

Senate Substitute for HOUSE BILL No. 2060

AN ACT concerning education; relating to postsecondary and postgraduate programs; authorizing payments from the state safety fund to community colleges for the provision of driver's education; increasing the number of osteopathic medical service scholarships; including obstetrics and gynecology in the medical student loan act and medical residency bridging program; increasing the number of loan agreements in the medical student loan act; establishing the OBGYN medical loan repayment fund and the OBGYN medical residency bridging fund; authorizing the provision of tools, supplies and examinations for participants in an AO-K career pathway program; including high school equivalency credentials in performance-based payments for postsecondary educational institutions; amending K.S.A. 8-272, 74-3265, 74-3268, 74-32,434, 76-381, 76-382, 76-383, 76-385, 76-386 and 76-387 and K.S.A. 2022 Supp. 74-32,267 and repealing the existing sections; also repealing K.S.A. 76-386a.

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

Section 1. K.S.A. 8-272 is hereby amended to read as follows: 8-272. (a) Any school district conducting an approved course in driver training and any student attending a nonpublic school accredited by the state board of education conducting an approved course in driver training and any student 19 years of age or under attending a community college conducting an approved course in driver training shall be entitled to participate in the state safety fund created by K.S.A. 8-267, and amendments thereto. In August of each year, the superintendent of each school district and the governing authority of each nonpublic school and community college shall report to the state board of education the number of students who have been in attendance for a complete driver training course conducted by such school district, nonpublic school or community college during the past school year. The state board of education shall certify to the director of accounts and reports the amount due each school district *or community college* and each student of a nonpublic school ~~or community college~~ entitled to payment under this subsection. The director of accounts and reports shall draw warrants on the state treasurer payable to the treasurer of each school district *or community college* and to each student of a nonpublic school ~~or community college~~ entitled to payment under this subsection upon vouchers approved by the state board and shall cause such warrants to be delivered to the respective school districts, nonpublic schools and community colleges. If the amount appropriated in any year from the state safety fund is insufficient to pay the full amount each school district *or community college* and each student of a nonpublic school ~~or community college~~ is entitled to receive under this subsection, then the entire amount appropriated for such year shall be prorated among all school districts, *community colleges* and all students of nonpublic schools ~~and community colleges~~ in proportion to the amount each school district *or community college* and each student of a nonpublic school ~~or community college~~ is entitled to receive. No moneys in the state safety fund shall be used for any purpose other than that specified in this subsection or for the support of driver improvement programs. The state board of education shall prescribe all forms necessary for reporting in connection with this act. The funds shall be distributed on or before November 1 each year.

(b) (1) Any school district conducting an approved course in motorcycle safety as a part of an approved course in driver training, any student attending a nonpublic school accredited by the state board of education conducting an approved course in motorcycle safety as a part of an approved course in driver training or any community college conducting an approved course in motorcycle safety shall be entitled to participate in the motorcycle safety fund created by K.S.A. 8-267, and amendments thereto. The state board of education may establish, by rules and regulations, standards for the conduct, operation and approval of courses in motorcycle safety and for the qualifications of instructors for such courses conducted by a school district or nonpublic accredited school. Such standards shall not include the requirement that instructors be licensed by the state board of education. In August of each year, the superintendent of each school district or the governing authority of each nonpublic school shall report to the state board of education the number of students who have been in attendance for a complete course in motorcycle safety as a part of the driver training course conducted by

such school district or nonpublic school during the past school year. The state board of education shall certify to the director of accounts and reports the amount due each school district and each student of a nonpublic school entitled to payment under this subsection. The director of accounts and reports shall draw warrants on the state treasurer payable to the treasurer of each school district and to each student of a nonpublic school entitled to payment under this subsection upon vouchers approved by the state board and shall cause such warrants to be delivered to the respective school districts and nonpublic schools. If the amount appropriated in any year from the motorcycle safety fund shall be insufficient to pay the full amount each school district and each student of a nonpublic school is entitled to receive under this subsection, then the entire amount appropriated for such year shall be prorated among all school districts and all students of nonpublic schools in proportion to the amount each school district and each student of a nonpublic school is entitled to receive. No moneys in the motorcycle safety fund shall be used for any purpose other than that specified in this subsection or for the support of motorcycle driver improvement programs. The state board of education shall prescribe all forms necessary for reporting in connection with this act. The funds shall be distributed on or before November 1 each year.

(2) Any community college conducting an approved course in motorcycle safety shall be entitled to participate in the motorcycle safety fund created by K.S.A. 8-267, and amendments thereto. The department of revenue may establish, by rules and regulations or by public declaration of the director of vehicles, standards for the conduct, operation and approval of courses in motorcycle safety and for the qualifications of instructors for such courses conducted by a community college. In August of each year, the chief administrative officer of each community college shall report to the state board of regents and the department the number of students who have been in attendance for a complete course in motorcycle safety as a part of the driver training course conducted by such community college during the past school year. The state board of regents shall certify to the director of accounts and reports the amount due each community college entitled to payment under this subsection. The director of accounts and reports shall draw warrants on the state treasurer payable to the treasurer of each community college entitled to payment under this subsection upon vouchers approved by the state board of regents and shall cause such warrants to be delivered to the respective community colleges. If the amount appropriated in any year from the motorcycle safety fund shall be insufficient to pay the full amount each community college is entitled to receive under this subsection, then the entire amount appropriated for such year shall be prorated among all community colleges in proportion to the amount each community college is entitled to receive. No moneys in the motorcycle safety fund shall be used for any purpose other than that specified in this subsection or for the support of motorcycle driver improvement programs or department administration. The department, in consultation with the state board of regents, shall prescribe all forms necessary for reporting in connection with this act. The funds shall be distributed on or before November 1 each year.

