

HOUSE BILL No. 2361

By Committee on Health and Human Services

Requested by Representative W. Carpenter on behalf of the Kansas Hospital Association

2-7

1 AN ACT concerning education; relating to scholarship programs; creating
2 the Kansas healthcare service scholarship program; adding part-time
3 students to the list of eligible participants; adding allied health
4 programs and health science programs to the list of eligible programs;
5 transferring funds from the state general fund to the Kansas healthcare
6 service scholarship program; abolishing the nursing scholarship
7 program; amending K.S.A. 74-3291 and K.S.A. 2024 Supp. 74-3292,
8 74-3293, 74-3294, 74-3295, 74-3296, 74-3297 and 74-3298 and
9 repealing the existing sections.

10

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

12 New Section 1. (a) The nursing service scholarship program created
13 by K.S.A. 74-3291 et. seq., and amendments thereto, is hereby abolished.

14 (b) The nursing service scholarship program, as created by K.S.A.
15 74-3291 et. seq., and amendments thereto, is hereby renamed the Kansas
16 healthcare service scholarship program.

17 (c) Whenever the nursing service scholarship, or words of like effect,
18 are referred to or designated by a statute, contract or other document, and
19 such reference or designation is in regard to the Kansas healthcare service
20 scholarship program, such reference or designation shall be deemed to
21 apply to the Kansas healthcare service scholarship program.

22 Sec. 2. K.S.A. 74-3291 is hereby amended to read as follows: 74-
23 3291. This act shall be known and may be cited as the ~~nursing Kansas~~
24 *healthcare service scholarship program.*

25 Sec. 3. K.S.A. 2024 Supp. 74-3292 is hereby amended to read as
26 follows: 74-3292. As used in this act:

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

30 (b) *"Eligible postsecondary educational institution" means:*

31 (1) *Any community college or technical college established under the*
32 *laws of this state and with a recognized service area;*

33 (2) *the Washburn institute of technology;*

34 (3) *a state educational institution under the control and supervision*

1 of the board of regents;

2 (4) a municipal university;

3 (5) any not-for-profit institution of postsecondary education that has
4 its main campus or principal place of operation in Kansas, offers an adult
5 learner grant-eligible program, is operated independently and not
6 controlled or administered by any state agency or subdivision of the state,
7 maintains open enrollment and is accredited by a nationally recognized
8 accrediting agency for higher education in the United States; or

9 (6) a not-for-profit independent institution of higher education that is
10 accredited by an institutional accrediting agency recognized by the United
11 States department of education, is operated independently and not
12 controlled or administered by the state or any agency or subdivision
13 thereof, maintains open enrollment, offers online education and offers
14 exclusively competency-based education programs.

15 (c) "Healthcare service scholarship eligible program" means:

16 (1) Any two-year associate degree program or career and technical
17 education certificate or stand-alone program offered by an eligible
18 postsecondary educational institution that is:

19 (A) Related to healthcare in a clinical or non-clinical occupation; or

20 (B) identified as a "healthcare service scholarship eligible program"
21 by the state board of regents pursuant to the programs previously
22 mentioned;

23 (2) any baccalaureate degree program offered by an eligible
24 postsecondary educational institution that is:

25 (A) Related to healthcare in a clinical or non-clinical occupation; or

26 (B) identified as a "healthcare service scholarship eligible program"
27 by the state board of regents pursuant to the programs previously
28 mentioned; or

29 (3) any graduate degree program offered by an eligible
30 postsecondary educational institution that is:

31 (A) Related to healthcare in a clinical or non-clinical occupation; or

32 (B) identified as a "healthcare service scholarship eligible program"
33 by the state board of regents pursuant to the programs previously
34 mentioned.

35 (b)(d) "Mental health or treatment facility" means:

36 (1) Any private treatment facility as defined in K.S.A. 59-29b46, and
37 amendments thereto;

38 (2) any public treatment facility as defined in K.S.A. 59-29b46, and
39 amendments thereto;

40 (3) any community mental health center organized pursuant to K.S.A.
41 19-4001 through 19-4015, and amendments thereto, and licensed pursuant
42 to K.S.A. 39-2001 et seq., and amendments thereto;

43 (4) any mental health clinic organized pursuant to K.S.A. 65-211

1 through 65-215, and amendments thereto, and licensed pursuant to K.S.A.
2 39-2001 et seq., and amendments thereto;

3 (5) any psychiatric hospital, psychiatric residential treatment facility
4 or residential care facility as such terms are defined in K.S.A. 39-2002,
5 and amendments thereto;

6 (6) any hospital as defined in K.S.A. 65-425, and amendments
7 thereto, if:

8 (A) The hospital has a psychiatric unit; and

9 (B) the scholarship recipient is required to fulfill the ~~nursing service~~
10 *Kansas healthcare service* scholarship's employment obligations as an
11 employee in the psychiatric unit of the hospital; or

12 (7) Osawatomie state hospital, Rainbow mental health facility, Larned
13 state hospital, Parsons state hospital and training center or the Kansas
14 neurological institute.

