

CHAPTER 173
HOUSE BILL No. 2185
(Amends Chapter 72)

AN ACT concerning postsecondary education, relating to fees and tuition; relating to financial aid programs; amending K.S.A. 74-32,100 and 76-382 and K.S.A. 2006 Supp. 74-32,101, 74-32,102, 74-32,103, 74-32,105 and 76-729 and repealing the existing sections; also repealing K.S.A. 2006 Supp. 74-32,186 through 74-32,193, 74-32,201 through 74-32,208, 74-32,211, through 74-32,218 and 76-729a and 76-729, as amended by section 1 of 2007 House Bill No. 2425.

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

New Section 1. This act shall be known and may be cited as the nurse educator service scholarship program act.

New Sec. 2. As used in the nurse educator service scholarship program act:

(a) "Executive officer" means the chief executive officer of the state board of regents appointed under K.S.A. 74-3203a, and amendments thereto.

(b) "School of nursing" means a school within the state of Kansas which is approved by the state board of nursing to grant a master of science or doctoral degree in nursing.

(c) "Qualified applicant" means a person who: (1) Is a resident of the state of Kansas; (2)(A) is a registered nurse who holds a baccalaureate degree in nursing and has been accepted for admission to or is enrolled in a course of instruction leading to a master of science in nursing; or (B) is a registered nurse who holds a master of science degree in nursing and has been accepted for admission to or is enrolled in a course of instruction leading to a doctorate degree in nursing and (3) has qualified for the award of a scholarship under the program on the basis of having demonstrated scholastic ability and remains qualified 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.

(d) "Program" means the nurse educator service scholarship program established pursuant to this act.

(e) "Review Committee" or "committee" means the nurse educator service scholarship application review committee established at each school of nursing as required by section 3, and amendments thereto.

New Sec. 3. (a) There is hereby established the nurse educator service scholarship program.

(b) (1) The director of each school of nursing shall establish a nurse educator service scholarship application review committee. Applications for a scholarship under the program shall be submitted to the review committee of the school of nursing at which the applicant has been accepted or is enrolled. Applications shall be on a form provided by the school of nursing and shall be submitted in the manner and within the time specified by the review committee. In addition to the information required by the review committee, applications shall contain any additional information required by the executive officer. The committee shall review the applications submitted to the committee and shall determine which applicants are qualified to be recipients of scholarships. The review committee of each school of nursing shall submit the list of all qualified applicants at the school of nursing to the executive officer.

(2) Within the limitations of appropriations therefor, the determination of which qualified applicants which will be awarded scholarships shall be made by the executive officer from the lists submitted pursuant to paragraph (1). When making such determination, consideration shall be given to minority applicants and to applicants having the greatest financial need for scholarships.

(c) Within the limitations of appropriations therefor, scholarships awarded under the program shall be awarded for the length of the course of instruction in which the applicant is enrolled or admitted unless otherwise terminated before the expiration of such period of time. If an applicant is not enrolled on a full-time basis, the applicant shall receive a proportionate amount of the tuition based upon the number of hours enrolled in an academic period, as defined by the applicant's school of nursing and computed as a fraction of the total number of credit hours required for enrollment on a full-time basis. Such scholarships shall provide to a qualified applicant (1) if the applicant is enrolled in a school of

nursing operated by a state educational institution, an amount not to exceed 70% of the cost of attendance for an academic year at the school of nursing in which the applicant is enrolled or (2) if the applicant is enrolled in a school of nursing not 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 applicant 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. Subject to the limitation of appropriations, the number of scholarships awarded and the amount of each scholarship shall be established annually by the executive officer.

(d) Scholarships shall be matched on the basis of \$2 from the nurse educator service scholarship program for \$1 from the school of nursing at which the qualified applicant is enrolled.