(c) (1) As used in this subsection, "institution" means a technical school affiliated with a public university in this state, a technical college or community college.

(2) Any institution conducting an approved course in truck driving shall be entitled to participate in the truck driver training fund created by K.S.A. 8-267, and amendments thereto. The department may establish, by rules and regulations or by public declaration of the director of vehicles, standards for the conduct, operation and approval of courses in truck driver training and for the qualifications of instructors for such courses. Such standards shall not include the requirement that instructors be certificated by the state board of regents. Courses in truck driver training for an interstate commercial class

license shall also comply with the Kansas uniform commercial drivers' license act. In August of each year, the chief administrative officer of each participating institution shall report to the state board of regents and the department the number of students who have been in attendance for a complete course in truck driver training conducted by such institution during the past school year. The state board of regents shall certify to the director of accounts and reports the amount due each institution entitled to payment under this subsection. The director of accounts and reports shall draw warrants on the state treasurer payable to the treasurer of each institution entitled to payment under this subsection upon vouchers approved by the state board of regents and shall cause such warrants to be delivered to the respective institution. If the amount appropriated in any year from the truck driver training fund shall be insufficient to pay the full amount each institution is entitled to receive under this subsection, then the entire amount appropriated for such year shall be prorated among all participating institutions in proportion to the amount each institution is entitled to receive. No moneys in the truck driver training fund shall be used for any purpose other than that specified in this subsection or for the support of truck driver training programs and department administration. The department, in consultation with the state board of regents, shall prescribe all forms necessary for reporting in connection with this act. The funds shall be distributed on or before November 1 each year.

Sec. 2. On and after July 1, 2023, K.S.A. 74-3265 is hereby amended to read as follows: 74-3265. (a) Within the limits of appropriations for osteopathic medical service scholarships, and in accordance with the provisions of this section, the state board of regents may award such scholarships to Kansas residents who are undergraduate students enrolled in or admitted to accredited *or pre-accredited* schools of osteopathic medicine in a course of instruction leading to the degree of doctor of osteopathy and who enter into a written agreement with the state board of regents as provided in K.S.A. 74-3266, and amendments thereto.

(b) Osteopathic medical service scholarships shall be in effect for the period of time specified in subsection (c) and shall provide to the person receiving the scholarship the payment of an amount not to exceed the maximum amount of a loan authorized to be made under the medical student loan act.

(c) Osteopathic medical service scholarships shall be awarded on an annual basis and shall be in effect for one year unless otherwise terminated before the expiration of such period of time. A Kansas resident who is an undergraduate student enrolled in or admitted to an accredited *or pre-accredited* school of osteopathic medicine in a course of instruction leading to the degree of doctor of osteopathy may be awarded a scholarship for each year the student enters into a written agreement with the state board of regents as provided in K.S.A. 74-3266, and amendments thereto, up to a maximum of four years. For each year a student is awarded a scholarship, the student shall engage in the practice of medicine and surgery in Kansas for the period of time specified in ~~subsection (a)(3) of~~ K.S.A. 74-3266(a)(3), and amendments thereto, unless such obligation is otherwise satisfied as provided in K.S.A. 74-3268, and amendments thereto.

(d) The state board of regents shall not award more than ~~15~~ 25 osteopathic medical service scholarships in any year to persons who have not previously been awarded such a scholarship and, in any case, the state board shall not award more than ~~60~~ 80 such scholarships in any year. In selecting Kansas residents to be awarded osteopathic medical service scholarships, the state board shall give primary consideration to students commencing their first year of instruction at accredited *or pre-accredited* schools of osteopathic medicine and thereafter shall consider students in later years of instruction.

Sec. 3. On and after July 1, 2023, K.S.A. 74-3268 is hereby amended to read as follows: 74-3268. (a) An obligation to engage in the practice of medicine and surgery in accordance with an agreement

under K.S.A. 74-3266, and amendments thereto, shall be postponed *during any period of time*: (1) ~~During any~~ *Of required period of* active military service; (2) ~~during any period of~~ service as a part of volunteers in service to America (VISTA); (3) ~~during any period of~~ service in the peace corps; (4) ~~during any period of~~ service commitment to the United States public health service; (5) ~~during any period of~~ religious missionary work conducted by an organization exempt from tax under section 501(c)(3) of the federal internal revenue code as in effect on December 31, 2000; (6) ~~during any period of time~~ the person obligated is engaged solely in the teaching of medicine; (7) ~~during any period of time~~ the person obligated is engaged solely in medical research; (8) ~~during any period of time~~ the person obligated is unable because of temporary medical disability to practice medicine and surgery; (9) ~~during any period of time~~ the person obligated is on job-protected leave under the federal family and medical leave act of 1993; ~~or~~ (10) ~~during any period of time~~ the state board of regents determines that the person obligated is unable because of special circumstances to practice medicine and surgery; *or (11) not longer than one year during which the person participates in a healthcare-related fellowship program.*

(b) Except for ~~clauses~~ *subsection (a)(8), (9) and (10),* an obligation to engage in the practice of medicine and surgery in accordance with an agreement under K.S.A. 74-3266, and amendments thereto, shall not be postponed more than five years from the time the practice of medicine and surgery was to have been commenced under any such agreement. An obligation to engage in the practice of medicine and surgery in accordance with an agreement under K.S.A. 74-3266, and amendments thereto, shall be postponed under ~~clause~~ *subsection (a)(8)* during the period of time the medical disability exists. An obligation to engage in the practice of medicine and surgery in accordance with an agreement under K.S.A. 74-3266, and amendments thereto, shall be postponed under ~~clause~~ *subsection (a)(9)* during the period of time the person obligated remains on FMLA leave. An obligation to engage in the practice of medicine and surgery in accordance with an agreement under K.S.A. 74-3266, and amendments thereto, shall be postponed under ~~clause~~ *subsection (a)(10)* during the period of time the state board of regents determines that the special circumstances exist. The state board of regents shall adopt rules and regulations prescribing criteria or guidelines for determination of the existence of special circumstances causing an inability to practice medicine and surgery, and shall determine the documentation required to prove the existence of such circumstances.

