

SESSION OF 2021

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2287

As Recommended by House Committee on
Commerce, Labor and Economic Development

Brief*

HB 2287 would establish the Kansas Promise Scholarship Act (Act), which would provide scholarships for students to attend an “eligible postsecondary educational institution.” The bill would define such an institution to include community or technical colleges established by law, the Washburn Institute of Technology, or any two-year associate degree program or technical certificate program offered by a private postsecondary educational institution that has its primary location in Kansas. The Act would be administered by the State Board of Regents (Board).

To be eligible for a scholarship, a student would be required to:

- Be a Kansas resident;
- Be a graduate of Kansas public or private secondary school or have obtained a high school equivalency certificate within the preceding 12 months. The bill would also include students who graduate out of state while one or both parents are residents of Kansas and are military servicemembers who are stationed in another state;
- Complete the application form that would be established by the Board;

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

- Enter into the scholarship agreement with the eligible postsecondary educational institution that stipulates the student would:
 - Be a full-time student and complete the required career and technical education program or associate degree program with coursework in an identified job field that corresponds to a baccalaureate degree program;
 - Within 6 months of graduation, either work in Kansas for at least two years following completion of the program or enroll as a full-time student in a public or private postsecondary educational institution;
 - Maintain records and report to the Board the fulfillment of requirements; and
 - Agree to repay the scholarship received, plus interest, upon failure to perform as specified in the agreement; and
- Complete the application for federal student aid and either:
 - Enroll in an eligible postsecondary educational institution with coursework in an identified job field that corresponds to a baccalaureate degree program; or
 - Transfer to a public or private postsecondary education institution that is primarily located in Kansas as a full-time student, and commence work in Kansas for at least two years following completion of the program.

The scholarship program would be subject to appropriations that would not exceed \$10.0 million annually. The amount of a student's scholarship for each semester would be the aggregate of the amount of tuition and related fees or costs of the eligible postsecondary educational institution minus the aggregate amount of all other aid

awarded to the student. The bill would specify aid includes any financial assistance that would not require repayment. The bill would not prohibit a student enrolled in high school who received a postsecondary course credit from qualifying for the scholarship. To continue receiving the scholarship, the student would be required to:

- Annually complete 100 hours of community service or be verified by the eligible postsecondary educational institution to be employed part-time;
- Maintain a cumulative grade point average of 2.0 or greater; and
- Satisfy other requirements specified in the agreement.

The scholarship conditions would be satisfied when the student:

- Completes the requirements of the agreement;
- Fails to complete the educational requirements after making a best effort attempt;
- Cannot obtain and continue employment;
- Cannot satisfy the requirements due to a permanent physical disability; or
- Dies.

The Board would be required to adopt rules and regulations on or before March 1, 2022, pertaining to:

- Application deadlines for the scholarship;
- The appeals process for denial or revocation of a scholarship;
- Guidelines for the transferability of a graduated student's credits from an eligible postsecondary educational institution to a state educational institution or a municipal university;

- Procedures for a student to record and report proof of community service hours;
- The terms, conditions, and requirements of the scholarship agreement between the Board and the student;
- Procedures for requesting and approving certain absences from an eligible postsecondary educational institution;
- Criteria for determining whether a student has fulfilled the employment and repayment requirements specified in the bill, including methods of repayment; and
- Criteria for determining whether special circumstances or good cause are present that prevent a student from completing the scholarship requirements.

The Board would be required to:

- Publicize the scholarship program by working with various community partners;
- Allocate funds to each postsecondary educational institution;
- Request information from each postsecondary educational institution;
- Collaborate annually with the Department of Commerce and Kansas business and industry to identify up to ten job fields that have the highest need for skilled employees;
- Designate scholarship-eligible career and technical programs and transfer education programs that correspond with the job fields and pathways;

- Ensure students fulfill the scholarship agreement; and
- Starting in January 2022, annually evaluate the program and report to the standing education committees of the House and Senate.

The Board would be authorized to transfer any repayment account to a loan servicer or collection agency. Moneys received would be credited to the State General Fund.

The Act would sunset on July 1, 2026.

Background

The bill was introduced by the House Committee on K-12 Education Budget at the request of Representative Tarwater.

[*Note:* The bill is identical to 2020 HB 2515, as amended by the House Committee on Commerce, Labor and Economic Development. Provisions of 2020 HB 2515 with minor modifications were included in 2020 HB 2510, which was vetoed by the Governor.]

House Committee on Commerce, Labor and Economic Development

In the House Committee hearing, representatives of the Associated General Contractors of Kansas, Kansas Association of Community College Trustees, Kansas Independent Colleges Association, Kansas Technical Colleges, Overland Park Chamber of Commerce, and Wichita Regional Chamber of Commerce testified as **proponents**, stating the bill would improve workforce development and affordability of higher education.

Written-only **proponent** testimony was provided by representatives of AlignEd, Civic Council of Greater Kansas City, Kansas Board of Regents, and Washburn University.

No other testimony was provided.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, the Board estimates implementation of the bill would require additional annual expenditures of \$65,064 and 1.0 FTE position. The Board estimates the entire cost of scholarships under the bill to be \$12.2 million; however, the bill provides that any scholarships provided by the bill be subject to appropriations and capped at \$10.0 million. The bill contains no appropriations. Any fiscal effect associated with the bill is not reflected in *The FY 2022 Governor's Budget Report*.

Workforce development; scholarships; in-demand careers; Kansas Promise Scholarship Act