15 ~~(e) "School of nursing" means a school within the state of Kansas that~~
16 ~~is approved by the state board of nursing to grant an associate degree or a~~
17 ~~baccalaureate degree in professional nursing or a certificate of completion~~
18 ~~in practical nursing and is:~~

19 ~~(1) Under the control and supervision of the state board of regents;~~

20 ~~(2) a municipal university; or~~

21 ~~(3) a not-for-profit independent institution of higher education that~~
22 ~~has its main campus or principal place of operation in Kansas, maintains~~
23 ~~open enrollment as defined in K.S.A. 74-32,120, and amendments thereto,~~
24 ~~and is operated independently and not controlled or administered by the~~
25 ~~state or any agency or subdivision thereof.~~

26 ~~(d)(e) "Part-time student" means a student who is enrolled for six~~
27 ~~credit hours or more in a semester, or the equivalent, and is not enrolled~~
28 ~~as a full-time student.~~

29 (f) "Sponsor" means any of the following that is located in a rural
30 opportunity zone as defined in K.S.A. 74-50,222, and amendments thereto:

31 (1) An adult care home licensed under the adult care home licensure
32 act, K.S.A. 39-923 et seq., and amendments thereto;

33 (2) a medical care facility licensed under K.S.A. 65-425 et seq., and
34 amendments thereto;

35 (3) a home health agency licensed under K.S.A. 65-5101 et seq., and
36 amendments thereto;

37 (4) a local health department as defined in K.S.A. 65-241, and
38 amendments thereto;

39 (5) a mental health or treatment facility; and

40 (6) a state agency that employs licensed ~~practical nurses or licensed~~
41 ~~professional nurses~~ *healthcare professionals*.

42 Sec. 4. K.S.A. 2024 Supp. 74-3293 is hereby amended to read as
43 follows: 74-3293. (a) There is hereby established the ~~nursing~~ *Kansas*

1 *healthcare* service scholarship program. A scholarship may be awarded
 2 under the ~~nursing service~~ *Kansas healthcare service* scholarship program
 3 to any qualified ~~nursing~~ *healthcare* student enrolled in or admitted to a
 4 ~~school of nursing in a course of instruction leading to licensure as a~~
 5 ~~licensed professional nurse or licensed practical nurse certificate, two-~~
 6 ~~year, four-year or graduate healthcare program. Programs and healthcare~~
 7 ~~professions shall include:~~

- 8 (1) *Licensed practical nursing;*
- 9 (2) *registered nursing:*
 - 10 (A) *Associate degree; or*
 - 11 (B) *bachelor degree;*
- 12 (3) *physician assistant;*
- 13 (4) *nurse practitioner;*
- 14 (5) *pharmacist;*
- 15 (6) *counselor:*
 - 16 (A) *Master's degree;*
 - 17 (7) *social worker:*
 - 18 (A) *Associate degree; or*
 - 19 (B) *bachelor degree;*
 - 20 (8) *behavioral science;*
 - 21 (9) *dietetics and nutrition;*
 - 22 (10) *speech and language pathology;*
 - 23 (11) *audiology;*
 - 24 (12) *athletic trainer;*
 - 25 (13) *health information technology management:*
 - 26 (A) *Associate degree; or*
 - 27 (B) *bachelor degree;*
 - 28 (14) *medical coding;*
 - 29 (15) *medical technology or clinical laboratory science:*
 - 30 (A) *Associate degree; or*
 - 31 (B) *bachelor degree;*
 - 32 (16) *occupational therapist;*
 - 33 (17) *occupational therapy assistant;*
 - 34 (18) *physical therapist;*
 - 35 (19) *physical therapy assistant;*
 - 36 (20) *respiratory therapist or respiratory care:*
 - 37 (A) *Associate degree; or*
 - 38 (B) *bachelor degree;*
 - 39 (21) *radiologic technology:*
 - 40 (A) *Associate degree; or*
 - 41 (B) *bachelor degree;*
 - 42 (22) *diagnostic medical sonography;*
 - 43 (23) *emergency medical responder;*

- 1 (24) *emergency medical technician;*
- 2 (25) *advanced emergency medical technician;*
- 3 (26) *paramedic;*
- 4 (27) *medical assistant;*
- 5 (28) *phlebotomy;*
- 6 (29) *surgical technology; or*
- 7 (30) *sterile processing technology.*

8 (b) A ~~nursing~~ *healthcare* student shall not be required to be a resident
9 of Kansas to qualify for a scholarship under the ~~nursing~~ *Kansas healthcare*
10 service scholarship program. The determination of the individuals
11 qualified for such scholarships shall be made by the executive officer.
12 Scholarships shall be awarded on a priority basis to qualified applicants
13 who have the greatest financial need.