New Sec. 4. (a) As a condition to awarding a scholarship under the program, the executive officer and the qualified applicant for a scholarship shall enter into an agreement which shall require that the scholarship recipient:

(1) Complete the required course of instruction;

(2) engage in the full-time teaching of nursing, or the equivalent to full-time teaching of nursing in a nursing program in the state of Kansas, in accordance with the agreement entered into by the scholarship recipient and the executive officer and continue such full-time teaching, or the equivalent to full-time practice, for a period of not less than one year for each academic year for which the scholarship is awarded, or engage in the part-time teaching of nursing in a nursing program in the state of Kansas in accordance with the agreement entered into by the scholarship recipient and the executive officer and continue such part-time teaching 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 executive officer;

(3) commence the full-time teaching of nursing, or the equivalent to full-time teaching, or the part-time teaching of nursing, within six months after completion of the nurse education program in accordance with the agreement entered into by the scholarship recipient and the executive officer, continue such teaching for the total amount of time required under the agreement 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 be required by the executive officer to document the satisfaction of the obligations under the program; and

(5) upon failure to satisfy the obligation under any agreement entered into under the program, repay to the state amounts as provided in section 5, and amendments thereto.

New Sec. 5. (a) Except as provided in section 6, and amendments thereto, upon the failure of any person to satisfy the obligation under any agreement entered into pursuant to the 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 accrued interest 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. Installment payments of any such amounts may be made in accordance with the provisions of agreements entered into by the scholarship recipient and the executive officer, 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 nurse educator service scholarship repayment fund in accordance with section 8, and amendments thereto.

(b) The state board of regents is authorized to turn any repayment account arising under the 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. 6. (a) Except as otherwise specified in the agreement, an obligation under any agreement entered into under the 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; (6) during any period of time the person obligated is unable because of temporary medical disability to teach nursing; (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 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 teach nursing. Except for clauses (6), (8) and (9), an obligation under any agreement entered into as provided in the 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 entered into as provided in the program shall be postponed under clause (6) during the period of time the medical disability exists. An obligation under any agreement entered into as provided in the 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 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 program, and shall determine the documentation required to prove the existence of such circumstances.

(b) An obligation under any agreement entered into as provided in the program shall be satisfied: (1) If the obligation 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 completion of the course of study after making the best effort possible to do so; or (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.

New Sec. 7. The state board of regents may adopt rules and regulations as necessary to administer the nurse educator service scholarship program.

New Sec. 8. (a) There is hereby created in the state treasury the nurse educator service scholarship program fund. The executive officer shall remit all moneys which are paid under section 4, 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, to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the nurse educator service scholarship program fund. All expenditures from such fund shall be for scholarships awarded under the 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 nursing service scholarship repayment fund. The executive officer shall remit all moneys received for amounts paid under section 5, and amendments thereto, to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance the state treasurer shall deposit the entire amount in the state treasury to the credit of the nurse educator service scholarship repayment fund. All expenditures from such fund shall be for scholarships awarded under the program and shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers ap-

proved by the executive officer or by a person designated by the executive officer.

Sec. 9. K.S.A. 76-382 is hereby amended to read as follows: 76-382. (a) There is hereby established the medical student loan program at the university of Kansas school of medicine.

(b) Subject to the provisions of appropriation acts, the university of Kansas school of medicine may make medical student loans in accordance with the provisions of this act to undergraduate students enrolled in or admitted to the university of Kansas school of medicine in a course of instruction leading to the degree of doctor of medicine who enter into a written medical student loan agreement with the university of Kansas school of medicine in accordance with K.S.A. 76-383, and amendments thereto.

(c) Each medical student loan agreement under this act shall provide to the person receiving the loan the payment of all tuition and a stipend for living expenses in an amount of up to ~~\$1,500~~ \$2,000 per month for each month enrolled in such school during a year. Subject to the maximum amount, the amount of the monthly stipend shall be determined on an annual basis by the student receiving the loan.

