

**Kentucky Board of Education
February 7, 2018
Report from the Secretary
Education and Workforce Development Cabinet**

Unlocking KEES for the 21st Century

House Bill 247, sponsored by Rep. James Tipton, proposes needed updating to Kentucky's KEES scholarship program. The current KEES program has been an incredibly popular program, but the economy has changed since KEES was first passed into law in 1998. While maintaining many of the positive aspects of KEES, like incentivizing student achievement, HB 247 seeks to combine KEES with the Dual Credit scholarship program currently available to every student. This enhanced KEES scholarship will allow all students, regardless of their GPA, the opportunity to earn a base KEES award by progressing from one grade to the next and merit awards based on achievement. Such a revision is imperative given that the vast majority of jobs in Kentucky and across the country will soon require some postsecondary education or training. It is no longer a question of whether a student is going to pursue postsecondary education; it's only a question of what type of postsecondary education they will pursue. As such, providing every high school graduate with some base funding to earn dual credit and continue their education is essential. Further, allowing students to access a small portion of their earned award while in high school to begin postsecondary education early at a reduced cost just makes sense. Below are a few key elements to the revision proposed in HB 247.

Revised Base Award Schedule

A revised award schedule unlocks KEES for students who today are locked out of the program. With this revision, every high school student who progresses from one grade to the next would earn a base KEES award of \$150 per year in lieu of the current Dual Credit scholarship program which is open to all students. The merit aspect of the KEES scholarship would be increased by an average of 12% above the current award schedule thereby strengthening merit awards for higher performing students. All current supplements to KEES base awards would remain untouched. This will be the first increase in the merit award schedule since the inception of KEES.

Accessing KEES in High School

HB 247 would merge KEES with the current dual credit scholarship program on a revenue neutral basis. The new KEES would permit students to access a small portion (18%) of their earned KEES award beginning in their sophomore year. Participating postsecondary institutions would continue to limit the cost of dual credit coursework to 1/3 of the KCTCS in-state per credit hour tuition, allowing students to earn college credit literally at a fraction of the cost it would be after high school. Additionally, high school students would be able to access this same small portion of their earned award to pay for AP, IP, or Cambridge examination fees. This provision will lower the financial burden on families for a college education and allow higher achieving students to advance further on their college path while still in high school.

Middle Dollar Provision

The middle dollar provision of enhanced KEES would work like an education savings account for students that receive federal and state grants while at community college. If tuition, books and fees are covered by these grants, the KEES dollars they earned stay in their account on a cumulative basis, and is immediately available in years three and four as they transition to a more expensive university.

Expansion of KEES-Eligible Opportunities

In 2017, the General Assembly expanded KEES to allow students to be reimbursed for costs associated with participation in a registered apprenticeship program. Very similarly, HB 247 would allow high school graduates to access their earned KEES award for reimbursement for approved expenses associated with participation in a qualified workforce training program. Such programs would be in one of Kentucky's top five high demand sectors and have current articulated credit agreements with a KEES-eligible participating postsecondary institution.