

SENATE BILL No. 123

AN ACT concerning postsecondary education; enacting the Kansas adult learner grant act; establishing a grant program for adult learners to pursue certain fields of study; providing for workforce retention income tax credits; creating the Kansas adult learner grant program fund; enacting the career technical education credential and transition incentive for employment success act; requiring school districts to pay for the cost of assessments for students to obtain an approved career technical education credential; relating to residency determination of certain students; deeming veterans and dependents or spouses of such veterans who were stationed in the state for at least 11 months as residents for purposes of tuition and fees; expanding the eligible fields of study under the Kansas promise scholarship act; establishing a maximum scholarship amount for certain private postsecondary educational institutions; amending K.S.A. 2022 Supp. 48-3601, 74-32,272, 74-32,273, 74-32,274 and 74-32,275 and repealing the existing sections.

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

New Section 1. (a) Sections 1 through 9, and amendments thereto, shall be known and may be cited as the Kansas adult learner grant act.

(b) As used in the Kansas adult learner grant act:

(1) "Adult learner grant eligible program" means any baccalaureate degree program offered by an eligible postsecondary educational institution that is identified as an "adult learner grant eligible program" by the state board of regents pursuant to section 2, and amendments thereto, or designated as an "adult learner grant eligible program" by an eligible postsecondary educational institution pursuant to section 3, and amendments thereto.

(2) "Eligible postsecondary educational institution" means:

(A) A state educational institution under the control and supervision of the board of regents;

(B) a municipal university;

(C) any not-for-profit institution of postsecondary education with its main campus or principal place of operation in Kansas that offers an adult learner grant 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; or

(D) a not-for-profit independent institution of higher education which is accredited by an institutional accrediting agency recognized by the United States department of education, is operated independently and not controlled or administered by the state or any agency or subdivision thereof, maintains open enrollment, offers online education and offers exclusively competency-based education programs.

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

New Sec. 2. (a) There is hereby established the Kansas adult learner grant program. The state board of regents shall administer the program.

(b) On or before March 1, 2024, the state board of regents shall adopt rules and regulations to implement and administer the Kansas adult learner grant program. Such rules and regulations shall establish:

(1) Grant application and renewal forms and deadlines;

(2) appeal procedures for denial or revocation of a Kansas adult learner grant;

(3) the terms, conditions and requirements for the Kansas adult learner grant consistent with the provisions of this act; and

(4) procedures for requesting and approving medical, military and personal absences from an eligible postsecondary educational institution while a Kansas adult learner grant recipient is receiving such grant.

(c) The state board of regents shall:

(1) Identify the adult learner grant 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) healthcare and nursing;
 - (iii) science, engineering, aerospace and advanced manufacturing;
 - (iv) education, early childhood education and development;
 - (v) business, accounting and data analytics; 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 adult learner grants, including, but not limited to, publicizing eligible postsecondary educational institutions, approved grant-eligible educational programs and application and renewal procedures and deadlines;
 - (3) disburse funds to each eligible postsecondary educational institution for the purpose of awarding Kansas adult learner grants;
 - (4) request information from eligible postsecondary educational institutions necessary for the administration of this act; and
 - (5) beginning January 1, 2025, annually evaluate the Kansas adult learner grant program and prepare and submit a report to the senate standing committee on education and committee on commerce and the house of representatives standing committee on education and committee on commerce, labor and economic development.

New Sec. 3. (a) Subject to subsection (b), an eligible postsecondary educational institution may designate one additional adult learner grant eligible program if the additional program is a baccalaureate degree program that corresponds to a high wage, high demand or critical need occupation.

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

- (1) Information technology and security;
- (2) healthcare and nursing;
- (3) science, engineering, aerospace and advanced manufacturing;
- (4) education and early childhood education and development; or
- (5) business, accounting and data analytics.

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

New Sec. 4. (a) Subject to appropriations, the amount of a Kansas adult learner grant for a student shall be \$3,000 per semester, except that such amount shall be prorated if the student is not enrolled full-time. The prorated amount shall be calculated on a sliding scale, in which full-time enrollment is 12 credit hours per semester and shall qualify for a 100% grant and 6 credit hours of enrollment per semester shall qualify for a 50% grant.

(b) Students receiving an adult learner grant are eligible to continue to receive such grant for up to 48 months after the date that the grant was first awarded or upon graduation from the program, whichever comes first.

(c) Except as otherwise provided in this subsection, Kansas adult learner grants 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.

(d) Moneys awarded as a grant under this act shall only be expended for tuition, required fees and the cost of books and required materials.

