

SECOND REGULAR SESSION  
[ P E R F E C T E D ]  
SENATE SUBSTITUTE FOR  
SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE BILL NO. 590**  
93RD GENERAL ASSEMBLY

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Offered February 6, 2006.

Senate Substitute adopted, February 9, 2006.

Taken up for Perfection February 9, 2006. Bill declared Perfected and Ordered Printed, as amended.

TERRY L. SPIELER, Secretary.

3716S.05P

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**AN ACT**

To repeal sections 160.545, 172.287, 173.005, 173.616, 174.450, 174.453, 174.500, and 178.870, RSMo, and to enact in lieu thereof fourteen new sections relating to higher education, with penalty provisions and a termination date for a certain section.

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

Section A. Sections 160.545, 172.287, 173.005, 173.616, 174.450, 174.453, 2 174.500, and 178.870, RSMo, are repealed and fourteen new sections enacted in 3 lieu thereof, to be known as sections 160.545, 160.730, 172.287, 173.005, 173.125, 4 173.234, 173.270, 173.616, 174.450, 174.453, 174.500, 178.870, 1, and 2, to read 5 as follows:

160.545. 1. There is hereby established within the department of 2 elementary and secondary education the "A+ Schools Program" to be administered 3 by the commissioner of education. The program shall consist of grant awards 4 made to public secondary schools that demonstrate a commitment to ensure that:

- 5 (1) All students be graduated from school;
- 6 (2) All students complete a selection of high school studies that is 7 challenging and for which there are identified learning expectations; and
- 8 (3) All students proceed from high school graduation to a college or 9 postsecondary vocational or technical school or high-wage job with work place 10 skill development opportunities.

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

11           2. The state board of education shall promulgate rules and regulations for  
12 the approval of grants made under the program to schools that:

13           (1) Establish measurable districtwide performance standards for the goals  
14 of the program outlined in subsection 1 of this section; and

15           (2) Specify the knowledge, skills and competencies, in measurable terms,  
16 that students must demonstrate to successfully complete any individual course  
17 offered by the school, and any course of studies which will qualify a student for  
18 graduation from the school; and

19           (3) Do not offer a general track of courses that, upon completion, can lead  
20 to a high school diploma; and

21           (4) Require rigorous coursework with standards of competency in basic  
22 academic subjects for students pursuing vocational and technical education as  
23 prescribed by rule and regulation of the state board of education; and

24           (5) Have a partnership plan developed in cooperation and with the advice  
25 of local business persons, labor leaders, parents, and representatives of college  
26 and postsecondary vocational and technical school representatives, with the plan  
27 then approved by the local board of education. The plan shall specify a  
28 mechanism to receive information on an annual basis from those who developed  
29 the plan in addition to senior citizens, community leaders, and teachers to update  
30 the plan in order to best meet the goals of the program as provided in subsection  
31 1 of this section. Further, the plan shall detail the procedures used in the school  
32 to identify students that may drop out of school and the intervention services to  
33 be used to meet the needs of such students. The plan shall outline counseling  
34 and mentoring services provided to students who will enter the work force upon  
35 graduation from high school, address apprenticeship and intern programs, and  
36 shall contain procedures for the recruitment of volunteers from the community  
37 of the school to serve in schools receiving program grants.

38           3. By rule and regulation, the state board of education may determine a  
39 local school district variable fund match requirement in order for a school or  
40 schools in the district to receive a grant under the program. However, no school  
41 in any district shall receive a grant under the program unless the district  
42 designates a salaried employee to serve as the program coordinator, with the  
43 district assuming a minimum of one-half the cost of the salary and other benefits  
44 provided to the coordinator. Further, no school in any district shall receive a  
45 grant under the program unless the district makes available facilities and  
46 services for adult literacy training as specified by rule of the state board of

47 education.

48           4. For any school that meets the requirements for the approval of the  
49 grants authorized by this section and specified in subsection 2 of this section for  
50 three successive school years, by August first following the third such school year,  
51 the commissioner of education shall present a plan to the superintendent of the  
52 school district in which such school is located for the waiver of rules and  
53 regulations to promote flexibility in the operations of the school and to enhance  
54 and encourage efficiency in the delivery of instructional services in the  
55 school. The provisions of other law to the contrary notwithstanding, the plan  
56 presented to the superintendent shall provide a summary waiver, with no  
57 conditions, for the pupil testing requirements pursuant to section 160.257 in the  
58 school. Further, the provisions of other law to the contrary notwithstanding, the  
59 plan shall detail a means for the waiver of requirements otherwise imposed on  
60 the school related to the authority of the state board of education to classify  
61 school districts pursuant to subdivision (9) of section 161.092, RSMo, and such  
62 other rules and regulations as determined by the commissioner of education,  
63 except such waivers shall be confined to the school and not other schools in the  
64 school district unless such other schools meet the requirements of this  
65 subsection. However, any waiver provided to any school as outlined in this  
66 subsection shall be void on June thirtieth of any school year in which the school  
67 fails to meet the requirements for the approval of the grants authorized by this  
68 section as specified in subsection 2 of this section.

69           5. For any school year, grants authorized by subsections 1 to 3 of this  
70 section shall be funded with the amount appropriated for this program, less those  
71 funds necessary to reimburse eligible students pursuant to subsection 6 of this  
72 section.

73           6. The commissioner of education shall, by rule and regulation of the state  
74 board of education and with the advice of the coordinating board for higher  
75 education, establish a procedure for the reimbursement of the cost of tuition,  
76 books and fees to any public community college or vocational or technical school  
77 for any student:

78           (1) Who has attended a public high school in the state for at least three  
79 years immediately prior to graduation that meets the requirements of subsection  
80 2 of this section, except that students who are active duty military dependents  
81 who, in the school year immediately preceding graduation, meet all other  
82 requirements of this subsection and are attending a school that meets the

83 requirements of subsection 2 of this section shall be exempt from the three-year  
84 attendance requirement of this subdivision; and

85 (2) Who has made a good faith effort to first secure all available federal  
86 sources of funding that could be applied to the reimbursement described in this  
87 subsection; and

88 (3) Who has earned a minimal grade average while in high school as  
89 determined by rule of the state board of education, and other requirements for the  
90 reimbursement authorized by this subsection as determined by rule and  
91 regulation of said board.

