

**CONFERENCE COMMITTEE REPORT BRIEF
HOUSE BILL NO. 2060**

As Agreed to April 6, 2023

Brief*

HB 2060 would make various technical changes to statutes, including changes to law relating to the Drivers' Training School License Act. The bill would also amend law relating to the State Medical Student Loan Program and the Medical Residency Bridging Program (loan programs), and would establish an obstetrics and gynecology (OBGYN) medical loan repayment program. Additionally, the bill would authorize several items that qualified students must be provided reasonable access to under the AO-K to Work Program. Similarly, the bill would amend law to include individuals who receive a high school equivalency (HSE) credential, or who are pursuing an HSE credential, in the calculation of and subsequent distribution of performance-based payments for community colleges and technical colleges.

Drivers' Training School License Act

The bill would make technical changes to the Drivers' Training School License Act to ensure that community colleges, rather than students enrolled in community colleges, receive payments from the State Safety Fund for the number of students who have completed a driver training course during the past school year.

Medical Loan Programs

Under continuing law, the University of Kansas Medical Center (KUMC) administers the two loan programs to incentivize the practice of medicine in certain areas of the state and in certain facilities of the state. The Kansas Medical Student Loan program provides tuition and a stipend to undergraduate students enrolled in or admitted to the University of Kansas School of Medicine (KU School of Medicine) who have entered into agreements to practice primary care medicine or psychiatry in areas of need in the state.

University of Kansas School of Medicine Residencies

The bill would increase the number of medical student loan agreements available under the loan programs at the KU School of Medicine from 6 to up to 12. The bill would also add a

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provision specifying that the KU School of Medicine could not prohibit nor create substantial impediment to students in the programs from switching between approved postgraduate residency training programs.

Medical Residency Training Programs in Obstetrics and Gynecology

The bill would include medical residency training programs in OBGYN as part of the postgraduate medical residency programs that a person could enter into in order to qualify for state medical student and medical residency loan assistance.

Exemptions

The bill would exempt a person, or a person's spouse, who is unable to satisfy their obligations due to active military service from paying the 15 percent annual interest rate on any moneys received under such loan programs. Similarly, the bill would allow a person participating in a health-related fellowship to postpone the obligation to engage in the practice of medicine and surgery for not more than one year.

[*Note:* Under current law, any person who fails to complete an approved residency training program or fails to satisfy the obligation to engage in the full-time practice of medicine and surgery within a service commitment area for the required period of time must repay all money received from the loan programs, plus accumulated interest at an annual rate of 15 percent.]

Restrictions on Practice During Service Requirement

The bill would prohibit a person who completed an approved OBGYN residency training program from performing or inducing, or attempting to perform or induce, an abortion or work for or create a clinic that performs or induces abortions during the time such person is satisfying the service requirement under the loan programs. A person who fails to satisfy the service requirement due to the performance or inducement, or attempt at such, of an abortion would be required to repay all money received pursuant to the loan, plus accumulated interest at an annual rate of 15 percent.

[*Note:* A person who performs or induces, or attempts to perform or induce, an abortion in the case of a medical emergency or in the case of a pregnancy resulting from rape or incest would not be deemed to have failed to complete the service requirement.]

Funds and Scholarships

The bill would also establish the OBGYN Medical Loan Repayment Fund and the OBGYN Medical Residency Bridging Fund to be used for OBGYN residency training programs.

The bill would authorize the Kansas Board of Regents to award osteopathic medical service scholarships to Kansas residents who are undergraduate students enrolled in or admitted to pre-accredited schools of osteopathic medicine.

AO-K to Work Program

Under current law, the Kansas Board of Regents awards an HSE credential to qualified students who, among other factors, successfully complete an approved AO-K career pathway and receive the industry-recognized credential appropriate to the completed pathway. Students are to be provided reasonable access to all available student resources of the adult education program, the participating technical or community college, and the appropriate community partners.

The bill would add several items to the available student resources that qualified students must be provided reasonable access to, including books, tools, and personal materials required to participate in an AO-K career pathway program and industry examinations.

The bill would also provide for financial assistance for books, tools, personal materials, and industry examinations. The financial assistance provided would be the aggregate amount of the cost of books, tools, personal materials, and industry examinations for the AO-K career pathway program in which the student is enrolled and receiving assistance, minus the aggregate amount of all other aid awarded to the student. The financial assistance would be subject to appropriations, and the amount of financial assistance provided for each student could not exceed \$500.

High School Equivalency Credential

Under current law, the Kansas Board of Regents distributes incentive payments to each community college and technical college for individuals who have received a General Educational Development (GED) credential or who are pursuing a GED while enrolled in an eligible career technical education program.

The bill would require the Kansas Board of Regents to distribute incentive payments to community colleges and technical colleges for individuals who have received a GED or HSE credential or who are pursuing a GED or a HSE credential while enrolled in an eligible career technical education program.

[*Note:* According to the Kansas Board of Regents, a GED credential is issued after the successful completion of the GED examination, a four-subject high school equivalency test. A HSE credential is issued after successful completion of the Kansas Pathway to Career High School Equivalency program, which allows a student who is at least 21 years old to work toward their high school completion as well as obtain a college certificate or credential.]

Conference Committee Action

The Conference Committee agreed to the provisions of Senate Sub. for HB 2060, as recommended by the Senate Committee on Education. The Conference Committee further agreed to add the contents of HB 2260, as amended by the Senate Committee on Public Health and Welfare.

