

As Amended by House Committee

Session of 2025

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 equivalent to the interest rate applicable to loans made**  
18 **under the federal PLUS program at the time such individual enters**  
19 **into an agreement that includes such repayment obligation** if such  
20 repayment obligation:

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

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

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

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

1 Kansas Statutes Annotated, and amendments thereto.

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

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

9 (2) upon amounts owed to the state board of regents by educational  
10 institutions, sponsors or amounts owed to educational institutions or  
11 sponsors by the state board of regents.

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

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

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

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

1 *and amendments thereto.* Such payment shall commence within 30 days,  
2 and be completed within five years, after the date of the act or  
3 circumstance that causes the failure of the person to remain eligible and  
4 qualified or to satisfy the obligation of such agreement. Payments under  
5 this section shall be installment payments and each such installment shall  
6 be not less than an amount equal to  $\frac{1}{5}$  of the total amount ~~which that~~  
7 would be required to be paid if paid in five equal annual installments. If an  
8 installment payment becomes 91 days overdue, the entire amount  
9 outstanding shall become immediately due and payable, including all  
10 interest at the rate prescribed *in section 1, and amendments thereto.*  
11 Amounts paid under this section shall be deposited in the state treasury  
12 and credited to the ROTC service scholarship repayment fund as provided  
13 in K.S.A. 74-3260a, and amendments thereto.

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

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

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

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

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

1 *date determined under section 1, and amendments thereto, and at the rate*  
2 *prescribed in section 1, and amendments thereto, and shall commence*  
3 *such repayment in accordance with subsection (b) within 90 days of*  
4 *graduation from the school of osteopathic medicine or upon termination or*  
5 *completion of a residency training program—~~which that~~ does not comply*  
6 *with the provisions of this act, whichever is later.*

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

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

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

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

42 (1) The entire amount to be repaid under all such agreements upon  
43 failure to satisfy the obligations under such agreements to practice in

1 Kansas; plus

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

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

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

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

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

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

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

1 (d) The total repayment obligation imposed under an agreement  
2 entered into pursuant to K.S.A. 74-3271, and amendments thereto, may be  
3 satisfied at any time prior to graduation from the accredited school or  
4 college of optometry by making a single lump-sum payment equal to the  
5 total of:

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

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

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

27 (f) The state board of regents is authorized to turn any repayment  
28 account arising under the optometry service scholarship program over to a  
29 designated loan servicer or collection agency, 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 section~~ *in section 1, and*  
32 *amendments thereto.*

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

1 ~~individual case from the accrual date determined under section 1, and~~  
2 ~~amendments thereto, and at the rate prescribed in section 1, and~~  
3 ~~amendments thereto.~~ Installment payments of any such amounts may be  
4 made in accordance with rules and regulations of the state board of  
5 regents. Such installment payments shall commence six months after the  
6 date on which interest begins to accrue. Amounts paid under this section to  
7 the executive officer shall be deposited in the nursing service scholarship  
8 repayment fund in accordance with K.S.A. 74-3298, and amendments  
9 thereto.

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

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

40 (b) The state board of regents is authorized to turn any repayment  
41 account arising under the teacher service scholarship program over to a  
42 designated loan servicer or collection agency, the state not being involved  
43 other than to receive payments from the loan servicer or collection agency

1 at the interest rate prescribed ~~under this section~~ *in section 1, and*  
2 *amendments thereto.*

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

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

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



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

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

17 Sec. 11. K.S.A. 74-32,153 is hereby amended to read as follows: 74-  
18 32,153. (a) Upon completion of the recipient's program of study, the  
19 recipient shall be eligible for forgiveness of the loan by living and working  
20 in Kansas.

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

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

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

32 Sec. 12. K.S.A. 74-32,154 is hereby amended to read as follows: 74-  
33 32,154. (a) Except as otherwise provided in K.S.A. 74-32,155, and  
34 amendments thereto, upon the failure of any person to satisfy an obligation  
35 incurred under the loan agreement as provided in K.S.A. 74-32,152, and  
36 amendments thereto, such person shall repay to the state treasurer an  
37 amount equal to the total of: (1) The amount of money ~~received by~~  
38 ~~disbursed on behalf of~~ such person pursuant to such agreement; plus (2)  
39 ~~accrued interest, calculated at the interest rate on the state idle funds plus~~  
40 ~~3%, from the date such money was received from the accrual date~~  
41 ~~determined under section 1, and amendments thereto, and at the rate~~  
42 ~~prescribed in section 1, and amendments thereto.~~

