

HOUSE BILL No. 2014

AN ACT concerning higher education; relating to professional service scholarships for prospective osteopaths, optometrists, nurses, teachers and national guard officers; amending K.S.A. 74-3267a, 74-3268, 74-3268a, 74-3271, 74-3272, 74-3273, 74-3291, 74-3293, 74-3294, 74-3297, 74-3299, 74-32,100, 74-32,101, 74-32,102, 74-32,103, 74-32,105 and 74-32,106 and K.S.A. 2000 Supp. 74-3256, 74-3257, 74-3258, 74-3259, 74-3260, 74-3265, 74-3266, 74-3267, 74-3292, 74-3295, 74-3296, 74-3298, 74-32,104, 74-32,107, 74-32,112, 74-32,113, 74-32,114, 74-32,115, 74-32,116, 74-32,117, 74-32,118, 74-32,131, 74-32,132, 74-32,133, 74-32,134, 74-32,135, 74-32,136, 74-32,137 and 74-32,138 and repealing the existing sections; also repealing K.S.A. 74-3223, 74-3224, 74-3225, 74-3226, 74-3227, 74-3228, 74-3246, 74-3247, 74-3248 and 74-3269.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2000 Supp. 74-3265 is hereby amended to read as follows: 74-3265. (a) Within the limits of appropriations ~~therefor~~ *for osteopathic medical service scholarships*, and in accordance with *the provisions of this section*, the state board of regents may award *such* scholarships ~~in accordance with the provisions of this section~~ to Kansas residents who are undergraduate students enrolled in or admitted to accredited schools of osteopathic medicine in a course of instruction leading to the degree of doctor of osteopathy *and* who enter into a written agreement with the state board of regents *as provided in accordance with* K.S.A. 74-3266, and amendments thereto.

(b) *Osteopathic medical service* scholarships ~~awarded under this section~~ shall be in effect ~~during~~ *for* the period of time ~~provided~~ *specified* in subsection (c) and shall provide to the person receiving the scholarship the payment of ~~all tuition and required fees for one year up to a maximum of \$15,000~~ *an amount not to exceed the maximum amount of a loan authorized to be made under the medical student loan act.*

(c) *Osteopathic medical service* scholarships ~~awarded under this section~~ shall be awarded on an annual basis and shall be in effect for one year unless otherwise terminated before *the expiration of* such period of time. A Kansas resident who is an undergraduate student enrolled in or admitted to an accredited school of osteopathic medicine in a course of instruction leading to the degree of doctor of osteopathy may be awarded a ~~separate~~ *separate* scholarship for each ~~separate~~ *separate* year the student enters into a written agreement with the state board of regents ~~under~~ *as provided in* K.S.A. 74-3266, and amendments thereto, up to a maximum of four years. For each ~~separate~~ *separate* year a student is awarded a scholarship ~~under this section~~, the student shall engage in the ~~full-time~~ *full-time* practice of medicine and surgery in Kansas for ~~a~~ *the* period of ~~12 months~~ *time specified in subsection (a)(3) of K.S.A. 74-3266, and amendments thereto*, unless such obligation is otherwise satisfied as provided in K.S.A. 74-3268, and amendments thereto.

(d) The state board of regents shall not award more than 15 *osteopathic medical service* scholarships in any year to persons who have not previously been awarded *such* a scholarship ~~under this section~~ and, in any case, the *state* board shall not award more than 60 *such* scholarships ~~under this section~~ in any year. In selecting Kansas residents to be awarded *osteopathic medical service* scholarships ~~under this section~~, the *state* board shall ~~first consider~~ *give primary consideration to* students commencing their first year of instruction at accredited schools of osteopathic medicine and thereafter shall consider students in later years of instruction.

Sec. 2. K.S.A. 2000 Supp. 74-3266 is hereby amended to read as follows: 74-3266. (a) An agreement entered into by the state board of regents and a Kansas resident who is an undergraduate student enrolled in or admitted to an accredited school of osteopathic medicine in a course of instruction leading to the degree of doctor of osteopathy for the awarding of ~~a~~ *an osteopathic medical service* scholarship ~~under K.S.A. 74-3265 and amendments thereto~~ shall require that the person receiving the scholarship:

(1) Complete the required course of instruction and receive the degree of doctor of osteopathy;

(2) apply for and obtain a license to practice medicine and surgery in

(4) (A) with regard to *persons entering into agreements entered into prior to July 1, 1993 the effective date of this act*, commence such full-time or part-time practice of medicine and surgery within nine months after licensure or within nine months after completion of ~~a~~ *an approved postgraduate residency training program and licensure*, whichever is later, and continue such full-time practice in Kansas for a consecutive period of months equal to the total number of months required under the agreement;

(B) with regard to *persons entering into agreements entered into after July 1, 1993 the effective date of this act*, commence such full-time or part-time practice of medicine and surgery within ~~nine~~ six months after licensure or within ~~nine~~ six months after completion of an approved *postgraduate residency training program as defined in this section* and licensure, whichever is later, and continue such full-time practice in Kansas for a consecutive period of months equal to the total number of months required under the agreement;

(5) agree that the service commitment for each agreement entered into under this section is in addition to the service commitment contained in any other agreement which has been or may be entered into under this section for the purpose of obtaining scholarship aid;

(6) maintain records and make reports to the state board of regents to document the satisfaction of the obligation under such agreement to engage in the full-time or part-time practice of medicine and surgery in Kansas and to continue such full-time practice for a consecutive period of months equal to the total number of months required under the agreement; and

(7) *repay amounts to the state board of regents as provided in K.S.A. 74-3267, and amendments thereto*, upon failure to ~~satisfy an agreement to~~ engage in the full-time or part-time practice of medicine and surgery in Kansas for the required period of time under any such agreement, ~~the person receiving a scholarship under K.S.A. 74-3265 and amendments thereto shall repay amounts to the state board of regents as provided in K.S.A. 74-3267 and amendments thereto entered into as provided in this section.~~

(b) (1) ~~Each Kansas student who enters into an agreement under this section after June 30, 1988, shall serve the practice obligations incurred by such student under such agreement within an area of the state designated as a service commitment area I pursuant to K.S.A. 76-375 and amendments thereto. Such student shall select a service commitment area I in accordance with the provisions of K.S.A. 76-375 and amendments thereto and shall be subject to the provisions of subsections (c) and (d) of such K.S.A. 76-375 and amendments thereto in the same manner and to the same effect as a person required to engage in the full-time practice of medicine and surgery in a service commitment area I pursuant to any agreement under K.S.A. 76-373 through 76-377a and amendments thereto, except that in lieu of informing or notifying the university of Kansas school of medicine of certain matters under the provisions of subsections (c) and (d) of such K.S.A. 76-375 and amendments thereto such student shall inform and notify the state board of regents thereof.~~

~~(2) Except as otherwise provided in subsection (c), each Kansas student who enters into an agreement under as provided in this section after June 30, 1993, shall serve the practice obligations incurred by such student under such the agreement in any county of this state other than Douglas, Johnson, Sedgwick, Shawnee or Wyandotte counties a rural area or a medically underserved area.~~

(c) (1) A person awarded ~~a~~ *an osteopathic medical service scholarship in accordance with the provisions of K.S.A. 74-3265 through 74-3268 and amendments thereto* may satisfy the obligation to engage in the practice of medicine and surgery; under an agreement entered into pursuant to this section, even though such person is engaged in practice in an area not designated *a rural area or a medically underserved area by specialty, or a critically medically underserved area by specialty, or is engaged in*

~~(d) (2) For all the purposes under of this section subsection, service or employment after June 30, 1988, on a part-time basis at a state medical care facility or institution shall be on the a part-time basis of at least the equivalent of ½ time in order to shall satisfy practice obligations under the obligation to engage in the full-time practice of medicine and surgery in Kansas for a period of 12 months for each year a scholarship was received as provided in an agreement entered into under this section.~~

~~(e) (d) As used in this section and K.S.A. 74-3267 and amendments thereto For the purposes of the osteopathic medical service scholarship program (1) “state medical care facility or institution” has the meaning ascribed thereto by in subsection (k) of K.S.A. 76-375, and amendments thereto; and (2) “approved postgraduate residency training program” means a residency training program in general pediatrics, general internal medicine, pediatrics, family medicine, family practice, obstetrics and gynecology, or emergency medicine; (3) “medically underserved area” means a practice location designated medically underserved by the state board of regents; and (4) “rural area” means any county of this state other than Douglas, Johnson, Sedgwick, Shawnee and Wyandotte counties.~~

Sec. 3. K.S.A. 2000 Supp. 74-3267 is hereby amended to read as follows: 74-3267. (a) (1) Except as otherwise provided in K.S.A. 74-3268, and amendments thereto, upon the failure of any person to satisfy the obligation to engage in the full-time or part-time practice of medicine and surgery within the state of Kansas for the required period of time under any an agreement entered into pursuant to as provided in K.S.A. 74-3265 and 74-3266, and amendments thereto, such person shall repay to the state board of regents an amount equal to the total of (1) the amount of money received by such person pursuant to such agreement plus (2) annual accrued interest at a rate of 15% from the date such money was received at a rate which is equivalent to the interest rate applicable to loans made under the federal PLUS program at the time such person first entered into an agreement plus five percentage points.

(2) Any person who applies for and enters a postgraduate residency training program that is not an approved program as provided in this section shall be required to repay all moneys received pursuant to as provided in an agreement entered into for any scholarship awarded under K.S.A. 74-3265 74-3266, and amendments thereto, plus accumulated accrued interest at an annual rate of 15% from the date such moneys were received at a rate which is equivalent to the interest rate applicable to loans made under the federal PLUS program at the time such person first entered into an agreement plus five percentage points and shall commence such repayment in accordance with subsection (b) within 90 days of graduation from the school of osteopathic medicine or upon termination or completion of a residency training program which does not comply with the provisions of this act, whichever is later.

(3) Any person who enters and completes an approved postgraduate residency training program but fails to satisfy the obligation to engage in the full-time or part-time practice of medicine and surgery within a service commitment area of this state for the required period of time shall be required to repay all money received pursuant to an agreement entered into for any scholarship awarded under K.S.A. 74-3865 74-3266, and amendments thereto, plus accumulated accrued interest at an annual rate of 15% from the date such money was received at a rate which is equivalent to the interest rate applicable to loans made under the federal PLUS program at the time such person first entered into an agreement plus five percentage points and shall commence such repayment in accordance with subsection (b) within 90 days of failure to commence qualifying practice satisfy the obligation.