~~(b)~~(c) An obligation to engage in the practice of medicine and surgery in accordance with an agreement under K.S.A. 74-3266, and amendments thereto, shall be satisfied: (1) If the obligation to engage in the practice of medicine and surgery has been completed in accordance with the agreement; (2) if the person obligated dies; (3) if, because of permanent physical disability, the person obligated is unable to practice medicine and surgery; (4) if the person obligated fails to satisfy the requirements for a degree of doctor of osteopathy after making the best effort possible to obtain such degree; or (5) if the person obligated fails to satisfy all requirements for a permanent license to practice medicine and surgery in Kansas or any other jurisdiction or has been denied a license after the person has applied for a license and has made the best effort possible to obtain a license.

Sec. 4. On and after July 1, 2023, K.S.A. 2022 Supp. 74-32,267 is hereby amended to read as follows: 74-32,267. (a) There is hereby established the AO-K to work program. The provisions of this program shall apply to all adult education programs in the state.

(b) As used in this section:

(1) "AO-K" or "accelerating opportunity: Kansas" means a career pathways program model that assists students in obtaining a high school equivalency, becoming ready for transferable college-level courses and earning an industry credential.

(2) "Career readiness assessment" means an assessment approved

by the state board of regents to measure foundational skills required for success in the workplace and workplace skills that affect job performance.

(3) "Career readiness certificate" means a certificate that uses a career readiness assessment approved by the state board of regents to document an individual's skills in applied math, graphic literacy and workplace documents.

(4) "Community college" means a community college as defined in K.S.A. 71-701, and amendments thereto.

(5) "Industry recognized credential" means a credential recognized by multiple employers across an industry as determined by the state board of regents.

(6) "Kansas adult education program" means any educational institution or approved agency that receives adult education funding through the state board of regents; provides adult education or English language acquisition programs; serves Kansas adults aged 16 and over who are in need of basic skills for the workforce, community participation and family life; and prepares adults for achieving industry recognized credentials and college certificates and degrees.

(7) "Qualified student" means an individual who has:

(A) Attained the age of 21 *years*;

(B) not been awarded a high school diploma;

(C) been accepted into a Kansas adult education program;

(D) demonstrated high school equivalency by meeting the criteria established by the state board of regents pursuant to this section; and

(E) declared an AO-K career pathway interest.

(8) "Technical college" means a technical college as such term is defined in K.S.A. 71-1802, and amendments thereto.

~~(c)~~(H) The state board of regents shall award a Kansas high school equivalency credential to any qualified student who:

~~(A)~~(1) Is recommended and approved to participate in a AO-K career pathway approved by the state board of regents for college credit;

~~(B)~~(2) successfully completes an approved AO-K career pathway and receives the industry-recognized credential appropriate to the completed pathway;

~~(C)~~(3) takes a career readiness assessment and earns a career readiness certificate at a level approved by the state board of regents; and

~~(D)~~(4) satisfies any other requirements deemed necessary by the state board of regents.

(d) (1) While participating in the AO-K to work program, qualified students shall 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, including, but not limited to, appropriate academic support, barrier mitigation ~~and~~, employment or career assistance, *books, tools and personal materials required to participate in an AO-K career pathway program and industry examinations.*

(2) *Subject to appropriations, financial assistance for books, tools, personal materials and industry examinations shall be the aggregate amount of the cost of books, tools, personal materials and industry examinations for the career pathway program at the technical college or community college where such student is enrolled and receiving assistance minus the aggregate amount of all other aid awarded to such student. The amount of financial assistance provided for each student shall not exceed \$500.*

(e) Each application to the state board of regents for issuance or duplication of a Kansas high school equivalency credential shall be accompanied by a fee, ~~which shall be~~ established by the state board of regents in an amount of not more than \$25. On or before June 1 of each year, the state board of regents shall determine the amount of revenue ~~that will be~~ required to properly administer the provisions of this section during the next ensuing fiscal year and shall establish the

Kansas high school equivalency credentials processing fee for such year in the amount deemed necessary for such purposes. Such fee shall become effective on the succeeding July 1 of each year. The state board of regents shall remit all moneys received by or for it from Kansas high school equivalency credentials processing fees to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the Kansas high school equivalency credential processing fees fund, which fund is hereby established in the state treasury, and shall be used only for the payment of expenses connected with the processing, issuance, or duplication of Kansas high school equivalency credentials, and for the keeping of records by the state board of regents. All expenditures from the Kansas high school equivalency credential processing fees fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the state board of regents or by a person or persons designated by the state board.

(f) The state board of regents may adopt rules and regulations to implement and administer the provisions of this act.

Sec. 5. On and after July 1, 2023, K.S.A. 74-32,434 is hereby amended to read as follows: 74-32,434. (a) (1) Any eligible postsecondary educational institution may certify to the board of regents:

(A) The number of individuals who received a general educational development (GED) *or high school equivalency (HSE)* credential from such institution while enrolled in an eligible career technical education program;

(B) the number of individuals who received a career technical education credential from such institution; and

(C) the number of individuals who were enrolled in an eligible career technical education program at such institution and who are pursuing a general educational development (GED) *or high school equivalency (HSE)* credential.