43 (b) Each person required to repay any amount under this section shall

1 repay an amount totaling the entire amount to be repaid under all such  
2 agreements for which obligations are not satisfied, including all amounts  
3 of interest at the rate prescribed in ~~subsection (a)~~ *section 1, and*  
4 *amendments thereto*. Except as otherwise provided in this section, such  
5 repayment shall be made in installment payments determined by the state  
6 board of regents as provided in ~~subsection (c)~~ of the K.S.A. 74-32,152(c),  
7 and amendments thereto.

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

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

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

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

1 board of regents, except that such installment payments shall commence  
2 six months after the date of the action or circumstances that cause the  
3 failure of the person to satisfy the obligations of such agreements, as  
4 determined by the executive officer based upon the circumstances of each  
5 individual case. Amounts paid under this section to the executive officer  
6 shall be deposited in the nurse educator service scholarship repayment  
7 fund in accordance with K.S.A. 74-32,226, and amendments thereto.

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

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

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

26 (2) within six months after graduation from the promise eligible  
27 program:

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

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

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

41 (4) upon failure to satisfy the requirements of a Kansas promise  
42 scholarship agreement, repay the amount of the Kansas promise  
43 scholarship the student received under the program as provided in

1 subsection (b) to the state board of regents.

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

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

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

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

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

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

1 (5) Eligible postsecondary educational institutions shall:

2 (A) Provide annually to the state board of regents the last known  
3 contact information of each student who received a Kansas promise  
4 scholarship until the requirements of the program and scholarship  
5 agreement are complete; and

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

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

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

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

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

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

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

25 (2) commences service as a military servicemember after receiving a  
26 Kansas promise scholarship;

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

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

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

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

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

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

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

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

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

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

20 (b) (1) Except as provided in subsection (c), if any student who  
21 receives a grant award fails to satisfy the requirements of the agreement  
22 entered into pursuant to this section, such student shall pay an amount  
23 equal to the total amount of money ~~received by~~ *disbursed on behalf of*  
24 ~~such student pursuant to such agreement plus accrued interest at a rate~~  
25 ~~equivalent to the interest rate applicable to loans made under the federal~~  
26 ~~PLUS program at the time such student's first course funded by a grant~~  
27 ~~award began. Interest shall begin accruing on the date the student is~~  
28 ~~determined to be out of compliance with the agreement from the accrual~~  
29 ~~date determined under section 1, and amendments thereto, and at the rate~~  
30 ~~prescribed in section 1, and amendments thereto.~~ Monthly installment  
31 payments of such amounts may be made in accordance with rules and  
32 regulations of the state board of regents. Such installment payments shall  
33 begin six months after the date of the action or circumstances that cause  
34 such student to fail to satisfy the requirements of the agreement, as  
35 determined by the state board of regents upon the circumstances of each  
36 individual case. All moneys received pursuant to this subsection shall be  
37 remitted to the state treasurer in accordance with the provisions of K.S.A.  
38 75-4215, and amendments thereto. Upon receipt of each such remittance,  
39 the state treasurer shall deposit the entire amount in the state treasury to  
40 the credit of the Kansas adult learner grant program fund.

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

1 pursuant to this section.

2 (3) The state board of regents is authorized to turn any repayment  
3 account arising under this act to a designated loan servicer or collection  
4 agency to collect on the state board's behalf. The state's involvement shall  
5 only be to receive payments from the loan servicer or collection agency at  
6 the interest rate prescribed ~~under this subsection~~ *in section 1, and*  
7 *amendments thereto.*

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

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

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

16 (5) Eligible postsecondary educational institutions shall:

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

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

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

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

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

33 (1) Completes the requirements of the agreement entered into  
34 pursuant to this section;

35 (2) commences service as a military servicemember after receiving a  
36 grant award;

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

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

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

43 Sec. 16. K.S.A. 74-3260, 74-3267, 74-3272, 74-32,104, 74-32,116,

- 1 74-32,135, 74-32,153, 74-32,154 and 74-32,223 and K.S.A. 2024 Supp.
- 2 74-3295, 74-32,276 and 74-32,286 and are hereby repealed.
- 3 Sec. 17. This act shall take effect and be in force from and after its
- 4 publication in the statute book.