(b) Each person required to repay any amount under this section shall repay an amount totaling the entire amount to be repaid under all such agreements for which such obligations are not satisfied, including all amounts of interest at the rate prescribed. Except as otherwise provided

mence six months after the date of the action or circumstance that causes the failure of the person to satisfy the obligations of such agreements, as determined by the state board of regents based upon the circumstances of each individual case. If an installment payment becomes 91 days overdue, the entire amount outstanding shall become immediately due and payable, including all amounts of interest at the rate prescribed.

(d) The total repayment obligation imposed under all agreements entered into ~~under as provided in~~ K.S.A. 74-3266, and amendments thereto, may be satisfied at any time prior to graduation from the accredited school of osteopathic medicine by making a single lump sum payment equal to the total of (1) the entire amount to be repaid under all such agreements upon failure to satisfy the obligations under such agreements to practice in Kansas, plus (2) all amounts of interest *accrued* thereon at the rate prescribed ~~to the date of payment~~ *under this section*.

(e) *The state board of regents is authorized to turn any repayment account arising under the osteopathic medical service scholarship program over to a designated loan servicer or collection agency, the state not being involved other than to receive payments from the loan servicer or collection agency at the interest rate prescribed under this section.*

Sec. 4. K.S.A. 74-3267a is hereby amended to read as follows: 74-3267a. There is hereby created in the state treasury the osteopathic *medical service* scholarship repayment fund. The state board of regents shall remit all moneys received under K.S.A. ~~74-3247, 74-3248 and~~ 74-3267, and amendments thereto, to the state treasurer at least monthly. Upon receipt of each such remittance the state treasurer shall deposit the entire amount thereof in the state treasury, and such amount shall be credited to the osteopathic *medical service* scholarship repayment fund. All expenditures from the osteopathic *medical service* scholarship repayment fund shall be for *osteopathic medical service* scholarships ~~under K.S.A. 74-3265 and amendments thereto~~, and shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the executive officer of the state board of regents or a person designated by the executive officer.

Sec. 5. K.S.A. 74-3268 is hereby amended to read as follows: 74-3268. (a) An obligation to engage in the practice of medicine and surgery in accordance with an agreement under K.S.A. 74-3266, ~~and amendments thereto~~, shall be postponed: (1) During any required period of active military service; (2) during any period of service as a part of volunteers in service to America (VISTA); (3) during any period of service in the peace corps; (4) during any period of service commitment to the United States public health service; (5) during any period of religious missionary work conducted by an organization exempt from tax under ~~subsection (e) of section 501(c)(3) of the federal internal revenue code of 1954, as amended as in effect on December 31, 2000;~~ (6) during ~~the any~~ period of time the person obligated is engaged solely in the teaching of medicine; (7) during ~~the any~~ period of time the person obligated is engaged solely in medical research; ~~or~~ (8) during any period of ~~temporary medical disability during which~~ *temporary medical disability* during which time the person obligated is unable because of such *temporary medical disability* to practice medicine and surgery; (9) *during any period of time the person obligated is on job-protected leave under the federal family and medical leave act of 1993; or (10) during any period of time the state board of regents determines that the person obligated is unable because of special circumstances to practice medicine and surgery.* Except for ~~clause clauses (8) of this subsection (a), (9) and (10),~~ an obligation to engage in the practice of medicine and surgery in accordance with an agreement under K.S.A. 74-3266, ~~and amendments thereto~~, shall not be postponed more than five years from the time the practice of medicine and surgery was to have been commenced under any such agreement. An obligation to engage in the practice of medicine and surgery in accordance with an agreement under K.S.A. 74-3266, ~~and amendments thereto~~, shall be postponed under clause (8) ~~of this subsection (a)~~.

and amendments thereto, shall be postponed under clause (10) during the period of time the state board of regents determines that the special circumstances exist. The state board of regents shall adopt rules and regulations prescribing criteria or guidelines for determination of the existence of special circumstances causing an inability to practice medicine and surgery, and shall determine the documentation required to prove the existence of such circumstances.

(b) An obligation to engage in the practice of medicine and surgery in accordance with an agreement under K.S.A. 74-3266, *and amendments thereto*, shall be satisfied: (1) If the obligation to engage in the practice of medicine and surgery ~~in accordance with an agreement under K.S.A. 74-3266~~ has been completed *in accordance with the agreement*; (2) if the person obligated dies; (3) if, because of permanent physical disability, the person obligated is unable to practice medicine and surgery; (4) if the person obligated fails to satisfy the requirements for a degree of doctor of osteopathy after ~~such person has made their~~ *making the best efforts effort possible* to obtain such degree; or (5) if the person obligated fails to satisfy all requirements for a permanent license to practice medicine and surgery in Kansas or any other jurisdiction or has been denied a license after ~~such the person has applied for a license and has made their~~ *the best efforts effort possible* to obtain a license.

Sec. 6. K.S.A. 74-3268a is hereby amended to read as follows: 74-3268a. If a person fails to satisfy an obligation to engage in the ~~full-time~~ practice of medicine and surgery in Kansas for the required period of time under an agreement entered into ~~pursuant to as provided in K.S.A. 74-3223 to 74-3228, inclusive, 74-3246 to 74-3248, inclusive, or 74-3265 to 74-3267, inclusive~~ 74-3266, and amendments thereto, because such person is engaged in the practice of medicine and surgery in a state other than Kansas, and if such person is subject to or currently making repayments under any such ~~statutes~~ *agreement*, and if such person subsequently commences the practice of medicine and surgery in this state ~~which complies in compliance with the agreements entered into under such statutes~~ *agreement*, the balance of the repayment amount, including interest thereon, from the time of ~~such~~ commencement of *the practice of medicine and surgery in this state* until the obligation of such person is satisfied, or until the time such person again becomes subject to repayments, shall be waived. All repayment amounts due prior to ~~such~~ commencement of practice in this state, including interest thereon, shall continue to be payable as provided in ~~such statutes~~ *the agreement*. If subsequent to ~~such~~ commencement of practice *in this state*, the person fails to satisfy ~~such the~~ *obligation to practice for the period of time specified in the agreement*, the person again shall be subject to repayments, including interest thereon, as ~~otherwise provided in such statutes~~ *the agreement*.

Sec. 7. K.S.A. 74-3271 is hereby amended to read as follows: 74-3271. An agreement entered into by the state board of regents and a Kansas resident who is an undergraduate student enrolled in or admitted to an accredited school or college of optometry pursuant to a contract which provides for guaranteed admission and continued enrollment of such person therein and which was entered into for such purpose under K.S.A. 76-721a, and amendments thereto, shall require that the person:

(a) Complete the required course of instruction in optometry and receive the degree therefor;

(b) apply for and obtain a license to practice optometry in Kansas;

(c) engage in the ~~full-time~~ practice of optometry *in Kansas on a full-time basis* for a period of 12 months ~~in Kansas~~ for each year in which such person is ~~so~~ enrolled *in the school or college of optometry* and for which an annual amount is paid *therefor* by the state board of regents ~~therefor~~ pursuant to a contract under K.S.A. 76-721a, and amendments thereto, *or engage in the practice of optometry in Kansas on a part-time basis for a period equivalent to 12 months, as determined by the state*

tice of optometry within nine months after licensure and continue such ~~full-time~~ practice in Kansas for a consecutive period of months equal to the total number of months required under the agreement;

(2) *with regard to persons entering into an agreement after the effective date of this act, commence such full-time or part-time practice of optometry within six months after licensure and continue such practice in Kansas for a consecutive period of months equal to the total number of months required under the agreement;*

(e) maintain records and make reports to the state board of regents to document ~~the~~ satisfaction of the obligation under such agreement to engage in the full-time *or part-time* practice of optometry in Kansas and to continue such ~~full-time~~ practice for a consecutive period of months equal to the total number of months required under the agreement; and

(f) upon failure to satisfy an agreement to engage in the full-time *or part-time* practice of optometry in Kansas for the required period of time under such agreement, repay amounts to the state board of regents as provided in K.S.A. 74-3272, *and amendments thereto.*

Sec. 8. K.S.A. 74-3272 is hereby amended to read as follows: 74-3272. (a) Except as otherwise provided in *subsection (e) and in K.S.A. 74-3273*, and amendments thereto, ~~and subsection (e)~~, upon the failure of any person to satisfy the obligation to engage in the full-time *or part-time* practice of optometry within the state of Kansas for the required period of time under an agreement entered into pursuant to K.S.A. 74-3271, and amendments thereto, such person shall repay to the state board of regents an amount equal to the total of (1) the ~~total~~ amount of money paid by the state board of regents ~~in amounts~~ for guaranteed admission and continued enrollment of such person in an accredited school or college of optometry pursuant to a contract entered into therefor under K.S.A. 76-721a, and amendments thereto, plus (2) ~~annual~~ *accrued* interest ~~at a rate of 15%~~ from the date such money was paid pursuant to such contract *at a rate which is equivalent to the interest rate applicable to loans made under the federal PLUS program at the time such person first entered into an agreement plus five percentage points.*

(b) Each person required to repay any amount under this section shall repay an amount totaling the entire amount to be repaid under such agreement for which such obligation is not satisfied, including all interest at the rate prescribed. Except as otherwise provided in this section, such repayment shall be in installment payments and each such installment shall be not less than ~~the~~ *an* amount equal to $\frac{1}{5}$ of the total amount which would be required to be paid if repaid in five equal annual installments.

(c) All installment payments under this section shall commence six months after the date of the action or circumstance that causes the failure of the person to satisfy the obligations of such agreement, as determined by the state board of regents based upon the circumstances of each individual case. If an installment payment becomes 91 days overdue, the entire amount outstanding shall become immediately due and payable, including all interest at the rate prescribed.

(d) The total repayment obligation imposed under ~~the~~ *an* agreement entered into ~~under~~ *pursuant to* K.S.A. 74-3271, and amendments thereto, may be satisfied at any time prior to graduation from the accredited school or college of optometry by making a single lump-sum payment equal to the total of (1) the entire amount to be repaid under such agreement upon failure to satisfy the obligation ~~under such agreement~~ to practice *optometry* in Kansas, plus (2) all interest thereon at the rate prescribed to the date of payment.

(e) If a person fails to satisfy an obligation to engage in the full-time *or part-time* practice of optometry in Kansas for the required period of time under an agreement entered into pursuant to K.S.A. 74-3271, and amendments thereto, because such person is engaged in the practice of optometry in a state other than Kansas, and if such person is subject to or currently making repayments under this section, and if such person

mencement of practice in this state, including interest thereon, shall continue to be payable as provided in this section. If subsequent to such commencement of practice, the person fails to satisfy such obligation, the person again shall be subject to repayments, including interest thereon, as otherwise provided in this section.