(e) For fiscal year 2024 and each fiscal year thereafter, the appropriation made for the Kansas adult learner grant program shall not exceed \$1,000,000 for each fiscal year.

New Sec. 5. (a) To be eligible for a Kansas adult learner grant, a student shall:

- (1) Be a Kansas resident;
- (2) be 25 years of age or older at the time the student's first course that is funded by a grant begins;
- (3) complete the required grant application on such forms and in such manner as established by the state board of regents;
- (4) complete the free application for federal student aid for the academic year in which the student applies to receive a Kansas adult learner grant; and
- (5) enroll as a full-time student or part-time student at an eligible postsecondary educational institution in an adult learner grant eligible program.

(b) To continue to receive a Kansas adult learner grant, a student shall:

- (1) Maintain satisfactory academic progress, including a grade point average of 2.0 or higher, or the equivalent thereof, toward completion of the adult learner grant eligible program;
- (2) complete a grant renewal application on such forms and in such manner as established by the state board of regents; and
- (3) complete the free application for federal student aid for the academic year for which the student applies to renew the grant.

New Sec. 6. (a) As a condition to receiving a grant under this act, an eligible student shall enter into an agreement with the eligible postsecondary educational institution that awarded such grant. Such eligible postsecondary educational institution shall counsel each eligible student on the requirements and conditions of the agreement. Such agreement shall require any student who receives a grant award to:

- (1) Enroll as a full-time or part-time student at the eligible postsecondary educational institution that made the grant award and engage in and complete the adult learner grant eligible program;
- (2) within six months after graduation from the adult learner grant eligible program:

(A) Reside and commence work in the state of Kansas for at least two consecutive years following completion of such program. A scholarship recipient may use a W-2 wage and tax statement showing Kansas withholding or estimated income tax to the state of Kansas as proof of work in Kansas; 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 an agreement entered into pursuant to this section, repay the amount of the grant award the student received under the program as provided in subsection

(b) to the state board of regents.

(b) (1) Except as provided in subsection (c), if any student who receives a grant award fails to satisfy the requirements of the agreement entered into pursuant to this section, such student shall pay an amount equal to the total amount of money received by such student pursuant to such agreement plus accrued interest at a rate equivalent to the interest rate applicable to loans made under the federal PLUS program at the time such student's first course funded by a grant award began. Interest shall begin accruing on the date the student is determined to be out of compliance with the agreement. Monthly 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 the 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 adult learner grant program fund.

(2) The state board of regents shall be the sole entity responsible for collecting or recouping any grant moneys required to be repaid by a student who fails to satisfy the requirements of an agreement entered into pursuant to this section.

(3) The state board of regents is authorized to turn any repayment account arising under this act to a designated loan servicer or collection agency to collect on the state board's behalf. The state's involvement shall only be to receive payments from the loan servicer or collection agency at the interest rate prescribed under this subsection.

(4) Eligible postsecondary educational institutions and each state agency are authorized to provide academic, employment, residency and contact information regarding students who received a grant award to the state board of regents for the purposes of:

(A) Determining whether or not a student satisfied the requirements of this act and the agreement entered into pursuant to this section; and

(B) aiding in the collection or recoupment of any funds required to be repaid pursuant to this section.

(5) Eligible postsecondary educational institutions shall:

(A) Provide annually to the state board of regents the last known contact information of each student who received a grant award until the requirements of the program and the agreement are complete; and

(B) notify the state board of regents when a student who received a grant award completes the program of study for which the student received the grant or has exhausted the benefits available under this act.

(6) Eligible postsecondary educational institutions shall not be considered a contractor of the state nor shall such institutions be required to participate in tracking, collecting or recouping any moneys required to be repaid by a student who fails to satisfy the requirements of an agreement entered into pursuant to this section.

(c) Any requirement of an 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 adult learner grant program if such recipient:

(1) Completes the requirements of the agreement entered into pursuant to this section;

(2) commences service as a military servicemember after

receiving a grant award;

(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 grant recipient.

New Sec. 7. (a) Notwithstanding the grant limitation in section 4, and amendments thereto, an individual who has received a Kansas adult learner grant shall qualify for a Kansas workforce retention incentive income tax credit against the individual's tax liability under the Kansas income tax act of \$1,500 if they demonstrate satisfactorily to the secretary of revenue that they:

(1) Successfully completed their adult learner grant eligible program with the awarding of their degree; and

(2) (A) Currently reside in Kansas, have resided in Kansas for at least two consecutive years following completion of their program and are currently employed in the state of Kansas; or

(B) have commenced service as a military servicemember.

