

SENATE BILL No. 340

By Committee on Education

1-13

1 AN ACT concerning higher education; relating to the Kansas promise
2 scholarship program; responsibilities of the state board of regents and
3 postsecondary educational institutions; authorizing designation of
4 additional eligible programs and fields of study; amending K.S.A. 2021
5 Supp. 74-32,271, 74-32,272, 74-32,273, 74-32,274, 74-32,275 and 74-
6 32,276 and repealing the existing sections.

7
8 *Be it enacted by the Legislature of the State of Kansas:*

9 Section 1. K.S.A. 2021 Supp. 74-32,271 is hereby amended to read as
10 follows: 74-32,271. (a) K.S.A. 2021 Supp. 74-32,271 et seq., and
11 amendments thereto, shall be known and may be cited as the Kansas
12 promise scholarship act.

13 (b) As used in the Kansas promise scholarship act:

14 (1) "Eligible postsecondary educational institution" means:

15 (A) Any community college or technical college established under
16 the laws of this state *and with a recognized service area*;

17 (B) the Washburn institute of technology; or

18 (C) any not-for-profit institution of postsecondary education with its
19 main campus or principal place of operation in Kansas that offers a
20 promise eligible program, is operated independently and not controlled or
21 administered by any state agency or subdivision of the state, maintains
22 open enrollment and is accredited by a nationally recognized accrediting
23 agency for higher education in the United States.

24 (2) "Military servicemember" means the same as defined in K.S.A.
25 2021 Supp. 48-3406, and amendments thereto.

26 (3) "Part-time student" means a student who is enrolled for six credit
27 hours or more in ~~a~~ *the fall, summer or spring* semester and is not enrolled
28 as a full-time student.

29 (4) "Promise eligible program" means any two-year associate degree
30 program or career and technical education certificate or stand-alone
31 program offered by an eligible postsecondary educational institution that
32 is:

33 (A) *Approved by the state board of regents;*

34 (B) *high wage, high demand or critical need; and*

35 (C) identified as a "promise eligible program" by the state board of
36 regents pursuant to K.S.A. 2021 Supp. 74-32,272, and amendments

1 thereto, or ~~designated~~ as a "promise eligible program" *within a field of*
2 *study designated* by an eligible postsecondary educational institution
3 pursuant to K.S.A. 2021 Supp. 74-32,273, and amendments thereto.

4 Sec. 2. K.S.A. 2021 Supp. 74-32,272 is hereby amended to read as
5 follows: 74-32,272. (a) There is hereby established the Kansas promise
6 scholarship program. The state board of regents shall *implement and*
7 administer the program.

8 (b) On or before March 1, ~~2022~~ 2023, the state board of regents shall
9 adopt rules and regulations to implement and administer the Kansas
10 promise scholarship program. Such rules and regulations shall establish:

11 (1) *A scholarship application—~~deadlines~~ process, including, but not*
12 *limited to, accepting scholarship applications throughout the academic*
13 *year and processing such applications in the order such applications were*
14 *received;*

15 (2) appeal procedures for denial or revocation of a Kansas promise
16 scholarship;

17 (3) guidelines to ensure as much as is practicable that, if a student
18 who received a Kansas promise scholarship graduates from a promise
19 eligible program and subsequently enrolls in a state educational institution,
20 as defined in K.S.A. 76-711, and amendments thereto, or municipal
21 university, any courses taken by such student shall be transferred to the
22 state educational institution or municipal university and qualify toward the
23 student's baccalaureate degree;

24 (4) the terms, conditions and requirements that shall be incorporated
25 into each Kansas promise scholarship agreement, *which shall not be more*
26 *stringent than the requirements for Kansas promise scholarship*
27 *agreements provided in this act;*

28 (5) procedures for requesting and approving medical, military and
29 personal absences from an eligible postsecondary educational institution
30 while receiving a Kansas promise scholarship;

31 (6) criteria for determining whether a student who received a Kansas
32 promise scholarship fulfilled the residency, employment and repayment
33 requirements included in a Kansas promise scholarship agreement as
34 provided in K.S.A. 2021 Supp. 74-32,276, and amendments thereto; ~~and~~

35 (7) criteria for determining when a student who received a Kansas
36 promise scholarship may be released from the requirements of a Kansas
37 promise scholarship, if there are special circumstances that caused such
38 student to be unable to complete such requirements; *and*