(f) The state board of regents is authorized to turn any repayment account arising under the optometry service scholarship program over to a designated loan servicer or collection agency, the state not being involved other than to receive payments from the loan servicer or collection agency at the interest rate prescribed under this section.

Sec. 9. K.S.A. 74-3273 is hereby amended to read as follows: 74-3273. (a) An obligation to engage in the practice of optometry in accordance with an agreement under K.S.A. 74-3271, *and amendments thereto*, shall be postponed: (1) During any required period of active military service; (2) during any period of service as a part of volunteers in service to America (VISTA); (3) during any period of service in the peace corps; (4) during any period of service commitment to the United States public health service; (5) during any period of religious missionary work conducted by an organization exempt from tax under ~~subsection (c) of section 501(c)(3) of the federal internal revenue code of 1954, as amended as in effect on December 31, 2000;~~ (6) during ~~the~~ any period of time the person obligated is engaged solely in the teaching of optometry; (7) during ~~the~~ any period of time the person obligated is engaged solely in optometric research; ~~or~~ (8) *during any period of time the person obligated is actively engaged on a full-time basis in an approved postgraduate residency training program;* (9) during any period of temporary medical disability during which time the person obligated is unable because of such temporary medical disability to practice optometry; (10) *during any period of time the person obligated is on job-protected leave under the federal family and medical leave act of 1993; or* (11) *during any period of time the state board of regents determines that the person obligated is unable because of special circumstances to practice optometry.* Except for ~~clause (8) of this subsection (a);~~ *clauses (9), (10) and (11),* an obligation to engage in the practice of optometry in accordance with an agreement under K.S.A. 74-3271, *and amendments thereto*, shall not be postponed more than five years from the time the practice of optometry was to have been commenced under any such agreement. An obligation to engage in the practice of optometry in accordance with an agreement under K.S.A. 74-3271, *and amendments thereto*, shall be postponed under ~~clause (8) of this subsection (a)~~ *clause (9) of this subsection (a)* during the period of time the medical disability exists. *An obligation to engage in the practice of optometry in accordance with an agreement under K.S.A. 74-3271, and amendments thereto, shall be postponed under clause (10) during the period of time the person obligated remains on FMLA leave. An obligation to engage in the practice of optometry in accordance with an agreement under K.S.A. 74-3271, and amendments thereto, shall be postponed under clause (11) during the period of time the state board of regents determines that the special circumstances exist. The state board of regents shall adopt rules and regulations prescribing criteria or guidelines for determination of the existence of special circumstances causing an inability to practice optometry, and shall determine the documentation required to prove the existence of such circumstances.*

(b) An obligation to engage in the practice of optometry in accordance with an agreement under K.S.A. 74-3271, *and amendments thereto*, shall be satisfied: (1) If the obligation to engage in the practice of optometry in accordance with an agreement under K.S.A. 74-3271, *and amendments thereto*, has been completed; (2) if the person obligated dies; (3) if, because of permanent physical disability, the person obligated is unable to practice optometry; (4) if the person obligated fails to satisfy the requirements for a degree from an accredited school or college of optometry after ~~such person has made their~~ *making the best efforts effort possible* to obtain such degree; or (5) if the person obligated fails to satisfy

Sec. 10. K.S.A. 74-3291 is hereby amended to read as follows: 74-3291. This act shall be known and may be cited as the nursing ~~student~~ *service* scholarship program.

Sec. 11. K.S.A. 2000 Supp. 74-3292 is hereby amended to read as follows: 74-3292. As used in this act:

(a) “Committee” means the nursing *service* scholarship review committee established under K.S.A. 74-3299 and amendments thereto.

(b) “Executive officer” means the *chief* executive officer of the state board of regents appointed under K.S.A. ~~74-3293~~ *2000 Supp. 74-3203a* and amendments thereto.

(c) “Rural area” means any county of this state other than Douglas, Johnson, Sedgwick, Shawnee and Wyandotte counties.

(d) “School of nursing” means a school within the state of Kansas which is approved by the state board of nursing to grant ~~a diploma, an~~ associate degree or a baccalaureate degree in professional nursing or a *certificate of completion* in practical nursing.

(e) “Sponsor” means any adult care home licensed under the adult care home licensure act, any medical care facility licensed under K.S.A. 65-425 *et seq.* and amendments thereto, any psychiatric hospital licensed under K.S.A. 75-3307b, and amendments thereto, *any home health agency licensed under K.S.A. 65-5101 et seq. and amendments thereto, any local health department as defined in K.S.A. 65-241, and amendments thereto,* and any state agency which employs licensed practical nurses or licensed professional nurses.

Sec. 12. K.S.A. 74-3293 is hereby amended to read as follows: 74-3293. (a) There is hereby established the nursing ~~student~~ *service* scholarship program. A scholarship may be awarded under the nursing ~~student~~ *service* scholarship program to any qualified nursing student enrolled in or admitted to a school of nursing in a course of instruction leading to licensure as a licensed professional nurse or licensed practical nurse. The number of new scholarships awarded under the nursing ~~student~~ *service* scholarship program in each year shall not exceed 250. Of this number, except as otherwise provided in this section, 100 scholarships shall be awarded to nursing students whose sponsors are located in rural areas and who are enrolled in a course of instruction leading to licensure as a registered professional nurse, 50 scholarships shall be awarded ~~for~~ *to* nursing students enrolled in ~~or admitted to a school of nursing operated by a community college, area vocational technical school or area vocational school in~~ a course of instruction leading to licensure as a licensed practical nurse and the remaining 100 scholarships shall be awarded to any nursing students who have a sponsor and who are enrolled in a course of instruction leading to licensure as a registered professional nurse. If all scholarships authorized to be awarded under this section to nursing students whose sponsors are located in rural areas have not been awarded by a date established by the state board of regents, the scholarships which have not been awarded by that date may be awarded to nursing students who have a sponsor and who are otherwise qualified to be awarded a scholarship under the nursing ~~student~~ *service* scholarship program. The determination of the individuals qualified for such scholarships shall be made by the executive officer after seeking advice from the committee. Within each scholarship category prescribed by this subsection, scholarships shall be awarded on a priority basis to qualified applicants who have the greatest financial need for such scholarships. To the extent practicable and consistent with the other provisions of this section, consideration shall be given to minority applicants.

(b) Scholarships awarded under the nursing ~~student~~ *service* scholarship program shall be awarded for the length of the course of instruction leading to licensure as a licensed professional nurse or licensure as a licensed practical nurse ~~in~~ which the student is enrolled in or admitted to unless otherwise terminated before *the expiration of* such period of time. Such scholarships shall provide to ~~the~~ *a* nursing student ~~receiving~~

operated by a state educational institution, the lesser of (A) an amount not to exceed 70% of the cost of attendance for a year at the school of nursing in which the nursing student is enrolled or (B) an amount not to exceed 70% of the average amount of the cost of attendance for a year at the schools of nursing operated by the state educational institutions. The amount of each scholarship shall be established annually by the executive officer and shall be financed equally by the sponsor of the nursing student and by the state of Kansas except that if the sponsor is located in a rural area or is a health care facility which has less than 100 beds, the total amount of the scholarship financed by such sponsor shall not exceed \$1,000 and the balance of such amount shall be paid by the state of Kansas.

Sec. 13. K.S.A. 74-3294 is hereby amended to read as follows: 74-3294. (a) An applicant for a scholarship under the nursing ~~student~~ *service* scholarship program shall provide to the executive officer, on forms supplied by the executive officer, the following information:

- (1) The name and address of the applicant;
- (2) the name and address of the school of nursing *in* which the applicant is enrolled ~~in~~ or to which the applicant has been admitted;
- (3) the name and address of the sponsor of the applicant and a verified copy of the agreement entered into by the applicant and the sponsor in accordance with the provisions of ~~this act~~ *the nursing service scholarship program*; and
- (4) any additional information which may be required by the executive officer.

(b) As a condition to awarding a scholarship under ~~this act~~ *the nursing service scholarship program*, the executive officer and the applicant for a scholarship shall enter into an agreement which shall require that the scholarship recipient:

(1) Complete the required course of instruction and attain licensure with the Kansas state board of nursing as a licensed professional nurse or a licensed practical nurse;

(2) engage in the full-time practice of nursing, or the equivalent to full-time practice ~~as specified by rules and regulations of the state board of regents adopted in accordance with the provisions of K.S.A. 74-3297 and amendments thereto~~, in the employment of the sponsor in accordance with the agreement entered into by the scholarship recipient and the sponsor and ~~comply with such other terms and conditions as may be specified by such agreement~~; *continue such full-time practice, or the equivalent to full-time practice, for the total amount of time required under the agreement, which shall be for a period of not less than the length of the course of instruction for which scholarship assistance was provided, or engage in the part-time practice of nursing in the employment of the sponsor in accordance with the agreement entered into by the scholarship recipient and the sponsor and continue such part-time practice for the total amount of time required under the agreement, which shall be for a period of time that is equivalent to full time, as determined by the state board of regents, multiplied by the length of the course of instruction for which scholarship assistance was provided;*

(3) commence the full-time practice of nursing, or the equivalent to full-time practice ~~as specified by rules and regulations of the state board of regents adopted in accordance with the provisions of K.S.A. 74-3297 and amendments thereto~~, *or the part-time practice of nursing*, within six months after registration in accordance with the agreement entered into by the scholarship recipient and the sponsor ~~and, continue such full-time practice, or equivalent to full-time practice, for the total amount of time required under the agreement, which shall be for a period of not less than the length of the course of instruction for which the scholarship assistance was provided and comply with such other terms and conditions as may be specified by such agreement;~~

(4) maintain records and make reports to the executive officer as may

~~with the provisions of K.S.A. 74-3297 and amendments thereto, or the part-time practice of nursing, for the required period of time under any such agreement, repay to the state and to the sponsor amounts as provided in K.S.A. 74-3295, and amendments thereto.~~

(c) Upon the awarding of a scholarship under the nursing ~~student~~ *service* scholarship program, the sponsor shall pay to the executive officer the amount of such scholarship to be financed by the sponsor. Each such amount shall be deposited in the nursing ~~student~~ *service* scholarship program fund in accordance with K.S.A. 74-3298, and amendments thereto.

(d) The sponsorship by a scholarship recipient may be transferred from one sponsor to another upon the agreement of the original sponsor, the scholarship recipient and the sponsor to which the sponsorship is to be transferred. The terms, conditions and obligations of the transferred agreement shall be substantially similar to the terms, conditions and obligations of the original agreement. No sponsorship shall be transferred unless the agreement transferring such sponsorship provides for service in a rural area and is approved by the executive officer as consistent with the provisions of the nursing ~~student~~ *service* scholarship program and as consistent with any rules and regulations relating thereto adopted by the state board of regents in accordance with the provisions of K.S.A. 74-3297, and amendments thereto.

