

Substitute for SENATE BILL No. 43

By Committee on Education

2-23

1 AN ACT concerning postsecondary education; relating to the state board
2 of regents; creating the Kansas promise scholarship act and the Kansas
3 promise scholarship program fund.

4
5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. (a) Sections 1 through 6, and amendments thereto, shall be
7 known and may be cited as the Kansas promise scholarship act.

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

9 (1) "Eligible institution" means:

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

12 (B) the Washburn institute of technology; or

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

19 (2) "Eligible student" means a person who:

20 (A) Is a resident of Kansas; and

21 (B) (i) graduated from an accredited Kansas public or private
22 secondary school within the preceding 12 months;

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

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

30 (iv) is 21 years of age or older and, upon application for a
31 scholarship, has been a resident of Kansas for three or more consecutive
32 years; or

33 (v) is a dependent child of a military servicemember permanently
34 stationed in another state and who, within the preceding 12 months,
35 graduated from any out-of-state secondary school or obtained a high
36 school equivalency certificate.

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

3 (4) "Promise eligible program" means any two-year associate degree
4 program or career and technical education certificate or stand-alone
5 program offered by an eligible institution and identified by the state board
6 pursuant to section 4, and amendments thereto, as a "promise eligible
7 program" in any of the following fields of study:

8 (A) Information technology and security;

9 (B) physical and mental healthcare;

10 (C) advanced manufacturing and building trades; or

11 (D) early childhood education and development.

12 (5) "State board" means the state board of regents.

13 Sec. 2. (a) (1) There is hereby established the Kansas promise
14 scholarship program. Subject to appropriations therefor, a scholarship may
15 be awarded to any eligible student who enrolls in a promise eligible
16 program at an eligible institution. The scholarship amount shall be the
17 aggregate amount of tuition, required fees and the cost of books and
18 required materials for the promise eligible program minus the amount
19 received from any grants, scholarships or other financial assistance awards
20 that do not require repayment. If an eligible student enrolls in a scholarship
21 eligible program at an eligible institution described in section 1(b)(1)(C),
22 and amendments thereto, the scholarship amount shall be based on the
23 average cost of tuition, mandatory fees, books and required materials for
24 the program when offered by the eligible institutions described in section
25 1(b)(1)(A) and (B), and amendments thereto.

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

36 (b) To receive a Kansas promise scholarship, an eligible student shall:

37 (1) Complete a scholarship application on such forms and in such
38 manner as established by the state board;

39 (2) complete the free application for federal student aid;

40 (3) enroll in a promise eligible program at an eligible institution; and

41 (4) enter into a scholarship agreement as provided in section 3, and
42 amendments thereto.

43 Sec. 3. (a) As a condition to the award of a scholarship, an eligible

1 student shall enter into a scholarship agreement with the state board. Such
2 scholarship agreement shall require that the eligible student:

3 (1) Enroll as a full-time or part-time student in a promise eligible
4 program at an eligible institution and complete the promise eligible
5 program;

6 (2) maintain satisfactory academic progress toward completion of the
7 promise eligible program;

8 (3) within six months of completion of the promise eligible program:

9 (A) Reside in and commence work in the state of Kansas for at least
10 two consecutive years; or

11 (B) enroll as a full-time or part-time student in any public or not-for-
12 profit postsecondary educational institution with its main campus or
13 principal place of operation located in Kansas, and upon graduation or
14 failure to re-enroll, reside in and commence work in the state of Kansas for
15 at least two consecutive years;

16 (4) maintain records and make reports as may be required by the state
17 board to document the satisfaction of the obligations of the Kansas
18 promise scholarship program; and

19 (5) upon failure to satisfy the requirements of a scholarship
20 agreement, repay the scholarship amount as provided in section 5, and
21 amendments thereto.

22 (b) The state board may postpone any requirement of a scholarship
23 agreement for good cause in accordance with rules and regulations
24 adopted by the state board.