Background

The bill, as agreed to by the Conference Committee, contains the provisions of Senate Sub. for HB 2060 (as recommended by Senate Committee) and HB 2260 (as amended by Senate Committee).

Senate Sub. for HB 2060 (Drivers' Training School License Act; AO-K to Work Program; HSE Credentials)

The Senate Committee on Education recommended a substitute bill that included provisions originally contained in SB 84.

[*Note:* HB 2060, as passed by the House of Representatives, would have established the Special Education and Related Services Funding Task Force. The Conference Committee inserted into House Sub. for SB 83 and House Sub. for SB 113 language similar to HB 2060, as passed by the House, that would provide for a Special Education and Related Services Funding Task Force.

SB 84 (High School Equivalency Credentials)

The bill was introduced by the Senate Committee on Education at the request of a representative of the Kansas Board of Regents.

Senate Committee on Education

In the Senate Committee hearing, a representative of the Kansas Board of Regents testified as a **proponent** of the bill, stating that although the 2019 Legislature amended state law to recognize the HSE credential option in addition to the GED option, the legislation did not include the performance-based incentives. According to the proponent, the bill to amend the statute would maintain consistency and would allow the Kansas Board of Regents to include the HSE credential when calculating institutions' performance-based incentive payments. No other testimony was provided.

The Senate Committee on Education removed the contents of HB 2060 and inserted the provisions of SB 84. The Senate Committee further amended the bill by inserting provisions regarding the AO-K to Work Program and the Drivers' Training School License Act. The Senate Committee then recommended a substitute bill. [*Note:* The Conference Committee retained the amendments.]

HB 2260 (Medical Loan Programs)

The bill was introduced in the House Committee on Health and Human Services at the request of Representative Clifford on behalf of the Association of Community Mental Health Centers (CMHCs) of Kansas.

House Committee on Health and Human Services

In the House Committee hearing on February 6, 2023, **proponent** testimony was provided by representatives of the Association of CMHCs of Kansas, Kansas Mental Health Coalition, and The Guidance Center. The proponents stated the Kansas Medical Student Loan program is one means of addressing workforce shortages, particularly in mental health care, and attracting primary care and psychiatric physicians to underserved areas. Written-only proponent testimony was provided by a representative of the Kansas Medical Society. No other testimony was provided.

Senate Committee on Public Health and Welfare

In the Senate Committee hearing on March 23, 2023, **proponent** testimony was provided by a representative of the Association of CMHCs of Kansas, Inc., who provided substantially similar testimony as in the House Committee hearing. Written-only proponent testimony was provided by representatives of the Association of CMHCs of Kansas, Inc. and Kansas Medical Society. No other testimony was provided.

The Senate Committee amended the bill by adding the contents of SB 98, as amended by the Senate Committee on Education. [*Note:* The Conference Committee retained the amendment.]

SB 98 (OBGYN Residency Loans and Osteopathic Medicine Scholarships)

Senate Committee on Education

In the Senate Committee hearing on February 20, 2023, **proponent** testimony was provided by representatives of the Kansas Health Science Center - Kansas College of Osteopathic Medicine and the Kansas Section of the American College of Obstetricians and Gynecologists, and a private citizen. Written-only proponent testimony was provided by the Executive Director of the Kansas Medical Society and two representatives of the Kansas College of Osteopathic Medicine. The proponents stated generally that the bill would help to ensure that Kansans who live in rural areas of the state have access to quality OBGYN services.

Neutral testimony was provided by a representative of KUMC, who provided general information on the Medical Student Loan Program and the Medical Residency Bridging Program. No other testimony was provided.

The Senate Committee amended the bill to:

- Remove the 15 percent annual interest rate penalty during the time period a person is unable to satisfy their obligations under the programs due to active military service [*Note:* The Conference Committee retained the amendment.];
- Extend scholarship eligibility to Kansas students who attend pre-accredited schools of osteopathic medicine [*Note:* The Conference Committee retained the amendment.]; and

- Postpone the obligation to engage in the practice of medicine and surgery for not more than one year during which a person participates in a health-related fellowship program. [Note: The Conference Committee retained the amendment.]

Fiscal Information

SB 84 (High School Equivalency Credentials)

According to the fiscal note prepared by the Division of the Budget on SB 84, as introduced, the Kansas Board of Regents indicates that enactment of the bill would have a negligible fiscal effect for incentive payments made to community colleges and technical colleges.

An updated fiscal note on Senate Sub. for HB 2060 was not immediately available.

HB 2260 (Medical Loan Programs)

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the KUMC indicates enactment would have no fiscal effect on state revenues or expenditures.

SB 98 (OBGYN Residency Loans and Osteopathic Medicine Scholarships)

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, KUMC indicates the bill would require an additional \$57,327 per OBGYN medical student loan agreement and \$10,000 per OBGYN medical residency bridging loan agreement annually; however, payments would be subject to appropriations. KUMC indicates that without additional state appropriation, the expansion could reduce available awards that would have otherwise gone to students enrolled in primary care programs. KUMC estimates the bill would increase annual expenditures by \$27,000, for an additional 0.4 FTE position to administer the program.

Any fiscal effect associated with the bill is not reflected in *The FY 2024 Governor's Budget Report*.

Medical Student Loan Program; mental health; OBGYN medical loan repayment fund; osteopathic medical service scholarship; residency training program; service commitment area; University of Kansas School of Medicine; postsecondary educational institutions; high school equivalency credentials; general educational development; AO-K; driver training

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