

SECOND REGULAR SESSION

SENATE BILL NO. 903

90TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR FLOTRON.

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TERRY L. SPIELER, Secretary.

AN ACT

To repeal section 313.835, RSMo Supp. 1999, relating to veterans' affairs and to enact in lieu thereof seven new sections relating to the same subject.

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

Section A. Section 313.835, RSMo Supp. 1999, is repealed and seven new sections enacted in lieu thereof, to be known as sections 313.835, 620.1700, 620.1705, 620.1710, 620.1715, 620.1720 and 620.1725, to read as follows:

313.835. 1. All revenue received by the commission from license fees, penalties, administrative fees, reimbursement by any excursion gambling boat operators for services provided by the commission and admission fees authorized pursuant to the provisions of sections 313.800 to 313.850 shall be deposited in the state treasury to the credit of the "Gaming Commission Fund" which is hereby created for the sole purpose of funding the administrative costs of the commission, subject to appropriation. Moneys deposited into this fund shall not be considered proceeds of gambling operations. Moneys deposited into the gaming commission fund shall be considered state funds pursuant to article IV, section 15 of the Missouri Constitution. All interest received on the gaming commission fund shall be credited to the gaming commission fund. In each fiscal year, total revenues to the gaming commission fund for the preceding fiscal year shall be compared to total expenditures and transfers from the gaming commission fund for the preceding fiscal year. The remaining net proceeds in the gaming commission fund shall be distributed in the following manner:

(1) The first five hundred thousand dollars shall be appropriated on a per capita basis to cities and counties that match the state portion and have demonstrated a need for funding

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

community neighborhood organization programs for the homeless and to deter gang-related violence and crimes;

(2) The remaining net proceeds in the gaming commission fund for fiscal year 1998 and prior years shall be transferred to the "Veterans' Commission Capital Improvement Trust Fund", as hereby created in the state treasury. The state treasurer shall administer the veterans' commission capital improvement trust fund, and the moneys in such fund shall be used solely, upon appropriation, by the Missouri veterans' commission for:

(a) The construction, maintenance or renovation or equipment needs of veterans' homes in this state;

(b) The construction, maintenance, renovation, equipment needs and operation of veterans' cemeteries in this state;

(c) Fund transfers to Missouri veterans' homes fund established pursuant to the provisions of section 42.121, RSMo, as necessary to maintain solvency of the fund; [and]

(d) Fund transfers to any municipality with a population greater than four hundred thousand and located in part of a county with a population greater than six hundred thousand in this state which has established a fund for the sole purpose of the restoration, renovation and maintenance of a memorial or museum or both dedicated to World War I. Appropriations from the veterans' commission capital improvement trust fund to such memorial fund shall be provided only as a one-time match for other funds devoted to the project and shall not exceed five million dollars. Additional appropriations not to exceed two million dollars total may be made from the veterans' commission capital improvement trust fund as a match to other funds for the renovation of other facilities dedicated as veterans' memorials in the state. All appropriations for renovation, reconstruction, and maintenance of veterans' memorials shall be made only for applications received by the Missouri veterans' commission prior to July 1, 2000; and

(e) Fund transfers to the Missouri veterans' business council fund established pursuant to section 620.1725, RSMo.

Any interest which accrues to the fund shall remain in the fund and shall be used in the same manner as moneys which are transferred to the fund pursuant to this section. Notwithstanding the provisions of section 33.080, RSMo, to the contrary, moneys in the veterans' commission capital improvement trust fund at the end of any biennium shall not be transferred to the credit of the general revenue fund;

(3) The remaining net proceeds in the gaming commission fund for fiscal year 1999 and each fiscal year thereafter shall be distributed as follows:

(a) Three million dollars shall be transferred to the veterans' commission capital improvement trust fund;

(b) Three million dollars shall be transferred to the Missouri national guard trust fund created in section 41.214, RSMo;

(c) Three million dollars shall be transferred to the Missouri college guarantee fund, established pursuant to the provisions of section 173.248, RSMo, and additional moneys as annually appropriated by the general assembly shall be appropriated to such fund;

