

SENATE BILL No. 50

By Committee on Education

1-21

1 AN ACT concerning education; relating to the state board of regents;
2 establishing uniform interest rate provisions for scholarship programs
3 that include repayment obligations as a condition of receiving a
4 scholarship; authorizing the board to recover the costs of collecting
5 such repayment obligations and to charge fees for the costs of
6 administering scholarship, grant and other financial assistance
7 programs; requiring eligible students to enter into agreements with the
8 state board of regents instead of a postsecondary educational institution
9 as a condition to receiving a grant under the adult learner grant act;
10 amending K.S.A. 74-3260, 74-3267, 74-3272, 74-32,104, 74-32,116,
11 74-32,135, 74-32,153, 74-32,154 and 74-32,223 and K.S.A. 2024 Supp.
12 74-3295, 74-32,276 and 74-32,286 and repealing the existing sections.
13

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

15 New Section 1. (a) On and after July 1, 2025, for any repayment
16 obligation owed by an individual, the applicable interest rate shall be 5%
17 per annum if such repayment obligation:

18 (1) Arises under any scholarship, grant or other student financial aid
19 program established in article 32 of chapter 74 of the Kansas Statutes
20 Annotated, and amendments thereto, or under any agreement entered into
21 pursuant thereto; and

22 (2) requires the payment of interest pursuant to the terms of the
23 statute or agreement under which the individual received the scholarship,
24 grant or other student financial aid.

25 (b) No interest for such scholarship, grant, or other student financial
26 aid shall begin to accrue earlier than the date that the individual becomes
27 required to repay such scholarship, grant or other student financial aid to
28 the state board of regents, as determined by the state board of regents.

29 (c) The interest rate established in subsection (a) and the accrual date
30 determined under subsection (b) shall apply to repayment obligations
31 arising in relation to any scholarship, grant or other student financial aid
32 distributed prior to July 1, 2025, pursuant to any scholarship, grant or other
33 student financial aid program established in article 32 of chapter 74 of the
34 Kansas Statutes Annotated, and amendments thereto.

35 (d) Nothing in this section shall be construed to impose an interest
36 rate:

1 (1) In excess of the interest rate specified in either the applicable
2 statute at the time an individual received the scholarship, grant or other
3 student financial aid relating to the repayment obligation or the agreement
4 between the individual and an educational institution, a sponsor or the
5 state board of regents; or

6 (2) upon amounts owed to the state board of regents by educational
7 institutions, sponsors or amounts owed to educational institutions or
8 sponsors by the state board of regents.

9 (e) No individual shall be entitled to a refund for amounts paid to the
10 state board of regents before July 1, 2025.

11 New Sec. 2. The state board of regents may recover the reasonable
12 costs of collection, including, but not limited to, court costs, attorney fees
13 and collection agency fees, from any individual who is subject to a
14 repayment obligation arising under any scholarship, grant or other student
15 financial aid program established in article 32 of chapter 74 of the Kansas
16 Statutes Annotated, and amendments thereto, or under any agreement
17 entered into pursuant thereto.

18 New Sec. 3. The chief executive officer of the state board of regents
19 may fix, charge and collect fees for the processing of applications and
20 other activities related to the administration of student financial assistance
21 programs administered by the state board of regents. Such fees shall be
22 fixed in amounts to recover all or a part of the direct and indirect operating
23 expenses incurred for administering such programs. All moneys received
24 by the state board of regents from the payment of such fees shall be
25 deposited in the state treasury in accordance with K.S.A. 75-4215, and
26 amendments thereto, and shall be credited to the financial aid services fee
27 fund of the state board of regents.

28 Sec. 4. K.S.A. 74-3260 is hereby amended to read as follows: 74-
29 3260. (a) Upon the failure of any person, who as an eligible student
30 qualified for and received payments under an ROTC service scholarship,
31 to remain eligible and qualified or to satisfy the obligation to accept a
32 commission and serve as an officer in the Kansas national guard for the
33 required period of time under an agreement entered into pursuant to this
34 act, such person shall pay to the state of Kansas an amount equal to the
35 total amount of payments ~~received by~~ *disbursed on behalf of* such person
36 plus accrued interest from the ~~date such payments were received at a rate~~
37 ~~which is equivalent to the interest rate applicable to loans made under the~~
38 ~~federal PLUS program at the time such person first entered into an~~
39 ~~agreement plus five percentage points~~ *accrual date determined under*
40 *section 1, and amendments thereto, and at the rate prescribed in section 1,*
41 *and amendments thereto.* Such payment shall commence within 30 days,
42 and be completed within five years, after the date of the act or
43 circumstance that causes the failure of the person to remain eligible and

1 qualified or to satisfy the obligation of such agreement. Payments under
 2 this section shall be installment payments and each such installment shall
 3 be not less than an amount equal to $\frac{1}{5}$ of the total amount ~~which that~~
 4 would be required to be paid if paid in five equal annual installments. If an
 5 installment payment becomes 91 days overdue, the entire amount
 6 outstanding shall become immediately due and payable, including all
 7 interest at the rate prescribed *in section 1, and amendments thereto*.
 8 Amounts paid under this section shall be deposited in the state treasury
 9 and credited to the ROTC service scholarship repayment fund as provided
 10 in K.S.A. 74-3260a, and amendments thereto.

