

February 13, 2025

The Honorable Ken Rahjes, Chairperson
House Committee on Agriculture and Natural Resources
300 SW 10th Avenue, Room 112-N
Topeka, Kansas 66612

Dear Representative Rahjes:

SUBJECT: Fiscal Note for HB 2174 by House Committee on Agriculture and Natural Resources

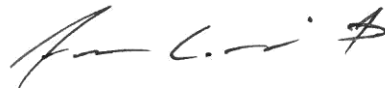
In accordance with KSA 75-3715a, the following fiscal note concerning HB 2174 is respectfully submitted to your committee.

HB 2174 would establish the Attorney Training and Loan Repayment Program for Rural Kansas and the Law Student Training and Loan Program for Rural Kansas. The bill would establish an advisory committee for the programs, which would consist of seven members appointed by the Chief Justice of the Kansas Supreme Court. The advisory committee would be authorized to adopt rules and regulations to administer the programs. The bill would specify that the advisory committee would administer the Law Student Training and Loan Program in coordination with Washburn University and the University of Kansas. The bill would allow each law school to enter into program agreements with law students to receive a loan of up to \$30,000 per year for up to three years for the cost of tuition, books, supplies, and other school expenses. If the law student satisfies certain conditions, including completing a law degree program, the loans would be forgiven. The bill requires the dean of each law school to submit a report annually to the Legislature on the Law Student Training and Loan Program for Rural Kansas. The bill would also establish the Attorney Training and Loan Repayment Program for Rural Kansas, which would be administered by the Office of Judicial Administration in coordination with the advisory committee. The program would provide up to \$20,000 in repayment assistance to attorneys each year if certain conditions are met for up to five years for a total of \$100,000 in assistance. The bill would require the Office of Judicial Administration to provide a report to the Legislature annually regarding the program. The bill would establish the Attorney Training Program for Rural Kansas Fund in the Judicial Branch to be used for the programs.

The Office of Judicial Administration indicates enactment of the bill would increase expenditures by \$187,620 in FY 2026 to administer the provisions of the bill. Of this amount, \$104,120 would be for 1.00 position to support the advisory committee, \$50,000 would be for printing and advertising costs associated with promoting the new programs, \$25,000 would be for other outreach efforts to rural Kansas communities associated with the programs, and \$8,500 would be for travel for quarterly advisory committee meetings. The Office also estimates the Attorney Training and Loan Repayment Program would provide 20 attorneys assistance annually beginning in FY 2026 for a total of \$400,000 each year (\$20,000 x 20 attorneys). For the Law Student Training and Loan Program, the Judicial Branch estimates that it would provide assistance to 10 students in FY 2027 for a total of \$300,000 (\$30,000 x 10 students), 20 students in FY 2028 for a total of \$600,000, and 30 students in FY 2029 for a total of \$900,000. In all, the Office indicates enactment of the bill would increase expenditures by \$587,620 in FY 2026, \$887,620 in FY 2027, \$1,187,620 in FY 2028, and \$1,487,620 in FY 2029 to administer the programs and provide the assistance.

The Board of Regents indicates enactment of the bill would have a minimal fiscal effect on the universities. The Board states it is possible that the program could result in additional students in law school, which would increase tuition revenue at the University of Kansas and Washburn University. However, a precise fiscal effect cannot be estimated. Any fiscal effect associated with HB 2174 is not reflected in *The FY 2026 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam C. Proffitt", with a stylized flourish at the end.

Adam C. Proffitt
Director of the Budget

cc: Becky Pottebaum, Board of Regents
Trisha Morrow, Judiciary