

As Amended by House Committee

Session of 2024

HOUSE BILL No. 2539

By Committee on Education

Requested by Representative Thomas

1-18

1 AN ACT concerning postsecondary education; relating to the Kansas  
2 promise scholarship act; ~~removing~~ **modifying** the Kansas residency  
3 requirement for eligibility for such scholarships; ~~modifying~~ **and** the  
4 definition of part-time student; amending K.S.A. 2023 Supp. 74-  
5 32,271, **74-32,274**, 74-32,275 and 74-32,276 and repealing the existing  
6 sections.

7  
8 *Be it enacted by the Legislature of the State of Kansas:*

9 Section 1. K.S.A. 2023 Supp. 74-32,271 is hereby amended to read as  
10 follows: 74-32,271. (a) K.S.A. 2023 Supp. 74-32,271 et seq., and  
11 amendments thereto, shall be known and may be cited as the Kansas  
12 promise scholarship act.

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

14 (1) "Eligible postsecondary educational institution" means:

15 (A) Any community college or technical college established under  
16 the laws of this state and with a recognized service area;

17 (B) the Washburn institute of technology; or

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

24 (2) "Military servicemember" means the same as defined in K.S.A.  
25 2023 Supp. 48-3406, and amendments thereto.

26 (3) "Part-time student" means a student who is:

27 (A) (i) Enrolled for six credit hours or more in the fall, summer or  
28 spring semester ~~and is~~; or

29 (ii) *enrolled in a five-credit hour certification program; and*

30 (B) not enrolled as a full-time student.

31 (4) "Promise eligible program" means any two-year associate degree  
32 program or career and technical education certificate or stand-alone  
33 program offered by an eligible postsecondary educational institution that  
34 is:

35 (A) Approved by the state board of regents;

1 (B) high wage, high demand or critical need; and

2 (C) identified as a "promise eligible program" by the state board of  
3 regents pursuant to K.S.A. 2023 Supp. 74-32,272, and amendments  
4 thereto, or a "promise eligible program" within a field of study designated  
5 by an eligible postsecondary educational institution pursuant to K.S.A.  
6 2023 Supp. 74-32,273, and amendments thereto.

7 **Sec. 2. K.S.A. 2023 Supp. 74-32,274 is hereby amended to read as**  
8 **follows: 74-32,274. (a) Subject to appropriations, the amount of a**  
9 **Kansas promise scholarship for a student for each academic year shall**  
10 **be determined as follows:**

11 (1) For a student enrolled in a promise eligible program offered  
12 by an eligible public postsecondary educational institution described  
13 in K.S.A. 2023 Supp. 74-32,271(b)(1)(A) or (B), and amendments  
14 thereto, the scholarship amount shall be the aggregate amount of  
15 tuition, required fees and the cost of books and required materials for  
16 the promise eligible program at the eligible postsecondary educational  
17 institution for the academic year in which the student is enrolled and  
18 receiving the scholarship *for a Kansas resident* minus the aggregate  
19 amount of all other aid awarded to such student for such academic  
20 year.

21 (2) For a student enrolled in a promise eligible program offered  
22 by an eligible private postsecondary educational institution described  
23 in K.S.A. 2023 Supp. 74-32,271(b)(1)(C), and amendments thereto, the  
24 scholarship amount shall be the aggregate amount of tuition, required  
25 fees and the cost of books and materials for such program for the  
26 academic year in which the student is enrolled and receiving the  
27 scholarship *for a Kansas resident* minus the aggregate amount of all  
28 other aid awarded to such student for such academic year, except that  
29 a scholarship awarded pursuant to this paragraph shall not exceed the  
30 average cost of tuition, required fees and the cost of books and  
31 required materials for such promise eligible program when offered by  
32 an eligible public postsecondary educational institution described in  
33 K.S.A. 2023 Supp. 74-32,271(b)(1)(A) or (B), and amendments thereto.

