

74-3272. Same; failure to satisfy obligation; repayment, interest rate; waiver, when. (a) Except as otherwise provided in subsection (e) and in K.S.A. 74-3273, and amendments thereto, upon the failure of any person to satisfy the obligation to engage in the full-time or part-time practice of optometry within the state of Kansas for the required period of time under an agreement entered into pursuant to K.S.A. 74-3271, and amendments thereto, such person shall repay to the state board of regents an amount equal to the total of (1) the amount of money paid by the state board of regents for guaranteed admission and continued enrollment of such person in an accredited school or college of optometry pursuant to a contract entered into therefor under K.S.A. 76-721a, and amendments thereto, plus (2) accrued interest from the date such money was paid pursuant to such contract 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.

(b) Each person required to repay any amount under this section shall repay an amount totaling the entire amount to be repaid under such agreement for which such obligation is not satisfied, including all interest at the rate prescribed. Except as otherwise provided in this section, such repayment shall be in installment payments and each such installment shall be not less than an amount equal to 1/5 of the total amount which would be required to be paid if repaid in five equal annual installments.

(c) All installment payments under this section shall commence six months after the date of the action or circumstance that causes the failure of the person to satisfy the obligations of such agreement, as determined by the state board of regents based upon the circumstances of each individual case. If an installment payment becomes 91 days overdue, the entire amount outstanding shall become immediately due and payable, including all interest at the rate prescribed.

(d) The total repayment obligation imposed under an agreement entered into pursuant to K.S.A. 74-3271, and amendments thereto, may be satisfied at any time prior to graduation from the accredited school or college of optometry by making a single lump-sum payment equal to the total of (1) the entire amount to be repaid under such agreement upon failure to satisfy the obligation to practice optometry in Kansas, plus (2) all interest thereon at the rate prescribed to the date of payment.

(e) If a person fails to satisfy an obligation to engage in the full-time or part-time practice of optometry in Kansas for the required period of time under an agreement entered into pursuant to K.S.A. 74-3271, and amendments thereto, because such person is engaged in the practice of optometry in a state other than Kansas, and if such person is subject to or currently making repayments under this section, and if such person subsequently commences the practice of optometry in this state which complies with the agreements entered into under such statute, the balance of the repayment amount, including interest thereon, from the time of such commencement of practice until the obligation of such person is satisfied, or until the time such person again becomes subject to repayments, shall be waived. All repayment amounts due prior to such commencement of practice in this state, including interest thereon, shall continue to be payable as provided in this section. If subsequent to such commencement of practice, the person fails to satisfy such obligation, the person again shall be subject to repayments, including interest thereon, as otherwise provided in this section.

(f) The state board of regents is authorized to turn any repayment account arising under the optometry 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. 1985, ch. 303, § 3; L. 1987, ch. 296, § 3; L. 2001, ch. 151, § 8; July 1.