

## HOUSE BILL No. 2174

By Committee on Agriculture and Natural Resources

Requested by Representative Rahjes

1-30

1 AN ACT concerning attorneys at law; relating to the practice of law in  
2 rural Kansas; enacting the attorney training program for rural Kansas  
3 act; providing financial assistance to attorneys and law students who  
4 practice law in rural areas of the state; establishing the attorney training  
5 program for rural Kansas fund.  
6

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

8 Section 1. (a) Section 1 et seq., and amendments thereto, shall be  
9 known and may be cited as the attorney training program for rural Kansas  
10 act.

11 (b) The purpose of the act is to provide encouragement, opportunities  
12 and incentives for licensed attorneys or individuals who are pursuing a law  
13 degree at Washburn university or the university of Kansas to practice law  
14 in rural Kansas communities.

15 (c) As used in this act:

16 (1) "Advisory committee" means the attorney training program for  
17 rural Kansas advisory committee established in section 2, and amendments  
18 thereto.

19 (2) "Law school" means the Washburn university school of law and  
20 the university of Kansas school of law.

21 (3) "Law student" means an individual enrolled in and attending law  
22 school at Washburn university or the university of Kansas.

23 (4) "Practice of law" includes:

24 (A) Representing a client in the practice of law;

25 (B) serving as corporate counsel or an attorney with a local, state or  
26 federal government body;

27 (C) teaching at a law school approved by the American bar  
28 association; and

29 (D) serving as a judge or judicial law clerk in a federal, state or local  
30 court if the position requires a license to practice law.

31 (4) "Program agreement" means an agreement to meet all the  
32 obligations provided in section 3, and amendments thereto.

33 (5) "Rural" or "rural community" means any county of this state other  
34 than Douglas, Johnson, Sedgwick, Shawnee and Wyandotte counties.

35 Sec. 2. (a) There is hereby established the attorney training program

1 for rural Kansas advisory committee. The advisory committee shall assist  
2 in the administration of the law student training and loan program for rural  
3 Kansas established in section 3, and amendments thereto, and the lawyer  
4 training and loan repayment assistance program for rural Kansas  
5 established in section 4, and amendments thereto.

6 (b) The advisory committee shall consist of the following seven  
7 members appointed by the chief justice of the Kansas supreme court:

8 (1) Three attorneys licensed in Kansas who each reside in a rural  
9 community;

10 (2) two non-attorney members who each reside in a rural community;

11 (3) one representative from the Washburn university school of law;  
12 and

13 (4) one representative from the university of Kansas school of law.

14 (c) The office of judicial administration shall provide necessary staff  
15 to support the advisory committee.

16 (d) The chief justice shall appoint the chair of the advisory  
17 committee.

18 (e) Any vacancy on the advisory committee shall be filled in the same  
19 manner as the original appointment.

20 (f) The advisory committee may meet at any time and any place upon  
21 the call of the chairperson.

22 (g) The advisory committee may adopt rules and regulations  
23 necessary to implement and administer the law student training and loan  
24 program for rural Kansas and the lawyer training and loan repayment  
25 assistance program for rural Kansas. Such rules and regulations shall  
26 include criteria for prioritizing repayment of loans if there are insufficient  
27 moneys available in the attorney training program for rural Kansas fund.

28 Sec. 3. (a) There is hereby established the law student training and  
29 loan program for rural Kansas. The program shall be administered by the  
30 advisory committee established in section 2, and amendments thereto, in  
31 coordination with:

32 (1) Washburn university for Washburn university law students; and

33 (2) the university of Kansas for university of Kansas law students.

34 (b) Subject to appropriations by the legislature, each law school may  
35 enter into program agreements with law students who meet the  
36 requirements of this section and any other requirements established by the  
37 advisory committee and the applicable law school. Preference shall be  
38 given to those students who are Kansas residents. Each student entering  
39 into a program agreement shall receive a loan in an amount not to exceed  
40 \$30,000 per year for not more than three years. Such loan shall be for the  
41 cost of tuition, books, supplies and other school expenses incurred by the  
42 law student in pursuing a law degree. Upon satisfaction of all obligations  
43 under this section and the program agreement, the loans provided pursuant

1 to this section shall be deemed satisfied and forgiven.