92 7. The commissioner of education shall develop a procedure for evaluating  
93 the effectiveness of the program described in this section. Such evaluation shall  
94 be conducted annually with the results of the evaluation provided to the governor,  
95 speaker of the house, and president pro tempore of the senate.

96 **8. The department of elementary and secondary education shall**  
97 **ensure that no student receives any reimbursement pursuant to this**  
98 **section if the independent student or the dependent student's parents**  
99 **had a combined Missouri adjusted gross income in excess of two**  
100 **hundred fifty thousand dollars during the previous tax year.**

**160.730. 1. Not less than twice each calendar year, the**  
2 **commissioner of higher education, the chair of the coordinating board**  
3 **for higher education, the commissioner of education, the president of**  
4 **the state board of education, and the director of the department of**  
5 **economic development shall meet and discuss ways in which their**  
6 **respective departments may collaborate to achieve the policy goals as**  
7 **outlined in this section.**

8 **2. In order to create a more efficient and effective education**  
9 **system that more adequately prepares students for the challenges of**  
10 **entering the workforce, the persons and agencies outlined in subsection**  
11 **1 of this section shall be responsible for accomplishing the following**  
12 **goals:**

13 **(1) Studying the potential for a state-coordinated**  
14 **economic/educational policy that addresses all levels of education;**

15 **(2) Determining where obstacles make state support of programs**  
16 **that cross institutional or jurisdictional boundaries difficult and**  
17 **suggesting remedies;**

18 **(3) Creating programs that:**

19           **(a) Intervene at known critical transition points, such as middle**  
20 **school to high school and the freshman year of college to help assure**  
21 **student success at the next level;**

22           **(b) Foster higher education faculty spending time in elementary**  
23 **and secondary classrooms and private workplaces, and elementary and**  
24 **secondary faculty spending time in general-education-level higher**  
25 **education courses and private workplaces, with particular emphasis on**  
26 **secondary school faculty working with general-education higher**  
27 **education faculty;**

28           **(c) Allow education stakeholders to collaborate with members of**  
29 **business and industry to foster policy alignment, professional**  
30 **interaction, and information systems across sectors;**

31           **(d) Regularly provide feedback to schools, colleges, and**  
32 **employers concerning the number of students requiring postsecondary**  
33 **remediation, whether in educational institutions or the workplace;**

34           **(4) Exploring ways to better align academic content, particularly**  
35 **between secondary school and first-year courses at public colleges and**  
36 **universities, which may include alignment between:**

37           **(a) Elementary and secondary assessments and public college**  
38 **and university admission and placement standards; and**

39           **(b) Articulation agreements of programs across sectors and**  
40 **educational levels;**

41           **3. No later than the first Wednesday after the first Monday of**  
42 **January each year, the persons outlined in subsection 1 of this section**  
43 **shall report jointly to the general assembly and to the governor the**  
44 **actions taken by their agencies and their recommendations for policy**  
45 **initiatives and legislative alterations to achieve the policy goals as**  
46 **outlined in this section.**

172.287. 1. The University of Missouri shall annually request an  
2 appropriation under capital improvements, subject to availability of funds, for a  
3 program of grants established for the engineering colleges of the University of  
4 Missouri for the purpose of assisting such colleges in the purchase of teaching  
5 and research laboratory equipment exclusive of laboratory or classroom  
6 furniture. The amount granted for each engineering college may not exceed the  
7 lesser of an amount equal to one thousand two hundred dollars per each such  
8 bachelor's degree awarded in the previous fiscal year in all engineering programs  
9 currently accredited by the accreditation board for engineering and technology,

10 or the dollar value of new funds for equipment purchase which such colleges may  
11 obtain from sources other than state appropriations for laboratory equipment.

12         2. For purposes of this section, the fair market value of in-kind  
13 contributions of laboratory equipment to the colleges may be included as funds  
14 for equipment purchase from sources other than state appropriations. In the  
15 event that new funds for laboratory equipment purchase obtained by any college  
16 of engineering from such nonstate sources exceed the amount necessary to reach  
17 the maximum dollar limits herein specified, such excess amounts will be carried  
18 over to the following fiscal year and considered the same as that year's new  
19 equipment funds from nonstate sources.

20         3. In the event that the appropriations for this grant program are  
21 insufficient to fund all grants approved for a given fiscal year, all such grants  
22 shall be reduced pro rata as necessary.

23         4. The provisions of this section shall terminate on June 30, [2007] **2017**.

173.005. 1. There is hereby created a "Department of Higher Education",  
2 and the division of higher education of the department of education is abolished  
3 and all its powers, duties, functions, personnel and property are transferred as  
4 provided by the Reorganization Act of 1974, Appendix B, RSMo.