25 (c) A scholarship recipient satisfies the requirements of the Kansas
26 promise scholarship program if such recipient:

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

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

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

32 (4) is unable to satisfy the requirements due to disability or death of
33 the recipient.

34 Sec. 4. The state board shall implement and administer the Kansas
35 promise scholarship program. The state board shall:

36 (a) Identify the promise eligible programs offered by each eligible
37 institution that provide a two-year associate degree program or a career
38 and technical education certificate or stand-alone program in any of the
39 following fields of study:

40 (1) Information technology and security;

41 (2) mental and physical healthcare;

42 (3) advanced manufacturing and building trades; or

43 (4) early childhood education and development;

1 (b) work with public and private secondary schools and community
2 partners, such as community foundations and business, industry and
3 economic development organizations to publicize Kansas promise
4 scholarships, including, but not limited to, publicizing promise eligible
5 programs, eligible institutions and application procedures and deadlines;

6 (c) subject to appropriations therefor, distribute funds to eligible
7 institutions for the purpose of awarding Kansas promise scholarships;

8 (d) ensure that each scholarship recipient fulfills the requirements of
9 the scholarship agreement entered into pursuant to section 3, and
10 amendments thereto;

11 (e) on or before March 1, 2022, adopt rules and regulations for the
12 implementation and administration of the Kansas promise scholarship
13 program; and

14 (f) on or before January 15, 2023, and each January 15 thereafter,
15 prepare and submit a report to the legislature and the governor on the
16 Kansas promise scholarship program. The report shall include, but not be
17 limited to, the following information for the immediately preceding
18 academic year:

19 (1) The total number of scholarship applications;

20 (2) the total number of scholarship recipients and the total amount of
21 scholarship moneys awarded;

22 (3) the total number of scholarship recipients who completed an
23 eligible postsecondary education program; and

24 (4) the total number of scholarship recipients who satisfied the
25 requirements of a scholarship agreement.

26 Sec. 5. (a) If any scholarship recipient fails to satisfy the requirements
27 of a scholarship agreement, such recipient shall pay to the state board an
28 amount equal to the total scholarship amount received by such recipient
29 plus accrued interest at a rate equivalent to the interest rate applicable to
30 loans made under the federal PLUS program at the time such recipient first
31 received a scholarship. All moneys received by the state board pursuant to
32 this section shall be remitted to the state treasurer in accordance with the
33 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of
34 each such remittance, the state treasurer shall deposit the entire amount in
35 the state treasury to the credit of the Kansas promise scholarship program
36 fund created pursuant to section 6, and amendments thereto.

37 (b) To collect upon any repayment account arising under the Kansas
38 promise scholarship program, the state board may submit any repayment
39 account over to a designated loan servicer or collection agency or may
40 utilize the collection procedures provided in K.S.A. 75-6201 et seq., and
41 amendments thereto.

42 Sec. 6. There is hereby created in the state treasury the Kansas
43 promise scholarship program fund, which shall be administered by the

1 state board. All expenditures from the Kansas promise scholarship
2 program fund shall be for scholarships awarded pursuant to the Kansas
3 promise scholarship program. All expenditures from the Kansas promise
4 scholarship program fund shall be made in accordance with appropriation
5 acts upon warrants of the director of accounts and reports issued pursuant
6 to vouchers approved by the executive officer of the state board or the
7 designee of the executive officer. All moneys received by the board for the
8 Kansas promise scholarship program shall be deposited in the state
9 treasury in accordance with the provisions of K.S.A. 75-4215, and
10 amendments thereto. Upon receipt of each such remittance, the state
11 treasurer shall deposit the entire amount in the state treasury to the credit
12 of the Kansas promise scholarship program fund. During any fiscal year,
13 appropriations made to the Kansas promise scholarship program fund shall
14 not exceed \$6,000,000.

15 Sec. 7. This act shall take effect and be in force from and after its
16 publication in the statute book.