

SESSION OF 2026

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2374

As Amended by House Committee on Higher
Education Budget

Brief*

HB 2374, as amended, would create the specialty practice student loan program and would amend provisions of the Medical Student Loan Act.

Specialty Practice Student Loan Program

The bill would establish a specialty practice student loan program administered by the University of Kansas (KU) School of Medicine. The school would be authorized to enter into medical student loan agreements with undergraduate students who intend to pursue practice in an approved specialty and commit to satisfy obligations to engage in the full-time practice of medicine and surgery in a service commitment area. The Chancellor of the University of Kansas would have the authority to administer the medical specialty student loan program, including discretion to allocate which specialties are eligible for the loan based on workforce needs.

Medical Student Loan Act

The bill would amend provisions of the Medical Student Loan Act (Act). It would amend definitions applicable to the Act to:

*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 <https://klrd.gov/>

- Expand the definition of "approved postgraduate residency training program" to include residency or fellowship training in an approved specialty;
- Define "service commitment area" for approved specialty providers as any community within any county in Kansas, other than Douglas, Johnson, Sedgwick, Shawnee, or Wyandotte;
- Define "approved specialty" as gynecology, general psychiatry, and any specialty approved by the Chancellor; and
- Define "primary care" as general pediatrics, general internal medicine, family medicine, family practice, and emergency medicine.

The bill would further amend the Act to provide program stipends for a 12-month period rather than months the recipient is enrolled in school.

The bill would remove language requiring the university to enter into agreements with up to 12 recipients, subject to appropriation, who would commit to satisfy obligations by serving as a full-time faculty member of University of Kansas School of Medicine in general psychiatry or child psychiatry or to perform at least 100 hours per month of on-site mental health care. The bill would remove the option for a participant to satisfy the obligation by serving as a full-time faculty member in general or child psychiatry.

The bill would prohibit the Chancellor from expending from the medical loan repayment fund for participants in an approved specialty; however, the bill would allow the Chancellor to transfer funds from the Medical Loan Repayment Fund to the Specialty Loan Repayment Fund for medical student loans for students in approved specialty programs.

The bill would rename the Psychiatry Medical Loan Repayment Fund as the Specialty Medical Loan Repayment Fund. The bill would allow any money remaining at the end of the year for specialty agreements to be used for primary care agreements. The bill would abolish the OBGYN Medical Loan Repayment Fund and the Psychiatry Medical Loan Repayment Fund and require any remaining moneys and liabilities to be those of the Specialty Medical Loan Repayment Fund.

Background

The bill was introduced by the House Committee on Appropriations at the request of Representative Francis on behalf of the University of Kansas.

House Committee on Higher Education Budget

In the House Committee hearing on February 9, 2026, in-person **proponent** testimony was provided by representatives of the University of Kansas and the Kansas Medical Society. The proponents expressed their satisfaction with the language change to expand the number of medical specialties that could participate in the program. They also highlighted how successful this program is in growing the physician workforce across the state.

Written-only proponent testimony was provided by representatives of the American Academy of Pediatrics Kansas Chapter and the Kansas Academy of Physicians and by a clinical associate professor at the University of Kansas School of Medicine—Wichita.

No other testimony was provided.

The House Committee on Higher Education Budget amended the bill to update the date of the transfer from the

OBGYN and psychiatry funds to the Specialty Medical Loan Repayment Fund from July 1, 2025, to July 1, 2026.

Fiscal Information

According to the fiscal note prepared by the Division of Budget on the bill, the Board of Regents indicates enactment of the bill would not have a fiscal effect on agency operations. Any fiscal effect associated with enactment of the bill was not reflected in *The FY 2026 Governor's Budget Report*.

Specialty medical loan, Kansas Medical Student Loan, psychiatry medical loan, OBGYN medical loan, University of Kansas Medical Center