5         2. The commission on higher education is abolished and all its powers,  
6 duties, personnel and property are transferred by type I transfer to the  
7 "Coordinating Board for Higher Education", which is hereby created, and the  
8 coordinating board shall be the head of the department. The coordinating board  
9 shall consist of nine members appointed by the governor with the advice and  
10 consent of the senate, and not more than five of its members shall be of the same  
11 political party. None of the members shall be engaged professionally as an  
12 educator or educational administrator with a public or private institution of  
13 higher education at the time appointed or during his term. The other  
14 qualifications, terms and compensation of the coordinating board shall be the  
15 same as provided by law for the curators of the University of Missouri. The  
16 coordinating board may, in order to carry out the duties prescribed for it in  
17 subsections 1, 2, 3, 7, and 8 of this section, employ such professional, clerical and  
18 research personnel as may be necessary to assist it in performing those duties,  
19 but this staff shall not, in any fiscal year, exceed twenty-five full-time equivalent  
20 employees regardless of the source of funding. In addition to all other powers,  
21 duties and functions transferred to it, the coordinating board for higher education  
22 shall have the following duties and responsibilities:

23 (1) The coordinating board for higher education shall have approval of  
24 proposed new degree programs to be offered by the state institutions of higher  
25 education;

26 (2) The coordinating board for higher education may promote and  
27 encourage the development of cooperative agreements between Missouri public  
28 four-year institutions of higher education which do not offer graduate degrees and  
29 Missouri public four-year institutions of higher education which do offer graduate  
30 degrees for the purpose of offering graduate degree programs on campuses of  
31 those public four-year institutions of higher education which do not otherwise  
32 offer graduate degrees. Such agreements shall identify the obligations and duties  
33 of the parties, including assignment of administrative responsibility. Any  
34 diploma awarded for graduate degrees under such a cooperative agreement shall  
35 include the names of both institutions inscribed thereon. Any cooperative  
36 agreement in place as of August 28, 2003, shall require no further approval from  
37 the coordinating board for higher education. Any costs incurred with respect to  
38 the administrative provisions of this subdivision may be paid from state funds  
39 allocated to the institution assigned the administrative authority for the  
40 program. The provisions of this subdivision shall not be construed to invalidate  
41 the provisions of subdivision (1) of this subsection;

42 (3) In consultation with the heads of the institutions of higher education  
43 affected and against a background of carefully collected data on enrollment,  
44 physical facilities, manpower needs, institutional missions, the coordinating board  
45 for higher education shall establish guidelines for appropriation requests by those  
46 institutions of higher education; however, other provisions of the Reorganization  
47 Act of 1974 notwithstanding, all funds shall be appropriated by the general  
48 assembly to the governing board of each public four-year institution of higher  
49 education which shall prepare expenditure budgets for the institution;

50 (4) No new state-supported senior colleges or residence centers shall be  
51 established except as provided by law and with approval of the coordinating board  
52 for higher education;

53 (5) The coordinating board for higher education shall establish admission  
54 guidelines consistent with institutional missions;

55 (6) The coordinating board shall establish policies and procedures for  
56 institutional decisions relating to the residence status of students;

57 (7) The coordinating board shall establish guidelines to promote and  
58 facilitate the transfer of students between institutions of higher education within

59 the state;

60 (8) The coordinating board shall collect the necessary information and  
61 develop comparable data for all institutions of higher education in the state. The  
62 coordinating board shall use this information to delineate the areas of competence  
63 of each of these institutions and for any other purposes deemed appropriate by  
64 the coordinating board;

65 (9) Compliance with requests from the coordinating board for institutional  
66 information and the other powers, duties and responsibilities, herein assigned to  
67 the coordinating board, shall be a prerequisite to the receipt of any funds for  
68 which the coordinating board is responsible for administering; and

69 (10) If any **public** institution of higher education in this state[, public or  
70 private,] willfully fails or refuses to follow any lawful guideline, policy or  
71 procedure established or prescribed by the coordinating board, or knowingly  
72 deviates from any such guideline, or knowingly acts without coordinating board  
73 approval where such approval is required, or willfully fails to comply with any  
74 other lawful order of the coordinating board, the coordinating board may, after  
75 a public hearing, withhold or direct to be withheld from that institution any funds  
76 the disbursement of which is subject to the control of the coordinating board, or  
77 may remove the approval of the institution as an "approved institution" within  
78 the meaning of section 173.205[, but]. **If any such public institution**  
79 **willfully disregards board policy, the commissioner of higher education**  
80 **may order such institution to remit a fine in an amount not to exceed**  
81 **one percent of the institution's current fiscal year state appropriation**  
82 **to the board. The board shall hold such funds until such time that the**  
83 **institution, as determined by the commissioner of higher education,**  
84 **corrects the violation, at which time the board shall refund such**  
85 **amount to the institution. Should the commissioner determine that the**  
86 **institution has not redressed said violation within one year, the fine**  
87 **amount shall be deposited into the general revenue fund, unless the**  
88 **institution appeals such decision to the full coordinating board, which**  
89 **shall have the authority to make a binding and final decision, by means**  
90 **of a majority vote, regarding the matter. However, nothing in this section**  
91 shall prevent any institution of higher education in this state from presenting  
92 additional budget requests or from explaining or further clarifying its budget  
93 requests to the governor or the general assembly[.]; **and**

94 (11) (a) As used in this subdivision, the term "out-of-state public



95 institution of higher education" shall mean an education institution  
96 located outside of Missouri that:

97 a. Is controlled or administered directly by a public agency or  
98 political subdivision;

99 b. Receives appropriations for operating expenses directly or  
100 indirectly from the general assembly of a state other than Missouri;

101 c. Provides a postsecondary course of instruction at least six  
102 months in length leading to or directly creditable toward a degree or  
103 certificate;

104 d. Meets the standards for accreditation by an accrediting body  
105 recognized by the United States Department of Education or any  
106 successor agency;

107 e. Permits faculty members to select textbooks without influence  
108 or pressure by any religious or sectarian source.