(2) Certifications submitted pursuant to this subsection shall be submitted in such form and manner as prescribed by the board of regents; and shall include such other information as required by the board of regents.

(b) Each fiscal year, upon receipt of a certification submitted under subsection (a), the board of regents shall authorize payment to such eligible postsecondary educational institution from the postsecondary education performance-based incentives fund. The amount of any such payment shall be calculated based on the following:

(1) For each individual who has received a general educational development (GED) *or high school equivalency (HSE)* credential, \$500;

(2) for each individual who has received a career technical education credential, \$1,000; and

(3) for each individual enrolled in an eligible career technical education program who is pursuing a general educational development (GED) *or high school equivalency (HSE)* credential, \$170.

(c) That portion of any payment from the postsecondary education performance-based incentives fund that is made based on subsection (b)(2) shall be expended for scholarships for individuals enrolled in an eligible career technical education program and operating costs of eligible career technical education programs. Each eligible postsecondary educational institution shall prepare and submit a report to the board of regents ~~which shall include~~ *that includes* the number of individuals who received scholarships, the aggregate amount of moneys expended for such scholarships and the number of those individuals who received a scholarship that also received a career technical education credential.

(d) (1) Of that portion of any payment from the postsecondary

education performance-based incentives fund that is made based on subsection (b)(3), an amount equal to \$150 for each individual shall be expended by the eligible postsecondary educational institution for the general educational development (GED) test.

(2) If any individual enrolled in an eligible career technical education program for which an eligible postsecondary educational institution has received a payment under this section fails to take the general educational development (GED) test, then such institution shall notify the board of regents in writing that no such test was administered to the individual. For each such notification received, the board of regents shall deduct an amount equal to \$150 from such institution's subsequent incentive payment.

(e) All payments authorized by the board of regents pursuant to this section shall be subject to the limits of appropriations made for such purposes. If there are insufficient appropriations for the board of regents to authorize payments in accordance with the amounts set forth in subsection (b), the board of regents shall prorate such amounts in accordance with appropriations made therefor.

(f) There is hereby created the postsecondary education performance-based incentives fund. Expenditures from the postsecondary education performance-based incentives fund shall be for the sole purpose of paying payments to eligible postsecondary educational institutions as authorized by the board of regents. All expenditures from the postsecondary education performance-based incentives fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the president of the board of regents; or the president's designee.

(g) As used in this section:

(1) "Board of regents" means the state board of regents provided for in the constitution of this state and established by K.S.A. 74-3202a, and amendments thereto.

(2) "Career technical education credential" means any industry-recognized technical certification or credential, other than a general educational development (GED) or *high school equivalency (HSE)* credential, or any technical certification or credential authorized by a state agency.

(3) "Eligible career technical education program" means a program operated by one or more eligible postsecondary educational institutions that is identified by the board of regents as a program that allows an enrollee to obtain a general educational development (GED) or *high school equivalency (HSE)* credential while pursuing a career technical education credential.

(4) "Eligible postsecondary educational institution" means any community college, technical college or the institute of technology at Washburn university.

(5) "State agency" means any state office, department, board, commission, institution, bureau or any other state authority.

Sec. 6. On and after July 1, 2023, K.S.A. 76-381 is hereby amended to read as follows: 76-381. As used in K.S.A. 76-380 through 76-386, and amendments thereto:

(a) "Act" means the medical student loan act;

(b) "approved postgraduate residency training program" means a residency training program in general pediatrics, general internal medicine, family medicine, family practice, emergency medicine, *obstetrics and gynecology*, general psychiatry, child psychiatry or fellowship training in geriatric medicine;

(c) "service commitment area" means: (1) Any community within any county in Kansas other than Douglas, Johnson, Sedgwick, Shawnee or Wyandotte county; (2) any state medical care facility or institution; (3) any medical center operated by the veterans administration of the United States; (4) ~~the full-time faculty of the university of Kansas school of medicine in family medicine, family practice, general psychiatry or child psychiatry~~ if serving as full-time faculty as provided

in K.S.A. 76-384(c), and amendments thereto; or (5) any community within Wyandotte county for purposes of any practice obligation under an agreement entered into by a person who is enrolled for the first time after July 1, 2004, in a course of study leading to the medical degree; and

(d) "state medical care facility or institution" includes, but is not limited to, the Kansas state school for the ~~visually handicapped blind~~, the Kansas state school for the deaf, any institution under the secretary for aging and disability services, as defined ~~by~~ *in* K.S.A. 76-12a01, and amendments thereto, any institution ~~under the commissioner of juvenile justice~~ as defined ~~by~~ *in* K.S.A. 38-2302, and amendments thereto, the Kansas soldiers' home, the Kansas veterans' home and any correctional institution under the secretary of corrections, as defined ~~by~~ *in* K.S.A. 75-5202, and amendments thereto, but shall not include any state educational institution under the state board of regents, as defined ~~by~~ *in* K.S.A. 76-711, and amendments thereto, except as specifically provided by statute.

Sec. 7. On and after July 1, 2023, K.S.A. 76-382 is hereby amended to read as follows: 76-382. (a) There is hereby established the medical student loan program at the university of Kansas school of medicine.

(b) Subject to the provisions of appropriation acts, the university of Kansas school of medicine may make medical student loans in accordance with the provisions of ~~this~~ *the medical student loan act* to undergraduate students enrolled in or admitted to the university of Kansas school of medicine in a course of instruction leading to the degree of doctor of medicine who enter into a written medical student loan agreement with the university of Kansas school of medicine in accordance with K.S.A. 76-383, and amendments thereto.

