

HOUSE BILL No. 2064

AN ACT concerning postsecondary education; creating the Kansas promise scholarship act and the Kansas promise scholarship fund.

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

Section 1. (a) Section 1 et seq., and amendments thereto, shall be known and may be cited as the Kansas promise scholarship act.

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

(1) "Eligible postsecondary educational institution" means:

(A) Any community college or technical college established under the laws of this state;

(B) the Washburn institute of technology; or

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

(2) "Military servicemember" means the same as defined in K.S.A. 2020 Supp. 48-3406, and amendments thereto.

(3) "Part-time student" means a student who is enrolled for six credit hours or more in a semester and is not enrolled as a full-time student.

(4) "Promise eligible program" means any two-year associate degree program or career and technical education certificate or stand-alone program offered by an eligible postsecondary educational institution that is identified as a "promise eligible program" by the state board of regents pursuant to section 2, and amendments thereto, or designated as a "promise eligible program" by an eligible postsecondary educational institution pursuant to section 3, and amendments thereto.

Sec. 2. (a) There is hereby established the Kansas promise scholarship program. The state board of regents shall administer the program.

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

(1) Scholarship application deadlines;

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

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

(4) the terms, conditions and requirements that shall be incorporated into each Kansas promise scholarship agreement;

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

(6) criteria for determining whether a student who received a Kansas promise scholarship fulfilled the residency, employment and repayment requirements included in a Kansas promise scholarship agreement as provided in section 6, and amendments thereto; and

(7) criteria for determining when a student who received a Kansas promise scholarship may be released from the requirements of a Kansas promise scholarship, if there are special circumstances that caused such

student to be unable to complete such requirements.

(c) The state board of regents shall:

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

(A) In any of the following fields of study:

- (i) Information technology and security;
- (ii) mental and physical healthcare;
- (iii) advanced manufacturing and building trades; or
- (iv) early childhood education and development; or

(B) designated by the eligible postsecondary educational institution pursuant to section 3, and amendments thereto;

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

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

(4) request information from eligible postsecondary educational institutions necessary for the administration of this act;

(5) ensure that any student who received a Kansas promise scholarship fulfills the residency, employment and repayment requirements provided in section 6, and amendments thereto; and

(6) beginning in January 2022, annually evaluate the Kansas promise scholarship program and prepare and submit a report to the senate standing committee on education and the house of representatives standing committee on education.

Sec. 3. (a) Subject to subsection (b), an eligible postsecondary educational institution may designate one additional promise eligible program if the additional program is a two-year associate degree program or a career and technical education certificate or stand-alone program that corresponds to a high wage, high demand or critical need occupation.

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

- (1) Information technology and security;
- (2) mental and physical healthcare;
- (3) advanced manufacturing and building trades; or
- (4) early childhood education and development.

(c) An eligible postsecondary educational institution that designates an additional promise eligible program pursuant to subsection (a) shall maintain the promise eligible program designation of such program for at least three consecutive years. After maintaining such program for at least three years, the institution may designate a new promise eligible program that corresponds to a high wage, high demand or critical need occupation to replace the existing designated promise eligible program. Any newly designated program shall be subject to the requirements of this section.

Sec. 4. (a) (1) Subject to appropriations, the amount of a Kansas promise scholarship for a student for each semester shall be the aggregate amount of tuition, required fees and the cost of books and required materials for the promise eligible program at the eligible postsecondary educational institution for the academic year in which the student is enrolled and receiving the scholarship minus the aggregate amount of all other aid awarded to such student for such semester. Aid includes any grant, scholarship or financial assistance awards that do not require repayment.

(2) If a student is enrolled in a promise eligible program offered by a four-year eligible postsecondary educational institution, the aggregate amount of tuition, mandatory fees and the cost of books and materials for such program shall be the average cost of tuition,

mandatory fees and the cost of books and materials for such promise eligible program when offered by an eligible public postsecondary educational institution that is not a four-year institution.

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

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

Sec. 5. (a) To be eligible for a Kansas promise scholarship, a student shall:

(1) Be a Kansas resident;

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

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

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

(D) be 21 years of age or older and, upon application for a scholarship, have been a resident of Kansas for three or more consecutive years; or

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

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

(4) enter into a Kansas promise scholarship agreement pursuant to section 6, and amendments thereto;

(5) complete the free application for federal student aid for the academic year in which the student applies to receive a Kansas promise scholarship; and

(6) enroll in an eligible postsecondary educational institution in a promise eligible program.

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

(1) Maintain satisfactory academic progress toward completion of the promise eligible program; and

(2) satisfy the requirements of a Kansas promise scholarship agreement as provided in section 6, and amendments thereto.

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

Sec. 6. (a) As a condition to receiving a Kansas promise scholarship, an eligible student shall enter into a Kansas promise scholarship agreement with the eligible postsecondary educational institution making the scholarship award to such student. Such agreement shall require such student who receives a Kansas promise scholarship to:

(1) Enroll as a full-time or part-time student at the eligible postsecondary educational institution from which the student is

receiving a Kansas promise scholarship and engage in and complete the required promise eligible program within 30 months of the date the scholarship was first awarded;

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

(A) Reside in and commence work in the state of Kansas for at least two consecutive years following completion of such program; or

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

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

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

(b) (1) Except as provided in subsection (c), if any student who receives a Kansas promise scholarship fails to satisfy the requirements of a Kansas promise scholarship agreement, such student shall pay an amount equal to the total amount of money received by such student pursuant to such agreement that is financed by the state of Kansas plus accrued interest at a rate equivalent to the interest rate applicable to loans made under the federal PLUS program at the time such person first entered into an agreement. Installment payments of such amounts may be made in accordance with rules and regulations of the state board of regents. Such installment payments shall begin six months after the date of the action or circumstances that cause such student to fail to satisfy the requirements of a Kansas promise scholarship agreement, as determined by the state board of regents upon the circumstances of each individual case. All moneys received pursuant to this subsection shall be remitted 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 promise scholarship program fund.

(2) The state board of regents is authorized to turn any repayment account arising under this act to a designated loan servicer or collection agency, the state not being involved other than to receive payments from the loan servicer or collection agency at the interest rate prescribed under this subsection.

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

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

(1) Completes the requirements of the scholarship agreement;

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

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

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

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

Sec. 7. There is hereby created in the state treasury the Kansas promise scholarship program fund, which shall be administered by the state board of regents. All expenditures from the Kansas promise scholarship program fund shall be for scholarships awarded pursuant to the Kansas promise scholarship program. All expenditures from the Kansas promise scholarship program 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 executive officer of the state board or the designee of the executive officer. All moneys received by the board for the Kansas promise scholarship program shall be deposited in the state treasury 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 promise scholarship program fund.

Sec. 8. This act shall take effect and be in force from and after its publication in the statute book.

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.