(d) Subject to appropriations, one hundred percent of remaining net proceeds in the gaming commission fund except as provided in paragraph (l) of this subdivision, shall be transferred to the "Early Childhood Development, Education and Care Fund" which is hereby created to give parents meaningful choices and assistance in choosing the child-care and education arrangements that are appropriate for their family. All interest received on the fund shall be credited to the fund. Notwithstanding the provisions of section 33.080, RSMo, moneys in the fund at the end of any biennium shall not be transferred to the credit of the general revenue fund. Any moneys deposited in such fund shall be used to support programs that prepare children prior to the age in which they are eligible to enroll in kindergarten, pursuant to section 160.053, RSMo, to enter school ready to learn. All moneys deposited in the early childhood development, education and care fund shall be annually appropriated for voluntary, early childhood development, education and care programs serving children in every region of the state not yet enrolled in kindergarten;

(e) No less than sixty percent of moneys deposited in the early childhood development, education and care fund shall be appropriated as provided in this paragraph to the department of elementary and secondary education and to the department of social services to provide early childhood development, education and care programs through competitive grants to, or contracts with, governmental or private agencies. Eighty percent of such moneys pursuant to the provisions of this paragraph and additional moneys as appropriated by the general assembly shall be appropriated to the department of elementary and secondary education and twenty percent of such moneys pursuant to the provisions of this paragraph shall be appropriated to the department of social services. The departments shall provide public notice and information about the grant process to potential applicants.

a. Grants or contracts may be provided for:

(i) Start-up funds for necessary materials, supplies, equipment and facilities; and

(ii) Ongoing costs associated with the implementation of a sliding parental fee schedule based on income;

b. Grant and contract applications shall, at a minimum, include:

(i) A funding plan which demonstrates funding from a variety of sources including parental fees;

(ii) A child development, education and care plan that is appropriate to meet the needs of children;

(iii) The identity of any partner agencies or contractual service providers;

(iv) Documentation of community input into program development;

(v) Demonstration of financial and programmatic accountability on an annual basis;

(vi) Commitment to state licensure within one year of the initial grant, if funding comes from the appropriation to the department of elementary and secondary education and commitment to compliance with the requirements of the department of social services, if funding comes from the department of social services; and

(vii) With respect to applications by public schools, the establishment of a parent advisory committee within each public school program;

c. In awarding grants and contracts pursuant to this paragraph, the departments may give preference to programs which:

(i) Are new or expanding programs which increase capacity;

(ii) Target geographic areas of high need, namely where the ratio of program slots to children under the age of six in the area is less than the same ratio statewide;

(iii) Are programs designed for special needs children;

(iv) Are programs that offer services during nontraditional hours and weekends; or

(v) Are programs that serve a high concentration of low-income families;

d. Beginning on August 28, 1998, the department of elementary and secondary education and the department of social services shall initiate and conduct a four-year study to evaluate the impact of early childhood development, education and care in this state. The study shall consist of an evaluation of children eligible for moneys pursuant to this paragraph, including an evaluation of the early childhood development, education and care of those children participating in such program and those not participating in the program over a four-year period. At the conclusion of the study, the department of elementary and secondary education and the department of social services shall, within ninety days of conclusion of the study, submit a report to the general assembly and the governor, with an analysis of the study required pursuant to this subparagraph, all data collected, findings, and other information relevant to early childhood development, education and care;

(f) No less than ten percent of moneys deposited in the early childhood development, education and care fund shall be appropriated to the department of social services to provide early childhood development, education and care programs through child development, education and care certificates to families whose income does not exceed one hundred eighty-five percent of the federal poverty level in the manner pursuant to 42 U.S.C. 9858c(c)(2)(A) and 42 U.S.C. 9858n(2) for the purpose of funding early childhood development, education and care programs as approved by the department of social services. At a minimum, the certificate shall be of a value per child which is commensurate with the per child payment **[under] pursuant to** item (ii) of subparagraph a. of paragraph (e) of this subdivision pertaining to the grants or contracts. On February first of each year the department shall certify the total amount of child development, education and care certificates applied for and the unused balance of the funds shall be released to be used for

supplementing the competitive grants and contracts program authorized pursuant to paragraph (e) of this subdivision;

(g) No less than ten percent of moneys deposited in the early childhood development, education and care fund shall be appropriated to the department of social services to increase reimbursements to child care facilities for low-income children that are accredited by a recognized, early childhood accrediting organization;

