

MEETING MINUTES

Draft for Approval by the Executive Committee on Sept 15, 2024

Who: Kentucky Council on Postsecondary Education
Meeting Type: Special-called Executive Committee meeting
Date: July 24, 2024
Time: 11:00 a.m. ET
Location: Virtual meeting via ZOOM

CALL TO ORDER

The Executive Committee of the Kentucky Council on Postsecondary Education met Wednesday, July 24, 2024, at 11:00 a.m. ET. The meeting occurred via ZOOM webinar. Vice Chair Elaine Walker and Chair Madison Silvert presided.

ROLL CALL

All Committee members attended: CB Akins (joined 10:05), Jacob Brown, Kellie Ellis, Karyn Hoover, Madison Silvert (joined 10:08), Elaine Walker

Heather Faesy, CPE's senior associate for Board Relations, served as recorder of the meeting minutes.

APPROVAL OF REGULATIONS FOR THE KENTUCKY AEROSPACE, AVIATION, AND DEFENSE INVESTMENT FUND

CPE staff attorney Sterling Crayton presented the two proposed regulations for the Kentucky Aerospace, Aviation, and Defense Investment Fund required after the passage of Senate Bill (SB) 127 (2024). At its June 21, 2024, meeting, the Council delegated authority to the Executive Committee to review and approve on its behalf the proposed regulations in order to meet the August 1, 2024, deadline.

Enacted during the 2024 session, SB 127 created the Kentucky Aerospace, Aviation, and Defense Investment Fund to enable CPE and aviation industry partners to match public and private dollars to award scholarships to eligible students and equipment grants to eligible aviation programs. The legislation required CPE to reserve at least 65% of the fund for eligible aviation scholarships and to define a process for establishing contractual partnerships as outlined in 13 KAR 6:010, Aviation Training Scholarships. The bill also requires CPE to reserve up to 35% of the fund for aviation program equipment grants and to establish a process to determine the criteria for issuance, as outlined in 13 KAR 6:020, Aviation Equipment Grants. Administratively, the bill directs CPE to promulgate regulations by August 1, 2024, and requires that CPE submit draft regulations to the Interim Joint

Committee on Education and the Interim Joint Committee on Transportation 30 days prior for comment and consideration.

Pursuant to the requirements of the bill, now codified in KRS 164.7011-.7021, members of the statutorily required committees were provided with draft regulations for review on June 28. Feedback was requested by July 29 in order to provide any necessary revisions to the draft regulations before the August 1 deadline. After filing, future presentations will be held with stakeholders to explain the regulations in August/September, a public comment period will commence upon filing and conclude on September 30, and a 90-day legislative committee review period will follow the ARRS review. Unless deferred or found deficient, the regulations will go into effect in December 2024 and each year the programs are in effect, a written report will be provided to the Council and statutorily required committees no later than December 1 of each year to include an analysis of the aviation scholarships and aviation equipment grants.

MOTION: Ms. Walker moved to approve the proposed regulations, 13 KAR 6:010, *Aviation Training Scholarships* and 13 KAR 6:020, *Aviation Equipment Grants*, and authorize staff to file with LRC accordingly. Mr. Brown seconded the motion.

VOTE: The motion passed.

2024-25 CPE AGENCY BUDGET

Ms. Leslie Brown, CPE Executive Director of Administrative Services presented the 2024-25 CPE Agency Budget. The enacted state budget for 2024-2026 (primarily HB 6, but also HB 1, and SB 91), along with CPE's 2025-26 biennial budget request provided the framework for the proposed 2024-25 agency budget. Budgeted figures for 2023-24 were included for comparison.

The committee asked questions of clarification regarding the pass-through funding for Simmons College and how CPE accounts for the unreimbursed remuneration associated with programs CPE is tasked to oversee and administer.

MOTION: Rev. Akins moved to approve the proposed 2024-25 CPE Agency Budget. Dr. Ellis seconded the motion.

VOTE: The motion passed.

ADJOURNMENT

The Executive Committee adjourned at 11:35 a.m., ET.