39 (8) *that no eligible postsecondary educational institution may:*

40 (A) *Limit scholarship awards to certain promise eligible programs*
41 *at such institution; or*

42 (B) *award less than the full Kansas promise scholarship amount for*
43 *which a student qualifies as long as funds are available in the Kansas*

1 ***promise scholarship program fund.***

2 (c) The state board of regents shall:

3 (1) Identify the promise eligible programs offered by each eligible
4 postsecondary educational institution that are:

5 (A) *Within a field of study designated by the eligible postsecondary*
6 *educational institution pursuant to K.S.A. 2021 Supp. 74-32,273, and*
7 *amendments thereto; and*

8 (B) in any of the following fields of study:

9 (i) Information technology and security;

10 (ii) mental and physical healthcare;

11 (iii) advanced manufacturing and building trades; or

12 (iv) early childhood education and development; ~~or~~

13 ~~(B) designated by the eligible postsecondary educational institution~~
14 ~~pursuant to K.S.A. 2021 Supp. 74-32,273, and amendments thereto;~~

15 (2) work with community partners, such as community foundations,
16 school districts, postsecondary educational institutions, Kansas business
17 and industry and Kansas economic development organizations to publicize
18 Kansas promise scholarships, including, but not limited to, publicizing
19 eligible postsecondary educational institutions, approved scholarship-
20 eligible educational programs, application procedures and application
21 deadlines;

22 (3) disburse funds to each eligible postsecondary educational
23 institution for the purpose of awarding Kansas promise scholarships;

24 (4) request information from eligible postsecondary educational
25 institutions *and any state agency* necessary for the administration of this
26 act;

27 ~~(5) ensure that any student accept electronic signatures as sufficient~~
28 ~~and valid on all forms and agreements required by the Kansas promise~~
29 ~~scholarship program and any rules and regulations adopted thereunder;~~

30 (6) *enforce Kansas promise scholarship agreements;*

31 (7) *collect any moneys repaid by students pursuant to K.S.A. 2021*
32 *Supp. 74-32,276, and amendments thereto;*

33 (8) *determine whether students who received a Kansas promise*
34 *scholarship—fulfills fulfill the residency, employment and repayment*
35 *requirements provided in K.S.A. 2021 Supp. 74-32,276, and amendments*
36 *thereto; and*

37 ~~(6)~~(9) beginning in January 2022, annually evaluate the Kansas
38 promise scholarship program and prepare and submit a report to the senate
39 standing committee on education and the house of representatives standing
40 committee on education. *Such report shall include, but not be limited to,*
41 *the total program cost for each promise eligible program at each eligible*
42 *postsecondary educational institution, the amount of scholarship moneys*
43 *awarded that went to each promise eligible program, the number of credit*

1 hours paid for with scholarship moneys, the amount of scholarship
 2 moneys expected to be awarded to each institution for each semester, the
 3 number of scholarships awarded, the total amount of scholarship moneys
 4 awarded and the amount of scholarship moneys provided for tuition, fees,
 5 books and supplies.

6 (d) (1) The state board of regents may designate an associate degree
 7 transfer program as an eligible program only if such program is included
 8 in:

9 (A) An established 2+2 agreement with a four-year postsecondary
 10 educational institution; or

11 (B) an articulation agreement with a four-year postsecondary
 12 educational institution and is part of an established degree pathway that
 13 allows a student to transfer at least 60 credit hours from the eligible
 14 postsecondary educational institution to a four-year postsecondary
 15 educational institution for the completion of an additional 60 credit hours
 16 toward a bachelor's degree.

17 (2) The provisions of this subsection shall be construed and applied
 18 retroactively to the enactment of the Kansas promise scholarship program
 19 on July 1, 2021.

