

164.753 Rules and regulations governing loans, loan guarantees, scholarships, grants, and work-study programs.

- (1) In the instance of loans, the rules and regulations adopted by the board may include, but not be limited to, those which:
 - (a) Are necessary to qualify the authority as an insured lender under the Higher Education Act of 1965, as amended;
 - (b) Require that loans be made only to those eligible students who are unable to secure comparable loans from private lenders; and
 - (c) Are necessary to qualify the authority as a lender under the Public Health Service Act, as amended.
- (2) In the instance of insured student loans and loan guarantees, the rules and regulations adopted by the board shall include, but not be limited to, those which are necessary to qualify the authority to insure loans under the federal act, as amended, and following such qualification to issue loan guarantees to participating lenders on any loans advanced by such lenders to eligible students attending or planning to attend any participating institution.
- (3) In the instance of scholarships, except scholarships provided pursuant to KRS 164.518, the rules and regulations adopted by the board shall include, but not be limited to, those which:
 - (a) Specify ways in which superior academic achievement or ability or special talents will be identified and measured;
 - (b) Ensure that the amount of scholarship to a student attending or planning to attend a participating institution will not exceed the student's total cost of attendance, or the maximum scholarship as established by the board, whichever is less;
 - (c) Restrict scholarships to persons who are classified as resident students under the rules and regulations of the Council on Postsecondary Education;
 - (d) Ensure that scholarships are awarded only to eligible students who have applied for such federal, state, or institutional student financial assistance programs as the authority may require;
 - (e) Ensure that scholarships are awarded only to eligible students who are planning to enroll, accepted for enrollment, or are enrolled in a participating institution; and
 - (f) If eligibility for the scholarship is based on financial need, ensure, by such needs analysis as the authority may require, that the person is in need of the assistance in order to enroll in or complete an eligible program of study as defined by the board.
- (4) In the instance of grants, the rules and regulations adopted by the board shall include, but not be limited to, those which:
 - (a) Ensure that the amount of a grant to a student will not exceed the financial need of the student as determined in accordance with paragraph (e) of this

subsection or the maximum grant as established by the board, whichever is less;

- (b) Restrict grants to persons who are classified as resident students under the rules and regulations of the Council on Postsecondary Education;
 - (c) Ensure that grants are awarded only to eligible students who have applied for such federal, state, or institutional student financial assistance programs as the authority may require;
 - (d) Ensure that grants are awarded only to eligible students who are planning to enroll, accepted for enrollment, or are enrolled in a participating institution; and
 - (e) Ensure, by such needs analysis as the authority may require, that grants be made only to students who have insufficient financial resources to enroll in or complete an eligible program of study as defined by the board.
- (5) Funds appropriated to the financial assistance program established by KRS 164.780 and 164.785 shall be administered by the board in accordance with the provisions of KRS 164.780 and 164.785.
- (6) In the instance of work-study payments, rules and regulations adopted by the board shall include, but not be limited to, those which require that:
- (a) The employment opportunity available for the student will not interfere with the student's normal progress toward a degree, diploma, or certificate;
 - (b) Contracts to promote increased employment opportunities for eligible students will not result in the displacement of employed workers or impair existing contracts for services; and
 - (c) The work-study payment will not exceed the financial need of the student or the maximum payment as established by the board, whichever is less.

Effective: July 13, 2004

History: Amended 2004 Ky. Acts ch. 111, sec. 3, effective July 13, 2004. -- Amended 2003 Ky. Acts ch. 115, sec. 1, effective June 24, 2003; and ch. 180, sec. 3, effective June 24, 2003. -- Amended 1997 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 121, effective May 30, 1997. -- Amended 1982 Ky. Acts ch. 403, sec. 5, effective July 15, 1982. -- Amended 1980 Ky. Acts ch. 251, sec. 1, effective July 15, 1980. -- Created 1978 Ky. Acts ch. 339, sec. 6, effective June 17, 1978.