

2012 Kansas Statutes

74-3295. Service obligation; repayment upon failure to satisfy, interest rate. (a) Except as provided in K.S.A. 74-3296, and amendments thereto, upon the failure of any person to satisfy the obligation under any agreement entered into pursuant to the nursing service scholarship program, such person shall pay to the executive officer an amount equal to the total amount of money received by such person pursuant to such agreement which was financed by the state of Kansas plus accrued interest at a rate which is equivalent to the interest rate applicable to loans made under the federal PLUS program at the time such person first entered into an agreement plus five percentage points and shall pay to the sponsor an amount equal to the total amount of money received by such person pursuant to such agreement which was financed by the sponsor plus accrued interest at a rate which is equivalent to the interest rate applicable to loans made under the federal PLUS program at the time such person first entered into an agreement plus five percentage points. Installment payments of any such amounts may be made in accordance with the provisions of agreements entered into by the scholarship recipient and the sponsor or if no such provisions exist in such agreements, in accordance with rules and regulations of the state board of regents, except that such installment payments shall commence six months after the date of the action or circumstances that cause the failure of the person to satisfy the obligations of such agreements, as determined by the executive officer based upon the circumstances of each individual case. Amounts paid under this section to the executive officer shall be deposited in the nursing service scholarship repayment fund in accordance with K.S.A. 74-3298, and amendments thereto.

(b) The state board of regents is authorized to turn any repayment account arising under the nursing service scholarship program over to a designated loan servicer or collection agency, the state not being involved other than to receive payments from the loan servicer or collection agency at the interest rate prescribed under this section.

History: L. 1989, ch. 223, § 5; L. 1992, ch. 87, § 3; L. 1993, ch. 184, § 4; L. 2001, ch. 151, § 14; July 1.