34 (b) Kansas promise scholarships shall only be awarded to an  
35 eligible student whose family household income equals \$100,000 or less  
36 for a family of one or two, \$150,000 or less for a family of three and,  
37 for household sizes above three, a household income that is equal to or  
38 less than the family of three amount plus \$4,800 for each additional  
39 family member.

40 (c) (1) Kansas promise scholarship awards shall be used only to  
41 pay for up to a total of 68 promise scholarship funded credit hours or  
42 a total of \$20,000 in Kansas promise scholarship awards, whichever  
43 occurs first, over the lifetime of the student who received the Kansas

1 promise scholarship award regardless of the eligible postsecondary  
2 educational institution such student attended.

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

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

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

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

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

24 (f) As used in this section, "aid" includes any grant, scholarship  
25 or financial assistance awards that do not require repayment. "Aid"  
26 does not include any military financial educational benefits or any  
27 family postsecondary savings account or other qualified tuition  
28 program established pursuant to section 529 of the internal revenue  
29 code of 1986, as amended.

30 Sec. 2. 3. K.S.A. 2023 Supp. 74-32,275 is hereby amended to read as  
31 follows: 74-32,275. (a) To be eligible for a Kansas promise scholarship, a  
32 student shall:

33 (1) Be a United States citizen;

34 (2) ~~be a Kansas resident;~~

35 (3) ~~(2)~~ be a Kansas resident;

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

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

41 (C) attended an accredited ~~Kansas~~ public or private secondary school  
42 or non-accredited private school as provided in K.S.A. 72-4345, and  
43 amendments thereto, and obtained a high school equivalency certificate

1 within the preceding 12 months; or

2 ~~(D) upon application for a scholarship, have been a resident of~~  
3 ~~Kansas for three or more consecutive years as evidenced by the date of~~  
4 ~~issuance on a Kansas-issued identification card or through Kansas voter~~  
5 ~~registration records or Kansas income tax documentation;~~

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

10 ~~(F)(E) have been in the custody of the secretary for children and~~  
11 ~~families at any time such student was enrolled in and attending any of the~~  
12 ~~grades nine through 12 and not eligible for assistance under the Kansas~~  
13 ~~foster child educational assistance act, K.S.A. 75-53,111 et seq., and~~  
14 ~~amendments thereto;~~

15 ~~(4)(3) complete the required scholarship application on such forms~~  
16 ~~and in such manner as established by the state board of regents;~~

17 ~~(5)(4) enter into a Kansas promise scholarship agreement pursuant to~~  
18 ~~K.S.A. 2023 Supp. 74-32,276, and amendments thereto;~~

19 ~~(6)(5) complete the free application for federal student aid for the~~  
20 ~~academic year in which the student applies to receive a Kansas promise~~  
21 ~~scholarship. Such submitted application shall be determined to be valid~~  
22 ~~and free of error codes in order to calculate the amount of scholarship to~~  
23 ~~be awarded; and~~

24 ~~(7)(6) enroll in an eligible postsecondary educational institution in a~~  
25 ~~promise eligible program.~~

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

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

32 (B) satisfy the requirements of a Kansas promise scholarship  
33 agreement as provided in K.S.A. 2023 Supp. 74-32,276, and amendments  
34 thereto.

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

1 terminating a student's Kansas promise scholarship agreement solely due  
2 to such amendment or revision.

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

6 ~~Sec. 3.~~ **4.** K.S.A. 2023 Supp. 74-32,276 is hereby amended to read as  
7 follows: 74-32,276. (a) As a condition to receiving a Kansas promise  
8 scholarship, an eligible student shall enter into a Kansas promise  
9 scholarship agreement with the state board of regents. The eligible  
10 postsecondary educational institution making the scholarship award to  
11 such student shall counsel each eligible student on the requirements and  
12 conditions of the promise scholarship agreement. Such agreement shall  
13 require any student who receives a Kansas promise scholarship to:

14 (1) Enroll as a full-time or part-time student at the eligible  
15 postsecondary educational institution from which the student is receiving a  
16 Kansas promise scholarship and engage in and complete the required  
17 promise eligible program within 36 months of the date the scholarship was  
18 first awarded;