11 (b) The state board of regents is authorized to turn any repayment
 12 account arising under the ROTC service scholarship program over to a
 13 designated loan servicer or collection agency, the state not being involved
 14 other than to receive payments from the loan servicer or collection agency
 15 at the interest rate prescribed ~~under this section~~ *in section 1, and*
 16 *amendments thereto*.

17 Sec. 5. K.S.A. 74-3267 is hereby amended to read as follows: 74-
 18 3267. (a) (1) Except as otherwise provided in K.S.A. 74-3268, and
 19 amendments thereto, upon the failure of any person to satisfy the
 20 obligation to engage in the full-time or part-time practice of medicine and
 21 surgery within the state of Kansas for the required period of time under an
 22 agreement entered into as provided in K.S.A. 74-3266, and amendments
 23 thereto, such person shall repay to the state board of regents an amount
 24 equal to the total of ~~(1)~~:

25 (A) The amount of money received by such person pursuant to such
 26 agreement; plus ~~(2)~~

27 (B) ~~accrued interest from the date such money was received at a rate~~
 28 ~~which is equivalent to the interest rate applicable to loans made under the~~
 29 ~~federal PLUS program at the time such person first entered into an~~
 30 ~~agreement plus five percentage points accrual date determined under~~
 31 *section 1, and amendments thereto, and at the rate prescribed in section 1,*
 32 *and amendments thereto.*

33 (2) Any person who applies for and enters a postgraduate residency
 34 training program that is not an approved program as provided in this
 35 section shall be required to repay all moneys ~~received~~ *disbursed on behalf*
 36 *of such person* as provided in an agreement entered into under K.S.A. 74-
 37 3266, and amendments thereto, plus accrued interest from the ~~date such~~
 38 ~~moneys were received at a rate which is equivalent to the interest rate~~
 39 ~~applicable to loans made under the federal PLUS program at the time such~~
 40 ~~person first entered into an agreement plus five percentage points accrual~~
 41 *date determined under section 1, and amendments thereto, and at the rate*
 42 *prescribed in section 1, and amendments thereto, and shall commence*
 43 such repayment in accordance with subsection (b) within 90 days of

1 graduation from the school of osteopathic medicine or upon termination or
2 completion of a residency training program ~~which~~ *that* does not comply
3 with the provisions of this act, whichever is later.

4 (3) Any person who enters and completes an approved postgraduate
5 residency training program but fails to satisfy the obligation to engage in
6 the full-time or part-time practice of medicine and surgery for the required
7 period of time shall be required to repay all money ~~received~~ *disbursed on*
8 *behalf of such person* pursuant to an agreement entered into under K.S.A.
9 74-3266, and amendments thereto, plus accrued interest from the ~~date such~~
10 ~~money was received at a rate which is equivalent to the interest rate~~
11 ~~applicable to loans made under the federal PLUS program at the time such~~
12 ~~person first entered into an agreement plus five percentage points~~ *accrual*
13 *date determined under section 1, and amendments thereto, and at the rate*
14 *prescribed in section 1, and amendments thereto, and shall commence*
15 *such repayment in accordance with subsection (b) within 90 days of failure*
16 *to satisfy the obligation.*

17 (b) Each person required to repay any amount under this section shall
18 repay an amount totaling the entire amount to be repaid under all such
19 agreements for which obligations are not satisfied, including all amounts
20 of interest at the rate prescribed *in section 1, and amendments thereto.*
21 Except as otherwise provided in this section, such repayment shall be in
22 installment payments and each such installment shall be not less than an
23 amount equal to $\frac{1}{5}$ of the total amount ~~which~~ *that* would be required to be
24 paid if repaid in five equal annual installments.