109 (b) No later than December 31, 2006, the coordinating board shall  
110 promulgate rules regarding:

111 a. The board's approval process of proposed new degree  
112 programs and course offerings by any out-of-state public institutions of  
113 higher education seeking to offer degree programs or course work  
114 within the state of Missouri; and

115 b. The board's approval process of degree programs and course  
116 offering by any out-of-state public institutions of higher education that,  
117 prior to July 1, 2007, were approved by the board to operate a school  
118 in compliance with the provisions of sections 173.600 to 173.618;

119 The rules shall ensure that, as of July 1, 2007, all out-of state public  
120 institutions seeking to offer courses within the state of Missouri are  
121 evaluated in a manner similar to Missouri public higher education  
122 institutions. Such out-of-state public institutions shall be held to  
123 standards no lower than the standards established by the board for  
124 Missouri institutions of higher education under this section. Beginning  
125 July 01, 2007, the board shall revoke all certificates of approval  
126 previously granted to out-of-state public institutions of higher  
127 education under sections 173.600 to 173.618. Any such schools wishing  
128 to continue operating within this state must be approved by the board  
129 under the rules promulgated under this subdivision. Any rule or  
130 portion of a rule, as that term is defined in section 536.010, RSMo, that  
131 is created under the authority delegated in this section shall become

132 **effective only if it complies with and is subject to all of the provisions**  
133 **of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This**  
134 **section and chapter 536, RSMo, are nonseverable and if any of the**  
135 **powers vested with the general assembly pursuant to chapter 536,**  
136 **RSMo, to review, to delay the effective date, or to disapprove and annul**  
137 **a rule are subsequently held unconstitutional, then the grant of**  
138 **rulemaking authority and any rule proposed or adopted after August**  
139 **28, 2006, shall be invalid and void.**

140           3. The coordinating board shall meet at least four times annually with an  
141 advisory committee who shall be notified in advance of such meetings. The  
142 coordinating board shall have exclusive voting privileges. The advisory  
143 committee shall consist of thirty-two members, who shall be the president or  
144 other chief administrative officer of the University of Missouri; the chancellor of  
145 each campus of the University of Missouri; the president of each state-supported  
146 four-year college or university, including Harris-Stowe State University, Missouri  
147 Southern State University, Missouri Western State University, and Lincoln  
148 University; the president of Linn State Technical College; the president or  
149 chancellor of each public community college district; and representatives of each  
150 of five accredited private institutions selected biennially, under the supervision  
151 of the coordinating board, by the presidents of all of the state's privately  
152 supported institutions; but always to include at least one representative from one  
153 privately supported junior college, one privately supported four-year college, and  
154 one privately supported university. The conferences shall enable the committee  
155 to advise the coordinating board of the views of the institutions on matters within  
156 the purview of the coordinating board.

157           4. The University of Missouri, Lincoln University, and all other  
158 state-governed colleges and universities, chapters 172, 174 and 175, RSMo, and  
159 others, are transferred by type III transfers to the department of higher education  
160 subject to the provisions of subsection 2 of this section.

161           5. The state historical society, chapter 183, RSMo, is transferred by type  
162 III transfer to the University of Missouri.

163           6. The state anatomical board, chapter 194, RSMo, is transferred by type  
164 II transfer to the department of higher education.

165           7. All the powers, duties and functions vested in the division of public  
166 schools and state board of education relating to community college state aid and  
167 the supervision, formation of districts and all matters otherwise related to the

168 state's relations with community college districts and matters pertaining to  
169 community colleges in public school districts, chapters 163 and 178, RSMo, and  
170 others, are transferred to the coordinating board for higher education by type I  
171 transfer. Provided, however, that all responsibility for administering the  
172 federal-state programs of vocational-technical education, except for the 1202a  
173 post-secondary educational amendments of 1972 program, shall remain with the  
174 department of elementary and secondary education. The department of  
175 elementary and secondary education and the coordinating board for higher  
176 education shall cooperate in developing the various plans for vocational-technical  
177 education; however, the ultimate responsibility will remain with the state board  
178 of education.

179         8. The administration of sections 163.171 and 163.181, RSMo, relating to  
180 teacher-training schools in cities, is transferred by type I transfer to the  
181 coordinating board for higher education.

182         9. All the powers, duties, functions, personnel and property of the state  
183 library and state library commission, chapter 181, RSMo, and others, are  
184 transferred by type I transfer to the coordinating board for higher education, and  
185 the state library commission is abolished. The coordinating board shall appoint  
186 a state librarian who shall administer the affairs of the state library under the  
187 supervision of the board.

188         10. All the powers, duties, functions, and properties of the state poultry  
189 experiment station, chapter 262, RSMo, are transferred by type I transfer to the  
190 University of Missouri, and the state poultry association and state poultry board  
191 are abolished. In the event the University of Missouri shall cease to use the real  
192 estate of the poultry experiment station for the purposes of research or shall  
193 declare the same surplus, all real estate shall revert to the governor of the state  
194 of Missouri and shall not be disposed of without legislative approval.

**173.125. 1. As a condition of receiving state funds, every public  
2 institution of higher education shall agree to submit to binding dispute  
3 resolution with regard to disputes among public institutions of higher  
4 education that involve jurisdictional boundaries or the use or  
5 expenditure of any state resources whatsoever, as determined by the  
6 coordinating board. In all cases, the arbitrator shall be the  
7 commissioner of higher education or his or her designee, whose  
8 decision shall be binding on all parties. Any institution aggrieved by  
9 a decision of the commissioner may appeal such decision, in which**

10 instance the case shall be reviewed by the full coordinating board, at  
11 which time the full coordinating board shall have the authority to make  
12 a binding and final decision, by means of a majority vote, regarding the  
13 matter.

173.234. 1. As used in this section, unless the context clearly  
2 requires otherwise, the following terms shall mean:

3 (1) "Board", the coordinating board for higher education;

4 (2) "Eligible student", a qualifying military member, as defined  
5 in this section;

6 (3) "Grant", the Iraq war military member grant as established by  
7 this section;

8 (4) "Qualifying institution", any approved public or private  
9 institution as defined in section 173.205;

10 (5) "Qualifying military member", any member of the military of  
11 the United States, whether active duty, reserve, or national guard, who  
12 served in Iraq during Operations Iraqi Freedom and Enduring  
13 Freedom, who is a citizen of the state of Missouri;

14 (6) "Tuition", any tuition or incidental fee or both charged by a  
15 qualifying institution, as defined in this section, for attendance at the  
16 institution by an eligible student.

