HOUSE BILL No. 2132

By Committee on Appropriations

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AN ACT concerning postsecondary education; relating to the Kansas promise scholarship act; expanding the eligible fields of study; establishing a maximum scholarship amount for certain private postsecondary institutions; amending K.S.A. 2022 Supp. 74-32,272, 74-32,273 and 74-32,274 and repealing the existing sections.

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Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2022 Supp. 74-32,272 is hereby amended to read as follows: 74-32,272. (a) There is hereby established the Kansas promise scholarship program. The state board of regents shall implement and administer the program.

- (b) On or before March 1, 2023, the state board of regents shall adopt rules and regulations to implement and administer the Kansas promise scholarship program. Such rules and regulations shall establish:
- (1) A scholarship application process, including, but not limited to, accepting scholarship applications throughout the academic year and processing such applications in the order such applications were received;
- (2) appeal procedures for denial or revocation of a Kansas promise scholarship;
- (3) guidelines to ensure as much as is practicable that, if a student who received a Kansas promise scholarship graduates from a promise eligible program and subsequently enrolls in a state educational institution, as defined in K.S.A. 76-711, and amendments thereto, or municipal university, any courses taken by such student shall be transferred to the state educational institution or municipal university and qualify toward the student's baccalaureate degree;
- (4) the terms, conditions and requirements that shall be incorporated into each Kansas promise scholarship agreement, which shall not be more stringent than the requirements for Kansas promise scholarship agreements provided in this act;
- (5) procedures for requesting and approving medical, military and personal absences from an eligible postsecondary educational institution while receiving a Kansas promise scholarship;
- (6) criteria for determining whether a student who received a Kansas promise scholarship fulfilled the residency, employment and repayment requirements included in a Kansas promise scholarship agreement as

 provided in K.S.A. 2022 Supp. 74-32,276, and amendments thereto;

- (7) criteria for determining when a student who received a Kansas promise scholarship may be released from the requirements of a Kansas promise scholarship, if there are special circumstances that caused such student to be unable to complete such requirements; and
 - (8) that no eligible postsecondary educational institution may:
- (A) Limit scholarship awards to certain promise eligible programs at such institution; or
- (B) award less than the full Kansas promise scholarship amount for which a student qualifies as long as funds are available in the Kansas promise scholarship program fund.
 - (c) The state board of regents shall:
- (1) Identify the promise eligible programs offered by each eligible postsecondary educational institution that are:
- (A) Within a field of study designated by the eligible postsecondary educational institution pursuant to K.S.A. 2022 Supp. 74-32,273, and amendments thereto; and
 - (B) in any of the following fields of study:
 - (i) Information technology and security;
 - (ii) mental and physical healthcare;
 - (iii) advanced manufacturing and building trades; or
- (iv) early childhood education and development, *elementary* education and secondary education;
- (2) work with community partners, such as community foundations, school districts, postsecondary educational institutions, Kansas business and industry and Kansas economic development organizations to publicize Kansas promise scholarships, including, but not limited to, publicizing eligible postsecondary educational institutions, approved scholarshipeligible educational programs, application procedures and application deadlines;
- (3) disburse funds to each eligible postsecondary educational institution for the purpose of awarding Kansas promise scholarships;
- (4) request information from eligible postsecondary educational institutions and any state agency necessary for the administration of this act:
- (5) accept electronic signatures as sufficient and valid on all forms and agreements required by the Kansas promise scholarship program and any rules and regulations adopted thereunder;
 - (6) enforce Kansas promise scholarship agreements;
- (7) collect any moneys repaid by students pursuant to K.S.A. 2022 Supp. 74-32,276, and amendments thereto;
- (8) determine whether students who received a Kansas promise scholarship fulfill the residency, employment and repayment requirements

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provided in K.S.A. 2022 Supp. 74-32,276, and amendments thereto; and

- (9) beginning in January 2022, annually evaluate the Kansas promise scholarship program and prepare and submit a report to the senate standing committee on education and the house of representatives standing committee on education. Such report shall include, but not be limited to, the total program cost for each promise eligible program at each eligible postsecondary educational institution, the amount of scholarship moneys awarded that went to each promise eligible program, the number of credit hours paid for with scholarship moneys, the amount of scholarship moneys expected to be awarded to each institution for each semester, the number of scholarships awarded, the total amount of scholarship moneys awarded, the amount of scholarship moneys provided for tuition, fees, books and supplies, measures postsecondary educational institutions have taken in working with private business and industry in the state to determine appropriate fields of study and a review of the employment of scholarship recipients who have completed the Kansas promise scholarship program, including, but not limited to, employment fields and geographic location of such employment.
- (d) (1) The state board of regents may designate an associate degree transfer program as an eligible program only if such program is included in:
- (A) An established 2+2 agreement with a Kansas four-year postsecondary educational institution; or
- (B) an articulation agreement with a Kansas four-year postsecondary educational institution and is part of an established degree pathway that allows a student to transfer at least 60 credit hours from the eligible postsecondary educational institution to a four-year postsecondary educational institution for the completion of an additional 60 credit hours toward a bachelor's degree.
- (2) The provisions of this subsection shall be construed and applied retroactively to the enactment of the Kansas promise scholarship program on July 1, 2021.
- (e) (1) The state board of regents may remove a promise eligible program from the list of approved promise eligible programs only in accordance with this subsection. If the state board of regents proposes to remove a promise eligible program from such list, the state board of regents shall notify all eligible postsecondary educational institutions of the proposal to remove such program by May 1 of the calendar year that precedes the calendar year in which such program would officially be removed from such list. Within 30 calendar days of receipt, each eligible postsecondary educational institution may appeal such proposed removal to the state board of regents. Following such appeal period, within 45 calendar days, the state board of regents shall consider any such appeal

and issue a final decision upon whether the program shall be removed. If the state board of regents issues a final decision to remove such program, the program shall be removed from the list of approved promise eligible programs only after not less than 14 months have elapsed from the date that the state board of regents issued the final decision to remove such program.