25 (c) Except as otherwise provided in ~~subparts (2) and (3) of subsection~~
26 ~~(a) subsections (a)(2) and (a)(3),~~ all installment payments under this
27 section shall commence six months after the date of the action or
28 circumstance that causes the failure of the person to satisfy the obligations
29 of such agreements, as determined by the state board of regents based
30 upon the circumstances of each individual case. If an installment payment
31 becomes 91 days overdue, the entire amount outstanding shall become
32 immediately due and payable, including all amounts of interest at the rate
33 prescribed *in section 1, and amendments thereto.*

34 (d) The total repayment obligation imposed under all agreements
35 entered into as provided in K.S.A. 74-3266, and amendments thereto, may
36 be satisfied at any time prior to graduation from the accredited school of
37 osteopathic medicine by making a single lump sum payment equal to the
38 total of:

39 (1) The entire amount to be repaid under all such agreements upon
40 failure to satisfy the obligations under such agreements to practice in
41 Kansas; plus

42 (2) all amounts of interest accrued thereon at the rate prescribed
43 ~~under this section~~ *in section 1, and amendments thereto.*

1 (e) The state board of regents is authorized to turn any repayment
2 account arising under the osteopathic medical service scholarship program
3 over to a designated loan servicer or collection agency, the state not being
4 involved other than to receive payments from the loan servicer or
5 collection agency at the interest rate prescribed ~~under this section~~ *in*
6 *section 1, and amendments thereto.*

7 Sec. 6. K.S.A. 74-3272 is hereby amended to read as follows: 74-
8 3272. (a) Except as otherwise provided in subsection (e) and in K.S.A. 74-
9 3273, and amendments thereto, upon the failure of any person to satisfy
10 the obligation to engage in the full-time or part-time practice of optometry
11 within the state of Kansas for the required period of time under an
12 agreement entered into pursuant to K.S.A. 74-3271, and amendments
13 thereto, such person shall repay to the state board of regents an amount
14 equal to the total of:

15 (1) The amount of money paid by the state board of regents for
16 guaranteed admission and continued enrollment of such person in an
17 accredited school or college of optometry pursuant to a contract entered
18 into therefor under K.S.A. 76-721a, and amendments thereto; plus

19 (2) ~~accrued interest from the date such money was paid pursuant to~~
20 ~~such contract at a rate which is equivalent to the interest rate applicable to~~
21 ~~loans made under the federal PLUS program at the time such person first~~
22 ~~entered into an agreement plus five percentage points~~ *accrual date*
23 *determined under section 1, and amendments thereto, and at the rate*
24 *prescribed in section 1, and amendments thereto.*

25 (b) Each person required to repay any amount under this section shall
26 repay an amount totaling the entire amount to be repaid under such
27 agreement for which such obligation is not satisfied, including all interest
28 at the rate prescribed *in section 1, and amendments thereto.* Except as
29 otherwise provided in this section, such repayment shall be in installment
30 payments and each such installment shall be not less than an amount equal
31 to $\frac{1}{5}$ of the total amount ~~which that~~ would be required to be paid if repaid
32 in five equal annual installments.

33 (c) All installment payments under this section shall commence six
34 months after the date of the action or circumstance that causes the failure
35 of the person to satisfy the obligations of such agreement, as determined
36 by the state board of regents based upon the circumstances of each
37 individual case. If an installment payment becomes 91 days overdue, the
38 entire amount outstanding shall become immediately due and payable,
39 including all interest at the rate prescribed *in section 1, and amendments*
40 *thereto.*

41 (d) The total repayment obligation imposed under an agreement
42 entered into pursuant to K.S.A. 74-3271, and amendments thereto, may be
43 satisfied at any time prior to graduation from the accredited school or

1 college of optometry by making a single lump-sum payment equal to the
2 total of:

3 (1) The entire amount to be repaid under such agreement upon failure
4 to satisfy the obligation to practice optometry in Kansas; plus

5 (2) all interest thereon at the rate prescribed ~~to the date of payment in~~
6 *section 1, and amendments thereto.*

7 (e) If a person fails to satisfy an obligation to engage in the full-time
8 or part-time practice of optometry in Kansas for the required period of
9 time under an agreement entered into pursuant to K.S.A. 74-3271, and
10 amendments thereto, because such person is engaged in the practice of
11 optometry in a state other than Kansas, and if such person is subject to or
12 currently making repayments under this section, and if such person
13 subsequently commences the practice of optometry in this state which
14 complies with the agreements entered into under such statute, the balance
15 of the repayment amount, including interest thereon, from the time of such
16 commencement of practice until the obligation of such person is satisfied,
17 or until the time such person again becomes subject to repayments, shall
18 be waived. All repayment amounts due prior to such commencement of
19 practice in this state, including interest thereon, shall continue to be
20 payable as provided in this section. If subsequent to such commencement
21 of practice, the person fails to satisfy such obligation, the person again
22 shall be subject to repayments, including interest thereon, as otherwise
23 provided in this section.