(c) Each medical student loan agreement under ~~this~~ *the medical student loan act* shall provide to the person receiving the loan the payment of all tuition and a stipend for living expenses in an amount of up to \$2,000 per month for each month enrolled in such school during a year. Subject to the maximum amount, the amount of the monthly stipend shall be determined on an annual basis by the student receiving the loan.

(d) Subject to the provisions of appropriation acts, medical student loan agreements under ~~this~~ *the medical student loan act* may be entered into on an annual basis and shall provide the payment of the amounts specified under subsection (c) for one year unless otherwise terminated before such period of time. Subject to the provisions of appropriation acts, an undergraduate student enrolled in or admitted to the university of Kansas school of medicine in a course of instruction leading to the degree of doctor of medicine may receive a separate loan under ~~this~~ *the medical student loan act* for each separate year the student enters into a written medical student loan agreement with the university of Kansas school of medicine in accordance with K.S.A. 76-383, and amendments thereto. Loans may be awarded retroactively for any academic year that a student has completed successfully at the university of Kansas medical school; but for which a loan had not previously been awarded. Retroactive loans shall be in an amount equal to the amount of tuition paid by the student, plus a stipend in an amount not to exceed the maximum amount of the stipend for such academic year multiplied by the number of months for which the student was enrolled at the medical school during such year. For each separate year a student receives a loan under ~~this~~ *the medical student loan act*, the student shall engage in the full-time practice of medicine and surgery in an appropriate service commitment area for a period of 12 months unless such obligation is otherwise satisfied as provided in K.S.A. 76-386, and amendments thereto.

(e) Medical student loans shall be awarded on a priority basis as follows: First, to qualified applicants who are Kansas residents at the time of entry into the university of Kansas school of medicine; and second, to qualified applicants who are not Kansas residents at the time

of entry into the university of Kansas school of medicine. As used in this subsection, "Kansas residents" means persons who meet the residence requirements established in K.S.A. 76-729, and amendments thereto.

(f) Subject to appropriations, the university of Kansas school of medicine shall enter into medical student loan agreements with ~~six~~ *up to 12* individuals who commit to satisfy obligations to engage in the full-time practice of medicine and surgery in a service commitment area by:

(1) Serving as a full-time faculty member of the university of Kansas school of medicine in general psychiatry or child psychiatry pursuant to K.S.A. 76-384(c), and amendments thereto; or

(2) performing at least 100 hours per month of on-site mental ~~health care~~ *healthcare* pursuant to K.S.A. 76-384(d), and amendments thereto.

(g) *For any student who has entered into a medical student loan agreement pursuant to the medical student loan act, the university of Kansas school of medicine shall not prohibit or otherwise create any substantial impediment to such student switching between approved postgraduate residency training programs.*

Sec. 8. On and after July 1, 2023, K.S.A. 76-383 is hereby amended to read as follows: 76-383. A medical student loan agreement entered into by the university of Kansas school of medicine and an undergraduate student enrolled in or admitted to the university of Kansas school of medicine in a course of instruction leading to the degree of doctor of medicine for the purpose of receiving a medical student loan under this act shall require that the person receiving the loan:

(a) Complete the required course of instruction and receive the degree of doctor of medicine and apply for, enter and complete an approved postgraduate residency training program;

(b) apply for and obtain a license to practice medicine and surgery in Kansas;

(c) *except as otherwise provided in K.S.A. 76-384, and amendments thereto,* engage in the full-time practice of medicine and surgery for a period of 12 months within a service commitment area; ~~except as otherwise provided in K.S.A. 76-384(c), and amendments thereto, for service as a full-time faculty member of the university of Kansas school of medicine in family medicine, family practice, general psychiatry or child psychiatry;~~

(d) commence such full-time practice of medicine and surgery within nine months after completion of an approved postgraduate residency training program and licensure in a service commitment area and continue such full-time practice in such service commitment area for a consecutive period of months equal to the total number of months required under the agreement;

(e) agree that the service commitment for each agreement entered into under this act is in addition to the service commitment contained in any other agreement ~~which~~ *that* has been or may be entered into under this act for the purpose of obtaining a medical student loan or under other agreements for the purpose of obtaining scholarship aid;

(f) maintain records and make reports to the university of Kansas school of medicine to document the satisfaction of the obligation under such agreement to engage in the full-time practice of medicine and surgery within a service commitment area and to continue such full-time practice in such service commitment area for a consecutive period of months equal to the total number of months required under the agreement; and

(g) upon failure to satisfy an agreement to engage in the full-time practice of medicine and surgery within a service commitment area for the required period of time under any such agreement, the person receiving a medical student loan under this act shall repay amounts to the university of Kansas school of medicine as provided in K.S.A. 76-385, and amendments thereto.

Sec. 9. On and after July 1, 2023, K.S.A. 76-385 is hereby amended to read as follows: 76-385. (a) (1) Except as otherwise provided in paragraphs (2), ~~(3)~~, ~~(4)~~ and ~~(5)~~ through (6) or in K.S.A. 76-386, and amendments thereto, upon the failure of any person to satisfy the obligation to engage in the full-time practice of medicine and surgery within a service commitment area of this state for the required period of time under any medical student loan agreement entered into under this act, such person shall repay to the university of Kansas school of medicine in accordance with subsection (b) an amount equal to the total of: (A) The amount of money received by such person pursuant to such agreement, or the amount of money determined under rules and regulations of the university of Kansas; plus (B) annual interest at a rate of 15% from the date such money was received.

(2) Any person who fails to apply for and enter an approved postgraduate residency training program shall be required to repay all moneys received pursuant to an agreement entered into for any such medical student loan, plus accumulated interest at an annual rate of 15% and shall commence such repayment in accordance with subsection (b) within 90 days of graduation from the school of medicine or upon termination or completion of a residency training program ~~which~~ that does not comply with the provisions of this act, whichever is later.

