

74-32,116. Failure to satisfy obligations; repayment, interest, disposition of amounts. (a) Except as provided in K.S.A. 74-32,117, and amendments thereto, upon the failure of a person to satisfy any obligation under an agreement entered into in accordance with the Kansas ethnic minority fellowship 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 plus accrued interest from the date such money was received 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. Amounts of payment under this section shall be adjusted proportionately for full years of performance of the obligations that have been satisfied. Installment payments of any such amounts may be made in accordance with the provisions of the agreement entered into by the fellowship recipient or if no such provisions exist in such agreement, 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 Kansas ethnic minority fellowship program fund in accordance with K.S.A. 74-32,119, and amendments thereto.

(b) The state board of regents is authorized to turn any repayment account arising under the Kansas ethnic minority fellowship 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. 1993, ch. 47, § 5; L. 2001, ch. 151, § 31; July 1.