24 (f) The state board of regents is authorized to turn any repayment
25 amount arising under the optometry service scholarship program over to a
26 designated loan servicer or collection agency, the state not being involved
27 other than to receive payments from the loan servicer or collection agency
28 at the interest rate prescribed ~~under this section~~ *in section 1, and*
29 *amendments thereto.*

30 Sec. 7. K.S.A. 2024 Supp. 74-3295 is hereby amended to read as
31 follows: 74-3295. (a) Except as provided in K.S.A. 74-3296, and
32 amendments thereto, upon the failure of any person to satisfy the
33 obligation under any agreement entered into pursuant to the nursing
34 service scholarship program, such person shall pay to the executive officer
35 an amount equal to the total amount of money ~~received by~~ *disbursed on*
36 *behalf of* such person pursuant to such agreement that was financed by the
37 state of Kansas plus accrued interest ~~at a rate of 5% per annum. Interest~~
38 ~~shall begin to accrue on the date of the action or circumstances that cause~~
39 ~~such person to fail to satisfy the obligations of such agreement, as~~
40 ~~determined by the executive officer based upon the circumstances of each~~
41 ~~individual case from the accrual date determined under section 1, and~~
42 *amendments thereto, and at the rate prescribed in section 1, and*
43 *amendments thereto.* Installment payments of any such amounts may be

1 made in accordance with rules and regulations of the state board of
2 regents. Such installment payments shall commence six months after the
3 date on which interest begins to accrue. Amounts paid under this section to
4 the executive officer shall be deposited in the nursing service scholarship
5 repayment fund in accordance with K.S.A. 74-3298, and amendments
6 thereto.

7 (b) The state board of regents is authorized to turn any repayment
8 account arising under the nursing service scholarship program over to a
9 designated loan servicer or collection agency, the state not being involved
10 other than to receive payments from the loan servicer or collection agency
11 at the interest rate prescribed ~~under this~~ *in section 1, and amendments*
12 *thereto.*

13 Sec. 8. K.S.A. 74-32,104 is hereby amended to read as follows: 74-
14 32,104. (a) Except as provided in K.S.A. 74-32,105, and amendments
15 thereto, upon the failure of any person to satisfy the obligation under any
16 agreement entered into pursuant to the teacher service scholarship
17 program, such person shall pay to the executive officer an amount equal to
18 the total amount of money ~~received by~~ *disbursed on behalf of* such person
19 pursuant to such agreement plus accrued interest ~~at a rate which is~~
20 ~~equivalent to the interest rate applicable to loans made under the federal~~
21 ~~PLUS program at the time such person first entered into an agreement plus~~
22 ~~five percentage points from the accrual date determined under section 1,~~
23 ~~and amendments thereto, and at the rate prescribed in section 1, and~~
24 ~~amendments thereto.~~ Amounts of payment under this section shall be
25 adjusted proportionately for full years of the obligation that have been
26 satisfied. Installment payments of any such amounts may be made in
27 accordance with the provisions of the agreement entered into by the
28 scholarship recipient or if no such provisions exist in such agreement, in
29 accordance with rules and regulations of the state board of regents, except
30 that such installment payments shall commence six months after the date
31 of the action or circumstances that cause the failure of the person to satisfy
32 the obligations of such agreements, as determined by the executive officer
33 based upon the circumstances of each individual case. Amounts paid under
34 this section to the executive officer shall be deposited in the teacher
35 service scholarship repayment fund in accordance with K.S.A. 74-32,107,
36 and amendments thereto.

37 (b) The state board of regents is authorized to turn any repayment
38 account arising under the teacher service scholarship program over to a
39 designated loan servicer or collection agency, the state not being involved
40 other than to receive payments from the loan servicer or collection agency
41 at the interest rate prescribed ~~under this section~~ *in section 1, and*
42 *amendments thereto.*

43 Sec. 9. K.S.A. 74-32,116 is hereby amended to read as follows: 74-

1 32,116. (a) Except as provided in K.S.A. 74-32,117, and amendments
2 thereto, upon the failure of a person to satisfy any obligation under an
3 agreement entered into in accordance with the Kansas ethnic minority
4 fellowship program, such person shall pay to the executive officer an
5 amount equal to the total amount of money ~~received by~~ *disbursed on*
6 *behalf of* such person pursuant to such agreement plus accrued interest
7 from the ~~date such money was received at a rate which is equivalent to the~~
8 ~~interest rate applicable to loans made under the federal PLUS program at~~
9 ~~the time such person first entered into an agreement plus five percentage~~
10 ~~points~~ *accrual date determined under section 1, and amendments thereto,*
11 *and at the rate prescribed in section 1, and amendments thereto.* Amounts
12 of payment under this section shall be adjusted proportionately for full
13 years of performance of the obligations that have been satisfied.
14 Installment payments of any such amounts may be made in accordance
15 with the provisions of the agreement entered into by the fellowship
16 recipient or if no such provisions exist in such agreement, in accordance
17 with rules and regulations of the state board of regents, except that such
18 installment payments shall commence six months after the date of the
19 action or circumstances that cause the failure of the person to satisfy the
20 obligations of such agreements, as determined by the executive officer
21 based upon the circumstances of each individual case. Amounts paid under
22 this section to the executive officer shall be deposited in the Kansas ethnic
23 minority fellowship program fund in accordance with K.S.A. 74-32,119,
24 and amendments thereto.

