-based learning program; or~~[and]~~

16 iii.~~[iv.]~~ Earning an approved career and technical education
17 dual credit;

18 b. The incentives in subdivision a. of this subparagraph shall be
19 allotted to the state-operated area technology center or local
20 district in which it was earned. Each type of incentive shall only be
21 counted once per student at state-operated area technology centers
22 and once per student at local districts for a maximum of two
23 (2)~~[four (4)]~~ incentives per student at state-operated area
24 technology centers and two (2)~~[four (4)]~~ incentives at local
25 districts throughout their secondary career and technical education.
26 For incentive criteria that is achieved more than once at state-
27 operated area technology centers, the incentive shall be counted

- 1 for the state-operated area technology center where it was first
2 achieved. For incentive criteria that is achieved more than once at
3 local districts, the incentive shall be counted for the local district
4 where it was first achieved;
- 5 c. The department shall distribute incentives-based funds for each
6 state-operated area technology center or local district based on the
7 center's or district's proportional share of the combined number of
8 qualifying student incentives achieved by students in grade twelve
9 (12) at a state-operated area technology center or within a local
10 district throughout their secondary career and technical education.
11 The incentives-based funds shall be distributed to the state-
12 operated area technology center or local district in which the
13 incentive was achieved; and
- 14 d. The department shall distribute the state-operated area technology
15 center fund portion to the respective state-operated area
16 technology centers and the local district fund portion to the
17 respective local districts;
- 18 (d) There shall be no mid-year adjustment to the allocation of career and technical
19 education supplemental funding for a center or local district; and
- 20 (e) Notwithstanding the restriction in paragraph (b) of this subsection, a district
21 may submit a waiver request to the Office of Career and Technical Education
22 to use a portion of its allocation of supplemental funds for career and
23 technical education programming for students in grades (5) through eight (8).
24 The district shall submit a request which details the district's plan for career
25 and technical education programming for students in grades five (5) through
26 eight (8). In reviewing the request, the Office of Career and Technical
27 Education shall consider whether:

- 1 1. The district details a plan for orientation and exploration of broad-based
2 industries by giving students knowledge and experience regarding
3 careers within these industries and exploratory or hands-on skills used in
4 the industry;
- 5 2. There is direct alignment between middle and secondary career and
6 technical education pathways within the requesting district; and
- 7 3. Such designation of supplemental funding for programming for students
8 in grades five (5) through eight (8) does not have a significant
9 detrimental impact on the programming available for students in
10 secondary grades.
- 11 (6) The Office of Career and Technical Education shall monitor and provide oversight
12 of state funds distributed pursuant to this section to ensure that the use of funding
13 by eligible recipients meets the approved criteria as described in this section.
- 14 (7) The Kentucky Board of Education shall promulgate administrative regulations in
15 accordance with KRS Chapter 13A as may be needed in the administration of this
16 section and for disbursement of moneys.
- 17 (8) The Kentucky Department of Education shall publish on the department's website:
 - 18 (a) The list of all career and technical education programs available to students
19 and the program's designation as a high-cost career and technical education
20 program or as a general-cost career and technical education program;
 - 21 (b) A report of the supplemental funding amounts provided to each local district
22 and to each state-operated area technology center, including an explanation of
23 the amount designated as enrollment-based funding and as incentives-based
24 funding; and
 - 25 (c) A report of the administrative operations costs provided to each state-operated
26 area technology center and to each converted career and technical education
27 center, as well as the amount contributed toward the career and technical

1 education innovation and support fund.