20 Sec. 3. K.S.A. 2021 Supp. 74-32,273 is hereby amended to read as
 21 follows: 74-32,273. (a) ~~Subject to subsection (b)~~In addition to the fields of
 22 study provided in K.S.A. 2021 Supp. 74-32,272, and amendments thereto,
 23 an eligible postsecondary educational institution may designate ~~one of the~~
 24 ~~following additional fields~~ **an additional field** of study for awarding a
 25 Kansas promise scholarship to meet local employment needs if:

26 **(1) Promise eligible programs within such field of study are two-**
 27 **year associate degree programs or career and technical education**
 28 **certificates or stand-alone programs approved by the state board of**
 29 **regents that correspond to jobs that are high wage, high demand or**
 30 **critical need in the community;**

31 **(2) the institution already offers such field of study; and**

32 **(3) such field of study is one of the following:**

33 ~~(1)~~**(A) Agriculture;**

34 ~~(2)~~**(B) food and natural resources;**

35 ~~(3)~~**(C) education and training;**

36 ~~(4)~~**(D) law, public safety, corrections and security; or**

37 ~~(5)~~**(E) distribution and logistics.**

38 ~~(b) Except as otherwise provided, an eligible postsecondary~~
 39 ~~educational institution may designate one additional promise eligible~~
 40 ~~program field of study if the additional program is a~~ ~~programs within such~~
 41 ~~field of study are two-year associate degree program programs or a career~~
 42 ~~and technical education certificate certificates or stand-alone program~~
 43 ~~programs that corresponds correspond to a high wage, high demand or~~

1 ~~critical need occupation occupations and such programs are offered as~~
 2 ~~part of an existing field of study that such institution currently has and~~
 3 ~~maintains.~~

4 ~~(b) To designate an additional promise eligible program, such~~
 5 ~~institution shall have and maintain an existing promise eligible program in~~
 6 ~~any of the following fields of study:~~

7 ~~(1) Information technology and security;~~

8 ~~(2) mental and physical healthcare;~~

9 ~~(3) advanced manufacturing and building trades; or~~

10 ~~(4) early childhood education and development.~~

11 ~~(e) An eligible postsecondary educational institution that designates~~
 12 ~~an additional promise eligible program field of study pursuant to this~~
 13 ~~subsection (a) section shall maintain the promise eligible program field of~~
 14 ~~study designation of such program for at least three consecutive years.~~
 15 ~~After maintaining such program field of study for at least three years, the~~
 16 ~~institution may designate a new promise eligible program field of study~~
 17 ~~that corresponds to a high wage, high demand or critical need occupation~~
 18 ~~to replace the existing designated promise eligible program field of study.~~
 19 ~~Any newly designated program field of study shall be subject to the~~
 20 ~~requirements of this section.~~

21 ~~(c) Programs designated by eligible institutions prior to the effective~~
 22 ~~date of this act shall be maintained until all students currently enrolled in~~
 23 ~~such programs have exhausted their promise scholarship eligibility.~~

24 Sec. 4. K.S.A. 2021 Supp. 74-32,274 is hereby amended to read as
 25 follows: 74-32,274. (a) (1) (A) Subject to appropriations, the amount of a
 26 Kansas promise scholarship for a student for each ~~semester academic year~~
 27 shall be the aggregate amount of tuition, required fees and the cost of
 28 books and required materials for the promise eligible program at the
 29 eligible postsecondary educational institution for the academic year in
 30 which the student is enrolled and receiving the scholarship minus the
 31 aggregate amount of all other aid awarded to such student for such
 32 ~~semester. Aid includes any grant, scholarship or financial assistance~~
 33 ~~awards that do not require repayment academic year.~~

34 ~~(2)(B) If a student is enrolled in a promise eligible program offered~~
 35 ~~by a four-year an eligible private postsecondary educational institution~~
 36 ~~described in K.S.A. 2021 Supp. 74-32,271(b)(1)(C), and amendments~~
 37 ~~thereto, the aggregate amount of tuition, mandatory fees and the cost of~~
 38 ~~books and materials for such program shall be the average cost of tuition,~~
 39 ~~mandatory fees and the cost of books and materials for such promise~~
 40 ~~eligible program when offered by an eligible public postsecondary~~
 41 ~~educational institution that is not a four-year institution described in~~
 42 ~~K.S.A. 2021 Supp. 74-32,271(b)(1)(A) or (B), and amendments thereto.~~

43 (2) As used in this subsection, "aid" includes any grant, scholarship

1 *or financial assistance awards that do not require repayment. "Aid" does*
2 *not include financial educational benefits provided through the*
3 *servicemen's readjustment act of 1944 or any family postsecondary*
4 *savings account or other qualified tuition program established pursuant to*
5 *section 529 of the internal revenue code of 1986, as amended.*