25 (b) The state board of regents is authorized to turn any repayment
26 account arising under the Kansas ethnic minority fellowship program over
27 to a designated loan servicer or collection agency, the state not being
28 involved other than to receive payments from the loan servicer or
29 collection agency at the interest rate prescribed ~~under this section in~~
30 *section 1, and amendments thereto.*

31 Sec. 10. K.S.A. 74-32,135 is hereby amended to read as follows: 74-
32 32,135. (a) Except as provided in K.S.A. 74-32,136, and amendments
33 thereto, upon the failure of any person to satisfy the obligation under any
34 agreement entered into pursuant to this act, such person shall pay to the
35 executive officer an amount equal to the total amount of money ~~received~~
36 ~~by~~ *disbursed on behalf of* such person pursuant to such agreement ~~which~~
37 ~~that is~~ financed by the state of Kansas plus accrued interest ~~at a rate which~~
38 ~~is equivalent to the interest rate applicable to loans made under the federal~~
39 ~~PLUS program at the time such person first entered into an agreement plus~~
40 ~~five percentage points~~ *from the accrual date determined under section 1,*
41 *and amendments thereto, and at the rate prescribed in section 1, and*
42 *amendments thereto.* Installment payments of such amounts may be made
43 in accordance with rules and regulations of the state board of regents,

1 except that such installment payments shall commence six months after
 2 the date of the action or circumstances that cause the failure of the person
 3 to satisfy the obligations of such agreements, as determined by the
 4 executive officer based upon the circumstances of each individual case.
 5 Amounts paid under this section to the executive officer shall be deposited
 6 in the advanced practice registered nurse service scholarship program fund
 7 in accordance with K.S.A. 74-32,138, and amendments thereto.

8 (b) The state board of regents is authorized to turn any repayment
 9 account arising under the advanced practice registered nurse service
 10 scholarship program over to a designated loan servicer or collection
 11 agency, the state not being involved other than to receive payments from
 12 the loan servicer or collection agency at the interest rate prescribed ~~under~~
 13 ~~this section in section 1, and amendments thereto.~~

14 Sec. 11. K.S.A. 74-32,153 is hereby amended to read as follows: 74-
 15 32,153. (a) Upon completion of the recipient's program of study, the
 16 recipient shall be eligible for forgiveness of the loan by living and working
 17 in Kansas.

18 (b) By annually providing to the board of regents the required
 19 documentation certifying that the recipient worked and lived in Kansas
 20 throughout the prior year. Such documentation shall be provided to the
 21 board of regents within 30 days of the annual due date calculated from the
 22 completion of the course of study.

23 (c) If the required documentation certifying that the recipient lived
 24 and worked in Kansas is not received in the prescribed time by the board,
 25 the remaining loan amount shall be due and payable as prescribed under
 26 K.S.A. 74-32,154 and amendments thereto.

27 ~~(d) Interest rates on the loan shall be determined by the state treasurer~~
 28 ~~according to the interest rate received on the state idle funds plus 3%.~~

29 Sec. 12. K.S.A. 74-32,154 is hereby amended to read as follows: 74-
 30 32,154. (a) Except as otherwise provided in K.S.A. 74-32,155, and
 31 amendments thereto, upon the failure of any person to satisfy an obligation
 32 incurred under the loan agreement as provided in K.S.A. 74-32,152, and
 33 amendments thereto, such person shall repay to the state treasurer an
 34 amount equal to the total of: (1) The amount of money ~~received by~~
 35 ~~disbursed on behalf of~~ such person pursuant to such agreement; plus (2)
 36 accrued interest, ~~calculated at the interest rate on the state idle funds plus~~
 37 ~~3%, from the date such money was received from the accrual date~~
 38 ~~determined under section 1, and amendments thereto, and at the rate~~
 39 ~~prescribed in section 1, and amendments thereto.~~

40 (b) Each person required to repay any amount under this section shall
 41 repay an amount totaling the entire amount to be repaid under all such
 42 agreements for which obligations are not satisfied, including all amounts
 43 of interest at the rate prescribed in ~~subsection (a) section 1, and~~

1 *amendments thereto.* Except as otherwise provided in this section, such
2 repayment shall be made in installment payments determined by the state
3 board of regents as provided in ~~subsection (c) of the~~ K.S.A. 74-32,152(c),
4 and amendments thereto.