Sec. 14. K.S.A. 2000 Supp. 74-3295 is hereby amended to read as follows: 74-3295. (a) Except as provided in K.S.A. 74-3296, and amendments thereto, upon the failure of any person to satisfy the obligation under any agreement entered into pursuant to the nursing ~~student~~ *service* scholarship program, such person shall pay to the executive officer an amount equal to the total amount of money received by such person pursuant to such agreement which was financed by the state of Kansas plus ~~annual~~ *accrued* interest at a rate ~~of 15% which is equivalent to the interest rate applicable to loans made under the federal PLUS program at the time such person first entered into an agreement plus five percentage points~~ and shall pay to the sponsor an amount equal to the total amount of money received by such person pursuant to such agreement which was financed by the sponsor plus ~~annual~~ *accrued* interest at a rate ~~of 15% which is equivalent to the interest rate applicable to loans made under the federal PLUS program at the time such person first entered into an agreement plus five percentage points~~. Installment payments of any such amounts may be made in accordance with the provisions of agreements entered into by the scholarship recipient and the sponsor or if no such provisions exist in such agreements, in accordance with rules and regulations of the state board of regents, except that such installment payments shall commence six months after the date of the action or circumstances that cause the failure of the person to satisfy the obligations of such agreements, as determined by the executive officer based upon the circumstances of each individual case. Amounts paid under this section to the executive officer shall be deposited in the nursing ~~student~~ *service* scholarship repayment fund in accordance with K.S.A. 74-3298, and amendments thereto.

(b) *The state board of regents is authorized to turn any repayment account arising under the nursing service scholarship program over to a designated loan servicer or collection agency, the state not being involved other than to receive payments from the loan servicer or collection agency at the interest rate prescribed under this section.*

Sec. 15. K.S.A. 2000 Supp. 74-3296 is hereby amended to read as follows: 74-3296. (a) Except as otherwise specified in the agreement with the sponsor, an obligation under any agreement entered into under the nursing student scholarship program shall be postponed: (1) During any required period of active military service; (2) during any period of service as a part of volunteers in service to America (VISTA); (3) during any period of service in the peace corps; (4) during any period of service commitment to the United States public health service; (5) during any

the person obligated is enrolled and actively engaged on a full-time basis in a course of study leading to a degree in the field of nursing which is higher than that attained formerly by the person obligated; (8) *during any period of time the person obligated is on job-protected leave under the federal family and medical leave act of 1993; or (9) during any period of time the state board of regents determines that the person obligated is unable because of special circumstances to practice nursing.* Except for ~~clause clauses (6) of this subsection (a), (8) and (9),~~ an obligation under any agreement entered into ~~under as provided in the nursing student service scholarship program~~ shall not be postponed more than five years from the time the obligation was to have been commenced under any such agreement. An obligation under any agreement ~~under entered into as provided in the nursing student service scholarship program~~ shall be postponed under clause (6) ~~of this subsection (a)~~ during the period of time the medical disability exists. *An obligation under any agreement entered into as provided in the nursing service scholarship program shall be postponed under clause (8) during the period of time the person obligated remains on FMLA leave. An obligation under any agreement entered into as provided in the nursing service scholarship program shall be postponed under clause (9) during the period of time the state board of regents determines that the special circumstances exist. The state board of regents shall adopt rules and regulations prescribing criteria or guidelines for determination of the existence of special circumstances causing an inability to satisfy an obligation under any agreement entered into as provided in the nursing service scholarship program, and shall determine the documentation required to prove the existence of such circumstances.* Except for ~~clause clauses (1) or clause, (6) of this subsection (a), (8) and (9),~~ an obligation under any agreement entered into ~~under as provided in the nursing service scholarship program~~ shall not be postponed unless the postponement is approved by the sponsor or is otherwise provided for in the agreement with the sponsor.

(b) An obligation under any agreement ~~under entered into as provided in the nursing student service scholarship program~~ shall be satisfied: (1) If the obligation ~~in accordance with an agreement under the nursing student scholarship program~~ has been completed *in accordance with the agreement;* (2) if the person obligated dies; (3) if, because of permanent physical disability, the person obligated is unable to satisfy the obligation; (4) if the person obligated fails to satisfy the requirements for graduation from the school of nursing after making the best effort possible to do so; (5) if the person obligated fails to satisfy all requirements for a permanent license to practice nursing in Kansas or has been denied a license after applying for a license and making the best effort possible to obtain such license; (6) if, because of bankruptcy, loss of licensure or certification or other failure in the operations of the sponsor, the sponsor cannot or will not employ the person obligated; or (7) if the sponsor releases the person obligated from employment with the sponsor and the person obligated otherwise completes the terms, conditions and obligations of the agreement ~~under the nursing student scholarship program~~ by engaging in the practice of nursing in Kansas.

Sec. 16. K.S.A. 74-3297 is hereby amended to read as follows: 74-3297. The state board of regents, after consultation with the committee, may adopt rules and regulations establishing minimum terms, conditions and obligations which shall be incorporated into the provisions of any agreement entered into between a sponsor and the recipient of a scholarship under the nursing ~~student service scholarship program~~. The terms, conditions and obligations shall be consistent with the provisions of law relating to the nursing ~~student service scholarship program~~. The terms, conditions and obligations so established shall include, but not be limited to, the terms of eligibility for financial assistance under the nursing ~~student service scholarship program~~, the amount of financial assistance to be offered, the length of employment with the sponsor required as a

board of regents, after consultation with the committee, shall adopt rules and regulations ~~establishing criteria for evaluating the financial need of applicants for scholarships and may adopt such other rules and regulations as may be necessary to administer the nursing student service scholarship program.~~

Sec. 17. K.S.A. 2000 Supp. 74-3298 is hereby amended to read as follows: 74-3298. (a) There is hereby created in the state treasury the nursing ~~student service~~ scholarship program fund. The executive officer shall remit all moneys received from sponsors, which are paid under K.S.A. 74-3294, and amendments thereto, pursuant to scholarship awards, or from a school of nursing, which are paid because of nonattendance or discontinued attendance by scholarship recipients ~~and which are attributable to sponsors, under the nursing student scholarship program~~ to the state treasurer at least monthly. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount thereof in the state treasury and such amount shall be credited to the nursing ~~student service~~ scholarship program fund. All expenditures from the nursing ~~student service~~ scholarship program fund shall be for scholarships awarded under the nursing ~~student service~~ scholarship program or refunds to sponsors and shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the executive officer or by a person designated by the executive officer.

(b) ~~There is hereby created in the state treasury The nursing student scholarship discontinued attendance fund. The executive officer shall remit all moneys received under the nursing student scholarship program from a school of nursing, which are paid because of nonattendance or discontinued attendance by scholarship recipients and which are attributable to sources other than sponsors, to the state treasurer at least monthly. Upon receipt of each such remittance the state treasurer shall deposit the entire amount thereof in the state treasury, and such amount shall be credited to the nursing student scholarship discontinued attendance fund. All expenditures from the nursing student scholarship discontinued attendance fund shall be for scholarships awarded under the nursing student scholarship program and shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the executive officer or by a person designated by the executive officer is hereby abolished. On the effective date of this act, the director of accounts and reports shall transfer all moneys remaining in the nursing student scholarship discontinued attendance fund to the nursing service scholarship program fund.~~

(c) There is hereby created in the state treasury the nursing ~~student service~~ scholarship repayment fund. The executive officer shall remit all moneys received for amounts paid under K.S.A. 74-3295, and amendments thereto, to the state treasurer at least monthly. Upon receipt of each such remittance the state treasurer shall deposit the entire amount thereof in the state treasury, and such amount shall be credited to the nursing ~~student service~~ scholarship repayment fund. All expenditures from the nursing ~~student service~~ scholarship repayment fund shall be for scholarships awarded under the nursing ~~student service~~ scholarship program and shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the executive officer or by a person designated by the executive officer.

Sec. 18. K.S.A. 74-3299 is hereby amended to read as follows: 74-3299. (a) There is hereby created the nursing *service* scholarship review committee which shall consist of the following members appointed by the governor: One member representing Kansas hospitals; one member representing Kansas adult care homes; one member representing Kansas registered nurses; one member representing nursing education programs other than at a college or university under the control and supervision of

and *shall serve* until their successors are appointed and qualified. Upon the vacancy of a position ~~on the committee~~ appointed by the governor, the governor shall appoint a person of like qualifications to fill such position. If a vacancy occurs prior to the expiration of a term, the governor shall appoint a person of like qualifications to fill such position for the unexpired term.

(c) The nursing *service* scholarship review committee shall elect annually from among its members a chairperson. The committee shall meet on the call of the chairperson or upon the request of a majority of the members of the committee. A majority of the members of the committee shall constitute a quorum.

(d) The nursing *service* scholarship review committee shall provide oversight of the nursing ~~student~~ *service* scholarship program and shall be advisory to the executive officer and the state board of regents in the administration of such program. The committee shall exercise such other powers and duties as may be specified by law.

(e) The executive officer and other office staff of the state board of regents shall provide staff assistance to the nursing *service* scholarship review committee.

(f) The members of the nursing *service* scholarship review committee who are not state officers or employees and who are attending meetings of such committee, or attending a subcommittee meeting thereof authorized by such committee, shall be ~~paid~~ *eligible for* amounts provided in subsection (e) of K.S.A. 75-3223, and amendments thereto. Amounts paid under this subsection (f) shall be from appropriations to the state board of regents upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the executive officer or a person designated by the executive officer.

Sec. 19. K.S.A. 74-32,100 is hereby amended to read as follows: 74-32,100. This act shall be known and may be cited as the teacher *service* scholarship program.

Sec. 20. K.S.A. 74-32,101 is hereby amended to read as follows: 74-32,101. As used in this act:

(a) “Executive officer” means the *chief* executive officer of the state board of regents appointed under K.S.A. ~~74-3203~~ *2000 Supp. 74-3203a*, and amendments thereto;

(b) “qualified student” means a person who: (1) Is a resident of the state of Kansas; (2) has been accepted for admission to or is enrolled full time in a course of instruction leading to certification ~~in a hard-to-fill teaching discipline as a teacher~~; and (3) has qualified for the award of a scholarship under the teacher *service* scholarship program on the basis of having demonstrated scholastic ability, or who has previously so qualified and remains qualified for renewal of the scholarship on the basis of remaining in good standing and making satisfactory progress toward completion of the requirements of the course of instruction in which enrolled;

(c) “hard-to-fill teaching discipline” means a teaching discipline in which there is a critical shortage of teachers as determined and specified by the state board of education;

(d) “underserved area” means a *geographic area of the state in which there is a critical shortage of teachers as determined and specified by the state board of education.*

Sec. 21. K.S.A. 74-32,102 is hereby amended to read as follows: 74-32,102. (a) There is hereby established the teacher *service* scholarship program. A scholarship may be awarded under the teacher *service* scholarship program to any qualified student and may be renewed for each such student who remains qualified for the scholarship. The number of new scholarships awarded under the program in each year shall not exceed 50. Determination of the students qualified for such scholarships shall be made by the executive officer. Scholastic ability shall be determined on the basis of any one or more of the following: (1) High ACT or

sideration shall be given to students who are members of ethnic minority groups.

