

## KENTUCKY DEPARTMENT OF EDUCATION (KDE) STAFF NOTE

**Topic:** Amendments to 704 KAR 3:305, Minimum requirements for high school graduation

**Date:** February 2026

**Action Requested:** ☐Review ☒Action/Consent ☐Action/Discussion

**Held In:** ☒Full Board ☐State Schools ☐United We Learn

### SYNOPSIS OF WHAT YOU WILL BE SHARING:

The issue before the board is to take action on proposed amendments to 704 KAR 3:305, Minimum requirements for high school graduation. Regulatory amendments are required to conform to House Bill (HB) 342 (2025).

HB 342 (2025) amended KRS 158.1411 to require, beginning with students entering grade 9 on or after July 1, 2025, a one-credit elective course in financial literacy for all Kentucky public high school students, including those pursuing the Early Graduation Program established under KRS 158.412.

As a result of these statutory changes, 704 KAR 3:305 has been amended to conform.

### COMMISSIONER'S RECOMMENDATION:

The commissioner recommends the board adopt proposed amendments to 704 KAR 3:305, Minimum requirements for high school graduation for approval.

### APPLICABLE STATUTE OR REGULATION:

KRS 156.070(1), 156.160(1), 158.142, 158.1411

### BACKGROUND

#### *Existing Policy:*

KRS 156.070(1) requires the Kentucky Board of Education (KBE) to manage and control the common schools and all programs operated in the schools. KRS 156.160(1)(a) and (1)(d) further require the KBE to promulgate administrative regulations relating to the courses of study for the different grades and the minimum requirements for high school graduation.

704 KAR 3:305 outlines the minimum requirements for high school graduation in Kentucky.

#### *Summary of Issue:*

Prior to the passage of HB 342 (2025), KRS 158.1411 required students to successfully complete one or more courses or programs that meet the financial literacy standards as a minimum requirement for high school graduation.

Following the passage of HB 342 (2025), KRS 158.1411 was amended to require students entering grade 9 on or after July 1, 2025, to successfully complete a full one-credit elective course in financial literacy as a minimum requirement for high school

graduation. This requirement also applies to students pursuing the Early Graduation Program established under KRS 158.412.

As a result, 704 KAR 3:305, Sections 3 and 4 have been amended to conform. The Early Graduation Program Letter of Intent Form, included as a material incorporated by reference under Section 11, has also been amended to reflect the statutory requirements provided in KRS 158.1411(3).

*Budget Impact:*

The cost to local schools and districts is unknown and dependent upon the availability of appropriately certified staff, the number of enrolled students, and the resources and instructional materials needed to implement the specific course requirements provided in KRS 158.1411.

For the KDE, existing staff is in place to provide ongoing support to schools and districts in implementing the requirements provided in KRS 158.1411 and no fiscal impact is anticipated.

*Groups Consulted and a Brief Summary of Responses:*

The Office of Teaching and Learning (OTL) consulted with the Office of Legal Services (OLS) for review and approval of the proposed amendments to 704 KAR 3:305.

*If applicable:*

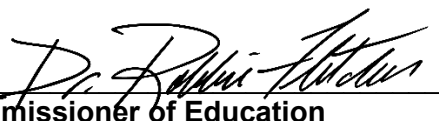
This item will be presented for review by the Local Superintendents Advisory Council (LSAC) on January 27, 2026. A summary of the feedback received by LSAC will be provided to the KBE prior to its February 2026 meeting.

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Commissioner of Education

**GOALS/PRIORITIES:** Indicate all applicable options.

<input checked="" type="checkbox"/>	Foster Educational Innovation Through Vibrant Learning Experiences
<input type="checkbox"/>	Advance Educational Excellence Through Continuous Professional Improvement
<input type="checkbox"/>	Cultivate Collaborative Partnerships
<input checked="" type="checkbox"/>	Legislation
<input type="checkbox"/>	Commissioner's Management