5 (c) All installment payments under this section shall commence six
6 months after the date of the action or circumstance that causes the failure
7 of the person to satisfy the obligations of such agreements, as determined
8 by the state board of regents based upon the circumstances of each
9 individual case. If an installment payment becomes 91 days overdue, the
10 entire amount outstanding shall become immediately due and payable,
11 including all amounts of interest at the rate prescribed *in section 1, and*
12 *amendments thereto.*

13 (d) The total repayment obligation imposed under all agreements
14 entered into as provided in K.S.A. 74-32,152, and amendments thereto,
15 may be satisfied at any time prior to graduation by making a single lump-
16 sum payment equal to the total of: (1) The entire amount to be repaid
17 under all such agreements upon failure to satisfy the obligations under
18 such agreements to practice in Kansas; plus (2) all amounts of interest
19 accrued thereon at the rate prescribed in ~~subsection (a)~~ *section 1, and*
20 *amendments thereto.*

21 (e) The state board of regents is authorized to turn any delinquent
22 repayment account arising under the workforce development loan program
23 to a designated loan servicer or collection agency, the state not being
24 involved other than to receive payments from the loan servicer or
25 collection agency at the interest rate prescribed ~~under this section in~~
26 *section 1, and amendments thereto.*

27 Sec. 13. K.S.A. 74-32,223 is hereby amended to read as follows: 74-
28 32,223. (a) Except as provided in K.S.A. 74-32,224, and amendments
29 thereto, upon the failure of any person to satisfy the obligation under any
30 agreement entered into pursuant to the program, such person shall pay to
31 the executive officer an amount equal to the total amount of money
32 ~~received by~~ *disbursed on behalf of* such person pursuant to such agreement
33 plus accrued interest ~~at a rate which is equivalent to the interest rate~~
34 ~~applicable to loans made under the federal PLUS program at the time such~~
35 ~~person first entered into an agreement plus five percentage points from the~~
36 *accrual date determined under section 1, and amendments thereto, and at*
37 *the rate prescribed in section 1, and amendments thereto.* Installment
38 payments of any such amounts may be made in accordance with the
39 provisions of agreements entered into by the scholarship recipient and the
40 executive officer, in accordance with rules and regulations of the state
41 board of regents, except that such installment payments shall commence
42 six months after the date of the action or circumstances that cause the
43 failure of the person to satisfy the obligations of such agreements, as

1 determined by the executive officer based upon the circumstances of each
2 individual case. Amounts paid under this section to the executive officer
3 shall be deposited in the nurse educator service scholarship repayment
4 fund in accordance with K.S.A. 74-32,226, and amendments thereto.

5 (b) The state board of regents is authorized to turn any repayment
6 account arising under the program over to a designated loan servicer or
7 collection agency, the state not being involved other than to receive
8 payments from the loan servicer or collection agency at the interest rate
9 prescribed ~~under this section~~ *in section 1, and amendments thereto.*

10 Sec. 14. K.S.A. 2024 Supp. 74-32,276 is hereby amended to read as
11 follows: 74-32,276. (a) As a condition to receiving a Kansas promise
12 scholarship, an eligible student shall enter into a Kansas promise
13 scholarship agreement with the state board of regents. The eligible
14 postsecondary educational institution making the scholarship award to
15 such student shall counsel each eligible student on the requirements and
16 conditions of the promise scholarship agreement. Such agreement shall
17 require any student who receives a Kansas promise scholarship to:

18 (1) Enroll as a full-time or part-time student at the eligible
19 postsecondary educational institution from which the student is receiving a
20 Kansas promise scholarship and engage in and complete the required
21 promise eligible program within 36 months of the date the scholarship was
22 first awarded;

23 (2) within six months after graduation from the promise eligible
24 program:

25 (A) Reside in and commence work in the state of Kansas for at least
26 two consecutive years following completion of such program. A
27 scholarship recipient may use a *form* W-2 wage and tax statement showing
28 Kansas withholding or estimated income tax to the state of Kansas as
29 proof of work in Kansas; or

30 (B) enroll as a full-time or part-time student in any public or private
31 postsecondary educational institution with its primary location in Kansas
32 and upon graduation or failure to re-enroll, reside in and commence work
33 in Kansas for at least two consecutive years following the completion of
34 such program;

35 (3) maintain records and make reports to the state board of regents on
36 such forms and in such manner as required by the state board of regents to
37 document the satisfaction of the requirements of this act; and

38 (4) upon failure to satisfy the requirements of a Kansas promise
39 scholarship agreement, repay the amount of the Kansas promise
40 scholarship the student received under the program as provided in
41 subsection (b) to the state board of regents.

