

1 AN ACT relating to Kentucky State University and declaring an emergency.

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

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 164 IS CREATED TO
4 READ AS FOLLOWS:

5 *(1) Kentucky State University, recognized as an 1890 land-grant university that is*
6 *Kentucky's only public Historically Black College or University (HBCU), shall be*
7 *a four (4) year residential polytechnic institution that focuses on highly technical,*
8 *industry-based applied learning and offers liberal studies and polytechnic*
9 *programs that are aligned with the workforce needs of the Commonwealth and*
10 *consistent with the historical mission of an HBCU.*

11 *(2) The General Assembly declares that a state of financial exigency exists at*
12 *Kentucky State University for five (5) years from the effective date of this Act or*
13 *until such a date that the General Assembly affirmatively declares, based upon*
14 *the recommendation of the Council on Postsecondary Education, that the*
15 *university's finances are stable, whichever occurs first.*

16 *(3) (a) Kentucky State University shall not enter into any obligation or make any*
17 *expenditure costing twenty thousand dollars (\$20,000) or more without*
18 *prior approval of the Council on Postsecondary Education, including but*
19 *not limited to any purchase, contract, or increase due to a personnel action.*

20 *(b) Kentucky State University shall:*

21 *1. Provide a monthly report of university finances to the Council on*
22 *Postsecondary Education in the format requested by the council. The*
23 *council shall provide a quarterly update on the financial status of the*
24 *university to the Governor and the Legislative Research Commission;*

25 *2. Fully cooperate with the council in its exercise of the financial*
26 *oversight granted to the council under this subsection;*

27 *3. Timely provide all information and documentation deemed by the*

1 council to be relevant to the financial oversight; and
2 4. Timely consult with the council on all major financial matters during
3 the state of financial exigency declared in subsection (2) of this
4 section.

5 (c) The financial oversight granted to the council under this subsection shall
6 continue for the entire duration of the financial exigency declared in
7 subsection (2) of this section.

8 (4) Notwithstanding KRS 164A.560, beginning no later than July 1, 2027, all
9 financial transactions of Kentucky State University shall be reported and
10 reconciled no less than monthly in the Enhanced Management Administrative
11 Reporting System (EMARS).

12 (5) Kentucky State University shall not incur a budget deficit for the remaining
13 duration of the financial exigency declared in subsection (2) of this section.

14 (6) Any organization registered with the Kentucky Secretary of State or any member
15 or officer of any such organization having entered into a public-private lease
16 agreement with Kentucky State University shall not be eligible to transact any
17 business or enter into any contract with Kentucky State University or any other
18 agency or instrumentality of the Commonwealth or subdivision thereof after the
19 effective date of this Act. Any such contract purported to be executed or renewed
20 with any such organization or individual after the effective date of this Act shall
21 be null and void.

22 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 164 IS CREATED TO
23 READ AS FOLLOWS:

24 (1) The Kentucky State University board of regents, in consultation with the Council
25 on Postsecondary Education, shall conduct a thorough review of all academic
26 programs for long-term viability, financial stability, alignment with the
27 university's mission as a polytechnic institution, the requirements of subsection

- 1 (4) of this section, and other criteria determined by the board and the council,
 2 and determine the academic programs that the institution proposes to maintain.
 3 No later than June 1, 2026, the board shall submit to the council for approval:
 4 (a) A list of the programs the board proposes to maintain; and
 5 (b) A list of the programs the board recommends to submit to the Southern
 6 Association of Colleges and Schools Commission on Colleges (SACSCOC)
 7 for closure or other substantive change and the corresponding proposed
 8 teach-out plan or teach-out arrangement for each program recommended.
- 9 (2) The Council on Postsecondary Education shall review the proposals and any
 10 teach-out plan and teach-out agreement submitted by the Kentucky State
 11 University board in accordance with subsection (1) of this section and may direct
 12 the board to amend any portion thereof prior to submitting a substantive
 13 change for the review and approval of SACSCOC. Any substantive change
 14 request necessary under this section shall be submitted for the review and
 15 approval of SACSCOC no later than July 1, 2026.
- 16 (3) Kentucky State University shall close each program approved for closure by the
 17 SACSCOC and implement the corresponding teach-out plan or teach-out
 18 agreement as approved by that accrediting body.
- 19 (4) Beginning with the 2026-2027 academic year and continuing for five (5)
 20 academic years thereafter, Kentucky State University shall offer no more than ten
 21 (10) academic areas of study, excluding any program that is:
 22 (a) Exclusively online;
 23 (b) In the college of education; and
 24 (c) Determined by the Council on Postsecondary Education to be necessary to
 25 the university's mission as a polytechnic institution.
- 26 (5) Notwithstanding any statute to the contrary, the president of Kentucky State
 27 University shall have the authority to terminate employment of any university

1 employee, including tenured employees in accordance with university policy,
 2 upon thirty (30) days' notice for the entire duration of the financial exigency
 3 declared in Section 1 of this Act. During this time, the university shall retain only
 4 the faculty and staff necessary to support the enrollment target of at least one
 5 thousand (1,000) in-person students and the programs maintained by the
 6 university in accordance with subsections (1) and (4) of this section. Faculty and
 7 staff employed in programs closed in accordance with this section shall be
 8 terminated but shall not be prohibited from applying for other positions available
 9 at the university.

10 (6) Notwithstanding subsections (4) and (5) of this section, Kentucky State University
 11 shall abide by all instructions provided by SACSCOC that are required to
 12 maintain institutional accreditation.