14 ~~(b)(c)~~ Scholarships awarded under the ~~nursing~~ *Kansas healthcare*
15 service scholarship program shall be awarded for the length of the course
16 of instruction leading to licensure as a ~~licensed professional nurse or~~
17 ~~licensure as a licensed practical nurse~~ *healthcare professional* in which the
18 student is enrolled or admitted unless otherwise terminated before the
19 expiration of such period of time.

20 ~~(c)(d)~~ (1) Except as provided in paragraph (2), the amount of each
21 scholarship shall be established annually by the executive officer.

22 (2) If the ~~nursing~~ *healthcare* student has a sponsor, then the amount
23 of the scholarship for such ~~nursing~~ *healthcare* student shall not exceed the
24 amount established under paragraph (1) multiplied by 125%.

25 Sec. 5. K.S.A. 2024 Supp. 74-3294 is hereby amended to read as
26 follows: 74-3294. (a) An applicant for a scholarship under the ~~nursing~~
27 *Kansas healthcare* service scholarship program shall provide to the
28 executive officer, on forms supplied by the executive officer, the following
29 information:

- 30 (1) The name and address of the applicant;
- 31 (2) the name and address of the school ~~of nursing~~ *or program* in
32 which the applicant is enrolled or to which the applicant has been
33 admitted;
- 34 (3) the name and address of the sponsor of the applicant and a
35 verified copy of the agreement entered into by the applicant and the
36 sponsor; and
- 37 (4) any additional information that may be required by the executive
38 officer.

39 (b) As a condition to awarding a scholarship under the ~~nursing~~
40 *Kansas healthcare* service scholarship program, the executive officer and
41 the applicant for a scholarship shall enter into an agreement that shall
42 require that the scholarship recipient:

- 43 (1) Complete the required course of instruction and, within six

1 months after completion, attain licensure with the ~~Kansas state board of~~
2 ~~nursing as a licensed professional nurse or a licensed practical nurse~~
3 ~~healthcare professional's appropriate regulatory board~~;

4 (2) complete the free application for federal student aid for each
5 academic year for which scholarship funds are awarded under the
6 agreement;

7 (3) within six months after attaining licensure, engage in the full-time
8 practice of ~~nursing a healthcare profession, as listed in section K.S.A 47-~~
9 ~~3239(a), and amendments thereto~~, or the equivalent to full-time practice,
10 in Kansas and continue such full-time practice, or the equivalent to full-
11 time practice, for the total amount of time required under the agreement,
12 which shall be for a period of not less than the length of the course of
13 instruction for which scholarship assistance was provided, or engage in the
14 part-time practice of ~~nursing a healthcare profession, as listed in section~~
15 ~~K.S.A 47-3239(a), and amendments thereto~~, in Kansas and continue such
16 part-time practice for the total amount of time required under the
17 agreement, which shall be for a period of time that is equivalent to full
18 time, as determined by the state board of regents, multiplied by the length
19 of the course of instruction for which scholarship assistance was provided.
20 If the scholarship recipient has a sponsorship agreement, then the
21 scholarship recipient shall engage in the practice of ~~nursing a healthcare~~
22 ~~profession, as listed in section K.S.A 47-3239, and amendments thereto~~, in
23 the employment of such sponsor in accordance with such sponsorship
24 agreement for the period of time required under this paragraph, except as
25 provided in K.S.A. 74-3296, and amendments thereto;

26 (4) comply with such other terms and conditions as may be specified
27 by such agreement;

28 (5) maintain records and make reports to the executive officer as may
29 be required by the executive officer to document the satisfaction of the
30 obligations under the ~~nursing Kansas healthcare~~ service scholarship
31 program and under agreements entered into pursuant thereto and with the
32 sponsor, if any; and

33 (6) upon failure to satisfy the requirements of the agreement with the
34 state board of regents, repay to the state the amounts as provided in K.S.A.
35 74-3295, and amendments thereto.

