

1 AN ACT establishing the Adult Workforce Diploma and making an appropriation
2 therefor.

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

4 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 156 IS CREATED TO
5 READ AS FOLLOWS:

6 (1) As used in this section:

7 (a) "Academic skills intake assessment" means a criterion-referenced
8 assessment of numeracy and literacy skills with high reliability and validity
9 that is determined by third-party research and that may be administered in
10 person or online;

11 (b) "Accredited provider" means an entity that is currently accredited by one
12 (1) of the seven (7) regional accreditation organizations or any successor
13 entity;

14 (c) "Approved program provider" means a public, nonprofit, or other entity
15 that meets the requirements of this section and does not receive federal or
16 state funding or private tuition for a student in the program;

17 (d) "Average cost per graduate" means the total program funding dispersed to
18 an approved program provider divided by the total number of graduates for
19 a cohort calculated twelve (12) months after the close of the cohort;

20 (e) "Career pathways coursework" means one (1) or more courses that align
21 with the skill needs of industries within the state or region and assist
22 students to enter into or advance within a specific occupation or
23 occupational cluster;

24 (f) "Career placement services" means services designed to assist students in
25 obtaining employment, including career interest self-assessments, job
26 search skills, resume development, and mock interviews;

27 (g) "Cohort" means students who enter the program between July 1 and June

1 30 of each program year;

2 (h) "Employability skills certification" means a certificate earned by
3 demonstrating professional nontechnical skills through assessment and
4 shall include the program standards of the United States Department of
5 Labor's "Skills to Pay the Bills: Mastering Soft Skills for Workplace
6 Success" curriculum;

7 (i) "Fund" means the Adult Workforce Diploma Pilot Program fund
8 established in subsection (3) of this section;

9 (j) "Graduate" means a student who has successfully completed all state and
10 approved program provider requirements to earn a high school diploma;

11 (k) "Graduation rate" means the total number of graduates from a cohort
12 divided by the total number of students from the same cohort calculated
13 twelve (12) months after the close of the cohort;

14 (l) "Graduation requirements" means course and credit requirements needed
15 to earn a high school diploma from an approved program provider;

16 (m) "High school diploma" means a diploma that is issued by an accredited
17 provider and that is recognized as a secondary school diploma by this state
18 or a High School Equivalency Diploma;

19 (n) "Industry-recognized credential" means an education-related or work-
20 related credential that verifies an individual's qualification or competence
21 and that is issued by a third party with the authority to issue the credential;

22 (o) "Learning plan" means a documented plan that both:

23 1. Is designed to prepare a student to succeed in the program and the
24 student's future endeavors; and

25 2. Identifies the courses and credits that are needed for a student to
26 complete the program and that are approved program provider
27 graduation requirements;

1 (p) "Milestones" means objective measures of progress for which payment is
2 made to an approved program provider under this section, including earned
3 units of high school credit, earned industry-recognized credentials, and
4 earned high school diplomas;

5 (q) "Program" means the Adult Workforce Diploma Pilot Program;

6 (r) "Stackable credential" means a third-party credential that is part of a
7 sequence of credentials that can be accumulated over time to build up an
8 individual's qualifications to advance along a career pathway;

9 (s) "Student" means a participant in the program who is at least twenty-one
10 (21) years of age, a Kentucky resident, and has not earned a high school
11 diploma;

12 (t) "Transcript evaluation" means a documented summary of credits that were
13 earned in previous public or private accredited high schools compared with
14 program and approved program provider graduation requirements; and

15 (u) "Unit of high school credit" means a credit that is awarded based on a
16 student's demonstration that the student has successfully met the content
17 expectations for the credit area as defined by subject area standards,
18 expectations, or guidelines.

19 (2) The General Assembly hereby establishes the Adult Workforce Diploma Pilot
20 Program administered by the Kentucky Department of Education to assist a
21 person who is at least twenty-one (21) years of age in earning a high school
22 diploma and developing critical employability and career and technical skills to
23 prepare the person for employment.

24 (3) (a) There is hereby created a trust and agency account called the Adult
25 Workforce Diploma Pilot Program fund to be administered by the Kentucky
26 Department of Education for the purpose of funding approved program
27 providers in accordance with subsection (6) of this section.

1 **(b) The fund shall contain moneys received from the general fund, federal**
2 **funds, and any other proceeds from contributions, gifts, or grants made**
3 **available for the purposes of the fund.**

4 **(c) Moneys deposited in the fund are hereby appropriated for the purposes**
5 **under this section.**

6 **(d) Notwithstanding KRS 45.229, moneys in the fund at the close of a fiscal**
7 **year shall not lapse but shall be carried forward to the next fiscal year. Any**
8 **interest earnings of the fund shall become part of the fund and shall not**
9 **lapse.**

10 **(4) The Kentucky Department of Education shall create a standardized form for use**
11 **by accredited providers. On or before August 15 of each year, to be designated as**
12 **an approved program provider able to participate in the program, an accredited**
13 **provider shall submit a form to the Kentucky Department of Education showing**
14 **that the accredited provider:**