17 2. Within the limits of the amounts appropriated therefor, the  
18 board shall provide, as defined in this section, a grant to eligible  
19 students who attend qualifying institutions of postsecondary education.

20 3. An eligible student may receive a grant under this section only  
21 so long as the eligible student is enrolled in a program leading to a  
22 certificate, or an associate or baccalaureate degree in a qualifying  
23 institution. In no event shall the eligible student receive a grant  
24 beyond the completion of the first baccalaureate degree. No eligible  
25 student shall receive more than one hundred percent of tuition when  
26 combined with similar funds made available to such eligible student.

27 4. The coordinating board for higher education shall:

28 (1) Promulgate all necessary rules and regulations for the  
29 implementation of this section;

30 (2) Determine minimum standards of performance in order for  
31 a student to remain eligible to receive a grant under this program;

32 (3) Make available on behalf of the eligible student an amount  
33 toward the eligible student's tuition which is equal to the grant to

34 which the eligible student is entitled under the provisions of this  
35 section;

36 (4) Provide the forms and determine the procedures necessary  
37 for an eligible student to apply for and receive a grant under this  
38 program.

39 5. An eligible student who is enrolled or has been accepted for  
40 enrollment at a qualifying institution shall receive a grant in an  
41 amount not to exceed the least of the following:

42 (1) The actual tuition, as defined in this section, charged at the  
43 qualifying institution where the eligible student is enrolled or accepted  
44 for enrollment; or

45 (2) The highest amount of tuition charged a Missouri resident for  
46 attendance as a full-time student, as defined in section 173.205, at any  
47 campus within the University of Missouri system.

48 6. An eligible student who is a recipient of a grant may transfer  
49 from one qualifying institution to another without losing his or her  
50 entitlement under this section. The board shall make necessary  
51 adjustments in the amount of the grant. If a grant recipient at anytime  
52 withdraws from a qualifying institution so that under the rules and  
53 regulations of that institution the eligible student is entitled to a  
54 refund of any tuition, fees, or other charges, the qualifying institution  
55 shall pay the portion of the refund to which the student is entitled  
56 attributable to the grant for that semester or similar grading period to  
57 the board.

58 7. If an eligible student is granted financial assistance under any  
59 other student aid program, public or private, the full amount of such  
60 aid shall be reported to the board by the qualifying institution and the  
61 eligible student.

62 8. Nothing in this section shall be construed as a promise or  
63 guarantee that a person will be admitted to a qualifying institution or  
64 to a particular qualifying institution, will be allowed to continue to  
65 attend a qualifying institution after having been admitted, or will be  
66 graduated from a qualifying institution.

173.270. 1. The coordinating board for higher education shall  
2 make provisions for institutions under the board's jurisdiction to award  
3 a tuition and fee waiver for undergraduate courses at state institutions  
4 of higher education for any student, beginning with incoming freshmen

5 in the 2006 fall semester or term, who:

6 (1) Is a resident of this state;

7 (2) Has graduated within the previous three years from high  
8 school or passed the GED examination; and

9 (3) Has been in foster care or other residential care under the  
10 department of social services on or after:

11 (a) The day preceding the student's eighteenth birthday;

12 (b) The day of the student's fourteenth birthday, if the student  
13 was also eligible for adoption on or after that day; or

14 (c) The day the student graduated from high school or received  
15 a GED.

16 2. To be eligible for a waiver award, a student shall:

17 (1) Apply to and be accepted at the institution not later than:

18 (a) The third anniversary of the date the student was discharged  
19 from foster or other residential care, the date the student graduated  
20 from high school, or the date the student received a GED, whichever is  
21 earliest; or

22 (b) The student's twenty-first birthday;

23 (2) Apply for other student financial assistance, other than  
24 student loans, in compliance with federal financial aid rules, including  
25 the federal Pell grant;

26 (3) Apply to the coordinating board for higher education for a  
27 determination of eligibility. Application shall be on forms and in a  
28 manner prescribed by rule of the coordinating board; and

29 (4) Complete a minimum of one hundred hours of community  
30 service or public internship within a twelve-month period beginning  
31 September first for each year in which the student is receiving a  
32 tuition and fee waiver award pursuant to this section. The department  
33 of higher education, in collaboration with participating state  
34 institutions of higher education, shall by rule determine the community  
35 service and public internships that students may participate in to meet  
36 the requirements of this subdivision. A student may fulfill this  
37 requirement by completing the necessary community service or public  
38 internship hours during the summer.

39 3. The tuition and fee waiver provided by this section shall be  
40 awarded on an annual basis and shall continue to be available, if the  
41 student is otherwise eligible pursuant to this section, as long as the

42 student remains in good academic standing at the state institution of  
43 higher education.

44 4. The waiver provided by this section for each eligible student  
45 may be used for no more than four years of undergraduate study and  
46 may only be used after other sources of financial aid that are dedicated  
47 solely to tuition and fees are exhausted.

48 5. No student who is enrolled in an institution of higher  
49 education as of the effective date of this section shall be eligible for a  
50 waiver award under this section.

51 6. Any rule or portion of a rule, as that term is defined in section  
52 536.010, RSMo, that is created under the authority delegated in this  
53 section shall become effective only if it complies with and is subject to  
54 all of the provisions of chapter 536, RSMo, and, if applicable, section  
55 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable  
56 and if any of the powers vested with the general assembly pursuant to  
57 chapter 536, RSMo, to review, to delay the effective date, or to  
58 disapprove and annul a rule are subsequently held unconstitutional,  
59 then the grant of rulemaking authority and any rule proposed or  
60 adopted after August 28, 2005, shall be invalid and void.