(h) No less than ten percent of the funds deposited in the early childhood development, education and care fund shall be appropriated to the department of social services to provide assistance to eligible parents whose family income does not exceed one hundred eighty-five percent of the federal poverty level who wish to care for their children under three years of age in the home, to enable such parent to take advantage of early childhood development, education and care programs for such parent's child or children. At a minimum, the certificate shall be of a value per child which is commensurate with the per child payment [under] **pursuant to** item (ii) of subparagraph a. of paragraph (e) of this subdivision pertaining to the grants or contracts. The department of social services shall provide assistance to these parents in the effective use of early childhood development, education and care tools and methods;

(i) In setting the value of parental certificates [under] **pursuant to** paragraph (f) of this subdivision and payments [under] **pursuant to** paragraph (h) of this subdivision, the department of social services may increase the value based on the following:

a. The adult caretaker of the children successfully participates in the parents as teachers program pursuant to the provisions of sections 178.691 to 178.699, RSMo, a training program provided by the department on early childhood development, education and care, the home-based Head Start program as defined in 42 U.S.C. 9832 or a similar program approved by the department;

b. The adult caretaker consents to and clears a child abuse or neglect screening pursuant to subdivision (1) of subsection 2 of section 210.152, RSMo; and

c. The degree of economic need of the family;

(j) The department of elementary and secondary education and the department of social services each shall by rule promulgated pursuant to chapter 536, RSMo, establish guidelines for the implementation of the early childhood development, education and care programs as provided in paragraphs (e) through (i) of this subdivision;

(k) [Any] **No** rule or portion of a rule[, as that term is defined in section 536.010, RSMo, that is] promulgated [under] **pursuant to** the authority [delegated in] **of** paragraph (j) of this subdivision shall become effective [only if the agency has fully complied with all of the requirements of] **unless it has been promulgated pursuant to the provisions of** chapter 536, RSMo[, including but not limited to, section 536.028, RSMo, if applicable, after August 28, 1998. All rulemaking authority delegated prior to August 28, 1998, is of no force and effect and

repealed as of August 28, 1998, however, nothing in this section shall be interpreted to repeal or affect the validity of any rule adopted or promulgated prior to August 28, 1998. If the provisions of section 536.028, RSMo, apply, the provisions of this section are nonseverable and if any of the powers vested with the general assembly pursuant to section 536.028, RSMo, to review, to delay the effective date, or to disapprove and annul a rule or portion of a rule are held unconstitutional or invalid, the purported grant of rulemaking authority and any rule so proposed and contained in the order of rulemaking shall be invalid and void, except that nothing in this act shall affect the validity of any rule adopted and promulgated prior to August 28, 1998];

(l) When the remaining net proceeds, as such term is used pursuant to paragraph (d) of this subdivision, in the gaming commission fund annually exceeds twenty-seven million dollars, one and one-half million dollars of such proceeds shall be transferred annually, subject to appropriation, to the Missouri college guarantee fund, established pursuant to the provisions of section 173.248, RSMo.

2. Upon request by the veterans' commission, the general assembly may appropriate moneys from the veterans' commission capital improvements trust fund to the Missouri national guard trust fund to support the activities described in section 41.958, RSMo.

620.1700. Sections 620.1700 to 620.1725 shall be known and may be cited as the "Missouri Veterans' Business Council Act".

620.1705. For the purposes of sections 620.1700 to 620.1725 the following terms mean:

(1) **"Council", the Missouri veterans' business council established in section 620.1710;**

(2) **"Disabled veteran", a veteran who has served on active or reserve duty in the armed forces at any time who receives compensation as a result of a service-connected disability claim allowed by the federal agency responsible for the administration of veteran's affairs, or who receives disability retirement or disability pension benefits from a federal agency as a result of such a disability or a national guard veteran who was permanently disabled as a result of active or reserve service to the state at the call of the governor;**

(3) **"Seed capital", capital provided for start up veteran and disabled veteran owned businesses located in Missouri;**

(4) **"Veteran", any person who is a citizen of this state who has been separated under honorable conditions from the armed forces of the United States who served on active duty during peacetime or wartime for at least six consecutive months, unless released early as a result of a service-connected disability or a reduction in force at the convenience of the government, or any member of a reserve or national guard component who has satisfactorily completed at least six years of service or who was called or ordered to active duty by the President.**

620.1710. 1. There is hereby established within the department of economic development the 'Missouri Veterans' Business Council'.