(3) If at any time a person is failing to satisfy an obligation to engage in the full-time practice of medicine and surgery in Kansas for the required period of time under an agreement entered into under this act because such person is engaged in the full-time practice of medicine and surgery in a state other than Kansas, or within Kansas in an area that is not a service commitment area or in the practice of medicine and surgery which does not otherwise comply with the agreement entered into under this act, and if such person is subject to or currently making repayments under this section and if such person subsequently commences the practice of medicine and surgery in this state which is in a service commitment area or which otherwise complies with the agreement entered into under this act, the balance of the repayment amount, including interest thereon, from the time of such commencement of practice until the obligation of such person is satisfied, or until the time such person again becomes subject to repayments, shall be waived. All repayment amounts due prior to such commencement of practice, including interest thereon, shall continue to be payable as provided in this section. If subsequent to such commencement of practice, the person fails to satisfy such obligation, the person again shall be subject to repayments, including interest thereon, as otherwise provided in this section.

(4) If, during the time a person is satisfying the service requirement of an agreement entered into under this act, such person desires to engage in less than the full-time practice of medicine and surgery within a service commitment area of the state and remain in satisfaction of such service requirement, such person may make application to the chancellor of the university of Kansas or the designee of the chancellor for permission to engage in less than such full-time practice of medicine and surgery. Upon a finding of exceptional circumstances made by the chancellor of the university of Kansas, or the designee of the chancellor, such person may be authorized to engage in less than the full-time practice of medicine and surgery within a service commitment area of the state for the remaining required period of time under such agreement and for an additional period of time which shall be equal to the length of the originally required period of time multiplied by the decimal fraction which is equal to the reduction of the full-time practice of medicine and surgery to be authorized hereunder, multiplied by two. In any such determination of the period required to be engaged in the less than full-time practice of medicine and surgery, the decimal fraction utilized shall not exceed 0.5 and any person granted permission to engage in less than the full-time practice of medicine and surgery in accordance

with the provisions of this paragraph shall be required to engage in at least the half-time practice of medicine and surgery.

(5) Any person who enters but fails to complete an approved postgraduate residency training program, or who enters and completes an approved postgraduate residency training program but fails to satisfy the obligation to engage in the full-time practice of medicine and surgery within a service commitment area of this state for the required period of time shall be required to repay all money received pursuant to an agreement entered into under this act ~~a~~ *for any such* medical student loan, plus accumulated interest at an annual rate of 15%, and shall commence such repayment in accordance with subsection (b) within 90 days of failure to complete an approved postgraduate residency training program or 90 days of failure to commence qualifying practice, whichever occurs first. *Any person who fails to satisfy the obligation to engage in the full-time practice of medicine and surgery in accordance with this section due to active military service of such person or such person's spouse shall not be required to pay the 15% annual interest rate on any moneys received under such agreement.*

(6) For any person who entered and completed an approved postgraduate residency training program in obstetrics and gynecology, if during the time such person is satisfying the service requirement of an agreement entered into pursuant to this act, such person is employed by, provides services at or establishes any clinic or facility as such terms are defined in K.S.A. 65-4a01, and amendments thereto, or performs or induces, or attempts to perform or induce, an abortion, except in the case of a medical emergency as defined in K.S.A. 65-6701, and amendments thereto, or in the case of a pregnancy resulting from rape or incest, such person shall be deemed to have failed to complete such person's service requirement and shall be required to repay all money received pursuant to an agreement entered into under this act for any such medical student loan, plus accumulated interest at an annual rate of 15%, and shall commence such repayment in accordance with subsection (b).

(b) For any repayment requirement under this section, the person shall repay an amount totaling the entire amount to be repaid under all such agreements for which such obligations are not satisfied, including all amounts of interest at the rate prescribed. The repayment shall be made in not more than 10 equal annual installment payments.

(c) All installment payments under this section shall commence six months after the date of the action or circumstance that causes the failure of the person to satisfy the obligations of such agreements, as determined by the university of Kansas school of medicine based upon the circumstances of each individual case. In all cases, if an installment payment becomes 91 days overdue, the entire amount outstanding shall become immediately due and payable, including all amounts of interest at the rate prescribed.

(d) The total repayment obligation imposed under all agreements entered into under this act may be satisfied by the person who entered into the agreements at any time prior to graduation from the university of Kansas school of medicine by making a single lump-sum payment equal to the total of: (1) The entire amount to be repaid under all such agreements upon failure to satisfy the obligations under such agreements to practice in Kansas; plus (2) all amounts of interest thereon at the rate prescribed to the date of payment.

(e) The university of Kansas school of medicine shall remit all moneys received under this section to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the medical loan repayment fund.

(f) There is hereby created in the state treasury the medical loan repayment fund. All expenditures from the medical loan repayment fund shall be for medical student loans under the medical student loan act and for the expenses of administration of the medical student loan

act and shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the chancellor of the university of Kansas or by a person designated by the chancellor, except that expenditures shall not be made from the medical loan repayment fund for medical student loans for *medical students who intend to enter and complete an approved postgraduate residency training program in obstetrics and gynecology*, general psychiatry or child psychiatry. On the effective date of this act, the director of accounts and reports shall transfer all moneys in the medical scholarship and loan repayment fund to the medical loan repayment fund. On the effective date of this act, all liabilities of the medical scholarship and loan repayment fund are hereby imposed on the medical loan repayment fund and the medical scholarship and loan repayment fund is hereby abolished. Whenever the medical scholarship and loan repayment fund, or words of like effect, is referred to or designated by any statute, contract or other document, such reference or designation shall be deemed to apply to the medical loan repayment fund.