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

21 (A) ~~Reside in and~~ Commence work in the state of Kansas *and*  
22 *maintain such employment* for at least two consecutive years following  
23 completion of such program. A scholarship recipient may use a W-2 wage  
24 and tax statement showing Kansas withholding or estimated income tax to  
25 the state of Kansas as proof of work in Kansas; or

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

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

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

38 (b) (1) Except as provided in subsection (c), if any student who  
39 receives a Kansas promise scholarship fails to satisfy the requirements of a  
40 Kansas promise scholarship agreement, such student shall pay an amount  
41 equal to the total amount of money received by such student pursuant to  
42 such agreement that is financed by the state of Kansas plus accrued  
43 interest at a rate equivalent to the interest rate applicable to loans made

1 under the federal PLUS program at the time such student's first course  
2 funded by a Kansas promise scholarship award began. Interest shall begin  
3 accruing on the date the student is determined to be out of compliance with  
4 the Kansas promise scholarship agreement. Monthly installment payments  
5 of such amounts may be made in accordance with rules and regulations of  
6 the state board of regents. Such installment payments shall begin six  
7 months after the date of the action or circumstances that cause such  
8 student to fail to satisfy the requirements of a Kansas promise scholarship  
9 agreement, as determined by the state board of regents upon the  
10 circumstances of each individual case. All moneys received pursuant to  
11 this subsection shall be remitted to the state treasurer in accordance with  
12 the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt  
13 of each such remittance, the state treasurer shall deposit the entire amount  
14 in the state treasury to the credit of the Kansas promise scholarship  
15 program fund.

16 (2) For any Kansas promise scholarship awarded on or after July 1,  
17 2021, the state board of regents shall be the sole entity responsible for  
18 collecting or recouping any Kansas promise scholarship funds required to  
19 be repaid by a student who fails to satisfy the requirements of a Kansas  
20 promise scholarship agreement pursuant to this section.

21 (3) The state board of regents is authorized to turn any repayment  
22 account arising under this act to a designated loan servicer or collection  
23 agency to collect on the state board's behalf, the state not being involved  
24 other than to receive payments from the loan servicer or collection agency  
25 at the interest rate prescribed under this subsection.

26 (4) Eligible postsecondary educational institutions and each state  
27 agency are authorized to provide academic, employment, ~~residency~~ and  
28 contact information regarding students who received a Kansas promise  
29 scholarship to the state board of regents for the purposes of:

30 (A) Determining whether or not a student satisfied the requirements  
31 of this act and the Kansas promise scholarship agreement; and

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

34 (5) Eligible postsecondary educational institutions shall:

35 (A) Provide annually to the state board of regents the last known  
36 contact information of each student who received a Kansas promise  
37 scholarship until the requirements of the program and scholarship  
38 agreement are complete; and

39 (B) notify the state board of regents when a student who received a  
40 Kansas promise scholarship:

41 (i) Completes the program of study for which the student received the  
42 scholarship or has exhausted scholarship benefits; and

43 (ii) exceeds the 36-month program completion requirement provided

1 in this section. This requirement shall apply to any Kansas promise  
2 scholarship awarded on or after July 1, 2021.

3 (6) For any Kansas promise scholarship awarded on or after July 1,  
4 2021, eligible postsecondary educational institutions shall not be  
5 considered a contractor of the state nor shall such institutions be required  
6 to participate in tracking, collecting or recouping any funds required to be  
7 repaid by a student who fails to satisfy the requirements of a Kansas  
8 promise scholarship agreement pursuant to this section.

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

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

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

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

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

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

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

23 ~~Sec.-4: 5.~~ K.S.A. 2023 Supp. 74-32,271, **74-32,274**, 74-32,275 and  
24 74-32,276 are hereby repealed.

25 ~~Sec.-5: 6.~~ This act shall take effect and be in force from and after its  
26 publication in the statute book.