173.616. 1. The following schools, training programs, and courses of  
2 instruction shall be exempt from the provisions of sections 173.600 to 173.618:

3 (1) A public institution;

4 (2) Any college or university represented directly or indirectly on the  
5 advisory committee of the coordinating board for higher education as provided in  
6 subsection 3 of section 173.005;

7 (3) An institution that is certified by the board as an "approved private  
8 institution" under subdivision (2) of section 173.205;

9 (4) A not-for-profit religious school that is accredited by the American  
10 Association of Bible Colleges, the Association of Theological Schools in the United  
11 States and Canada, or a regional accrediting association, such as the North  
12 Central Association, which is recognized by the Council on Postsecondary  
13 Accreditation and the United States Department of Education.

14 (5) Beginning July 1, 2007, all out-of-state public institutions of  
15 higher education, as such term is defined in subdivision (11) of  
16 subsection 2 of section 173.005.

17 2. The coordinating board shall exempt the following schools, training

18 programs and courses of instruction from the provisions of sections 173.600 to  
19 173.618:

20 (1) A not-for-profit school owned, controlled and operated by a bona fide  
21 religious or denominational organization which offers no programs or degrees and  
22 grants no degrees or certificates other than those specifically designated as  
23 theological, bible, divinity or other religious designation;

24 (2) A not-for-profit school owned, controlled and operated by a bona fide  
25 eleemosynary organization which provides instruction with no financial charge  
26 to its students and at which no part of the instructional cost is defrayed by or  
27 through programs of governmental student financial aid, including grants and  
28 loans, provided directly to or for individual students;

29 (3) A school which offers instruction only in subject areas which are  
30 primarily for avocational or recreational purposes as distinct from courses to  
31 teach employable, marketable knowledge or skills, which does not advertise  
32 occupational objectives and which does not grant degrees;

33 (4) A course of instruction, study or training program sponsored by an  
34 employer for the training and preparation of its own employees;

35 (5) A course of study or instruction conducted by a trade, business or  
36 professional organization with a closed membership where participation in the  
37 course is limited to bona fide members of the trade, business or professional  
38 organization, or a course of instruction for persons in preparation for an  
39 examination given by a state board or commission where the state board or  
40 commission approves that course and school;

41 (6) A school or person whose clientele are primarily students aged sixteen  
42 or under.

43 3. A school which is otherwise licensed and approved under and pursuant  
44 to any other licensing law of this state shall be exempt from sections 173.600 to  
45 173.618, but a state certificate of incorporation shall not constitute licensing for  
46 the purpose of sections 173.600 to 173.618.

47 4. Any school, training program or course of instruction exempted herein  
48 may elect by majority action of its governing body or by action of its director to  
49 apply for approval of the school, training program or course of instruction under  
50 the provisions of sections 173.600 to 173.618. Upon application to and approval  
51 by the coordinating board, such school training program or course of instruction  
52 may become exempt from the provisions of sections 173.600 to 173.618 at any  
53 subsequent time, except the board shall not approve an application for exemption



54 if the approved school is then in any status of noncompliance with certification  
55 standards and a reversion to exempt status shall not relieve the school of any  
56 liability for indemnification or any penalty for noncompliance with certification  
57 standards during the period of the school's approved status.

174.450. 1. Except as provided in subsection 2 **and subsection 6** of this  
2 section, the governing board of Central Missouri State University, Missouri State  
3 University, Missouri Southern State University, Missouri Western State  
4 University, and of each other public institution of higher education which,  
5 through the procedures established in subdivision (7) or (8) of section 173.030,  
6 RSMo, is charged with a statewide mission shall be a board of governors  
7 consisting of eight members, composed of seven voting members and one  
8 nonvoting member as provided in sections 174.453 and 174.455, who shall be  
9 appointed by the governor of Missouri, by and with the advice and consent of the  
10 senate. No person shall be appointed a voting member who is not a citizen of the  
11 United States and who has not been a resident of the state of Missouri for at  
12 least two years immediately prior to such appointment. Not more than four  
13 voting members shall belong to any one political party. The appointed members  
14 of the board of regents serving on the date of the statutory mission change shall  
15 become members of the board of governors on the effective date of the statutory  
16 mission change and serve until the expiration of the terms for which they were  
17 appointed. The board of regents of any such institution shall be abolished on the  
18 effective date of the statutory mission change, as prescribed in subdivision (7) or  
19 (8) of section 173.030, RSMo.

20 2. The governing board of Missouri State University, a public institution  
21 of higher education charged with a statewide mission in public affairs, shall be  
22 a board of governors of ten members, composed of nine voting members and one  
23 nonvoting member, who shall be appointed by the governor, by and with the  
24 advice and consent of the senate. The nonvoting member shall be a student  
25 selected in the same manner as prescribed in section 174.055. No more than one  
26 voting member shall be appointed to the board from the same congressional  
27 district, and every member of the board shall be a citizen of the United States,  
28 and a resident of this state for at least two years prior to his or her appointment.  
29 No more than five voting members shall belong to any one political party. **The**  
30 **term of office of the governors shall be six years. The voting members**  
31 **of the board of governors serving on August 28, 2005, shall serve until**  
32 **the expiration of the terms for which they were appointed. For those**

33 voting members appointed after August 28, 2005, the term of office will  
34 be established in a manner where no more than three terms shall  
35 expire in a given year. The term of office for those appointed hereafter  
36 shall end January first in years ending in an odd number.

37 3. If a voting member of the board of governors of Missouri State  
38 University is found by unanimous vote of the other governors to have  
39 moved such governor's residence from the district from which such  
40 governor was appointed, then the office of such governor shall be  
41 forfeited and considered vacant.