(b) A scholarship awarded under the program shall provide for payment to a qualified student of ~~a stipend in the amount of \$5,000~~ *(1) an amount not to exceed 70% of the cost of attendance for an academic year at the teacher education school in which the qualified student is enrolled if such teacher education school is maintained by a state educational institution or (2) an amount not to exceed 70% of the average amount of the cost of attendance for an academic year at the teacher education schools maintained by the state educational institutions if the teacher education school in which the qualified student is enrolled is not a state educational institution.* A qualified student may be awarded a scholarship for not more than four academic years of undergraduate study, except that a qualified student who is enrolled full time in a course of instruction leading to certification in a ~~hard-to-fill~~ teaching discipline for which graduate study is required may be awarded a scholarship for the duration of the course of instruction.

Sec. 22. K.S.A. 74-32,103 is hereby amended to read as follows: 74-32,103. (a) An applicant for designation as a qualified student and for the award of a scholarship under the teacher *service* scholarship program shall provide to the executive officer, on forms supplied by the executive officer, information required by the executive officer.

(b) As a condition to awarding a scholarship under this act, the executive officer and the applicant shall enter into an agreement which shall require the applicant to:

(1) Complete the required course of instruction leading to certification ~~in a hard-to-fill teaching discipline as a teacher;~~

(2) engage in teaching in *Kansas in an underserved area or in a hard-to-fill teaching discipline in Kansas* and comply with such other terms and conditions as may be specified by such agreement;

(3) commence teaching *on a full-time basis in a hard-to-fill teaching discipline in Kansas in an accredited public or private elementary or secondary school in accordance with the agreement, which shall be and continue teaching on a full-time basis* for a period of not less than the length of the course of instruction for which the scholarship was awarded *or commence teaching on a part-time basis in Kansas in an accredited public or private elementary or secondary school in accordance with the agreement and continue teaching on such a part-time basis for a period of time that is equivalent to full time, as determined by the state board of regents, multiplied by the length of the course of instruction for which the scholarship was awarded;*

(4) *commence teaching in Kansas on a full-time or part-time basis within six months after certification and continue teaching for the period of time required by the agreement;*

~~(4)~~ (5) maintain records and make reports to the executive officer as required by the executive officer to document the satisfaction of the obligations under this act and the agreement; and

~~(5)~~ (6) upon failure to satisfy an agreement to engage in teaching in *an underserved area or in a hard-to-fill teaching discipline* for the required period of time under any such agreement, repay to the state amounts as provided in K.S.A. 74-32,104, and amendments thereto.

Sec. 23. K.S.A. 2000 Supp. 74-32,104 is hereby amended to read as follows: 74-32,104. (a) Except as provided in K.S.A. 74-32,105, and amendments thereto, upon the failure of any person to satisfy the obligation under any agreement entered into pursuant to the teacher *service* scholarship program, such person shall pay to the executive officer an amount equal to the total amount of money received by such person pursuant to such agreement plus ~~annual~~ *accrued* interest at a rate of 15%, *which is equivalent to the interest rate applicable to loans made under the federal PLUS program at the time such person first entered into an agreement plus five percentage points.* Amounts of payment under this

after the date of the action or circumstances that cause the failure of the person to satisfy the obligations of such agreements, as determined by the executive officer based upon the circumstances of each individual case. Amounts paid under this section to the executive officer shall be deposited in the teacher service scholarship repayment fund in accordance with K.S.A. 74-32,107, and amendments thereto.

(b) *The state board of regents is authorized to turn any repayment account arising under the teacher service scholarship program over to a designated loan servicer or collection agency, the state not being involved other than to receive payments from the loan servicer or collection agency at the interest rate prescribed under this section.*

Sec. 24. K.S.A. 74-32,105 is hereby amended to read as follows: 74-32,105. (a) Except as otherwise specified in the agreement, an obligation under any agreement entered into under the teacher service scholarship program shall be postponed: (1) During any required period of active military service; (2) during any period of service as a part of volunteers in service to America (VISTA); (3) during any period of service in the peace corps; (4) during any period of service commitment to the United States public health service; (5) during any period of religious missionary work conducted by an organization exempt from tax under section 501(c)(3) of the federal internal revenue code as in effect on December 31, 2000; ~~(2) (6) during any period of temporary medical disability during which time the person obligated is unable because of such temporary medical disability to teach a hard-to-fill teaching discipline; or (3) (7) during any period of time the person obligated is enrolled and actively engaged on a full-time basis in a course of study leading to a degree in the field of education as a hard-to-fill teaching discipline which is higher than that formerly attained formerly by the person obligated; (8) during any period of time the person obligated is on job-protected leave under the federal family and medical leave act of 1993; or (9) during any period of time the state board of regents determines that the person obligated is unable because of special circumstances to teach.~~ Except for ~~clause (2) of this subsection (a)~~ clauses (6), (8) and (9), an obligation under any agreement entered into ~~under~~ as provided in the teacher service scholarship program shall not be postponed more than five years from the time the obligation was to have been commenced under ~~any~~ such agreement. An obligation under any agreement ~~under~~ entered into as provided in the teacher service scholarship program shall be postponed under ~~clause (2) of this subsection (a)~~ (6) during the period of time the medical disability exists. ~~Except for clause (1) or clause (2) of this subsection (a),~~ An obligation under any agreement entered into ~~under~~ as provided in the teacher service scholarship program shall ~~not~~ be postponed ~~unless the postponement is provided for in the agreement under clause (8) during the period of time the person obligated remains on FMLA leave. An obligation to engage in teaching in accordance with an agreement under the teacher service scholarship program shall be postponed under clause (9) during the period of time the state board of regents determines that the special circumstances exist. The state board of regents shall adopt rules and regulations prescribing criteria or guidelines for determination of the existence of special circumstances causing an inability to teach, and shall determine the documentation required to prove the existence of such circumstances.~~

(b) An obligation under any agreement ~~under~~ entered into as provided in the teacher service scholarship program shall be satisfied: (1) If the obligation ~~in accordance with an agreement under the scholarship program~~ has been completed *in accordance with the agreement*; (2) if the person obligated dies; (3) if, because of permanent physical disability, the person obligated is unable to satisfy the obligation; ~~or~~ (4) if the person obligated fails to satisfy ~~all the requirements to enable the recipient to teach a hard-to-fill teaching discipline for a graduation from a teacher education program~~ after making the best effort possible; (5) if the person

otherwise completes the terms, conditions and obligations of the agreement.

Sec. 25. K.S.A. 74-32,106 is hereby amended to read as follows: 74-32,106. The state board of regents shall adopt rules and regulations for administration of the teacher *service* scholarship program and shall establish terms, conditions and obligations which shall be incorporated into the provisions of any agreement entered into between the executive officer and an applicant for the award of a scholarship under the program. The terms, conditions and obligations shall be consistent with the provisions of law relating to the program and shall include, but not be limited to, the circumstances under which eligibility for financial assistance under the program may be terminated, the amount of financial assistance to be provided, the circumstances under which obligations may be discharged or forgiven, the amount of money required to be repaid because of failure to satisfy the obligations under an agreement and the method of repayment.

Sec. 26. K.S.A. 2000 Supp. 74-32,107 is hereby amended to read as follows: 74-32,107. (a) There is hereby created in the state treasury the teacher *service* scholarship program fund. The executive officer shall remit all moneys received under the teacher *service* scholarship program, which are paid because of nonattendance or discontinuance by scholarship recipients, to the state treasurer at least monthly. Upon receipt of each such remittance the state treasurer shall deposit the entire amount thereof in the state treasury, and such amount shall be credited to the teacher *service* scholarship program fund. All expenditures from the teacher *service* scholarship program fund shall be for scholarships awarded under the teacher *service* scholarship program and shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the executive officer or by a person designated by the executive officer.

(b) There is hereby created in the state treasury the teacher *service* scholarship repayment fund. The executive officer shall remit all moneys received under the teacher *service* scholarship program, which are for payment of amounts pursuant to K.S.A. 74-32,104, and amendments thereto, to the state treasurer at least monthly. Upon receipt of each such remittance the state treasurer shall deposit the entire amount thereof in the state treasury, and such amount shall be credited to the teacher *service* scholarship repayment fund. All expenditures from the teacher *service* scholarship repayment fund shall be for scholarships awarded under the teacher *service* scholarship program and shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the executive officer or by a person designated by the executive officer.

Sec. 27. K.S.A. 2000 Supp. 74-32,112 is hereby amended to read as follows: 74-32,112. (a) This act shall be known and may be cited as the Kansas ethnic minority fellowship program.

(b) The legislature hereby finds that: (1) The enrollment of certain ethnic minority students in graduate programs is low and declining; *and* (2) the ratio of graduate students who receive teaching and research assistantships is lower for ethnic minority students than for Caucasian students; ~~and (3) the ethnic origin of faculty at institutions of higher education is disproportionately Caucasoid.~~

(c) The legislature hereby declares that it is the intention of this act to provide for a program under which the state in cooperation with the state educational institutions may award grants of financial assistance in the form of fellowships to qualified ethnic minority graduate students as a means of: ~~(1) recruiting and retaining ethnic minority students in the graduate programs of the state educational institutions; and (2) attracting and retaining ethnic minority faculty members and educational leaders in Kansas~~ *in order to enhance the diversity of the student population.*

Sec. 28. K.S.A. 2000 Supp. 74-32,113 is hereby amended to read as

minority group; (3) has been accepted for admission to or is enrolled full time in a graduate program at a state educational institution; and (4) has qualified for the award of a fellowship under the Kansas ethnic minority fellowship program on the basis of having demonstrated scholastic ability, or who has previously so qualified and remains qualified for renewal of the fellowship on the basis of remaining in good standing and making satisfactory progress toward completion of the requirements of the graduate program in which enrolled.

(c) “Ethnic minority group” means a group of persons categorized as: (1) American Indian; (2) *Asian or Pacific Islander*; (3) Black, non-Hispanic; or (4) Hispanic.

