

FIRST REGULAR SESSION

[P E R F E C T E D]

# SENATE BILL NO. 295

## 91ST GENERAL ASSEMBLY

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INTRODUCED BY SENATORS STOLL AND STAPLES.

Read 1st time January 15, 2001, and 1,000 copies ordered printed.

Read 2nd time January 29, 2001, and referred to the Committee on Education.

Reported from the Committee February 19, 2001, with recommendation that the bill do pass and be placed on the Consent Calendar.

Taken up February 28, 2001. Read 3rd time and placed upon its final passage; bill passed.

TERRY L. SPIELER, Secretary.

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### AN ACT

To repeal section 163.191, RSMo 2000, relating to allowable costs for state aid to community colleges, and to enact in lieu thereof one new section relating to the same subject.

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*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Section 163.191, RSMo 2000, is repealed and one new section enacted in lieu thereof, to be known as section 163.191, to read as follows:

163.191. 1. Each year public community colleges in the aggregate shall be eligible to receive from state funds, if state funds are available and appropriated, an amount up to but not more than fifty percent of the state community colleges' planned operating costs as determined by the department of higher education. As used in this subsection, the term "year" means from July first to June thirtieth of the following year. As used in this subsection, the term "operating costs" means all costs attributable to current operations, including all direct costs of instruction, instructors' and counselors' compensation, administrative costs, all normal operating costs and all similar noncapital expenditures during any year, excluding costs of construction of facilities and the purchase of equipment, furniture, and other capital items authorized and funded in accordance with subsection 2 of this section. Operating costs shall be computed in accordance with accounting methods and procedures to be specified by the department of higher education. The department of higher education shall review all institutional budget requests and prepare appropriation recommendations annually for the community colleges under the supervision of the department. The department's budget request shall include a recommended level of funding. Distribution of appropriated funds to community college districts shall be in accordance with the community college resource allocation model. This model shall be developed and revised

as appropriate cooperatively by the community colleges and the department of higher education. The department of higher education shall recommend the model to the coordinating board for higher education for their approval. The core funding level for each community college shall initially be established at an amount agreed upon by the community colleges and the department of higher education. This amount will be adjusted annually for inflation, limited growth, and program improvements in accordance with the resource allocation model starting with fiscal year 1993. The department of higher education shall request new and separate state aid funds for any new districts for their first six years of operation. The request for the new districts shall be based upon the same level of funding being provided to the existing districts, and should be sufficient to provide for the growth required to reach a mature enrollment level. The department of higher education will be responsible for evaluating the effectiveness of the resource allocation model and will submit a report to the speaker of the house of representatives and president pro tem of the senate by November 1997, and every four years thereafter.

2. In addition to state funds received for operating purposes, each community college district shall be eligible to receive an annual appropriation for the cost of maintenance and repair of facilities and grounds, **including surface parking areas**, and purchases of equipment and furniture. Such funds shall not exceed in any year an amount equal to ten percent of the state appropriations to community college districts for operating purposes during the most recently completed fiscal year. The department of higher education may include in its annual appropriations request the necessary funds to implement the provisions of this subsection and when appropriated shall distribute the funds to each community college district as appropriated. The department of higher education appropriations request shall be for specific maintenance, repair, and equipment projects at specific community college districts, shall be in an amount of fifty percent of the cost of a given project as determined by the coordinating board and shall be only for projects which have been approved by the coordinating board through a process of application, evaluation and approval as established by the coordinating board. The coordinating board, as part of its process of application, evaluation, and approval, shall require the community college district to provide proof that the fifty-percent share of funding to be defrayed by the district is either on hand or committed for maintenance, repair, and equipment projects. Only salaries or portions of salaries paid which are directly related to approved projects may be used as a part of the fifty-percent share of funding.

3. School districts offering two-year college courses pursuant to section 178.370, RSMo, on October 31, 1961, shall receive state aid pursuant to subsections 1 and 2 of this section if all scholastic standards established pursuant to sections 178.770 to 178.890, RSMo, are met.

4. In order to make postsecondary educational opportunities available to Missouri residents who do not reside in an existing community college district, community colleges organized pursuant to section 178.370, RSMo, or sections 178.770 to 178.890, RSMo, shall be authorized pursuant to

the funding provisions of this section to offer courses and programs outside the community college district with prior approval by the coordinating board for higher education. The classes conducted outside the district shall be self-sustaining except that the coordinating board shall promulgate rules to reimburse selected out-of-district instruction only where prior need has been established in geographical areas designated by the coordinating board for higher education. Funding for such off-campus instruction shall be included in the appropriation recommendations, shall be determined by the general assembly and shall continue, within the amounts appropriated therefor, unless the general assembly disapproves the action by concurrent resolution.

5. A "community college" is an institution of higher education deriving financial resources from local, state, and federal sources, and providing postsecondary education primarily for persons above the twelfth grade age level, including courses in:

- (1) Liberal arts and sciences, including general education;
- (2) Occupational, vocational-technical; and
- (3) A variety of educational community services.

Community college course offerings lead to the granting of certificates, diplomas, and/or associate degrees, but do not include baccalaureate or higher degrees.

6. When distributing state aid authorized for community colleges, the state treasurer may, in any year if requested by a community college, disregard the provision in section 30.180, RSMo, requiring the state treasurer to convert the warrant requesting payment into a check or draft and wire transfer the amount to be distributed to the community college directly to the community college's designated deposit for credit to the community college's account.

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