



## 2021 HB 2064 “Kansas Promise Scholarship Act”

HB 2064 provides service scholarships for students to attend an “eligible postsecondary educational institution” in specified programs.

### Students

For students to be eligible for a service scholarship, they must:

- Be a Kansas resident; AND
- Have graduated from a secondary school within the preceding 12 months or have attended a secondary school and obtained an equivalent credential within the preceding 12 months; OR
- Be 21 years of age or older and a Kansas resident for the preceding three consecutive years; OR
- Be a dependent child of a military servicemember permanently stationed in another state and who, within the preceding 12 months, graduated from any out-of-state secondary school or obtained a high school equivalency.

Students must:

- Complete the required scholarship application;
- Complete the Free Application for Federal Student Aid;
- Enter into a Kansas promise scholarship agreement; and enroll in, and complete within 30 months of first being awarded a Kansas Promise scholarship, an eligible program at an eligible institution.

The bill permits students to enroll on a part-time or full-time basis, but students must maintain satisfactory academic progress toward completion of the promise-eligible program and complete the program within 30 months from the first award. Upon completion of the program, students must reside and work in Kansas for a minimum of two consecutive years or enroll in a Kansas institution of higher education and subsequently reside and work in Kansas for a minimum of two consecutive years.

Students satisfy the requirements of the scholarship agreement if they

- Satisfy all the requirements of the Kansas promise scholarship agreement;
- Commence service as a military servicemember after receiving the scholarship;
- Are determined by the Board of Regents to have “made the best possible effort to do so;” OR
- Are unable to satisfy the requirements due to disability or death of the recipient.

If **any** condition of the agreement is not met and the student is not found to otherwise have satisfied the requirements in accordance with the Kansas Promise Scholarship Act, the student must repay the scholarship plus accrued interest (at the federal PLUS program interest rate) within six months after failure to satisfy the agreement. Causes for repayment would include if a student changes enrollment to an in-eligible program. The bill allows for installment payments on the indebtedness, and the Board of Regents is authorized to transfer repayment accounts to a loan servicer or collections agency. Requirements may be postponed by the Board of Regents for “good cause.”

### Eligible Programs of Study

Each Eligible Program must be in one of the four fields of study

- Information technology and security;
- Mental and physical healthcare;
- Advanced manufacturing and building trades;
- Early childhood education and development; OR

- One additional program designated by the institution and identified as Eligible by the Board of Regents, if the additional program is a two-year associate degree program or a CTE certificate or stand-alone program that corresponds to a high wage, high demand or critical need occupation.

If an additional program is designated by an institution, the program must be kept in place for at least three years, at which time a new program may be selected, as long as it corresponds to a high wage, high demand or critical need occupation.

### **Institutions**

Eligible institutions must have at least one existing eligible program to be considered eligible and include:

- Public community colleges;
- Public technical colleges;
- Washburn Institute of Technology; and
- Private, not-for-profit institutions that offer eligible programs (this reportedly includes Donnelly College, Hesston College and University of Saint Mary).

Institutions will be charged with making individual awards to eligible students (including verification of students' eligibility), entering into a Promise scholarship service agreement with each student awarded a scholarship, creating and maintaining student-level records as required by the Board of Regents to document satisfaction of the bill's requirements; and

Institutions shall credit their Promise scholarship funds to the award recipients' accounts to pay the appropriate amount of tuition, required fees, books and required materials for the Program in which the student enrolls.

### **Scholarships**

Within certain income guidelines, students may receive a scholarship in the amount of

- Aggregate amount of tuition, required fees, books, and required materials
  - Less all other aid, grants, scholarships or financial assistance awards that do not require repayment.

For eligible students attending a four-year eligible postsecondary institution, the scholarship award is limited to the average cost of what is charged by a two-year eligible public institution offering the same program.

Scholarships are to be prioritized according to applicants' annual household income:

- \$100,000 or less for a family of two;
- \$150,000 or less for a family of three; and
- \$150,000 + \$4,800 per additional family member beyond three.

If funds remain after awarding eligible applicants, other students with greater household income may become eligible.

Responsibilities of the Kansas Board of Regents include

- Adopting rules and regulations by March 1, 2022;
- Identifying eligible programs;
- Developing institutional award amounts based on student credit hour production in eligible programs;
- Creating a statewide application form;
- Creating a statewide service scholarship agreement form;

- Developing grant agreements between the Board of Regents and the participating eligible institutions to clarify institutions' responsibilities for marketing the scholarship to local community partners, providing for application denial appeals, and providing for repayment, and
- Evaluate the program each year in January.

The Kansas Board of Regents has received a \$10 million appropriation for FY 2022 and FY 2023. Beginning in FY 2024, subsequent appropriations could not exceed 150% of the preceding year's expenditures. For purposes of planning for administration of this program, it is assumed that the entire appropriation is to be used for student awards. Marketing of the program and processing of individual student awards will be best accomplished with Board coordination and handled at the local level.