(d) “American Indian” means a person having origins in the original peoples of North America and who maintains cultural identification through tribal affiliation or community recognition.

(e) “Asian” or “Pacific Islander” means a person having origins in any of the original peoples of ~~Laos, Vietnam, Cambodia, or Korea~~ *the Far East, Southeast Asia, the Indian Subcontinent, or Pacific Islands, including, but not by way of limitation, persons from China, Japan, Korea, the Philippine Islands, Samoa, India, Laos, Vietnam, or Cambodia.*

(f) “Black, non-Hispanic” means a person having origins in any of the black racial groups of Africa (except those of Hispanic origin).

(g) “Hispanic” means a person of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish culture or origin, regardless of race.

(h) “State educational institution” has the meaning ascribed thereto in K.S.A. 76-711, and amendments thereto.

(i) “Executive officer” means the executive officer of the state board of regents, appointed under K.S.A. ~~74-3203~~ *2000 Supp. 74-3203a*, and amendments thereto.

Sec. 29. K.S.A. 2000 Supp. 74-32,114 is hereby amended to read as follows: 74-32,114. (a) A fellowship may be awarded under the Kansas ethnic minority fellowship program to any qualified ethnic minority graduate student and may be renewed for each such student who remains qualified for the fellowship. Subject to appropriations therefor, the number of new fellowships awarded under the program in each year shall not exceed 40. Determination of the graduate students qualified for such fellowships shall be made by the executive officer in consultation with the chief academic officers of the state educational institutions. The state board of regents shall establish, by rules and regulations, indicators of scholastic ability for determination of the qualifications of ethnic minority graduate students for the award of fellowships under the program.

(b) A fellowship awarded under the program shall provide for payment to a qualified ethnic minority graduate student of a stipend in ~~the~~ *an amount of \$8,000 not to exceed the amount of the cost of attendance for an academic year at the state educational institution in which the graduate student is enrolled.* Such stipends may be enhanced by the state educational institutions. A qualified ethnic minority graduate student may be awarded a fellowship in each academic year until the requirements of the graduate program in which the student is enrolled are completed.

Sec. 30. K.S.A. 2000 Supp. 74-32,115 is hereby amended to read as follows: 74-32,115. (a) An applicant for designation as a qualified ethnic minority graduate student and for the award of a fellowship under the Kansas ethnic minority fellowship program shall provide such information to the executive officer as the executive officer may require.

(b) As a condition to awarding a fellowship under this act, the executive officer and the applicant shall enter into an agreement which shall require the applicant to:

(1) Complete the requirements of the graduate program in which enrolled;

(2) enter into the ~~employ~~ *employ full-time employment in Kansas of an accredited educational elementary or secondary school or an accredited*

time, as determined by the state board of regents, multiplied by the period for which financial assistance was provided under the program;

(3) enter into the full-time or part-time employment in Kansas of an accredited elementary or secondary school or an accredited institution of postsecondary education within six months after completion of the requirements of the graduate program in which enrolled or within six months after completion of the requirements of such program and certification to teach if necessary, whichever is later, and continue such employment for the period of time required by the agreement;

~~(3)~~ *(4) maintain records and make reports to the executive officer as required by the executive officer to document the satisfaction of the obligations under this act and the agreement; and*

~~(4)~~ *(5) upon failure to satisfy any obligation under this act or the agreement, repay to the state amounts as provided in K.S.A. 2000 Supp. 74-32,116, and amendments thereto.*

Sec. 31. K.S.A. 2000 Supp. 74-32,116 is hereby amended to read as follows: 74-32,116. *(a) Except as provided in K.S.A. 2000 Supp. 74-32,117, and amendments thereto, upon the failure of a person to satisfy any obligation under an agreement entered into pursuant to in accordance with the Kansas ethnic minority fellowship program, such person shall pay to the executive officer an amount equal to the total amount of money received by such person pursuant to such agreement plus annual accrued interest from the date such money was received at a rate of 15%, which is equivalent to the interest rate applicable to loans made under the federal PLUS program at the time such person first entered into an agreement plus five percentage points. Amounts of payment under this section shall be adjusted proportionately for full years of performance of the obligations that have been satisfied. Installment payments of any such amounts may be made in accordance with the provisions of the agreement entered into by the fellowship recipient or if no such provisions exist in such agreement, in accordance with rules and regulations of the state board of regents, except that such installment payments shall commence six months after the date of the action or circumstances that cause the failure of the person to satisfy the obligations of such agreements, as determined by the executive officer based upon the circumstances of each individual case. Amounts paid under this section to the executive officer shall be deposited in the Kansas ethnic minority fellowship program fund in accordance with K.S.A. 2000 Supp. 74-32,119, and amendments thereto.*

(b) The state board of regents is authorized to turn any repayment account arising under the Kansas ethnic minority fellowship program over to a designated loan servicer or collection agency, the state not being involved other than to receive payments from the loan servicer or collection agency at the interest rate prescribed under this section.

Sec. 32. K.S.A. 2000 Supp. 74-32,117 is hereby amended to read as follows: 74-32,117. *(a) Except as otherwise specified in the agreement, an obligation under any agreement entered into under in accordance with the Kansas ethnic minority fellowship program shall be postponed: (1) During any required period of active military service; (2) during any period of service as a part of volunteers in service to America (VISTA); (3) during any period of service in the peace corps; (4) during any period of service commitment to the United States public health service; (5) during any period of religious missionary work conducted by an organization exempt from tax under section 501(c)(3) of the federal internal revenue code as in effect on December 31, 2000; ~~(2)~~ (6) during any period of temporary medical disability time in which the person obligated is unable because of such temporary medical disability to commence or continue performance in satisfaction of the obligation; ~~or (3)~~ (7) during any period of time the person obligated is enrolled and actively engaged on a full-time basis in a graduate program leading to a degree which is higher than that formerly attained formerly by the person obligated; (8) during any period of time the person obligated is on job-protected leave under the*

ship program shall not be postponed more than five years from the time performance of the obligation was to have been commenced under any such agreement. An obligation under any agreement ~~under entered into in accordance with~~ the program shall be postponed under clause ~~(2) of this subsection (a)~~ (6) during the period of time the medical disability exists. ~~Except for clause (1) or clause (2) of this subsection (a),~~ An obligation under any agreement entered into ~~under in accordance with~~ the program shall ~~not~~ be postponed ~~unless the postponement is provided for in the agreement under clause (8) during the period of time the person obligated remains on FMLA leave. An obligation to commence or continue performance in satisfaction of the obligation in accordance with an agreement under the Kansas ethnic minority fellowship program shall be postponed under clause (9) during the period of time the state board of regents determines that the special circumstances exist. The state board of regents shall adopt rules and regulations prescribing criteria or guidelines for determination of the existence of special circumstances causing an inability to commence or continue performance in satisfaction of the obligation, and shall determine the documentation required to prove the existence of such circumstances.~~

(b) An obligation under any agreement ~~under entered into in accordance with~~ the Kansas ethnic minority fellowship program shall be satisfied: (1) If performance of the obligation ~~in accordance with an agreement entered into under the program~~ has been completed *in accordance with the agreement*; (2) if the person obligated dies; (3) if, because of permanent physical disability, the person obligated is unable to satisfy the obligation; ~~or~~ (4) if the person obligated fails to satisfy ~~all the requirements to enable the person to enter into the employ of of the graduate program in which enrolled after making the best effort possible; (5) if the person obligated fails to satisfy all requirements for certification to teach in Kansas, if certification is necessary to obtain employment as provided in the agreement; or (6) if the person obligated is unable to obtain employment in an accredited elementary or secondary school or an accredited educational institution of postsecondary education in Kansas and to continue in such employment after making the best effort possible.~~

Sec. 33. K.S.A. 2000 Supp. 74-32,118 is hereby amended to read as follows: 74-32,118. (a) The state board of regents shall adopt rules and regulations for administration of the Kansas ethnic minority fellowship program and shall establish terms, conditions and obligations which shall be incorporated into the provisions of any agreement entered into between the executive officer and an applicant for the award of a fellowship under the program. The terms, conditions and obligations shall be consistent with the provisions of law relating to the program and shall include, but not be limited to, the circumstances under which eligibility for financial assistance under the program may be terminated, the amount of financial assistance to be provided, the circumstances under which obligations may be discharged or forgiven, the amount of money required to be repaid because of failure to satisfy the obligations under an agreement and the method of repayment.

(b) *The state board of regents shall review the Kansas ethnic minority fellowship program annually to determine if the program is meeting the intention of the legislature and to make recommendations to the legislature for continuance, discontinuance, expansion, or contraction of the program.*

Sec. 34. K.S.A. 2000 Supp. 74-3256 is hereby amended to read as follows: 74-3256. (a) The state board of regents shall:

- (1) Adopt rules and regulations for the administration of this act;
- (2) provide for ~~enrollment without charge of tuition at each ROTC institution of the award of ROTC service scholarships to eligible students who qualify therefor, as determined by the selection committee, for not to exceed in any academic year a total of 40 eligible students in any academic year if the at each ROTC institution is a state educational in-~~

(3) ~~publicize provide information regarding application procedures and provide application forms;~~

(4) require any ROTC institution to promptly furnish upon request any information which relates to the administration or effect of this act.