(d) Subject to the provisions of appropriation acts, medical student loan agreements under this act may be entered into on an annual basis and shall provide the payment of the amounts specified under subsection (c) for one year unless otherwise terminated before such period of time. Subject to the provisions of appropriation acts, an undergraduate student enrolled in or admitted to the university of Kansas school of medicine in a course of instruction leading to the degree of doctor of medicine may receive a separate loan under this act for each separate year the student enters into a written medical student loan agreement with the university of Kansas school of medicine in accordance with K.S.A. 76-383, and amendments thereto. *Loans may be awarded retroactively for any academic year that a student has completed successfully at the university of Kansas medical school, but for which a loan had not previously been awarded. Retroactive loans shall be in an amount equal to the amount of tuition paid by the student, plus a stipend in an amount not to exceed the maximum amount of the stipend for such academic year multiplied by the number of months for which the student was enrolled at the medical school during such year.* For each separate year a student receives a loan under this act, the student shall engage in the full-time practice of medicine and surgery in an appropriate service commitment area for a period of 12 months unless such obligation is otherwise satisfied as provided in K.S.A. 76-386, and amendments thereto.

(e) Medical student loans shall be awarded on a priority basis as follows, first to qualified applicants who are Kansas residents at the time of entry into the university of Kansas school of medicine, and second, to qualified applicants who are not Kansas residents at the time of entry into the university of Kansas school of medicine. As used in this subsection, "Kansas residents" means persons who meet the residence requirements established in K.S.A. 76-729, and amendments thereto.

Sec. 10. K.S.A. 2006 Supp. 76-729 is hereby amended to read as follows: 76-729. (a) (1) Persons enrolling at the state educational institutions under the control and supervision of the state board of regents who, if such persons are adults, have been domiciliary residents of the state of Kansas or, if such persons are minors, whose parents have been domiciliary residents of the state of Kansas for at least 12 months prior to enrollment for any term or session at a state educational institution are residents for fee purposes. A person who has been a resident of the state of Kansas for fee purposes and who leaves the state of Kansas to become a resident of another state or country shall retain status as a resident of the state of Kansas for fee purposes if the person returns to domiciliary residency in the state of Kansas within ~~±~~ 60 months of departure. All other persons are nonresidents of the state of Kansas for fee purposes.

(2) *The provisions of this subsection shall be applicable to any person enrolling at a state educational institution from and after July 1, 2006. Any person who (A) qualifies as a resident of the state of Kansas for fee purposes under the provisions of this subsection, (B) attended a state educational institution during academic year 2006-2007 and (C) paid fees as if such person was not a resident of the state of Kansas, may apply to such state educational institution to be reimbursed in an amount equal to the difference between the amount the person paid in fees and the amount*

the person would have paid if such person had been treated as a resident of the state of Kansas. Such reimbursement shall be paid by the state educational institution at which such person was enrolled during academic year 2006-2007.

(3) *The provisions of this subsection shall not apply to a person who is deemed a resident for fee purposes pursuant to K.S.A. 2006 Supp. 76-731a, and amendments thereto.*

(b) The state board of regents may authorize the following persons, or any class or classes thereof, and their spouses and dependents to pay an amount equal to resident fees:

(1) Persons who are employees of a state educational institution;

(2) persons who are in military service;

(3) persons who are domiciliary residents of the state, who were in active military service prior to becoming domiciliary residents of the state, who were present in the state for a period of not less than two years during their tenure in active military service, whose domiciliary residence was established in the state within 30 days of discharge or retirement from active military service under honorable conditions, but whose domiciliary residence was not timely enough established to meet the residence duration requirement of subsection (a);

(4) persons having special domestic relations circumstances;

(5) persons who have lost their resident status within six months of enrollment;

(6) persons who are not domiciliary residents of the state, who have graduated from a high school accredited by the state board of education within six months of enrollment, who were domiciliary residents of the state at the time of graduation from high school or within 12 months prior to graduation from high school, and who are entitled to admission at a state educational institution pursuant to K.S.A. 72-116, and amendments thereto;