2 (c) The program agreement shall require each law student who  
3 participates in the program to:

4 (1) Complete the law degree program at the law school;

5 (2) complete all required training and classes as determined by the  
6 law school and advisory committee;

7 (3) complete an externship and mentoring requirement with an  
8 approved licensed attorney in a rural community;

9 (4) engage in the full-time practice of law in a rural community  
10 within 90 days after admittance to the Kansas bar or, if such person enters  
11 a post-degree training program, within 90 days after completion of such  
12 program. Such practice shall continue for a period of at least 12 continuous  
13 months for each separate year that a student received a loan under the  
14 program, unless such obligation is otherwise satisfied; and

15 (5) repay to the law school within 90 days of a failure to satisfy the  
16 obligation to engage in the full-time practice of law, in accordance with  
17 this section, the amount equal to the amount loaned to such person less a  
18 prorated amount based on any periods of practice of law meeting the  
19 requirements of this section, plus interest at the prime rate of interest plus  
20 2% from the date such loan accrued. Such interest shall be compounded  
21 annually.

22 (d) Each law school, in coordination with the advisory committee,  
23 may adopt additional provisions, requirements or conditions for  
24 participation in this program as deemed practicable and appropriate or  
25 necessary for the implementation or administration of the program. Any  
26 additional provisions, requirements or conditions shall not be inconsistent  
27 with this act or appropriation acts of the legislature.

28 (e) Nothing in this section shall be construed to obligate or require a  
29 law school to enter into a program agreement with a law student.

30 (f) An obligation to engage in the practice of law in accordance with  
31 this section shall be postponed during any:

32 (1) Period of temporary medical disability during which the  
33 individual obligated is unable to practice law due to such disability;

34 (2) period of time during which the reason for not engaging in the  
35 practice of law is covered in the family and medical leave act; or

36 (3) other period of postponement agreed to or determined in the  
37 program agreement.

38 (g) An obligation to engage in the practice of law in accordance with  
39 this section shall be satisfied if:

40 (1) The obligation to engage in the practice of law required by this  
41 section or the program agreement has been completed;

42 (2) the individual obligated is unable to practice law because of  
43 permanent disability; or

1 (3) the individual obligated dies.

2 (h) The dean of each law school shall annually submit a report to the  
3 senate standing committee on judiciary and the house standing committee  
4 on judiciary or any successor committees on the law student training and  
5 loan program for rural Kansas.

6 Sec. 4. (a) There is hereby established the attorney training and loan  
7 repayment program for rural Kansas. The program shall be administered  
8 by the office of judicial administration in coordination with the advisory  
9 committee established in section 2, and amendments thereto.

10 (b) Subject to appropriations by the legislature, the office of judicial  
11 administration, in coordination with the advisory committee, shall develop  
12 and maintain a Kansas rural attorney loan repayment program in which the  
13 state agrees to pay all or part of the principal, interest and related expenses  
14 of the educational loans of each eligible rural attorney selected for  
15 participation in the program. The advisory committee shall establish the  
16 total amount of annual financial assistance available under the loan  
17 repayment program. The amount of loan repayment provided to each  
18 eligible attorney under this program shall be determined by the advisory  
19 committee and shall not exceed \$20,000 for each year that the attorney  
20 establishes eligibility for assistance. The total amount of repayment  
21 assistance made to any eligible rural attorney shall not exceed \$100,000.  
22 No eligible rural attorney may receive loan repayment assistance under  
23 this program for more than five years.