42 (b) (1) Except as provided in subsection (c), if any student who
43 receives a Kansas promise scholarship fails to satisfy the requirements of a

1 Kansas promise scholarship agreement, such student shall pay an amount
2 equal to the total amount of money ~~received by~~ *disbursed on behalf of*
3 such student pursuant to such agreement that is financed by the state of
4 Kansas plus accrued interest ~~at a rate equivalent to the interest rate~~
5 ~~applicable to loans made under the federal PLUS program at the time such~~
6 ~~student's first course funded by a Kansas promise scholarship award~~
7 ~~began. Interest shall begin accruing on the date the student is determined~~
8 ~~to be out of compliance with the Kansas promise scholarship agreement~~
9 ~~from the accrual date determined under section 1, and amendments~~
10 ~~thereto, and at the rate prescribed in section 1, and amendments thereto.~~
11 Monthly installment payments of such amounts may be made in
12 accordance with rules and regulations of the state board of regents. Such
13 installment payments shall begin six months after the date of the action or
14 circumstances that cause such student to fail to satisfy the requirements of
15 a Kansas promise scholarship agreement, as determined by the state board
16 of regents upon the circumstances of each individual case. All moneys
17 received pursuant to this subsection shall be remitted to the state treasurer
18 in accordance with the provisions of K.S.A. 75-4215, and amendments
19 thereto. Upon receipt of each such remittance, the state treasurer shall
20 deposit the entire amount in the state treasury to the credit of the Kansas
21 promise scholarship program fund.

22 (2) For any Kansas promise scholarship awarded on or after July 1,
23 2021, the state board of regents shall be the sole entity responsible for
24 collecting or recouping any Kansas promise scholarship funds required to
25 be repaid by a student who fails to satisfy the requirements of a Kansas
26 promise scholarship agreement pursuant to this section.

27 (3) The state board of regents is authorized to turn any repayment
28 account arising under this act to a designated loan servicer or collection
29 agency to collect on the state board's behalf, the state not being involved
30 other than to receive payments from the loan servicer or collection agency
31 at the interest rate ~~prescribed under this subsection~~ *in section 1, and*
32 *amendments thereto.*

33 (4) Eligible postsecondary educational institutions and each state
34 agency are authorized to provide academic, employment, residency and
35 contact information regarding students who received a Kansas promise
36 scholarship to the state board of regents for the purposes of:

37 (A) Determining whether or not a student satisfied the requirements
38 of this act and the Kansas promise scholarship agreement; and

39 (B) aiding in the collection or recoupment of any funds required to be
40 repaid pursuant to this section.

41 (5) Eligible postsecondary educational institutions shall:

42 (A) Provide annually to the state board of regents the last known
43 contact information of each student who received a Kansas promise

1 scholarship until the requirements of the program and scholarship
2 agreement are complete; and

3 (B) notify the state board of regents when a student who received a
4 Kansas promise scholarship:

5 (i) Completes the program of study for which the student received the
6 scholarship or has exhausted scholarship benefits; and

7 (ii) exceeds the 36-month program completion requirement provided
8 in this section. This requirement shall apply to any Kansas promise
9 scholarship awarded on or after July 1, 2021.

10 (6) For any Kansas promise scholarship awarded on or after July 1,
11 2021, eligible postsecondary educational institutions shall not be
12 considered a contractor of the state nor shall such institutions be required
13 to participate in tracking, collecting or recouping any funds required to be
14 repaid by a student who fails to satisfy the requirements of a Kansas
15 promise scholarship agreement pursuant to this section.

16 (c) Any requirement of a Kansas promise scholarship agreement
17 entered into pursuant to this section may be postponed for good cause in
18 accordance with rules and regulations of the state board of regents.

19 (d) A scholarship recipient satisfies the requirements of the Kansas
20 promise scholarship program if such recipient:

21 (1) Completes the requirements of the scholarship agreement;

22 (2) commences service as a military servicemember after receiving a
23 Kansas promise scholarship;

24 (3) fails to satisfy the requirements after making the best possible
25 effort to do so as determined by the state board of regents;

26 (4) is unable to obtain employment or continue in employment after
27 making the best possible effort to do so; or

28 (5) is unable to satisfy the requirements due to disability or death of
29 the scholarship recipient.

30 Sec. 15. K.S.A. 2024 Supp. 74-32,286 is hereby amended to read as
31 follows: 74-32,286. (a) As a condition to receiving a grant under this act,
32 an eligible student shall enter into an agreement with the *state board of*
33 *regents*. The eligible postsecondary educational institution that awarded
34 such grant. ~~Such eligible postsecondary educational institution~~ shall
35 counsel each eligible student on the requirements and conditions of the
36 agreement. Such agreement shall require any student who receives a grant
37 award to:

38 (1) Enroll as a full-time or part-time student at the eligible
39 postsecondary educational institution that made the grant award and
40 engage in and complete the adult learner grant eligible program;

41 (2) within six months after graduation from the adult learner grant
42 eligible program:

43 (A) Reside and commence work in the state of Kansas for at least two

1 consecutive years following completion of such program. A scholarship
2 recipient may use a *form* W-2 wage and tax statement showing Kansas
3 withholding or estimated income tax to the state of Kansas as proof of
4 work in Kansas; or

5 (B) enroll as a full-time or part-time student in any public or private
6 postsecondary educational institution with its primary location in Kansas
7 and upon graduation or failure to re-enroll, reside in and commence work
8 in Kansas for at least two consecutive years following the completion of
9 such program;

10 (3) maintain records and make reports to the state board of regents on
11 such forms and in such manner as required by the state board of regents to
12 document the satisfaction of the requirements of this act; and

13 (4) upon failure to satisfy the requirements of an agreement entered
14 into pursuant to this section, repay the amount of the grant award the
15 student received under the program as provided in subsection (b) to the
16 state board of regents.