(7) persons who are domiciliary residents of the state, whose domiciliary residence was established in the state for the purpose of accepting, upon recruitment by an employer, or retaining, upon transfer required by an employer, a position of full-time employment at a place of employment in Kansas, but the domiciliary residence of whom was not timely enough established to meet the residence duration requirement of subsection (a), and who are not otherwise eligible for authorization to pay an amount equal to resident fees under this subsection;

(8) persons who have graduated from a high school accredited by the state board of education within six months of enrollment and who, at the time of graduation from such a high school or while enrolled and in attendance at such a high school prior to graduation therefrom, were dependents of a person in military service within the state; if the person, whose dependent is eligible for authorization to pay an amount equal to resident fees under this provision, does not establish domiciliary residence in the state upon retirement from military service, eligibility of the dependent for authorization to pay an amount equal to resident fees shall lapse; and

(9) persons who have retired or have been honorably discharged from military service, had a permanent change of station order for active duty in Kansas during such military service and live in Kansas at the time of enrollment.

(c) (1) The state board of regents shall authorize the following class of persons to pay an amount equal to resident fees: Any dependent or spouse of a person in military service who is reassigned from Kansas to another duty station so long as such dependent or spouse continues to reside in Kansas.

(2) So long as a person remains continuously enrolled, exclusive of summer sessions, a person who qualifies to pay resident fees by virtue of being a spouse or dependent of a person in military service shall not lose such status because of a divorce or the death of a spouse.

(d) As used in this section:

(1) "Parents" means and includes natural parents, adoptive parents, stepparents, guardians and custodians.

(2) "Guardian" has the meaning ascribed thereto by K.S.A. 59-3051, and amendments thereto.

(3) "Custodian" means a person, agency or association granted legal custody of a minor under the *revised* Kansas code for care of children.

(4) "Domiciliary resident" means a person who has present and fixed

residence in Kansas where the person intends to remain for an indefinite period and to which the person intends to return following absence.

(5) "Full-time employment" means employment requiring at least 1,500 hours of work per year.

(6) "Dependent" means: (A) A birth child, adopted child or stepchild; or

(B) any child other than the foregoing who is actually dependent in whole or in part on the person in military service and who is related to such individual by marriage or consanguinity.

(7) "Military service" means ~~any~~: (A) *Any* active service in any armed service of the United States ~~and any active state or federal service in the Kansas army or air national guard~~; or (B) *membership in the Kansas army or air national guard*.

(8) "Academic year" means *the twelve-month period ending June 30*.

Sec. 11. K.S.A. 74-32,100 is hereby amended to read as follows: 74-32,100. ~~This act K.S.A. 74-32,100 through 74-32,107 and sections 16, 17 and 18, and amendments thereto~~, shall be known and may be cited as the teacher service scholarship program act.

Sec. 12. K.S.A. 2006 Supp. 74-32,101 is hereby amended to read as follows: 74-32,101. As used in ~~this~~ *the teacher service scholarship program act*:

(a) "Executive officer" means the chief executive officer of the state board of regents appointed under K.S.A. 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 licensure 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;~~

(b) "Qualified student" means a person who: (1) Is a resident of the state of Kansas; (2)(A) has been accepted for admission to or is enrolled in a course of instruction leading to licensure as a teacher in a hard-to-fill teaching discipline or in an underserved area; (B) is licensed as a teacher and is endorsed to teach in a field which is not a hard-to-fill teaching discipline or is not in an underserved area, but has been accepted for admission to, or is enrolled in, a course of instruction leading to endorsement in a hard-to-fill teaching discipline or in an underserved area; or (C) is licensed as a teacher and has been accepted for admission to, or is enrolled in, a course of instruction leading to a master's degree in the field of education as a teacher in a hard-to-fill teaching discipline or in an underserved area; 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 ~~(1)~~ a teaching discipline in which there is a critical shortage of teachers as determined and specified by the state board of education; ~~and (2) the teaching disciplines of mathematics and science for any of the grades five through 12, and~~

(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. 13. K.S.A. 2006 Supp. 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. 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 SAT score; (2) rank in high school graduation class; (3) cumulative high school or college grade point average; or (4) any other indicator of scholastic ability which the state board of regents determines to be demonstrative of potential for successful completion of a course of instruction leading to licensure

as a teacher. To the extent practicable and consistent with qualification factors, consideration shall be given to qualified students who are members of ethnic minority groups.

