SECOND REGULAR SESSION

SENATE BILL NO. 873

91ST GENERAL ASSEMBLY

INTRODUCED BY SENATORS HOUSE AND GROSS.	
Pre-filed January 4, 2002, and 1,000 copies ordered printed.	
3670S.01I	TERRY L. SPIELER, Secretary.
AN ACT To amend chapter 173, RSMo, by adding thereto two new sections relating to higher education funding.	

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

Section A. Chapter 173, RSMo, is amended by adding thereto two new sections, to be known as sections 173.840 and 173.845, to read as follows:

173.840. 1. There is hereby established the "Challenge Scholarship Program" to be administered by the coordinating board for higher education. As used in this section, the following words and terms shall mean:

(1) "Challenge scholarship", an amount of money paid by the state of Missouri to eligible institutions of postsecondary education for postsecondary education expenses, as calculated by the coordinating board for higher education pursuant to this section, for eligible students who have enrolled in and completed credit hours in an eligible institution of postsecondary education pursuant to the provisions of this section;

(2) "Credit hour", the standard academic measurement of attendance based on a semester term, or its equivalent, in trimester, quarter or clock hour terms;

(3) "Eligible institution of postsecondary education", any approved public or private postsecondary education institution, as defined in section 173.205, or any other Missouri private institution that:

(a) Is required by statute to be certified to operate by the

coordinating board for higher education;

(b) Is institutionally accredited by a United States Department of Education recognized accrediting commission;

(c) Has operated continuously in the state of Missouri for at least five years;

(d) Has no more than fifty percent of its students in correspondence programs;

(e) Offers a two-year certificate or an associate or higher degree program;

(f) Has at least one articulation agreement relating to a degree program with another institution approved by the coordinating board for higher education; and

(g) Is approved for participation in the challenge scholarship program by the coordinating board for higher education;

(4) "Eligible student", an individual who is enrolled in an eligible institution of postsecondary education and has been in compliance with the eligibility requirements set forth in subsection 1 of section 173.215, throughout the period for which the challenge scholarship is being claimed, excluding the requirements of full-time enrollment and financial need, and in addition, meets the following requirements:

(a) Has received a high school diploma, general educational development certificate (GED) or equivalent;

(b) Is enrolled in and has maintained satisfactory academic progress in a program leading to a certificate, or an associate or baccalaureate degree;

(c) Has yet to complete sixty credit hours, or equivalent, of postsecondary course credit earned after the date of receipt of a high school diploma or a GED certificate or the equivalent;

(d) Does not have a delinquent debt with an institution of higher education exceeding the amount of the challenge scholarship; and

(e) Is not a person currently confined in any federal or state correctional facility, jail or confined under the jurisdiction of the department of corrections in any other state;

(5) "Resident of the state of Missouri", a resident of this state as determined under standards promulgated pursuant to section 173.005.

2. (1) Within the amount appropriated for the program, the coordinating board for higher education shall establish a procedure for

the payment of the challenge scholarship to any eligible institution of postsecondary education for the cost of tuition, books and fees for any eligible student;

(2) No student may claim, or have claimed on the student's behalf, a challenge scholarship for postsecondary credit hours earned after that student has successfully completed sixty credit hours or equivalent of postsecondary work after the date of receipt of a high school diploma or a GED certificate or equivalent;

(3) Students who participate in the A+ Schools Program, as defined in section 160.545, RSMo, shall be not be considered eligible to receive a challenge scholarship.

3. Every eligible institution of postsecondary education shall furnish to each eligible student enrolled at such institution who is a resident of Missouri, a written statement showing the credit hours completed by that student for the calendar year and other such information as the coordinating board for higher education shall prescribe. This form shall be furnished to each eligible student on or before January thirty-first of the succeeding year.

4. Challenge scholarships may only be awarded for the calendar years beginning on or after January 1, 2003.

5. The coordinating board for higher education shall prescribe such rules and regulations as are necessary to carry out the provisions of this section.

6. No challenge scholarship may be sold or assigned to a third party.

7. This section shall only apply to credit hours accrued after January 1, 2003.

173.845. 1. Any appropriation increases to higher education institutions shall be solely based on that institution's enrollment of fulltime students, plus the full-time equivalent of part-time students, plus adjustments tied to the cumulative consumer price index.

2. Unless the challenge scholarship and A+ schools programs are fully funded by the general assembly in any fiscal year, there will be no increase in appropriations to public higher education, except for adjustments tied to the cumulative consumer price index.

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