42 4. Should the total number of Missouri congressional districts be  
43 altered, all members of the board of governors of Missouri State  
44 University shall be allowed to serve the remainder of the term for  
45 which they were appointed.

46 5. Should the boundaries of any congressional districts be  
47 altered in a manner that displaces a member of the board of governors  
48 of Missouri State University from the congressional district from which  
49 the member was appointed, the member shall be allowed to serve the  
50 remainder of the term for which the member was appointed.

51 [3.] 6. The governing board of Missouri Southern State University shall  
52 be a board of governors consisting of nine members, composed of eight voting  
53 members and one nonvoting member as provided in sections 174.453 and 174.455,  
54 who shall be appointed by the governor of Missouri, by and with the advice and  
55 consent of the senate. No person shall be appointed a voting member who is not  
56 a citizen of the United States and who has not been a resident of the state of  
57 Missouri for at least two years immediately prior to such appointment. Not more  
58 than four voting members shall belong to any one political party.

174.453. 1. **Except as provided in section 174.450**, the board of  
2 governors shall be appointed as follows:

3 (1) Five voting members shall be selected from the counties comprising  
4 the institution's historic statutory service region as described in section 174.010,  
5 except that no more than two members shall be appointed from any one county  
6 with a population of less than two hundred thousand inhabitants;

7 (2) Two voting members shall be selected from any of the counties in the  
8 state which are outside of the institution's historic service region; and

9 (3) One nonvoting member who is a student shall be selected in the same  
10 manner as prescribed in section 174.055.

11           2. The term of service of the governors shall be as follows:

12           (1) The voting members shall be appointed for terms of six years; and

13           (2) The nonvoting student member shall serve a two-year term.

14           3. Members of any board of governors selected pursuant to this section  
15 and in office on May 13, 1999, shall serve the remainder of their unexpired terms.

16           4. Notwithstanding the provisions of subsection 1 of this section, the  
17 board of governors of Missouri Southern State University shall be appointed as  
18 follows:

19           (1) Six voting members shall be selected from any of the following  
20 counties: Barton, Jasper, Newton, McDonald, Dade, Lawrence, and Barry  
21 provided that no more than three of these six members shall be appointed from  
22 any one county;

23           (2) Two voting members shall be selected from any of the counties in the  
24 state which are outside of the counties articulated in subdivision (1) of this  
25 subsection;

26           (3) One nonvoting member who is a student shall be selected in the same  
27 manner as prescribed in section 174.055; and

28           (4) The provisions of subdivisions (1) and (2) of this subsection shall only  
29 apply to board members first appointed after August 28, 2004.

30           5. Notwithstanding the provisions of subsection 1 of this section, the  
31 board of governors of Missouri Western State University shall be appointed as  
32 follows:

33           (1) Five voting members shall be selected from any of the following  
34 counties: Buchanan, Platte, Clinton, Andrew, and DeKalb provided that no more  
35 than three of these five members shall be appointed from any one county;

36           (2) Two voting members shall be selected from any of the counties in the  
37 state which are outside of the counties articulated in subdivision (1) of this  
38 subsection;

39           (3) One nonvoting member who is a student shall be selected in the same  
40 manner as prescribed in section 174.055; and

41           (4) The provisions of subdivisions (1) and (2) of this subsection shall only  
42 apply to board members first appointed after August 28, 2005.

174.500. 1. The board of [regents of Southwest] **governors of Missouri**  
2 State University is authorized to continue the program of higher education at  
3 West Plains, Missouri, which was begun in 1963 and which shall be known as the  
4 "West Plains Campus of [Southwest] Missouri State University". [Southwest]

5 Missouri State University may include an appropriation request for the branch  
6 facility at West Plains in its operating budget.

7           2. The coordinating board for higher education in cooperation with the  
8 board of [regents] **governors** shall develop a mission implementation plan for  
9 the campus at West Plains, Howell County, which is known as the "West Plains  
10 Campus of [Southwest] Missouri State University", and which shall be a teaching  
11 institution, offering one-year certificates, two-year associate degrees and credit  
12 and noncredit courses to both traditional and nontraditional students to meet the  
13 ongoing and emerging employer and educational needs of the citizens of the area  
14 served.

178.870. Any tax imposed on property subject to the taxing power of the  
2 junior college district under article X, section 11(a) of the Missouri Constitution  
3 without voter approval shall not exceed the annual rate of ten cents on the  
4 hundred dollars assessed valuation in districts having one billion [five] **seven**  
5 hundred **fifty** million dollars or more assessed valuation; twenty cents on the  
6 hundred dollars assessed valuation in districts having [seven hundred fifty  
7 million] **one billion** dollars but less than one billion [five] **seven** hundred **fifty**  
8 million dollars assessed valuation; thirty cents on the hundred dollars assessed  
9 valuation in districts having [five] **seven** hundred **fifty** million dollars but less  
10 than [seven hundred fifty million] **one billion** dollars assessed valuation; forty  
11 cents on the hundred dollars assessed valuation in districts having less than  
12 [five] **seven** hundred **fifty** million dollars assessed valuation; except that, no  
13 public junior college district having an assessed valuation in excess of one  
14 hundred million and less than two hundred fifty million which is levying an  
15 operating levy of thirty cents per one hundred dollars assessed valuation on  
16 September 28, 1975, shall increase such levy above thirty cents per one hundred  
17 dollars assessed valuation without voter approval. Tax rates specified in this  
18 section that were in effect in 1984 shall not be lowered due to an increase in  
19 assessed valuation created by general reassessment; however, the provisions of  
20 section 137.073, RSMo, or section 22(a) of article X of the Missouri Constitution  
21 are applicable. Districts which operate institutions awarding degrees above the  
22 associate degree shall not be affected by the changes provided in this  
23 section. Increases of the rate with voter approval shall be made in the manner  
24 provided in chapter 164, RSMo, for school districts.