(b) ~~Any If the ROTC institution at which enrollment of an eligible students without charge of tuition is provided for under subsection (a)(2) may file a claim with the state board of regents for reimbursement of the amount of such tuition student who qualifies for an ROTC service scholarship is enrolled is a state educational institution, the scholarship shall provide to the student an amount not to exceed 70% of the cost of attendance at the institution for an academic year. If the ROTC institution at which an eligible student who qualifies for an ROTC service scholarship is enrolled is a municipal university, the amount of reimbursement for each eligible student for whom enrollment is provided without charge of tuition shall be at a rate not greater than the maximum rate of tuition that would be charged by scholarship shall provide to the student an amount not to exceed 70% of the average amount of the cost of attendance at the state educational institutions for enrollment of the eligible student an academic year. Within the limitations of appropriations therefor, the state board of regents shall be responsible for payment of reimbursements to ROTC institutions upon certification by each such institution of the amount of reimbursement to which entitled. Payments to of ROTC institutions service scholarships shall be made upon pursuant to vouchers approved by the state board of regents and upon warrants of the director of accounts and reports. Payments may be made by issuance of a single warrant to each ROTC institution at which one or more eligible students are enrolled for the total amount of tuition not charged scholarships for all eligible students for enrollment enrolled at that institution. The director of accounts and reports shall cause such warrant to be delivered to the ROTC institution at which such eligible student or students are enrolled. If an eligible student discontinues attendance before the end of any academic year, after the ROTC institution has received payment under this subsection, the institution shall pay to the state the entire amount which such eligible student would otherwise qualify to have refunded, not to exceed the amount of the payment made by the state in behalf of such student under the ROTC service scholarship for the academic year. All amounts paid to the state by ROTC institutions under this subsection shall be deposited in the state treasury and credited to the state general ROTC service scholarship program fund.~~

(c) *If all ROTC service scholarships authorized to be awarded to eligible students at each ROTC institution have not been awarded by a date established by the state board of regents, the scholarships that have not been awarded by that date may be awarded to eligible students at any ROTC institution if such students are qualified for such scholarships as determined by the appropriate selection committee. The determination to award ROTC service scholarships under this subsection to eligible students who are qualified for such scholarships shall be made by the state board of regents after consultation with the adjutant general.*

Sec. 35. K.S.A. 2000 Supp. 74-3257 is hereby amended to read as follows: 72-3457. Every eligible student who qualifies ~~therefor for the award of an ROTC service scholarship~~, as determined by the appropriate selection committee, ~~may enroll annually for both the fall and spring semesters, not to exceed eight semesters, in an ROTC institution without charge of tuition. Once an eligible student qualifies for the benefits provided for under this act, such eligible student shall remain qualified for not to exceed eight semesters of undergraduate study unless the appropriate selection committee determines that such eligible student is disqualified for failure to meet any or all of the requirements imposed under the provisions of this act.~~

Sec. 36. K.S.A. 2000 Supp. 74-3258 is hereby amended to read as follows: 74-3258. The selection committee of each ROTC institution shall:

Sec. 37. K.S.A. 2000 Supp. 74-3259 is hereby amended to read as follows: 74-3259. In order to apply for qualification for ~~the benefits provided for under this act~~ *an ROTC service scholarship*, an eligible student, if selected to receive ~~benefits under this act~~ *such a scholarship*, shall agree to:

- (a) Maintain standards of academic excellence and other standards required to remain in good standing;
- (b) maintain minimum full-time enrollment of at least 12 credit hours each semester;
- (c) participate in the reserve officers' training corps program;
- (d) demonstrate the qualities required in a commissioned officer;
- (e) *immediately* upon graduation from an ROTC institution, accept a commission as a second lieutenant and serve for not less than four years as a commissioned officer in the Kansas national guard.; *and*
- (f) *upon failure to satisfy an agreement to serve as a commissioned officer in the Kansas national guard for the required four-year period, repay to the state amounts as provided in K.S.A. 74-3260, and amendments thereto.*

Sec. 38. K.S.A. 2000 Supp. 74-3260 is hereby amended to read as follows: 74-3260. (a) Upon the failure of any person, who as an eligible student qualified for and received ~~benefits provided for under this act~~ *payments under an ROTC service scholarship*, to remain eligible and qualified or to satisfy the obligation to accept a commission and serve as an officer in the Kansas national guard for the required period of time under an agreement entered into pursuant to this act, such person shall ~~serve for not less than four years as an enlisted member of the Kansas national guard, or~~ pay to the state of Kansas an amount equal to the total amount of ~~benefits~~ *payments* received by such person *plus accrued interest from the date such payments were received at a rate which is equivalent to the interest rate applicable to loans made under the federal PLUS program at the time such person first entered into an agreement plus five percentage points*. Such payment shall *commence within 30 days, and* be completed within five years, after the date of the act or circumstance that causes the failure of the person to remain eligible and qualified or to satisfy the obligation of such agreement. *Payments under this section shall be installment payments and each such installment shall be not less than an amount equal to 1/5 of the total amount which would be required to be paid if paid in five equal annual installments. If an installment payment becomes 91 days overdue, the entire amount outstanding shall become immediately due and payable, including all interest at the rate prescribed. Amounts paid under this section shall be deposited in the state treasury and credited to the ROTC service scholarship repayment fund as provided in section 39, and amendments thereto.*

(b) *The state board of regents is authorized to turn any repayment account arising under the ROTC service scholarship program over to a designated loan servicer or collection agency, the state not being involved other than to receive payments from the loan servicer or collection agency at the interest rate prescribed under this section.*

New Sec. 39. (a) There is hereby created in the state treasury the ROTC service scholarship program fund. The state board of regents shall remit all moneys received under the ROTC service scholarship program, which are paid because of nonattendance or discontinuance by scholarship recipients, to the state treasurer at least monthly. Upon receipt of each such remittance the state treasurer shall deposit the entire amount thereof in the state treasury, and such amount shall be credited to the ROTC service scholarship program fund. All expenditures from the ROTC service scholarship program fund shall be for ROTC service scholarships and shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the state board of regents or by a person designated by the state board.

the state treasury, and such amount shall be credited to the ROTC service scholarship repayment fund. All expenditures from the ROTC service scholarship repayment fund shall be for scholarships awarded under the ROTC service scholarship program and shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the state board of regents or by a person designated by the state board.

New Sec. 40. (a) Except as otherwise specified in the agreement, an obligation under any agreement entered into in accordance with the ROTC service scholarship program shall be postponed: (1) During any period of service as a part of volunteers in service to America (VISTA); (2) during any period of service in the peace corps; (3) during any period of service commitment to the United States public health service; (4) during any period of religious missionary work conducted by an organization exempt from tax under section 501(c)(3) of the federal internal revenue code as in effect on December 31, 2000; (5) during any period of time in which the person obligated is unable because of temporary medical disability to commence or continue performance in satisfaction of the obligation; (6) during any period of time the person obligated is enrolled and actively engaged on a full-time basis in a graduate program leading to a degree which is higher than that formerly attained; (7) during any period of time the person obligated is on job-protected leave under the federal family and medical leave act of 1993; or (8) during any period of time the state board of regents determines that the person obligated is unable because of special circumstances to commence or continue performance in satisfaction of the obligation. Except for clauses (5), (7) and (8), an obligation under any agreement entered into in accordance with the ROTC service scholarship program shall not be postponed more than five years from the time performance of the obligation was to have been commenced under any such agreement. An obligation under any agreement entered into in accordance with the program shall be postponed under clause (5) during the period of time the medical disability exists. An obligation under any agreement entered into in accordance with the program shall be postponed under clause (7) during the period of time the person obligated remains on FMLA leave. An obligation to commence or continue performance in satisfaction of the obligation in accordance with an agreement under the ROTC service scholarship program shall be postponed under clause (8) during the period of time the state board of regents determines that the special circumstances exist. The state board of regents shall adopt rules and regulations prescribing criteria or guidelines for determination of the existence of special circumstances causing an inability to commence or continue performance in satisfaction of the obligation, and shall determine the documentation required to prove the existence of such circumstances.

(b) An obligation under any agreement entered into in accordance with the ROTC service scholarship program shall be satisfied: (1) If performance of the obligation has been completed in accordance with the agreement; (2) if the person obligated serves for not less than four years as an enlisted member of the Kansas national guard; (3) if the person obligated dies; (4) if, because of permanent physical disability, the person obligated is unable to satisfy the obligation; (5) if the person obligated fails to satisfy the requirements of the academic program in which enrolled after making the best effort possible; (6) if the person obligated fails to satisfy all requirements for participation in the reserve officers' training corps program after making the best effort possible; or (7) if the person obligated fails to satisfy all requirements for commission as a second lieutenant in the Kansas national guard after making the best effort possible.

Sec. 41. K.S.A. 2000 Supp. 74-32,131 is hereby amended to read as follows: 74-32,131. This act shall be known and may be cited as the advanced registered nurse practitioner ~~student~~ service scholarship program.

Sec. 42. K.S.A. 2000 Supp. 74-32,132 is hereby amended to read as

(b) “Executive officer” means the *chief* executive officer of the state board of regents appointed under K.S.A. ~~74-3203~~ *2000 Supp. 74-3203a*, and amendments thereto.

(c) “Educational and training program for advanced registered nurse practitioners” means a post-basic nursing education program a graduate of which meets the education requirements of the board of nursing for a certificate of qualification as an advanced registered nurse practitioner.

(d) “Medically underserved area” means ~~an area of this state designated a medically underserved area by specialty or critically medically underserved area by specialty under K.S.A. 76-375 and amendments thereto~~ *a practice location designated medically underserved by the state board of regents.*

(e) “Rural area” means any county ~~in~~ *of* this state ~~which has a population of not more than 20,000 people at the time of application~~ *other than Douglas, Johnson, Sedgwick, Shawnee and Wyandotte counties.*

Sec. 43. K.S.A. 2000 Supp. 74-32,133 is hereby amended to read as follows: 74-32,133. (a) There is hereby established the advanced registered nurse practitioner ~~student~~ *service* scholarship program. Within the limits of appropriations therefor, a scholarship may be awarded under ~~this~~ *the* program to any qualified student enrolled in or admitted to an educational and training program for advanced registered nurse practitioners. The number of scholarships awarded under ~~this scholarship~~ *the* program in any year shall not exceed 12.

(b) The determination of the individuals qualified for ~~such~~ scholarships shall be made by the executive officer after seeking advice from the committee. Scholarships shall be awarded on a priority basis to qualified applicants in the advanced registered nurse practitioner categories of nurse clinician or nurse practitioner or clinical specialist who have the greatest financial need for such scholarships and who are residents of this state. To the extent practicable and consistent with the other provisions of this section, consideration shall be given to minority applicants.

(c) Scholarships awarded under ~~this scholarship~~ *the* program shall be awarded for the length of the course of instruction required for graduation as an advanced registered nurse practitioner unless terminated before ~~expiration of~~ *expiration of* such period of time. Such scholarships shall provide (1) ~~to the~~ *to a* student ~~receiving the scholarship~~ *enrolled in or admitted to an educational and training program for advanced registered nurse practitioners operated by a state educational institution* the payment of ~~tuition, fees, books, room and board in an amount not to exceed the total of \$15,000 annually~~ *an amount not to exceed 70% of the cost of attendance for a year, and (2) to a student enrolled in or admitted to an educational and training program for advanced registered nurse practitioners operated by an independent institution of higher education the payment of an amount not to exceed 70% of the average amount of the cost of attendance for a year in educational and training programs for advanced registered nurse practitioners operated by the state educational institutions.* The amount of each scholarship shall be established annually by the executive officer and shall be financed by the state of Kansas.

Sec. 44. K.S.A. 2000 Supp. 74-32,134 is hereby amended to read as follows: 74-32,134. (a) An applicant for a scholarship under ~~this~~ *the* advanced registered nurse practitioner service scholarship program shall provide to the executive officer, on forms supplied by the executive officer, the following information:

- (1) The name and address of the applicant;
- (2) the name and address of the educational and training program for advanced registered nurse practitioners *in* which the applicant is enrolled ~~in~~ or to which the applicant has been admitted; and
- (3) any additional information which may be required by the executive officer.