36 Sec. 6. K.S.A. 2024 Supp. 74-3295 is hereby amended to read as
37 follows: 74-3295. (a) Except as provided in K.S.A. 74-3296, and
38 amendments thereto, upon the failure of any person to satisfy the
39 obligation under any agreement entered into pursuant to the ~~nursing~~
40 ~~Kansas healthcare~~ service scholarship program, such person shall pay to
41 the executive officer an amount equal to the total amount of money
42 received by such person pursuant to such agreement that was financed by
43 the state of Kansas plus accrued interest at a rate of 5% per annum. Interest

1 shall begin to accrue on the date of the action or circumstances that cause
2 such person to fail to satisfy the obligations of such agreement, as
3 determined by the executive officer based upon the circumstances of each
4 individual case. Installment payments of any such amounts may be made
5 in accordance with rules and regulations of the state board of regents. Such
6 installment payments shall commence six months after the date on which
7 interest begins to accrue. Amounts paid under this section to the executive
8 officer shall be deposited in the ~~nursing~~ *Kansas healthcare* service
9 scholarship repayment fund in accordance with K.S.A. 74-3298, and
10 amendments thereto.

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

16 Sec. 7. K.S.A. 2024 Supp. 74-3296 is hereby amended to read as
17 follows: 74-3296. (a) (1) Except as otherwise specified in the agreement
18 with the sponsor, an obligation under any agreement entered into under the
19 ~~nursing-student~~ *Kansas healthcare service* scholarship program shall be
20 postponed:

21 (A) During any required period of active military service;

22 (B) during any period of service as a part of volunteers in service to
23 America (VISTA);

24 (C) during any period of service in the peace corps;

25 (D) during any period of service commitment to the United States
26 public health service;

27 (E) during any period of religious missionary work conducted by an
28 organization exempt from tax under section 501(c)(3) of the federal
29 internal revenue code as in effect on July 1, 2024;

30 (F) during any period of time the person obligated is unable because
31 of temporary medical disability to practice ~~nursing~~ *a healthcare*
32 *profession, as listed in K.S.A 47-3239(a), and amendments thereto;*

33 (G) during any period of time the person obligated is enrolled and
34 actively engaged on a full-time basis in a course of study leading to a
35 degree in the field of ~~nursing~~ *a healthcare profession, as listed in K.S.A*
36 *47-3239(a), and amendments thereto,* that is higher than that attained
37 formerly by the person obligated;

38 (H) during any period of time that the person obligated is on job-
39 protected leave under the federal family and medical leave act of 1993; or

40 (I) during any period of time the state board of regents determines
41 that the person obligated is unable because of special circumstances to
42 practice ~~nursing~~ *a healthcare profession, as listed in section K.S.A 47-*
43 *3239, and amendments thereto.*

1 (2) Except for paragraphs (1)(F), (1)(H) and (1)(I), an obligation
2 under any agreement entered into as provided in the ~~nursing~~ *Kansas*
3 *healthcare* service scholarship program shall not be postponed more than
4 five years from the time the obligation was to have been commenced
5 under any such agreement.

6 (3) An obligation under any agreement entered into as provided in the
7 ~~nursing~~ *Kansas healthcare* service scholarship program shall be postponed
8 under paragraph (1)(F) during the period of time the medical disability
9 exists.

10 (4) An obligation under any agreement entered into as provided in the
11 ~~nursing~~ *Kansas healthcare* service scholarship program shall be postponed
12 under paragraph (1)(H) during the period of time the person obligated
13 remains on FMLA leave.

14 (5) An obligation under any agreement entered into as provided in the
15 ~~nursing~~ *Kansas healthcare* service scholarship program shall be postponed
16 under paragraph (1)(I) during the period of time the state board of regents
17 determines that the special circumstances exist.

18 (6) The state board of regents shall adopt rules and regulations
19 prescribing criteria or guidelines for determination of the existence of
20 special circumstances causing an inability to satisfy an obligation under
21 any agreement entered into as provided in the ~~nursing~~ *Kansas healthcare*
22 service scholarship program, and shall determine the documentation
23 required to prove the existence of such circumstances. Except for
24 paragraphs (1)(A), (1)(F), (1)(H) and (1)(I), an obligation under any
25 agreement entered into as provided in the ~~nursing~~ *Kansas healthcare*
26 service scholarship program shall not be postponed unless the
27 postponement is approved by the scholarship recipient's sponsor, if any, or
28 is otherwise provided for in an agreement with the sponsor.