**Section 1. 1. The coordinating board for higher education shall**  
2 **study the fiscal implications of providing a tax deduction for higher**

3 education tuition and fee expenses for those persons earning less than  
4 one hundred thousand dollars annually.

5 2. The coordinating board shall report to the general assembly  
6 no later than January 1, 2007, regarding its findings regarding  
7 subsection 1 of this section.

Section 2. 1. As used in this section, unless the context clearly  
2 requires otherwise, the following terms mean:

3 (1) "Board", the coordinating board for higher education;

4 (2) "Books", any books required for any course for which tuition  
5 was paid by a grant awarded pursuant to this section;

6 (3) "Grant", the war veteran's survivors grant as established in  
7 this section;

8 (4) "Institution of postsecondary education", any approved  
9 Missouri public institution of postsecondary education, as defined in  
10 section 173.205;

11 (5) "Survivor", a child or spouse of a war veteran;

12 (6) "Tuition", any tuition or incidental fee, or both, charged by an  
13 institution of postsecondary education for attendance at the institution  
14 by a student as a resident of this state;

15 (7) "War veteran", a person who served in the military during a  
16 time of war and to whom the following criteria shall apply:

17 (a) The veteran was a Missouri resident when first entering the  
18 military service and at the time of death; and

19 (b) The veteran dies as a result of combat action or the veteran's  
20 death was certified by a Veterans' Administration medical authority to  
21 be attributable to an illness that was contracted while serving in  
22 combat.

23 2. Within the limits of the amounts appropriated therefor, the  
24 coordinating board for higher education shall award annually up to  
25 twenty-five grants to survivors of war veterans to attend institutions  
26 of postsecondary education in this state, which shall continue to be  
27 awarded annually to eligible recipients as long as certain standards of  
28 academic performance, as determined by the coordinating board for  
29 higher education, continue to be achieved. If the waiting list of eligible  
30 survivors exceeds fifty, the coordinating board may petition the general  
31 assembly to expand the quota. If the quota is not expanded, then the  
32 eligibility of survivors on the waiting list shall be extended.

33           **3. A survivor may receive a grant pursuant to this section only**  
34 **so long as the survivor is enrolled in a program leading to a certificate,**  
35 **or an associate or baccalaureate degree. In no event shall a survivor**  
36 **receive a grant beyond the completion of the first baccalaureate**  
37 **degree, regardless of age.**

38           **4. The coordinating board for higher education shall:**

39           **(1) Promulgate all necessary rules and regulations for the**  
40 **implementation of this section;**

41           **(2) Determine minimum standards of academic performance in**  
42 **order for a survivor to remain eligible to receive a grant under this**  
43 **section;**

44           **(3) Provide the forms and determine the procedures necessary**  
45 **for a survivor to apply for and receive a grant under this section.**

46           **5. Any rule or portion of a rule, as that term is defined in section**  
47 **536.010, RSMo, that is created under the authority delegated in this**  
48 **section shall become effective only if it complies with and is subject to**  
49 **all of the provisions of chapter 536, RSMo, and, if applicable, section**  
50 **536.028, RSMo. This section and chapter 536, RSMo, are nonseverable**  
51 **and if any of the powers vested with the general assembly pursuant to**  
52 **chapter 536, RSMo, to review, to delay the effective date, or to**  
53 **disapprove and annul a rule are subsequently held unconstitutional,**  
54 **then the grant of rulemaking authority and any rule proposed or**  
55 **adopted after August 28, 2006, shall be invalid and void.**

56           **6. In order to be eligible to receive a grant pursuant to this**  
57 **section, a survivor shall be certified as eligible by the Missouri**  
58 **veterans' commission. In the case of an illness-related death, such**  
59 **certification shall be made upon qualified medical certification by a**  
60 **Veterans' Administration medical authority that the illness was both a**  
61 **direct result of the veteran's combat service and a substantial factor in**  
62 **the cause of the resulting death of the veteran.**

63           **7. A survivor who is enrolled or has been accepted for enrollment**  
64 **as an undergraduate postsecondary student at an approved institution**  
65 **of postsecondary education, and who is selected to receive a grant**  
66 **under this section, shall receive the following:**

67           **(1) An amount not to exceed half of the survivor's actual tuition;**

68           **(2) An allowance of up to two thousand dollars per semester for**  
69 **room and board; and**

70           **(3) The actual cost of books, up to a maximum of five hundred**  
71 **dollars per semester.**

72           **8. A survivor who is a recipient of a grant may transfer from one**  
73 **approved public institution of postsecondary education to another**  
74 **without losing his or her entitlement under this section. The board**  
75 **shall make necessary adjustments in the amount of the grant. If a grant**  
76 **recipient at any time withdraws from the institution of postsecondary**  
77 **education so that under the rules and regulations of that institution he**  
78 **or she is entitled to a refund of any tuition, fees, room and board,**  
79 **books, or other charges, the institution shall pay the portion of the**  
80 **refund to which he or she is entitled attributable to the grant for that**  
81 **semester or similar grading period to the board.**

82           **9. If a survivor is granted financial assistance under any other**  
83 **student aid program, public or private, the full amount of such aid shall**  
84 **be reported to the board by the institution and the eligible survivor.**

85           **10. Nothing in this section shall be construed as a promise or**  
86 **guarantee that a person will be admitted to an institution of**  
87 **postsecondary education or to a particular institution of postsecondary**  
88 **education, will be allowed to continue to attend an institution of**  
89 **postsecondary education after having been admitted, or will be**  
90 **graduated from an institution of postsecondary education.**

91           **11. The benefits conferred by this section shall be available to**  
92 **any academically qualified surviving spouse or children of war**  
93 **veterans. Surviving children who are eligible shall be permitted to**  
94 **apply for full benefits conferred by this section until they reach twenty-**  
95 **five years of age.**

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