~~(b) A scholarship awarded under the program shall provide for payment to a qualified student of (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 licensure in a teaching discipline for which graduate study is required may be awarded a scholarship for the duration of the course of instruction.~~

(b) Within the limitations of appropriations therefor, the number of scholarships awarded and the amount awarded to each applicant shall be determined by the executive officer. The amount awarded shall be specified in the agreement. The amount awarded may vary depending upon the number of hours and the program in which the applicant is enrolled. For academic year 2007-2008, the amount awarded shall not exceed \$2,500 each semester or its equivalent. For academic year 2008-2009 and each year thereafter, the maximum amount that may be awarded shall be increased by an amount equal to the percentage increase in the CPI (urban) during the preceding fiscal year as certified to the executive officer by the director of the budget on August 15 of each year.

(c) If a student is not enrolled on a full-time basis, a student shall complete the course of study within the time period specified in the agreement and shall receive a proportionate amount of the scholarship allowed under subsection (b) based upon the number of hours enrolled in an academic period, and computed as a fraction of the total number of credit hours required for full-time enrollment.

Sec. 14. K.S.A. 2006 Supp. 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 licensure as a teacher as specified in the agreement;~~

~~(2) obtain and maintain necessary licensure and endorsement as specified in the agreement;~~

~~(3) engage in teaching in Kansas in an underserved area or in a hard-to-fill teaching discipline and comply with such other terms and conditions as may be specified by such agreement;~~

~~(4) commence teaching on a full-time basis in Kansas in an accredited public or private elementary or secondary school in accordance with the agreement 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;~~

~~(5) commence teaching in Kansas on a full-time or part-time basis within six months after certification licensure and continue teaching for the period of time required by the agreement;~~

~~(6) 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~~

~~(7) upon failure to satisfy an agreement to engage in teaching in an underserved area or in a hard-to-fill teaching discipline as specified in the agreement and 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. 15. K.S.A. 2006 Supp. 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; (6) during any period of time the person obligated is unable because of temporary medical disability to teach; (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 which is higher than that formerly attained; (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 clauses (6), (8) and (9), an obligation under any agreement entered into 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 such agreement. An obligation under any agreement entered into as provided in the teacher service scholarship program shall be postponed under clause (6) during the period of time the medical disability exists. An obligation under any agreement entered into as provided in the teacher 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 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 entered into as provided in the teacher service scholarship program shall be satisfied: (1) If the obligation 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 a graduation from a teacher education program after making the best effort possible; (5) if the person obligated fails to satisfy all requirements for licensure to teach in Kansas or has been denied licensure after applying for a license to teach and making the best effort possible to obtain such license; or (6) if the person obligated is unable to obtain employment as a teacher in an underserved area or in a hard-to-fill teaching discipline *as specified in the agreement* after making the best effort possible to obtain such employment and the person obligated otherwise completes the terms, conditions and obligations of the agreement.

New Sec. 16. (a) As used in this section:

(1) "Board" means the state board of regents.

(2) "Institution" means a state educational institution as defined by K.S.A. 76-711, and amendments thereto, and Washburn University.

(3) "Program" means the teacher education competitive grant program established by this section.

(4) "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.

(5) "Underserved area" means a geographic area of the state in which there is a critical shortage of teachers as determined by the state board of education.

(6) "Teacher education program" means a program specifically targeted at increasing the number of students who complete a course of instruction leading to licensure as a teacher in a hard-to-fill teaching discipline or who agree to teach in an underserved area.