- (2) The provisions of this subsection shall apply to any program that has been approved by the state board of regents as a promise eligible program on or after July 1, 2021.
- Sec. 2. K.S.A. 2022 Supp. 74-32,273 is hereby amended to read as follows: 74-32,273. (a) In addition to the fields of study provided in K.S.A. 2022 Supp. 74-32,272, and amendments thereto, an eligible postsecondary educational institution may designate an additional field of study for awarding a Kansas promise scholarship to meet local employment needs if:
- (1) Promise eligible programs within such field of study are two-year associate degree programs or career and technical education certificates or stand-alone programs approved by the state board of regents that correspond to jobs that are high wage, high demand or critical need in the community;
- (2) the institution already offers such field of study; and
 - (3) such field of study is one of the following:
 - (A) Agriculture;
 - (B) food and natural resources;
 - (C) education and training;
- (D) law, public safety, corrections and security; or
 - (E) *transportation*, distribution and logistics.
- (b) An eligible postsecondary educational institution that designates an additional promise eligible field of study pursuant to this section shall maintain the promise eligible field of study designation for at least three consecutive years. After maintaining such field of study for at least three years, the institution may designate a new promise eligible field of study that corresponds to a high wage, high demand or critical need occupation to replace the existing designated promise eligible field of study. Any newly designated field of study shall be subject to the requirements of this section.
- (c) Programs designated by eligible institutions prior to the effective date of this act shall be maintained until all students currently enrolled in such programs have exhausted their promise scholarship eligibility.
- Sec. 3. K.S.A. 2022 Supp. 74-32,274 is hereby amended to read as follows: 74-32,274. (a)—(1) Subject to appropriations, the amount of a Kansas promise scholarship for a student for each academic year shall be *determined as follows:*

 (1) For a student enrolled in a promise eligible program offered by an eligible public postsecondary educational institution described in K.S.A. 2022 Supp. 74-32,271(b)(1)(A) or (B), and amendments thereto, the scholarship amount shall be the aggregate amount of tuition, required fees and the cost of books and required materials for the promise eligible program at the eligible postsecondary educational institution for the academic year in which the student is enrolled and receiving the scholarship minus the aggregate amount of all other aid awarded to such student for such academic year.

- (2) If-For a student is enrolled in a promise eligible program offered by an eligible private postsecondary educational institution described in K.S.A. 2022 Supp. 74-32,271(b)(1)(C), and amendments thereto, the scholarship amount shall be the aggregate amount of tuition, mandatory fees and the cost of books and materials for such program-shall be minus the aggregate amount of all other aid awarded to such student for such academic year, except that a scholarship awarded pursuant to this paragraph shall not exceed the average cost of tuition, mandatory fees and the cost of books and materials for such promise eligible program when offered by an eligible public postsecondary educational institution described in K.S.A. 2022 Supp. 74-32,271(b)(1)(A) or (B), and amendments thereto.
- (b) Kansas promise scholarships shall only be awarded to an eligible student whose family household income equals \$100,000 or less for a family of one or two, \$150,000 or less for a family of three and, for household sizes above three, a household income that is equal to or less than the family of three amount plus \$4,800 for each additional family member.
- (c) (1) Kansas promise scholarship awards shall be used only to pay for up to a total of 68 promise scholarship funded credit hours or a total of \$20,000 in Kansas promise scholarship awards, whichever occurs first, over the lifetime of the student who received the Kansas promise scholarship award regardless of the eligible postsecondary educational institution such student attended.
 - (2) Kansas promise scholarship awards shall not be used to fund:
- (A) Prerequisite classes required for a promise eligible program unless such classes are a designated course within the eligible program; or
- (B) any remedial course, as defined in K.S.A. 76-7,151, and amendments thereto, unless such course is offered in a corequisite format.
- (d) For each fiscal year, the appropriation made for the Kansas promise scholarship program shall not exceed \$10,000,000.
 - (e) The state board of regents shall disburse funds based on reimbursement requests from eligible postsecondary educational institutions. Reimbursement requests shall be based on the actual amount

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of Kansas promise scholarship amounts awarded by an eligible postsecondary educational institution for the appropriate academic period. Any eligible postsecondary educational institution seeking reimbursement shall submit a reimbursement request to the state board of regents on or before September 1, December 1, March 1 and June 1 of each year. The state board of regents shall disburse the appropriate amount of funds to eligible postsecondary educational institutions on September 15, December 15, March 15 and June 15 each year.

- (f) As used in this section, "aid" includes any grant, scholarship or financial assistance awards that do not require repayment. "Aid" does not include any military financial educational benefits or any family postsecondary savings account or other qualified tuition program established pursuant to section 529 of the internal revenue code of 1986, as amended.
- Sec. 4. K.S.A. 2022 Supp. 74-32,272, 74-32,273 and 74-32,274 are hereby repealed.

 Sec. 5. This act shall take effect and be in force from and after its
 - Sec. 5. This act shall take effect and be in force from and after its publication in the Kansas register.