(b) To claim the credit, the individual shall submit such information and documentation in the form and manner required by the secretary of revenue.

(c) The individual may claim the income tax credit not later than the 5th taxable year after the taxable year in which the individual successfully completed the adult learner grant eligible program with an award of their degree. Any amount of the credit that exceeds the individual's tax liability shall be carried forward once to the next succeeding taxable year as a credit against the individual's income tax liability for such year. Any amount of the credit remaining after being carried forward once shall be forfeited.

(d) On or before March 1, 2024, the secretary of revenue shall adopt rules and regulations to implement and administer the income tax credit established by this section. Such rules and regulations shall include criteria to determine whether an individual who has received a Kansas adult learner grant has fulfilled the requirements to qualify for a tax credit pursuant to this section.

New Sec. 8. There is hereby created in the state treasury the Kansas adult learner grant program fund, which shall be administered by the state board of regents. All expenditures from the Kansas adult learner grant program fund shall be for Kansas adult learner grants awarded pursuant to the Kansas adult learner grant program. All expenditures from the Kansas adult learner grant 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 of regents or the designee of the executive officer. All moneys received by such board for the Kansas adult learner grant 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 adult learner grant program fund.

New Sec. 9. The provisions of sections 1 through 8, and amendments thereto, shall expire on July 1, 2028.

New Sec. 10. (a) This section shall be known and may be cited as the career technical education credential and transition incentive for employment success act.

(b) Each school district that offers career technical education for students enrolled in any of the grades nine through 12 shall, upon request by any such student, pay any fees charged for any assessment

or other examination that is required for such student to obtain an approved industry-sought career technical education credential.

(c) (1) On or before July 1, 2023, and each July 1 thereafter, the state board of education and state board of regents shall jointly conduct a survey of school districts and colleges on which career technical education credentials each school district offers that satisfies the definition of "industry-sought credential" under subsection (d).

(2) On or before July 31, 2023, and each July 31 thereafter, the state board of education and state board of regents, after consultation with the secretary of labor, the secretary of commerce and representatives of industries that recognize career technical education credentials, shall jointly approve a list of industry-sought credentials.

(d) As used in this section:

(1) "College" means any community college, technical college or the Washburn institute of technology; and

(2) "industry-sought credential" means a career technical education credential that is:

(A) Repeatedly referenced in job postings; and

(B) frequently referred to by employers in communications with school districts as a career technical education credential that is in demand.

Sec. 11. K.S.A. 2022 Supp. 48-3601 is hereby amended to read as follows: 48-3601. (a) A current member of the armed forces of the United States or the member's spouse or dependent child who is enrolled or has been accepted for admission at a postsecondary educational institution as a postsecondary student shall be deemed to be a resident of the state for the purpose of tuition and fees for attendance at such postsecondary educational institution.

(b) A person is entitled to pay tuition and fees at an institution of higher education at the rates provided for Kansas residents without regard to the length of time the person has resided in the state if the person:

(1) (A) Files a letter of intent to establish residence in the state with the postsecondary educational institution at which the person intends to register;

(B) lives in the state while attending the postsecondary educational institution; and

(C) is eligible for benefits under the federal post-9/11 veterans educational assistance act of 2008, 38 U.S.C. § 3301 et seq., or any other federal law authorizing educational benefits for veterans;

(2) (A) is a veteran;

(B) was ~~permanently~~ stationed in Kansas *for at least 11 months* during service in the armed forces or had established residency in Kansas prior to service in the armed forces; and

(C) lives in Kansas at the time of enrollment; or

(3) (A) is the spouse or dependent of a veteran who was ~~permanently~~ stationed in Kansas *for at least 11 months* during such veteran's service in the armed forces or had established residency in Kansas prior to service in the armed forces; and

(B) lives in Kansas at the time of enrollment.

(c) As used in this section:

(1) "Armed forces" means the army, navy, marine corps, air force, coast guard, Kansas army or air national guard or any branch of the military reserves of the United States;

(2) "postsecondary educational institution" means the same as provided in K.S.A. 74-3201b, and amendments thereto; *and*

(3) ~~"school year 2015-2016" means July 1, 2015 through June 30, 2016; and~~

(4) ~~"veteran" means a person who has been separated from the~~

armed forces and was honorably discharged or received a general discharge under honorable conditions.