(g) There is hereby established in the state treasury the psychiatry medical loan repayment fund. All moneys credited to the psychiatry medical loan repayment fund shall be expended only for medical student loans for general psychiatry or child psychiatry students under the medical student loan act and for the expenses of administration of the medical student loan act associated with such students. All expenditures from the psychiatry medical loan repayment fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the chancellor of the university of Kansas or the chancellor's designee.

(h) *There is hereby established in the state treasury the OBGYN medical loan repayment fund. All moneys credited to the OBGYN medical loan repayment fund shall be expended only for medical student loans for medical students who intend to enter and complete an approved postgraduate residency training program in obstetrics and gynecology under the medical student loan act and for the expenses of administration of the medical student loan act associated with such students. All expenditures from the OBGYN medical loan repayment fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the chancellor of the university of Kansas or the chancellor's designee.*

(i) Notwithstanding any other provision of law to the contrary, no moneys shall be transferred from the comprehensive grant program account of the state board of regents to the medical loan repayment fund, *the OBGYN medical loan repayment fund* or the psychiatry medical loan repayment fund or expended for any purposes related thereto.

Sec. 10. On and after July 1, 2023, K.S.A. 76-386 is hereby amended to read as follows: 76-386. (a) An obligation to engage in the practice of medicine and surgery in accordance with an agreement under this act shall be postponed *during any period of time for*: (1) ~~During any~~ Required period of active military service of the person obligated or such person's spouse; (2) ~~during any period of~~ service as a part of volunteers in service to America (VISTA); (3) ~~during any period of~~ service in the peace corps; (4) ~~during any period of~~ service commitment to the United States public health service; (5) ~~during any period of~~ religious missionary work conducted by an organization exempt from tax under subsection (c) of section 501 of the federal internal revenue code of 1986; ~~or~~ (6) ~~during any period of~~ temporary medical disability during which the person obligated is unable because of such medical disability to practice medicine and surgery; *or* (7) *not more than one year during which the person participates in a healthcare-related fellowship program.*

(b) Except for ~~clause (6) of this~~ subsection (a)(6), an obligation to

engage in the practice of medicine and surgery in accordance with an agreement under this act shall not be postponed more than five years from the time the practice of medicine and surgery was to have been commenced under any such agreement. An obligation to engage in the practice of medicine and surgery in accordance with an agreement under this act shall be postponed under ~~clause (6) of this subsection~~ (a) (6) during the period of time the medical disability exists.

~~(b)~~(c) An obligation to engage in the practice of medicine and surgery in accordance with an agreement under this act shall be satisfied: (1) If the obligation to engage in the practice of medicine and surgery in accordance with an agreement under this act has been completed; (2) if the person obligated dies; or (3) if, because of permanent physical disability, the person obligated is unable to practice medicine and surgery.

Sec. 11. On and after July 1, 2023, K.S.A. 76-387 is hereby amended to read as follows: 76-387. (a) (1) There is hereby established the Kansas medical residency bridging program at the university of Kansas school of medicine, which shall be developed and implemented in order to provide encouragement, opportunities and incentives for persons ~~in primary care or mental health care~~ to:

(A) Enter and complete medical residency training programs in general pediatrics, general internal medicine, family medicine, family practice, *obstetrics and gynecology*, general psychiatry or child psychiatry that are operated by or affiliated with the university of Kansas school of medicine or other such ~~primary care or mental health care~~ medical residency training program that is operated in Kansas and approved by the state board of healing arts; and ~~a person under subsection (i) to~~

(B) locate their medical practice in rural Kansas communities upon completion of such residency training.

(2) The Kansas medical residency bridging program shall be administered by the institute for rural health care of the university of Kansas school of medicine.

(b) Subject to the provisions of appropriation acts, the university of Kansas school of medicine may enter into residency bridging loan agreements, ~~in accordance with the provisions of this section:~~ (A) with any person who has completed the first year of a ~~primary care or mental health care~~ medical residency training program in general pediatrics, general internal medicine, family medicine, family practice, *obstetrics and gynecology*, general psychiatry or child psychiatry that is operated by or affiliated with the university of Kansas school of medicine or other such ~~primary care or mental health care~~ medical residency training program that is operated in Kansas and approved by the state board of healing arts; and (B) ~~with a person under subsection (i).~~

(c) Subject to the provisions of appropriation acts, each person entering into a residency bridging loan agreement under this section shall receive a payment of \$5,000 each year of ~~primary care or mental health care~~ medical residency training, or any part of a year of such training, after the date that the residency bridging loan agreement is entered into by the resident and the university of Kansas school of medicine and, upon completion of the ~~primary care or mental health care~~ medical residency training program, a payment of \$6,000.

(d) Each residency bridging loan agreement shall require that the person receiving the loan:

(1) Complete the ~~primary care or mental health care~~ medical residency training program;

(2) engage in the full-time practice of medicine and surgery in any county in Kansas other than Douglas, Johnson, Sedgwick, Shawnee or Wyandotte for three years under a practice commitment agreement;

(3) commence such full-time practice of medicine and surgery within 90 days after completing the ~~primary care or mental health care~~ medical residency training program; and

(4) upon failure to satisfy the obligation to engage in the full-time

practice of medicine and surgery in accordance with the provisions of the residency bridging loan agreement and this section, the person receiving the loan under this section shall repay to the university of Kansas school of medicine, within 90 days of such failure, the amount equal to the amount of ~~money~~ *moneys* received by such person from the university of Kansas school of medicine, less credits earned, under such agreement plus interest at the annual rate of 15% from the date such ~~money was~~ *moneys were* received. *Any person who fails to satisfy the obligation to engage in the full-time practice of medicine and surgery in accordance with this section due to active military service of such person or such person's spouse shall not be required to pay the 15% annual interest rate on any moneys received under such agreement.*

(e) An obligation to engage in the practice of medicine and surgery in accordance with the provisions of a residency bridging loan agreement and this section shall be postponed during: (1) Any period of temporary medical disability during which the person obligated is unable to practice medicine and surgery because of such medical disability; (2) *any period of not more than one year during which the person participates in a healthcare-related fellowship program;* (3) *any required period of active military service of the person obligated or such person's spouse;* or ~~(2)~~ (4) any other period of postponement agreed to or determined in accordance with criteria agreed to in the practice commitment agreement.