(b) As a condition to awarding a scholarship under this act, the executive officer and the applicant for a scholarship shall enter into an

*men*ce full-time practice as an advanced registered nurse practitioner, or *commence* the equivalent to full-time practice ~~as specified by rules and regulations of the state board of regents adopted in accordance with the provisions of K.S.A. 2000 Supp. 74-32,137 and amendments thereto,~~ or *commence part-time practice as an advanced registered nurse practitioner,* in a rural area or a medically underserved area, *continue such practice for the total amount of time required under the agreement,* and comply with such other terms and conditions as may be specified by ~~such~~ *the agreement;*

(3) ~~commence full-time practice, or the equivalent to full-time practice as specified by rules and regulations of the state board of regents adopted in accordance with the provisions of K.S.A. 2000 Supp. 74-32,137 and amendments thereto,~~ *as an advanced registered nurse practitioner* in a rural area or medically underserved area ~~within six months after graduation from the educational and training program for advanced registered nurse practitioners in accordance with the agreement entered into by the scholarship recipient and continue such full-time practice,~~ *or the equivalent to full-time practice,* in a rural area or medically underserved area for the total amount of time required under the agreement, which shall be for a period of not less than the length of the course of instruction for which the scholarship assistance was provided, *or commence part-time practice in a rural area or medically underserved area and continue such part-time practice in a rural area or medically underserved area for the total amount of time required under the agreement, which shall be for a period of time that is equivalent to full time, as determined by the state board of regents, multiplied by the length of the course of instruction for which the scholarship assistance was provided;*

(4) maintain records and make reports to the executive officer as may be required by the executive officer to document the satisfaction of the obligation under this act; and

(5) upon failure to satisfy an agreement to engage in full-time practice as an advanced registered nurse practitioner, or the equivalent to full-time practice ~~as specified by rules and regulations of the state board of regents adopted in accordance with the provisions of K.S.A. 2000 Supp. 74-32,137 and amendments thereto,~~ *or in part-time practice,* in a rural area or medically underserved area for the required period of time under any such agreement, repay to the state amounts as provided in K.S.A. 2000 Supp. 74-32,135, and amendments thereto.

Sec. 45. K.S.A. 2000 Supp. 74-32,135 is hereby amended to read as follows: 74-32,135. (a) Except as provided in K.S.A. 2000 Supp. 74-32,136, and amendments thereto, upon the failure of any person to satisfy the obligation under any agreement entered into pursuant to this act, such person shall pay to the executive officer an amount equal to the total amount of money received by such person pursuant to such agreement which is financed by the state of Kansas plus ~~annual~~ *accrued* interest at a rate ~~of 15% which is equivalent to the interest rate applicable to loans made under the federal PLUS program at the time such person first entered into an agreement plus five percentage points.~~ *of 15% which is equivalent to the interest rate applicable to loans made under the federal PLUS program at the time such person first entered into an agreement plus five percentage points.* Installment payments of such amounts may be made in accordance with rules and regulations of the state board of regents, except that such installment payments shall commence six months after the date of the action or circumstances that cause the failure of the person to satisfy the obligations of such agreements, as determined by the executive officer based upon the circumstances of each individual case. Amounts paid under this section to the executive officer shall be deposited in the advanced registered nurse practitioner ~~student~~ *service* scholarship program fund in accordance with K.S.A. 2000 Supp. 74-32,138 and amendments thereto.

(b) *The state board of regents is authorized to turn any repayment account arising under the advanced registered nurse practitioner service scholarship program over to a designated loan servicer or collection agency, the state not being involved other than to receive payments from*

active military service; (2) during any period of service in the peace corps; (3) during any period of service as a part of volunteers in service to America (VISTA); (4) during any period of service commitment to the United States public health service; (5) during any period of religious missionary work conducted by an organization exempt from tax under ~~subsection (e) of section 501(c)(3) of the federal internal revenue code of 1986~~ as in effect on ~~January 1~~ *December 31, 1993* *2000*; (6) during any period of ~~temporary medical disability during which~~ *time* the person obligated is unable because of ~~such temporary~~ *such* temporary medical disability to practice as an advanced registered nurse practitioner; ~~or~~ (7) during any period of time the person obligated is enrolled and actively engaged on a full-time basis in a course of study leading to a graduate degree in a field ~~in~~ *for* which such person was awarded a scholarship under this act which *degree* is higher than that ~~formerly~~ *formerly* attained ~~formerly by the person obligated~~; (8) *during any period of time the person obligated is on job-protected leave under the federal family and medical leave act of 1993; or* (9) *during any period of time the state board of regents determines that the person obligated is unable because of special circumstances to practice as an advanced registered nurse practitioner. Except for clauses (6), (8) and (9), an obligation under any agreement entered into as provided in the advanced registered nurse practitioner service scholarship program shall not be postponed more than five years from the time the obligation was to have been commenced under any such agreement. An obligation under any agreement as provided in the advanced registered nurse practitioner service scholarship program shall be postponed under clause (6) during the period of time the medical disability exists. An obligation to engage in practice as an advanced registered nurse practitioner in accordance with an agreement under the advanced registered nurse practitioner service scholarship program shall be postponed under clause (8) during the period of time the person obligated remains on FMLA leave. An obligation to engage in practice as an advanced registered nurse practitioner in accordance with an agreement under the advanced registered nurse practitioner service scholarship program shall be postponed under clause (9) during the period of time the state board of regents determines that the special circumstances exist. The state board of regents shall adopt rules and regulations prescribing criteria or guidelines for determination of the existence of special circumstances causing an inability to practice as an advanced registered nurse practitioner, and shall determine the documentation required to prove the existence of such circumstances.*

(b) An obligation under any agreement ~~under~~ *entered into in accordance with* the advanced registered nurse practitioner ~~student~~ *service* scholarship program shall be satisfied: (1) ~~if the obligation in accordance with an agreement under the scholarship program has been completed in accordance with the agreement;~~ (2) if the person obligated dies; (3) if, because of permanent physical disability, the person obligated is unable to satisfy the obligation; ~~or~~ (4) if the person obligated fails to satisfy the requirements for completion of the educational and training program after making the best effort possible to do so; *or* (5) *if the person obligated is unable to obtain employment as an advanced registered nurse practitioner and continue in such employment after making the best effort possible to do so.*

Sec. 47. K.S.A. 2000 Supp. 74-32,137 is hereby amended to read as follows: 74-32,137. The state board of regents, after consultation with the committee, may adopt rules and regulations establishing minimum terms, conditions and obligations which shall be incorporated into the provisions of any agreement under the advanced registered nurse practitioner ~~student~~ *service* scholarship program. The terms, conditions and obligations shall be consistent with the provisions of law relating to the advanced registered nurse practitioner ~~student~~ *service* scholarship program. The terms, conditions and obligations so established shall include, but not be limited to, the terms of eligibility for financial assistance under the ad-

provisions as may be necessary to carry out the provisions of the advanced registered nurse practitioner ~~student~~ service scholarship program. The state board of regents, after consultation with the committee, shall adopt rules and regulations establishing criteria for evaluating the financial need of applicants for scholarships and may adopt such other rules and regulations as may be necessary to administer the advanced registered nurse practitioner ~~student~~ service scholarship program.

Sec. 48. K.S.A. 2000 Supp. 74-32,138 is hereby amended to read as follows: 74-32,138. There is hereby created in the state treasury the advanced registered nurse practitioner ~~student~~ service scholarship program fund. The executive officer shall remit all moneys received under this act to the state treasurer at least monthly. Upon receipt of each such remittance the state treasurer shall deposit the entire amount thereof in the state treasury, and such amount shall be credited to the advanced registered nurse practitioner ~~student~~ service scholarship program fund. All expenditures from the advanced registered nurse practitioner ~~student~~ service scholarship program fund shall be for scholarships awarded under this act and shall be made in accordance with appropriation acts *upon warrants* of the director of accounts and reports issued pursuant to vouchers approved by the executive officer or by a person designated by the executive officer.

New Sec. 49. (a) There is hereby established the professional service scholarship advisory committee which shall consist of the following members appointed by the state board of regents: One member representing osteopaths; one member representing teachers; one member representing optometrists; one member representing ethnic minority graduate students; one member representing reserve officer candidates; one member representing nurses; and the chairperson of the nursing service scholarship review committee or a designee of the chairperson.

(b) The professional service scholarship advisory committee shall make recommendations to the state board of regents regarding budget requests for and administration of professional service scholarships.

(c) The members of the professional service scholarship advisory committee shall be appointed for three-year terms and shall serve until their successors are appointed and qualified. If a vacancy occurs prior to the expiration of a term, the appointing authority shall appoint a person to fill such position for the unexpired term. Persons appointed to the committee may be reappointed by the appointing authority for succeeding terms.

(d) The executive officer of the state board of regents or a designee of the executive officer shall provide relevant information, staff assistance, and meeting arrangements for the professional service scholarship advisory committee which shall meet at least once per year.

(e) Members of the professional service advisory committee shall be eligible for amounts provided in subsection (e) of K.S.A. 75-3223, and amendments thereto, for attendance at any meeting of the committee or any subcommittee meeting authorized by the committee. Amounts paid under this subsection shall be from appropriations to the state board of regents upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the state board or a person designated by the state board.

Sec. 50. K.S.A. 74-3223, 74-3224, 74-3225, 74-3226, 74-3227, 74-3228, 74-3246, 74-3247, 74-3248, 74-3267a, 74-3268, 74-3268a, 74-3269, 74-3271, 74-3272, 74-3273, 74-3291, 74-3293, 74-3294, 74-3297, 74-3299, 74-32,100, 74-32,101, 74-32,102, 74-32,103, 74-32,105 and 74-32,106 and K.S.A. 2000 Supp. 74-3256, 74-3257, 74-3258, 74-3259, 74-3260, 74-3265, 74-3266, 74-3267, 74-3292, 74-3295, 74-3296, 74-3298, 74-32,104, 74-32,107, 74-32,112, 74-32,113, 74-32,114, 74-32,115, 74-32,116, 74-32,117, 74-32,118, 74-32,131, 74-32,132, 74-32,133, 74-32,134, 74-32,135, 74-32,136, 74-32,137 and 74-32,138 are hereby repealed.

Sec. 51. This act shall take effect and be in force from and after its publication in the statute book.

I hereby certify that the above BILL originated in the HOUSE, and passed that body

Speaker of the House.

Chief Clerk of the House.

Passed the SENATE _____

President of the Senate.

Secretary of the Senate.

APPROVED _____

Governor.