6 (b) Except as otherwise provided in this subsection, Kansas promise
7 scholarships shall only be awarded to an eligible student whose family
8 household income equals \$100,000 or less for a family of *one or two*,
9 \$150,000 or less for a family of three and, for household sizes above three,
10 a household income that is equal to or less than the family of three amount
11 plus \$4,800 for each additional family member. ~~If scholarship moneys~~
12 ~~remain in the Kansas promise scholarship program fund during the award~~
13 ~~year after awarding all other scholarships pursuant to this section, Kansas~~
14 ~~promise scholarships may be awarded to eligible students whose family~~
15 ~~household income exceeds such amounts.~~

16 (c) (1) *Kansas promise scholarship awards shall be used only to pay*
17 *for up to a total of 68 credit hours or a total of \$20,000 in Kansas*
18 *promise scholarship awards, whichever occurs first, over the lifetime of*
19 *the student who received the Kansas promise scholarship award*
20 *regardless of the eligible postsecondary educational institution such*
21 *student attended.*

22 (2) *Kansas promise scholarship awards shall not be used to fund:*

23 (A) *Prerequisite classes required for a promise eligible program*
24 *unless such classes are a designated course within the eligible program;*
25 *or*

26 (B) *any remedial course, as defined in K.S.A. 76-7,151, and*
27 *amendments thereto, unless such course is offered in a corequisite format.*

28 (d) For fiscal years 2022 and 2023, the appropriation made for the
29 Kansas promise scholarship program shall not exceed \$10,000,000. For
30 fiscal year 2024 and each fiscal year thereafter, the appropriation shall not
31 exceed 150% of the amount disbursed in promise scholarships for the
32 immediately preceding fiscal year.

33 (e) *The state board of regents shall disburse funds based on*
34 *reimbursement requests from eligible postsecondary educational*
35 *institutions. Reimbursement requests shall be based on the actual amount*
36 *of Kansas promise scholarship amounts awarded by an eligible*
37 *postsecondary educational institution for the appropriate academic*
38 *period. Any eligible postsecondary educational institution seeking*
39 *reimbursement shall submit a reimbursement request to the state board of*
40 *regents on or before September 1, December 1, March 1 and June 1 of*
41 *each year. The state board of regents shall disburse the appropriate*
42 *amount of funds to eligible postsecondary educational institutions on*
43 *September 15, December 15, March 15 and June 15 each year.*

1 Sec. 5. K.S.A. 2021 Supp. 74-32,275 is hereby amended to read as
2 follows: 74-32,275. (a) To be eligible for a Kansas promise scholarship, a
3 student shall:

4 (1) *Be a United States citizen;*

5 (2) *be a Kansas resident;*

6 ~~(2)~~(3) (A) *have graduated from an accredited Kansas public or private*
7 *secondary school within the preceding 12 months;*

8 (B) *have completed the requirements for graduation at a non-*
9 *accredited private secondary school as provided in K.S.A. 72-4345, and*
10 *amendments thereto, within the preceding 12 months;*

11 (C) *attended an accredited Kansas public or private secondary school*
12 *or non-accredited private school as provided in K.S.A. 72-4345, and*
13 *amendments thereto, and obtained a high school equivalency certificate*
14 *within the preceding 12 months;*

15 (D) ~~*be 21 years of age or older and, upon application for a*~~
16 ~~*scholarship, have been a resident of Kansas for three or more consecutive*~~
17 ~~*years as evidenced by the date of issuance on a Kansas-issued*~~
18 ~~*identification card or through Kansas voter registration records or Kansas*~~
19 ~~*income tax documentation;*~~~~or~~

20 (E) *be a dependent child of a military servicemember permanently*
21 *stationed in another state and who, within the preceding 12 months,*
22 *graduated from any out-of-state secondary school or obtained a high*
23 *school equivalency certificate; or*

24 (F) *have been in the custody of the secretary for children and families*
25 *at any time such student was enrolled in and attending any of the grades*
26 *nine through 12 and not eligible for assistance under the Kansas foster*
27 *child educational assistance act, K.S.A. 75-53,111 et seq., and*
28 *amendments thereto;*

29 ~~(3)~~(4) *complete the required scholarship application on such forms*
30 *and in such manner as established by the state board of regents;*

31 ~~(4)~~(5) *enter into a Kansas promise scholarship agreement pursuant to*
32 *K.S.A. 2021 Supp. 74-32,276, and amendments thereto;*