(f) *Except as otherwise provided in subsection (g), an obligation to engage in the practice of medicine and surgery in accordance with the provisions of a residency bridging loan agreement and this section shall be satisfied: (1) If the obligation to engage in the practice of medicine and surgery in accordance with such agreement has been completed; (2) if the person obligated dies; or (3) if, because of permanent physical disability, the person obligated is unable to practice medicine and surgery.*

(g) *For any person who completed a medical residency training program in obstetrics and gynecology pursuant to this section, such person's obligation to engage in the practice of medicine and surgery in accordance with the provisions of a residency bridging loan agreement and this section shall be deemed to not be satisfied if such person is employed by, provides services at or establishes any clinic or facility as such terms are defined in K.S.A. 65-4a01, and amendments thereto, or performs or induces, or attempts to perform or induce, an abortion, except in the case of a medical emergency as defined in K.S.A. 65-6701, and amendments thereto, or in the case of a pregnancy resulting from rape or incest, at any time in which such person is obligated to satisfy the provisions of such person's loan agreement made pursuant to this section.*

(h) The university of Kansas school of medicine may adopt additional provisions, requirements or conditions for participation in the Kansas medical residency bridging program as are practicable and appropriate to accomplish the purposes of the program or as may be required for the implementation or administration of the program and, in any case, as are not inconsistent with the provisions of this section or the provisions of appropriation acts.

~~(h)~~(i) As used in this section, "practice commitment agreement" means an agreement to commence the full-time practice of medicine and surgery in a city located in any county in Kansas other than Douglas, Johnson, Sedgwick, Shawnee or Wyandotte county, that:

(1) Was entered into: ~~(A) by a person in a primary care or mental health care medical residency training program in general pediatrics, general internal medicine, family medicine, family practice, obstetrics and gynecology, general psychiatry or child psychiatry, that is operated by or affiliated with the university of Kansas school of medicine or other such primary care or mental health care medical residency training program that is operated in Kansas and approved by the state board of healing arts; or (B) by a person under subsection (i), with the city where such practice is to commence or another contracting entity~~

other than the university of Kansas school of medicine that is representative of the interests of such city; and

(2) provides benefits to such person that have an aggregate monetary value equal to or greater than the aggregate amount of payments to such person from the university of Kansas school of medicine under a residency bridging loan agreement under this section.

~~(i) A person who graduated from the university of Kansas school of medicine prior to July 1, 1992, who has completed the first year of a primary care residency training program in family practice which is operated outside the state of Kansas and who has entered into a practice commitment agreement with the north central Kansas health care foundation is eligible to enter into a residency bridging loan agreement under this section.~~

(j) Notwithstanding any other provision of law to the contrary, no moneys appropriated for the Kansas medical residency bridging program at the university of Kansas school of medicine, except moneys appropriated to the *OBGYN medical residency bridging fund* or the rural health bridging psychiatry fund, shall be expended for residency bridging loan agreements for medical residents training in *obstetrics and gynecology*, general psychiatry or child psychiatry.

(k) Subject to appropriations, the university of Kansas school of medicine shall enter into residency bridging loan agreements with three medical residents training in general psychiatry or child psychiatry.

(l) There is hereby established in the state treasury the rural health bridging psychiatry fund. All moneys credited to the rural health bridging psychiatry fund shall be used only for purposes related to residency bridging loan agreements for medical residents training in general psychiatry or child psychiatry pursuant to ~~K.S.A. 76-387, and amendments thereto~~ *this section*. All expenditures from the rural health bridging psychiatry fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the chancellor of the university of Kansas or the chancellor's designee.

(m) *There is hereby established in the state treasury the OBGYN medical residency bridging fund. All moneys credited to the OBGYN medical residency bridging fund shall be used only for purposes related to residency bridging loan agreements for medical residents training in obstetrics and gynecology pursuant to this section. All expenditures from the OBGYN medical residency bridging fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the chancellor of the university of Kansas or the chancellor's designee.*

(n) Notwithstanding any other provision of law to the contrary, no moneys shall be transferred from the comprehensive grant program account of the state board of regents to the rural health bridging psychiatry fund *or the OBGYN medical residency bridging fund* or expended for any purposes related to the Kansas medical residency bridging program.

Sec. 12. K.S.A. 8-272 is hereby repealed.

Sec. 13. On and after July 1, 2023, K.S.A. 74-3265, 74-3268, 74-32,434, 76-381, 76-382, 76-383, 76-385, 76-386, 76-386a and 76-387 and K.S.A. 2022 Supp. 74-32,267 are hereby repealed.

Sec. 14. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the HOUSE, and was adopted by that body

HOUSE adopted
Conference Committee Report _____

Speaker of the House.

Chief Clerk of the House.

Passed the SENATE
as amended _____

SENATE adopted
Conference Committee Report _____

President of the Senate.

Secretary of the Senate.

APPROVED _____

Governor.