24 (c) A rural attorney is eligible for loan repayment assistance under the  
25 program if the rural attorney:

26 (1) Applies to the advisory committee on a form and in a manner  
27 determined by the advisory committee;

28 (2) holds a law degree from an accredited postsecondary educational  
29 institution;

30 (3) is licensed to practice law in Kansas and is in good standing at the  
31 time of application;

32 (4) has outstanding student loan debt;

33 (5) resides in a rural community; and

34 (6) is engaged in the practice of law in a rural community.

35 (d) The advisory committee, in coordination with the office of  
36 judicial administration, may approve applications and provide repayment  
37 assistance for the repayment of any student loan for education at a  
38 postsecondary educational institution, including, but not limited to, loans  
39 for undergraduate education received by the rural attorney through a  
40 lender.

41 (e) (1) Loan repayment shall be available to eligible rural attorneys  
42 on an annual basis. To receive loan repayment assistance, an eligible rural  
43 attorney shall enter into an agreement to practice law in a rural community

1 for a period of at least 12 continuous months for each separate year that  
2 such attorney receives loan repayment assistance under the program,  
3 unless the loan repayment obligation is otherwise satisfied as provided in  
4 this section.

5 (2) Each agreement entered into under this section shall include  
6 reasonable penalties for breach of contract. The office of judicial  
7 administration shall be responsible for enforcing the contract and  
8 collecting any damages or penalties owed.

9 (f) An obligation to engage in the practice of law in accordance with  
10 this section shall be postponed during any:

11 (1) Period of temporary medical disability during which the  
12 individual obligated is unable to practice law due to such disability;

13 (2) period of time during which the reason for not engaging in the  
14 practice of law is covered in the family and medical leave act; or

15 (3) other period of postponement agreed to or determined in program  
16 agreement.

17 (g) An obligation to engage in the practice of law in accordance with  
18 this section shall be satisfied if:

19 (1) The obligation to engage in the practice of law required by this  
20 section or the program agreement has been completed;

21 (2) the individual obligated is unable to practice law because of  
22 permanent disability; or

23 (3) the individual obligated dies.

24 (h) The office of judicial administration shall report to the legislative  
25 budget committee, the senate standing committee on judiciary and the  
26 house standing committee on judiciary or any successor committees on the  
27 attorney training and loan repayment program for rural Kansas. Such  
28 report shall include:

29 (1) The amount of moneys allocated to the attorney training program  
30 for rural Kansas fund;

31 (2) the number of eligible rural attorneys who applied for the  
32 program;

33 (3) the number of eligible rural attorneys who received loan  
34 repayment assistance; and

35 (4) the portion of moneys appropriated from the attorney training  
36 program for rural Kansas fund reported by use, county, number and  
37 categories of clients served in a manner that does not violate attorney  
38 client privilege; and

39 (5) the process for allocating funding.

40 (i) Nothing in this section shall be construed to create a legal  
41 entitlement to loan repayment assistance.

42 Sec. 5. There is hereby established in the state treasury the attorney  
43 training program for rural Kansas fund. Such fund shall be administered

1 by the judicial administrator. All moneys credited to the attorney training  
2 program for rural Kansas fund shall be expended only for student loans for  
3 students who enter into an agreement pursuant to section 3, and  
4 amendments thereto, or student loan repayment for licensed attorneys who  
5 enter into an agreement pursuant to section 4, and amendments thereto. All  
6 expenditures from the attorney training program for rural Kansas fund  
7 shall be made in accordance with appropriation acts upon warrants of the  
8 director of accounts and reports issued pursuant to vouchers approved by  
9 the judicial administrator or the administrator's designee. All moneys  
10 received by the office of judicial administration for the law student  
11 training and loan program for rural Kansas and the attorney training and  
12 loan repayment program for rural Kansas shall be deposited in the state  
13 treasury in accordance with the provisions of K.S.A. 75-4215, and  
14 amendments thereto. Upon receipt of each such remittance, the state  
15 treasurer shall deposit the entire amount in the state treasury to the credit  
16 of the attorney training program for rural Kansas fund.

17 Sec. 6. This act shall take effect and be in force from and after its  
18 publication in the statute book.