33 ~~(5)~~(6) *complete the free application for federal student aid for the*
34 *academic year in which the student applies to receive a Kansas promise*
35 *scholarship. Such submitted application shall be determined to be valid*
36 *and free of error codes in order to calculate the amount of scholarship to*
37 *be awarded; and*

38 ~~(6)~~(7) *enroll in an eligible postsecondary educational institution in a*
39 *promise eligible program.*

40 (b) To continue to receive a Kansas promise scholarship, a student
41 shall:

42 (1) ~~Maintain satisfactory academic progress toward completion of in~~
43 ~~the courses of the promise eligible program for which the student received~~

1 *a Kansas promise scholarship*; and

2 (2) satisfy the requirements of a Kansas promise scholarship
3 agreement as provided in K.S.A. 2021 Supp. 74-32,276, and amendments
4 thereto.

5 (c) Nothing in this act shall prohibit a student who received
6 postsecondary course credit while enrolled in high school from qualifying
7 for a Kansas promise scholarship.

8 Sec. 6. K.S.A. 2021 Supp. 74-32,276 is hereby amended to read as
9 follows: 74-32,276. (a) As a condition to receiving a Kansas promise
10 scholarship, an eligible student shall enter into a Kansas promise
11 scholarship agreement with the *state board of regents*. The eligible
12 postsecondary educational institution making the scholarship award to
13 such student *shall counsel each eligible student on the requirements and*
14 *conditions of the promise scholarship agreement*. Such agreement shall
15 require ~~such~~ any student who receives a Kansas promise scholarship to:

16 (1) Enroll as a full-time or part-time student at the eligible
17 postsecondary educational institution from which the student is receiving a
18 Kansas promise scholarship and engage in and complete the required
19 promise eligible program within ~~30~~ 48 months of the date the scholarship
20 was first awarded;

21 (2) within six months after graduation from the promise eligible
22 program:

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

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

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

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

40 (b) (1) Except as provided in subsection (c), if any student who
41 receives a Kansas promise scholarship fails to satisfy the requirements of a
42 Kansas promise scholarship agreement, such student shall pay an amount
43 equal to the total amount of money received by such student pursuant to

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

18 (2) *For any Kansas promise scholarship awarded on or after July 1,*
19 *2021, the state board of regents shall be the sole entity responsible for*
20 *collecting or recouping any Kansas promise scholarship funds required to*
21 *be repaid by a student who fails to satisfy the requirements of a Kansas*
22 *promise scholarship agreement pursuant to this section.*

23 (3) The state board of regents is authorized to turn any repayment
24 account arising under this act to a designated loan servicer or collection
25 agency *to collect on the state board's behalf*, the state not being involved
26 other than to receive payments from the loan servicer or collection agency
27 at the interest rate prescribed under this subsection.

28 (4) *Eligible postsecondary educational institutions and each state*
29 *agency are authorized to provide academic, employment, residency and*
30 *contact information regarding students who received a Kansas promise*
31 *scholarship to the state board of regents for the purposes of ~~determining~~:*

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

34 (B) *aiding in the collection or recouping of any funds required to be*
35 *repaid pursuant to this section.*

36 (5) *Eligible postsecondary educational institutions shall:*

37 (A) *Provide annually to the state board of regents the last known*
38 *contact information of each student who received a Kansas promise*
39 *scholarship until the requirements of the program and scholarship*
40 *agreement are complete; and*

41 (B) *notify the state board of regents when a student who received a*
42 *Kansas promise scholarship:*

43 (i) *Completes the program of study for which the student received the*

1 *scholarship or has exhausted scholarship benefits; and*

2 *(ii) exceeds the 48-month program completion requirement provided*
3 *in this section. This requirement shall apply to any Kansas promise*
4 *scholarship awarded on or after July 1, 2021.*

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

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

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

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

17 (2) commences service as a military servicemember after receiving a
18 Kansas promise scholarship;

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

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

23 (5) is unable to satisfy the requirements due to disability or death of
24 the *scholarship* recipient.

25 ~~*(e) The provisions of this section shall be construed and applied-*~~
26 ~~*retroactively to the enactment of the Kansas promise scholarship program*~~
27 ~~*on July 1, 2021.*~~

28 Sec. 7. K.S.A. 2021 Supp. 74-32,271, 74-32,272, 74-32,273, 74-
29 32,274, 74-32,275 and 74-32,276 are hereby repealed.

30 Sec. 8. This act shall take effect and be in force from and after its
31 publication in the Kansas register.