~~(d) Any person enrolled in a postsecondary educational institution at any time during school year 2015-2016 who would have been entitled to tuition and fee rates for a Kansas resident pursuant to subsection (b)(2) or (3) had such subsection been in effect, but who paid more than such tuition and fee rates for school year 2015-2016 shall be entitled to reimbursement of the difference between any tuition and fee rates such person paid for school year 2015-2016 and the tuition and fee rate such person would have paid as a Kansas resident if such subsection had been in effect.~~

(e) This section shall be a part of and supplemental to chapter 48 of the Kansas Statutes Annotated, and amendments thereto.

Sec. 12. K.S.A. 2022 Supp. 74-32,272 is hereby amended to read as follows: 74-32,272. (a) There is hereby established the Kansas promise scholarship program. The state board of regents shall implement and administer the program.

(b) On or before March 1, 2023, 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) A scholarship application process, including, but not limited to, accepting scholarship applications throughout the academic year and processing such applications in the order such applications were received;

(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, which shall not be more stringent than the requirements for Kansas promise scholarship agreements provided in this act;

(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 K.S.A. 2022 Supp. 74-32,276, and amendments thereto;

(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; and

(8) that no eligible postsecondary educational institution may:

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

(B) award less than the full Kansas promise scholarship amount for which a student qualifies as long as funds are available in the Kansas promise scholarship program fund.

(c) The state board of regents shall:

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

(A) Within a field of study designated by the eligible postsecondary educational institution pursuant to K.S.A. 2022 Supp. 74-32,273, and amendments thereto; and

(B) 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, *elementary education and secondary education*;

(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 and any state agency necessary for the administration of this act;

(5) accept electronic signatures as sufficient and valid on all forms and agreements required by the Kansas promise scholarship program and any rules and regulations adopted thereunder;

(6) enforce Kansas promise scholarship agreements;

(7) collect any moneys repaid by students pursuant to K.S.A. 2022 Supp. 74-32,276, and amendments thereto;

(8) determine whether students who received a Kansas promise scholarship fulfill the residency, employment and repayment requirements provided in K.S.A. 2022 Supp. 74-32,276, and amendments thereto; and

(9) ~~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. Such report shall include, but not be limited to, the total program cost for each promise eligible program at each eligible postsecondary educational institution, the amount of scholarship moneys awarded that went to each promise eligible program, the number of credit hours paid for with scholarship moneys, the amount of scholarship moneys expected to be awarded to each institution for each semester, the number of scholarships awarded, the total amount of scholarship moneys awarded, the amount of scholarship moneys provided for tuition, fees, books and supplies, measures postsecondary educational institutions have taken in working with private business and industry in the state to determine appropriate fields of study and a review of the employment of scholarship recipients who have completed the Kansas promise scholarship program, including, but not limited to, employment fields and geographic location of such employment.

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

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

(B) an articulation agreement with a Kansas four-year postsecondary educational institution and is part of an established degree pathway that allows a student to transfer at least 60 credit hours from the eligible postsecondary educational institution to a four-year postsecondary educational institution for the completion of an

additional 60 credit hours toward a bachelor's degree.

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

(e) (1) The state board of regents may remove a promise eligible program from the list of approved promise eligible programs only in accordance with this subsection. If the state board of regents proposes to remove a promise eligible program from such list, the state board of regents shall notify all eligible postsecondary educational institutions of the proposal to remove such program by May 1 of the calendar year that precedes the calendar year in which such program would officially be removed from such list. Within 30 calendar days of receipt, each eligible postsecondary educational institution may appeal such proposed removal to the state board of regents. Following such appeal period, within 45 calendar days, the state board of regents shall consider any such appeal and issue a final decision upon whether the program shall be removed. If the state board of regents issues a final decision to remove such program, the program shall be removed from the list of approved promise eligible programs only after not less than 14 months have elapsed from the date that the state board of regents issued the final decision to remove such program.

(2) The provisions of this subsection shall apply to any program that has been approved by the state board of regents as a promise eligible program on or after July 1, 2021.

Sec. 13. K.S.A. 2022 Supp. 74-32,273 is hereby amended to read as follows: 74-32,273. (a) In addition to the fields of study provided in K.S.A. 2022 Supp. 74-32,272, and amendments thereto, an eligible postsecondary educational institution may designate an additional field of study for awarding a Kansas promise scholarship to meet local employment needs if:

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

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

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

(A) Agriculture;

(B) food and natural resources;

(C) education and training;

(D) law, public safety, corrections and security; or

(E) *transportation*, distribution and logistics.