15 **(a) Is operating a regionally accredited high school diploma-granting entity;**

16 **(b) Has the ability to develop a learning plan for each student that integrates**
17 **graduation requirements and career goals;**

18 **(c) Provides a course catalog that includes all courses that are necessary to**
19 **meet graduation requirements; and**

20 **(d) Has the ability to provide the following:**

21 **1. Remediation opportunities in literacy and numeracy;**

22 **2. Career pathways coursework;**

23 **3. Preparation for industry-recognized credentials and stackable**
24 **credentials;**

25 **4. Career placement services; and**

26 **5. Academic skills intake assessments and transcript evaluations.**

27 **(5) On or before October 15 of each year, the Kentucky Department of Education**

1 shall approve all accredited providers who meet the requirements in subsection
2 (4) of this section and place all approved program providers on an approved
3 program providers list. Approved program providers shall begin enrolling
4 students on or before November 15 of each year. Approved program providers
5 shall maintain approval status unless the approved program provider is removed
6 from the approved program providers list pursuant to subsection (10) of this
7 section.

8 (6) The Kentucky Department of Education shall pay approved program providers
9 the following amounts for each student who completes the following milestones:

10 (a) Two hundred fifty dollars (\$250) for each:

11 1. Completed half unit of high school credit;

12 2. Completed employability skills certification; and

13 3. Earned industry-recognized credential or stackable credential that
14 requires less than fifty (50) hours of training;

15 (b) Five hundred dollars (\$500) for each earned industry-recognized credential
16 or stackable credential that requires at least fifty (50) hours but not more
17 than one hundred hours of training;

18 (c) Seven hundred fifty dollars (\$750) for each earned industry-recognized
19 credential or stackable credential that requires more than one hundred
20 hours of training; and

21 (d:) One thousand dollars (\$1,000) for each earned high school diploma.

22 (7) Approved program providers shall submit monthly invoices to the Kentucky
23 Department of Education not later than the tenth calendar day of each month for
24 milestones met in the previous calendar month. The department shall pay
25 approved program providers in the order in which invoices are submitted until all
26 available monies are exhausted. The department shall provide a written update to
27 the approved program providers on or before the last calendar day of each

1 month, including the aggregate total dollars that have been paid to approved
2 program providers to date and the estimated number of enrollments still available
3 for the program year.

4 (8) On or before October 30 of each year, each approved program provider shall
5 report the following to the Kentucky Department of Education:

6 (a) The total number of:

7 1. Students who were funded through the program;

8 2. Earned credits;

9 3. Earned industry-recognized credentials or stackable credentials
10 earned for each tier of funding; and

11 4. Students who graduated through the program; and

12 (b) The information required by the performance measures established by the
13 Kentucky Board of Education pursuant to subsection (11) of this section.

14 (9) The Kentucky Department of Education shall compile the reports received from
15 each approved program provider in accordance with subsection (8) of this section
16 and, by December 15 of each year, shall provide an annual report to the Kentucky
17 Board of Education, the Secretary of State, and the Legislative Research
18 Commission for referral to the Senate and House Committee on Education.

19 (10) (a) Beginning July 1, 2026, and each July 1 thereafter, the Kentucky
20 Department of Education shall review data from each approved program
21 provider to ensure that each provider is achieving minimum program
22 performance standards, including:

23 1. A graduation rate of at least fifty percent (50%); and

24 2. An average cost per graduate of seven thousand dollars (\$7,000) or
25 less.

26 (b) The Kentucky Department of Education may implement a process to bring
27 an approved program provider into compliance.

1 (c) If the program is extended by an act of the General Assembly, the
2 Department of Education shall revoke an approved program provider's
3 authorization to participate in the program if the approved program
4 provider does not comply with the requirements of paragraph (a) of this
5 subsection within two (2) years. If the department has revoked an approved
6 program provider's authorization, the provider shall be removed from the
7 program provider list.

8 (11) On or before November 1, 2025, the Kentucky Board of Education shall
9 promulgate administrative regulations necessary to carry out this section,
10 including but not limited to:

11 (a) The form required by subsection (4) of this section;

12 (b) Performance measures to evaluate the performance of adult education and
13 workforce development programs offered by approved program providers
14 that:

15 1. Allow for a comparable evaluation across adult education and
16 workforce development programs;

17 2. Take into consideration the variety of learning levels of adult learners
18 entering the programs; and

19 3. Include:

20 a. Measurements of adult learner progress toward earning a high
21 school diploma or High School Equivalency Diploma;

22 b. The number of high school diplomas or High School
23 Equivalency Diplomas earned;

24 c. The number of industry-recognized credentials earned;

25 d. The number of adult learners or graduates who have
26 matriculated at an institution of higher learning or
27 postsecondary educational institution;

- 1 e. The number of adult learners or graduates who have newly
2 acquired employment, went on to earn higher wages, or who
3 have obtained a better job or a promotion; and
4 f. Other relevant measures identified by the Kentucky Board of
5 Education; and
6 (c) A compliance process for approved program providers.
7 (12) This section shall expire on and have no force or effect after July 1, 2027, unless
8 extended by an act of the General Assembly.