29 (b) An obligation under any agreement entered into as provided in the
30 ~~nursing~~ *Kansas healthcare* service scholarship program shall be satisfied
31 if:

32 (1) The obligation has been completed in accordance with the
33 agreement;

34 (2) the person obligated dies;

35 (3) because of permanent physical disability, the person obligated is
36 unable to satisfy the obligation;

37 (4) the person obligated fails to satisfy the requirements for
38 graduation from ~~the school of nursing~~ *a healthcare program, as listed in*
39 *K.S.A 47-3239(a), and amendments thereto*, after making the best effort
40 possible to do so; and

41 (5) the person obligated fails to satisfy all requirements for a
42 permanent license to practice ~~nursing~~ *as a healthcare professional* in
43 Kansas or has been denied a license after applying for a license and

1 making the best effort possible to obtain such license.

2 (c) (1) An obligation under any sponsorship agreement shall be
3 satisfied if:

4 (A) Because of bankruptcy, loss of licensure or certification or other
5 failure in the operations of the sponsor, such sponsor cannot or will not
6 employ the person obligated; or

7 (B) the sponsor releases the person obligated from employment with
8 such sponsor.

9 (2) Notwithstanding the provisions of paragraph (1), the person
10 obligated shall still be required to complete the terms, conditions and
11 obligations of the agreement with the state board of regents by engaging in
12 the practice of ~~nursing~~ *healthcare* in Kansas.

13 Sec. 8. K.S.A. 2024 Supp. 74-3297 is hereby amended to read as
14 follows: 74-3297. (a) The state board of regents shall adopt rules and
15 regulations as necessary to administer the ~~nursing~~ *Kansas healthcare*
16 service scholarship program.

17 (b) The state board of regents shall provide an annual written report
18 on the ~~nursing service~~ *Kansas healthcare service* scholarship program to
19 the senate and house committees on education.

20 Sec. 9. K.S.A. 2024 Supp. 74-3298 is hereby amended to read as
21 follows: 74-3298. (a) There is hereby created in the state treasury the
22 ~~nursing~~ *Kansas healthcare* service scholarship program fund. *The nursing*
23 *service scholarship fund is hereby redesignated as the Kansas healthcare*
24 *service scholarship fund.* The executive officer shall remit all moneys
25 received from a ~~school of nursing~~ *healthcare program, as listed in K.S.A*
26 *47-3239(a), and amendments thereto,* that are paid because of
27 nonattendance or discontinued attendance by scholarship recipients, to the
28 state treasurer in accordance with the provisions of K.S.A. 75-4215, and
29 amendments thereto. Upon receipt of each such remittance, the state
30 treasurer shall deposit the entire amount in the state treasury to the credit
31 of the ~~nursing~~ *Kansas healthcare* service scholarship program fund. All
32 expenditures from the ~~nursing~~ *Kansas healthcare* service scholarship
33 program fund shall be for scholarships awarded under the ~~nursing~~ *Kansas*
34 *healthcare* service scholarship program and shall be made in accordance
35 with appropriation acts upon warrants of the director of accounts and
36 reports issued pursuant to vouchers approved by the executive officer or
37 by a person designated by the executive officer.

38 (b) The nursing student scholarship discontinued attendance fund is
39 hereby abolished. On the effective date of this act, the director of accounts
40 and reports shall transfer all moneys remaining in the nursing student
41 scholarship discontinued attendance fund to the nursing service
42 scholarship program fund.

43 (c) There is hereby created in the state treasury the nursing service

1 scholarship repayment fund. *The nursing scholarship program fund is*
2 *hereby redesignated as the Kansas healthcare service scholarship fund.*
3 The executive officer shall remit all moneys received for amounts paid
4 under K.S.A. 74-3295, and amendments thereto, to the state treasurer in
5 accordance with the provisions of K.S.A. 75-4215, and amendments
6 thereto. Upon receipt of each such remittance the state treasurer shall
7 deposit the entire amount in the state treasury to the credit of the ~~nursing~~
8 *Kansas healthcare* service scholarship repayment fund. All expenditures
9 from the ~~nursing~~ *Kansas healthcare* service scholarship repayment fund
10 shall be for scholarships awarded under the ~~nursing~~ *Kansas healthcare*
11 service scholarship program and shall be made in accordance with
12 appropriation acts upon warrants of the director of accounts and reports
13 issued pursuant to vouchers approved by the executive officer or by a
14 person designated by the executive officer.

15 Sec. 10. K.S.A. 74-3291 and K.S.A. 2024 Supp. 74-3292, 74-3293,
16 74-3294, 74-3295, 74-3296, 74-3297 and 74-3298 are hereby repealed.

17 Sec. 11. This act shall take effect and be in force from and after its
18 publication in the statute book.