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

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

Sec. 14. K.S.A. 2022 Supp. 74-32,274 is hereby amended to read as follows: 74-32,274. (a) ~~(1)~~ Subject to appropriations, the amount of a Kansas promise scholarship for a student for each academic year shall be *determined as follows*:

(1) *For a student enrolled in a promise eligible program offered by an eligible public postsecondary educational institution described in K.S.A. 2022 Supp. 74-32,271(b)(1)(A) or (B), and amendments thereto, the scholarship amount 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 academic year.*

(2) ~~If~~ *For a student is enrolled in a promise eligible program offered by an eligible private postsecondary educational institution described in K.S.A. 2022 Supp. 74-32,271(b)(1)(C), and amendments thereto, the scholarship amount shall be the aggregate amount of tuition, mandatory required fees and the cost of books and materials for such program shall be 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 academic year, except that a scholarship awarded pursuant to this paragraph shall not exceed the average cost of tuition, mandatory required fees and the cost of books and required materials for such promise eligible program when offered by an eligible public postsecondary educational institution described in K.S.A. 2022 Supp. 74-32,271(b)(1)(A) or (B), and amendments thereto.*

(b) Kansas promise scholarships shall only be awarded to an eligible student whose family household income equals \$100,000 or less for a family of one or 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.

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

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

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

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

(d) For each fiscal year, the appropriation made for the Kansas promise scholarship program shall not exceed \$10,000,000.

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

(f) As used in this section, "aid" includes any grant, scholarship or financial assistance awards that do not require repayment. "Aid" does not include any military financial educational benefits or any family postsecondary savings account or other qualified tuition program

established pursuant to section 529 of the internal revenue code of 1986, as amended.

Sec. 15. K.S.A. 2022 Supp. 74-32,275 is hereby amended to read as follows: 74-32,275. (a) To be eligible for a Kansas promise scholarship, a student shall:

- (1) Be a United States citizen;
- (2) be a Kansas resident;
- (3) (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) upon application for a scholarship, have been a resident of Kansas for three or more consecutive years as evidenced by the date of issuance on a Kansas-issued identification card or through Kansas voter registration records or Kansas income tax documentation;
- (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; or
- (F) have been in the custody of the secretary for children and families at any time such student was enrolled in and attending any of the grades nine through 12 and not eligible for assistance under the Kansas foster child educational assistance act, K.S.A. 75-53,111 et seq., and amendments thereto;
- (4) complete the required scholarship application on such forms and in such manner as established by the state board of regents;
- (5) enter into a Kansas promise scholarship agreement pursuant to K.S.A. 2022 Supp. 74-32,276, and amendments thereto;
- (6) complete the free application for federal student aid for the academic year in which the student applies to receive a Kansas promise scholarship. Such submitted application shall be determined to be valid and free of error codes in order to calculate the amount of scholarship to be awarded; and
- (7) enroll in an eligible postsecondary educational institution in a promise eligible program.

(b) (1) To continue to receive a Kansas promise scholarship, a student shall:

(A) Maintain satisfactory academic progress, *including a grade point average of 2.0 or higher, or the equivalent thereof*, in the courses of the promise eligible program for which the student received a Kansas promise scholarship; and

(B) satisfy the requirements of a Kansas promise scholarship agreement as provided in K.S.A. 2022 Supp. 74-32,276, and amendments thereto.

(2) Any student who entered into a Kansas promise scholarship agreement under the provisions of the Kansas promise scholarship act as such act existed at the time such agreement was entered into shall be entitled to continue to use such Kansas promise scholarship and receive scholarship renewals to fulfill the requirements of such student's Kansas promise scholarship agreement. No subsequent revision or amendment to the Kansas promise scholarship act, the rules and regulations adopted thereunder, the list of approved promise eligible programs or the appropriations made pursuant to such act shall have the effect of terminating a student's Kansas promise scholarship agreement

solely due to such amendment or revision.

(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.

New Sec. 16. The provisions of the Kansas promise scholarship act, K.S.A. 74-32,271 through 74-32,277, and amendments thereto, shall expire on July 1, 2028.

Sec. 17. K.S.A. 2022 Supp. 48-3601, 74-32,272, 74-32,273, 74-32,274 and 74-32,275 are hereby repealed.

Sec. 18. 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 SENATE, and passed that body

SENATE adopted
Conference Committee Report _____

President of the Senate.

Secretary of the Senate.

Passed the HOUSE
as amended _____

HOUSE adopted
Conference Committee Report _____

Speaker of the House.

Chief Clerk of the House.

APPROVED _____

Governor.