

KANSAS OFFICE *of*  
**REVISOR *of* STATUTES**

LEGISLATURE *of* THE STATE *of* KANSAS  
*Legislative Attorneys transforming ideas into legislation.*

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**MEMORANDUM**

To: Senate Committee on Education  
From: Office of Revisor of Statutes  
Date: February 4, 2025  
Subject: SB 50—Uniform Interest Rate for Service Scholarship Programs  
Administered by the State Board of Regents

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Senate Bill 50 would establish uniform interest rate provisions for service scholarship programs administered by the state board of regents (state board) that have repayment obligations as part of such programs and authorize the state board to recover the costs of administering such programs. SB 50 would also amend the adult learner grant act to require eligible students enter into agreements with the state board instead of a postsecondary educational institution.

Under current law, if a service scholarship program requires the recipient to provide a certain amount of service as a condition for receiving financial assistance, the statute establishing such scholarship program generally has a requirement that the recipient repay a portion of the financial assistance received if they do not fulfill their service obligations. Each scholarship program has its own terms and conditions for that repayment obligation, including the applicable interest rate and when interest begins to accrue on the obligation.

SB 50 would enact new section 1 to make the interest rate on establishes a uniform interest rate of 5% per annum on any such obligation. The bill also sets the accrual date as the date on which such obligation began as determined by the state board. Such provisions will apply to all repayment obligations, including those arising from financial assistance that was provided prior to July 1, 2025. SB 50 also provides the state board with the authority to recover reasonable costs for collections on repayment obligations, including attorney fees, court costs, and collection agency fees. The chief executive officer of the state board would also be authorized to set charges and fees for the costs of administering service scholarships.

Sections 4 through 15 would amend the following programs to conform with the uniform repayment terms and conditions:

- Reserve Officers' Training Corps (ROTC) service scholarship program
- Osteopathic medical service scholarship program
- Optometry service scholarship program
- Nursing service scholarship program
- Teacher service scholarship program
- Ethnic minority fellowship program
- Advanced practice registered nurse service scholarship program
- Workforce development loan program
- Nurse educator service scholarship program
- Promise scholarship program
- Adult learner grant program

In addition to the scholarship interest rate obligation for the adult learner grant program, SB 50 would amend the program in section 15. Current law requires eligible students to enter into service agreements with the eligible postsecondary educational institution that awarded the grant. SB 50 would instead require eligible students to enter into such agreements with the state board.

The bill would take effect on July 1, 2025, upon publication in the statute book.