

SESSION OF 2026

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2555

As Amended by House Committee on
Appropriations

Brief*

HB 2555, as amended, would require certain information regarding the Rural Health Transformation Program (Program) to be submitted to the State Finance Council and provided to the House Committee on Appropriations, the Senate Committee on Ways and Means, and the Legislative Budget Committee.

The bill would be in effect upon publication in the *Kansas Register*.

[*Note:* The Program was created under Section 71401 of Public Law 119-21 to support improvements in rural health care delivery across Kansas. The program provides federal funding to assist the state in expanding access to care, supporting rural health providers, and modernizing health systems. The Kansas Department of Health and Environment (KDHE) administers the program in coordination with other stakeholders.]

Information Provided to the State Finance Council

The bill would require all grant applications from partners, stakeholders, or subawardees requesting funds from the Program to be first reviewed by the Kansas Rural Health Innovation Alliance, followed by presentation to the State Finance Council.

*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/>

The bill would require the application information presented to the State Finance Council to include the following:

- Partner, stakeholder, or subawardee receiving the grant;
- Purpose of the grant, including planned expenditures;
- Physical location and, if applicable, the local impacted community where the intended expenditures would be made; and
- Outcomes to be achieved by each grant.

The bill would require that as soon as practicable following expenditure, expenditure records and any other reports required under federal law, including CMS requirements, would be presented and provided to the State Finance Council.

The bill would require each grant recipient to provide to the State Finance Council quarterly reports of the metrics used to measure success of the intended outcomes and key performance indicators achieved through the awarded grant.

Information Presented to Legislative Committees

The bill would also require the grant applications, expenditure data, and reports to be provided to the House Committee on Appropriations and the Senate Committee on Ways and Means during the legislative session, and the Legislative Budget Committee when the Legislature is not in session.

Governor Designation

The Governor would designate the person responsible for presenting and providing the required information.

Background

The bill was introduced by Representative Waymaster.

House Committee on Appropriations

In the House Committee hearing on January 29, 2026, **proponent** testimony was provided by the Secretary of Health and Environment. The proponent indicated the bill would clarify expectations for legislative oversight of the Program and ensure timely reporting of program activities and federal expenditures. It was also indicated the reporting requirements could be implemented while maintaining compliance with federal rules and efficient program administration.

Written-only proponent testimony was provided by a representative of the Kansas Hospital Association.

Written-only **opponent** testimony was provided by a representative of the Kansas Academy of Family Physicians.

No other testimony was provided.

The House Committee amended the bill to:

- Require that grant application information presented to the State Finance Council include the identity of the partner, stakeholder, or subawardee receiving the grant; the purpose of the grant, including planned expenditures; the physical location and, if applicable, the local impacted

community where expenditures will be made; and the outcomes to be achieved by each grant; and

- Require each grant recipient to submit quarterly reports to the State Finance Council detailing the metrics used to measure the success of intended outcomes and the key performance indicators achieved through the awarded grant.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, KDHE indicates any additional workload resulting from enactment of the bill could be managed within existing resources. The Office of the Governor reports the bill would have no fiscal effect on agency operations.

Rural health; rural health transformation program; federal funds; grant applications; expenditures; reporting requirements; legislative oversight; State Finance Council; House Committee on Appropriations; Senate Committee on Ways and Means; Legislative Budget Committee