2. The Missouri veterans' business council shall consist of fifteen members to be appointed by the governor with the advice and consent of the senate. Four members shall be veteran business owners, three members shall be disabled veteran business owners, three members shall be veterans working in the professional community and five members shall be from businesses that provide services to veterans. The lieutenant governor and the director of the department of economic development shall serve as ex officio members of the board. Each appointed member shall serve for a term of four years and until a successor is duly appointed; except that, of the members first appointed four members shall serve for terms of four years, four members shall serve for terms of three years, four members shall serve for terms of two years and three members shall serve terms of one year. The council shall meet at least four times each year at the call of the chairperson or upon a call of at least eight members of the council. The members of the council shall receive no compensation, but shall be reimbursed for all necessary and actual expenses incurred in the performance of their official duties on the council.

3. The director of the department of economic development shall assign sufficient staff to state offices in Jefferson City, St. Louis, Springfield and Kansas City to carry out the duties required by sections 620.1700 to 620.1725.

620.1715. The duties of the Missouri veterans' business council shall include, but are not limited to, the following:

(1) Identifying veteran owned businesses and disabled veteran owned businesses in this state;

(2) Performing certification of veteran owned businesses and disabled veteran owned businesses;

(3) Conducting an initial review of all state policies and programs as they impact veteran owned businesses and disabled veteran owned businesses. The findings and recommendations of the council based on this review shall be reported annually to the governor and the general assembly by January fifteenth;

(4) Monitoring and commenting on legislative proposals at the state, county and local levels;

(5) Providing public information, which is accessible through various media including the Internet, listservs, newsletters and periodical mailings;

(6) Establishing a microloan revolving loan program for the operation and delivery of entrepreneurial support programs and services provider, including authorizing tax credits to create and fund such programs, and providing conferences, training and technical assistance;

- (7) Writing and accepting grants;**
- (8) Developing an outreach, media and public relations plan;**
- (9) Maintaining a working relationship with other governmental agencies as they relate to business growth;**
- (10) Providing seed capital money for start-up veteran and disabled veteran owned businesses; and**
- (11) Administering the Missouri veterans' business council fund created pursuant to section 620.1725.**

620.1720. 1. A taxpayer shall be allowed a credit against the tax otherwise due pursuant to chapter 143, 147 or 148, RSMo, excluding taxes withheld pursuant to sections 143.191 to 143.265, RSMo, equal to fifty percent of the amount of any money or property such taxpayer contributed to the Missouri veteran's business council fund. Any amount of credit which exceeds the tax liability of a taxpayer for the tax year in which the credit is first claimed may be carried back to any of the taxpayer's three prior tax years and carried forward to any of the taxpayer's five subsequent tax years. A certificate of tax credit issued to a taxpayer by the Missouri veterans' business council may be assigned, transferred, sold or otherwise conveyed. Whenever a certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a notarized endorsement shall be filed by the new owner with the director of revenue specifying the name and address of the new owner of the tax credit and the value of the credit. As used in this section, the term "taxpayer" means any person, partnership, corporation, trust or limited liability company.

2. To obtain a tax credit pursuant to this section, a taxpayer shall submit to the Missouri veterans' business council an application for tax credit and proof of a contribution which qualifies the taxpayer for a tax credit. Upon receipt of acceptable proof of contribution, the Missouri veterans' business council shall issue the taxpayer a certificate of tax credit.

3. Beginning January 1, 2002, tax credits shall be allowed pursuant to this section in an amount not to exceed two million dollars per year. Tax credit applications shall be considered in the order in which they are received.

4. The Missouri veterans' business council may promulgate such rules or regulations or issue administrative guidelines as are necessary to administer this section. No rule or portion of a rule promulgated pursuant to the authority of this section shall become effective unless it has been promulgated pursuant to the provisions of chapter 536, RSMo.

620.1725. There is hereby created in the state treasury the "Missouri Veterans' Business Council Fund", which shall be administered by the Missouri veterans' business council created pursuant to sections 620.1700 to 620.1725. The state treasurer shall

deposit to the credit of the fund all moneys which may be appropriated to it by the general assembly and also any gifts, contributions, grants, bequests or other aid received from federal, private or other sources. Notwithstanding the provisions of section 33.080, RSMo, to the contrary, moneys in the fund shall not be transferred to the credit of the general revenue fund at the end of the biennium.

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