17 (b) (1) Except as provided in subsection (c), if any student who
18 receives a grant award fails to satisfy the requirements of the agreement
19 entered into pursuant to this section, such student shall pay an amount
20 equal to the total amount of money ~~received by~~ *disbursed on behalf of*
21 such student pursuant to such agreement plus accrued interest ~~at a rate~~
22 ~~equivalent to the interest rate applicable to loans made under the federal~~
23 ~~PLUS program at the time such student's first course funded by a grant~~
24 ~~award began. Interest shall begin accruing on the date the student is~~
25 ~~determined to be out of compliance with the agreement from the accrual~~
26 ~~date determined under section 1, and amendments thereto, and at the rate~~
27 ~~prescribed in section 1, and amendments thereto.~~ Monthly installment
28 payments of such amounts may be made in accordance with rules and
29 regulations of the state board of regents. Such installment payments shall
30 begin six months after the date of the action or circumstances that cause
31 such student to fail to satisfy the requirements of the agreement, as
32 determined by the state board of regents upon the circumstances of each
33 individual case. All moneys received pursuant to this subsection shall be
34 remitted to the state treasurer in accordance with the provisions of K.S.A.
35 75-4215, and amendments thereto. Upon receipt of each such remittance,
36 the state treasurer shall deposit the entire amount in the state treasury to
37 the credit of the Kansas adult learner grant program fund.

38 (2) The state board of regents shall be the sole entity responsible for
39 collecting or recouping any grant moneys required to be repaid by a
40 student who fails to satisfy the requirements of an agreement entered into
41 pursuant to this section.

42 (3) The state board of regents is authorized to turn any repayment
43 account arising under this act to a designated loan servicer or collection

1 agency to collect on the state board's behalf. The state's involvement shall
 2 only be to receive payments from the loan servicer or collection agency at
 3 the interest rate prescribed ~~under this subsection~~ *in section 1, and*
 4 *amendments thereto.*

5 (4) Eligible postsecondary educational institutions and each state
 6 agency are authorized to provide academic, employment, residency and
 7 contact information regarding students who received a grant award to the
 8 state board of regents for the purposes of:

9 (A) Determining whether or not a student satisfied the requirements
 10 of this act and the agreement entered into pursuant to this section; and

11 (B) aiding in the collection or recoupment of any funds required to be
 12 repaid pursuant to this section.

13 (5) Eligible postsecondary educational institutions shall:

14 (A) Provide annually to the state board of regents the last known
 15 contact information of each student who received a grant award until the
 16 requirements of the program and the agreement are complete; and

17 (B) notify the state board of regents when a student who received a
 18 grant award completes the program of study for which the student received
 19 the grant or has exhausted the benefits available under this act.

20 (6) Eligible postsecondary educational institutions shall not be
 21 considered a contractor of the state nor shall such institutions be required
 22 to participate in tracking, collecting or recouping any moneys required to
 23 be repaid by a student who fails to satisfy the requirements of an
 24 agreement entered into pursuant to this section.

25 (c) Any requirement of an agreement entered into pursuant to this
 26 section may be postponed for good cause in accordance with rules and
 27 regulations of the state board of regents.

28 (d) A scholarship recipient satisfies the requirements of the adult
 29 learner grant program if such recipient:

30 (1) Completes the requirements of the agreement entered into
 31 pursuant to this section;

32 (2) commences service as a military servicemember after receiving a
 33 grant award;

34 (3) fails to satisfy the requirements after making the best possible
 35 effort to do so as determined by the state board of regents;

36 (4) is unable to obtain employment or continue in employment after
 37 making the best possible effort to do so; or

38 (5) is unable to satisfy the requirements due to disability or death of
 39 the grant recipient.

40 Sec. 16. K.S.A. 74-3260, 74-3267, 74-3272, 74-32,104, 74-32,116,
 41 74-32,135, 74-32,153, 74-32,154 and 74-32,223 and K.S.A. 2024 Supp.
 42 74-3295, 74-32,276 and 74-32,286 and are hereby repealed.

43 Sec. 17. This act shall take effect and be in force from and after its

- 1 publication in the statute book.