13 ➔SECTION 3. A NEW SECTION OF KRS CHAPTER 164 IS CREATED TO
 14 READ AS FOLLOWS:

15 (1) Kentucky State University shall not admit a new applicant for undergraduate
 16 admission unless the applicant:

17 (a) 1. Attained a cumulative unweighted high school grade point average of
 18 no less than two point five (2.5) on a four (4) point scale; and

19 2. Achieved a composite ACT score of no less than eighteen (18) or an
 20 equivalent score on the SAT or another nationally recognized college
 21 readiness examination approved by the Council on Postsecondary
 22 Education; or

23 (b) Meets the criteria for discretionary undergraduate admission under
 24 alternative admission standards established by the council for the following
 25 groups of students:

26 1. Transfer students from an accredited postsecondary education
 27 institution with at least:

- 1 a. Twenty-four (24) credit hours; and
- 2 b. A cumulative collegiate grade point average of no less than two
- 3 point five (2.5) on a four (4) point scale;
- 4 2. Veterans of the Armed Forces of the United States;
- 5 3. Graduates of a nonpublic school with a composite ACT score of no
- 6 less than eighteen (18) or an equivalent score on the SAT or another
- 7 nationally recognized college readiness examination approved by the
- 8 Council on Postsecondary Education;
- 9 4. Nontraditional age students as defined by KRS 164.092 with
- 10 demonstrable professional experience; or
- 11 5. Dual credit students.
- 12 (2) Any individual with an outstanding balance to Kentucky State University in
- 13 excess of one thousand dollars (\$1,000) due and owing for more than sixty (60)
- 14 days shall not be admitted or readmitted to the university or permitted to enroll or
- 15 continue in any online or in-person course, seminar, or program at the
- 16 university. The entire outstanding balance shall not be deemed due for a student
- 17 on a payment plan approved by the university unless one (1) or more payments
- 18 under the plan have been due and owing for more than sixty (60) days.
- 19 (3) Except as otherwise provided in this section and notwithstanding any statute to
- 20 the contrary, the president of Kentucky State University shall have sole discretion
- 21 as to the admission, readmission, or enrollment of any student or former student
- 22 of the university who otherwise meets the university's admission and enrollment
- 23 criteria for the entire duration of the financial exigency declared in Section 1 of
- 24 this Act.
- 25 (4) (a) Kentucky State University shall submit a quarterly report to the Council on
- 26 Postsecondary Education in the format requested by the council that details
- 27 each outstanding balance in excess of one thousand dollars (\$1,000) that

1 has been due and owing to the university for more than sixty (60) days and
 2 the efforts of the university to collect those debts.

3 (b) The council shall provide an annual update on the debts and collection
 4 efforts reported under paragraph (a) of this subsection to the Governor and
 5 the Legislative Research Commission.

6 (c) The quarterly reporting required in paragraph (a) of this subsection shall
 7 continue for the entire duration of the financial exigency declared in
 8 Section 1 of this Act and may continue at the discretion of the council at a
 9 frequency determined by the council thereafter.

10 ➔SECTION 4. A NEW SECTION OF KRS CHAPTER 164 IS CREATED TO
 11 READ AS FOLLOWS:

12 (1) Kentucky State University shall:

13 (a) Diligently attempt to collect debts and refer all debts in excess of one
 14 thousand dollars (\$1,000) that have been due and owing for more than
 15 ninety (90) days to the Department of Revenue for collection in accordance
 16 with KRS 45.238;

17 (b) Have the unfettered right to intercept federal income tax refunds and state
 18 income tax refunds, pursuant to applicable federal regulations and KRS
 19 131.560 to 131.595, to satisfy any debts; and

20 (c) Intercept any federal income tax refunds and state income tax refunds to
 21 satisfy any debt in excess of one thousand dollars (\$1,000).

22 (2) Notwithstanding KRS 131.565 or any other statute to the contrary, the
 23 Department of Revenue shall not decline the withholding of individual income
 24 tax refunds for debts referred to the department by Kentucky State University.

25 ➔Section 5. KRS 164.290 is amended to read as follows:

26 ~~{(1)}~~ The state colleges formerly designated as Eastern Kentucky State College,
 27 Morehead State College, Murray State College, Western Kentucky State College,

1 Northern Kentucky State College, and Kentucky State College may be known and
 2 recognized as Eastern Kentucky University, Morehead State University, Murray
 3 State University, Western Kentucky University, Northern Kentucky University, and
 4 Kentucky State University.†

5 ~~(2) Kentucky State University located at Frankfort, Kentucky, is a land grant state
 6 institution and, as such, all the provisions of KRS Chapter 164 shall likewise apply
 7 to Kentucky State University. It is the intent of the General Assembly that
 8 Kentucky State University shall serve as a four (4) year residential institution
 9 emphasizing a program of liberal studies appropriate to its size and resources.]~~

10 ➔Section 6. Kentucky State University fraternities and sororities currently in
 11 good standing shall maintain their charter recognition. The board of regents may establish
 12 policies for periodic review of student organizations consistent with policies applicable to
 13 student organizations at other Kentucky public universities, provided such policies
 14 respect freedom of association and apply equally to all student organizations.

15 ➔Section 7. Whereas Kentucky State University is in a state of financial exigency
 16 that needs to be remedied, an emergency is declared to exist, and this Act takes effect
 17 upon its passage and approval by the Governor or upon its otherwise becoming a law.