(b) There is hereby established the teacher education competitive

grant program. Subject to the limitations of appropriations therefor, any institution which desires to establish or expand a teacher education program may submit an application for a competitive grant of moneys in an amount to be determined by the board for the purpose of paying the costs of establishing or expanding a teacher education program and any operating expenses related thereto. Grants shall be matched on the basis of \$2 from the teacher education grant program for \$1 from the institution receiving the grant. Grant moneys may be expended for creation of new teacher education programs or the expansion of existing teacher education programs provided by an institution.

(c) In order to be eligible for a grant under this section, the institution shall submit to the board an application for a grant. The application shall be prepared in such form and manner as required by the board and shall be submitted at a time to be determined and specified by the board.

(d) The board shall establish standards and criteria for reviewing, evaluating and approving applications for grants submitted pursuant to this section. All grants shall be awarded by the board in accordance with the standards and criteria established by the board. Within the limitations of appropriations therefor, the state board shall determine the amount and number of grants and be responsible for payment of grants to institutions.

(e) Each institution which is awarded a grant under this section shall make such periodic and special reports of statistical and financial information to the board as it may request.

(f) This section shall be part of and supplemental to the teacher service scholarship program.

New Sec. 17. At least 70% of the moneys appropriated to the state board for the purposes of the teacher service scholarship program shall be expended for the purpose of awarding teacher service scholarships under K.S.A. 74-32,102, and amendments thereto.

New Sec. 18. (a) On or before January 14, 2009, the state board shall submit a report to the legislature relating to the administration of the teacher service scholarship program and the teacher education competitive grant program. The report shall include the following information for the time period beginning on July 1, 2007 and ending on October 1, 2008:

(1) The number of scholarships awarded under K.S.A. 74-32,102, and amendments thereto.

(2) The average amount of scholarships awarded under K.S.A. 74-32,102, and amendments thereto.

(3) The aggregate amount of scholarships awarded under K.S.A. 74-32,102, and amendments thereto.

(4) The number of scholarships which were awarded under K.S.A. 74-32,102, and amendments thereto to applicants enrolled in courses of instruction leading to licensure as a teacher in hard-to-fill teaching disciplines and what those hard-to-fill teaching disciplines are.

(5) The number of scholarships which were awarded under K.S.A. 74-32,102, and amendments thereto to applicants enrolled in courses of instruction leading to licensure as a teacher in an underserved area and what those underserved areas are.

(6) The number of grants awarded under section 16, and amendments thereto, and the name of the postsecondary institutions to which the grants were awarded.

(7) The average amount of grants awarded under section 16, and amendments thereto.

(8) The aggregate amount of grants awarded under section 16, and amendments thereto, and the aggregate amount awarded to each postsecondary institution.

(b) The report also shall contain information relating to the need for the program and progress made under the program including, but not limited to:

(1) The number of vacant positions on July 1, 2007, in school districts in hard-to-fill teaching disciplines or in underserved areas.

(2) The number of vacant positions in hard-to-fill teaching disciplines or underserved areas on October 1, 2008.

(3) Other information deemed necessary by the state board.

New Sec. 19. The university of Kansas school of medicine shall review and evaluate the criteria used in the determination of medically underserved areas of the state for the purpose of the medical student loan

act. On or before January 14, 2008, the university of Kansas school of medicine shall submit a report to the legislature relating to such review and evaluation and any other information deemed necessary by the school of medicine.

Sec. 20. K.S.A. 74-32,100 and 76-382 and K.S.A. 2006 Supp. 74-32,101, 74-32,102, 74-32,103, 74-32,105, 74-32,186 through 74-32,193, 74-32,201 through 74-32,208, 74-32,211 through 74-32,218, 76-729, 76-729, as amended by section 1 of 2007 House Bill No. 2425, and 76-729a are hereby repealed.

Sec. 21. This act shall take effect and be in force from and after its publication in the statute book.

Approved May 9, 2007.
