FIRST REGULAR SESSION

[PERFECTED]

SENATE SUBSTITUTE FOR

SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 558

95TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR MAYER.

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2236S.08P

TERRY L. SPIELER, Secretary.

AN ACT

To repeal sections 160.545 and 173.250, RSMo, and to enact in lieu thereof three new sections relating to higher education scholarships.

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

Section A. Sections 160.545 and 173.250, RSMo, are repealed and three

2 new sections enacted in lieu thereof, to be known as sections 160.545, 173.250,

3 and 173.268, to read as follows:

160.545. 1. There is hereby established within the department of elementary and secondary education the "A+ Schools Program" to be administered by the commissioner of education. The program shall consist of [grant awards] scholarships made to graduates of public secondary schools that:

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(1) Demonstrate [a commitment to ensure that:

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(1) All students be graduated from school;

7 (2) All students complete] completion of a selection of high school
8 studies that is challenging and for which there are identified learning
9 expectations; and

10 [(3) All students] (2) Who proceed from high school graduation to a 11 community college, [or] postsecondary vocational or technical school [or 12 high-wage job with work place skill development opportunities] or state 13 technical college, as provided in this section.

Pursuant to the A+ program, the state board of education shall
 promulgate rules and regulations [for the approval of grants made under the

16 program to schools that:

17 (1) Establish measurable district wide performance standards for the goals18 of the program outlined in subsection 1 of this section; and

19 (2)] that specify the knowledge, skills and competencies, in measurable 20 terms, that students must demonstrate to successfully complete any individual 21 course offered by [the] a school[,] and any course of studies which will qualify a 22 student for graduation from [the] such school[;] and does not include any 23 general track course, that upon completion, counts toward a high 24 school diploma, and

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

(4) Require] further specify rigorous coursework with standards of
competency in basic academic subjects for students pursuing vocational and
technical education. [as prescribed by rule and regulation of the state board of
education; and

31(5) Have a partnership plan developed in cooperation and with the advice 32of local business persons, labor leaders, parents, and representatives of college and postsecondary vocational and technical school representatives, with the plan 33then approved by the local board of education. The plan shall specify a 3435mechanism to receive information on an annual basis from those who developed 36 the plan in addition to senior citizens, community leaders, and teachers to update the plan in order to best meet the goals of the program as provided in subsection 371 of this section. Further, the plan shall detail the procedures used in the school 38to identify students that may drop out of school and the intervention services to 39be used to meet the needs of such students. The plan shall outline counseling 40and mentoring services provided to students who will enter the work force upon 41graduation from high school, address apprenticeship and intern programs, and 42shall contain procedures for the recruitment of volunteers from the community 43of the school to serve in schools receiving program grants. 44

45 3. A school district may participate in the program irrespective of its
46 accreditation classification by the state board of education, provided it meets all
47 other requirements.

48 4. By rule and regulation, the state board of education may determine a 49 local school district variable fund match requirement in order for a school or 50 schools in the district to receive a grant under the program. However, no school 51 in any district shall receive a grant under the program unless the district

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52 designates a salaried employee to serve as the program coordinator, with the 53 district assuming a minimum of one-half the cost of the salary and other benefits 54 provided to the coordinator. Further, no school in any district shall receive a 55 grant under the program unless the district makes available facilities and 56 services for adult literacy training as specified by rule of the state board of 57 education.

585. For any school that meets the requirements for the approval of the 59grants authorized by this section and specified in subsection 2 of this section for 60 three successive school years, by August first following the third such school year, the commissioner of education shall present a plan to the superintendent of the 6162 school district in which such school is located for the waiver of rules and regulations to promote flexibility in the operations of the school and to enhance 63 and encourage efficiency in the delivery of instructional services in the 64 school. The provisions of other law to the contrary notwithstanding, the plan 65presented to the superintendent shall provide a summary waiver, with no 66 conditions, for the pupil testing requirements pursuant to section 160.257 in the 67 school. Further, the provisions of other law to the contrary notwithstanding, the 68 plan shall detail a means for the waiver of requirements otherwise imposed on 69 the school related to the authority of the state board of education to classify 7071school districts pursuant to subdivision (9) of section 161.092, RSMo, and such 72other rules and regulations as determined by the commissioner of education, 73except such waivers shall be confined to the school and not other schools in the 74school district unless such other schools meet the requirements of this subsection. However, any waiver provided to any school as outlined in this 75subsection shall be void on June thirtieth of any school year in which the school 76 fails to meet the requirements for the approval of the grants authorized by this 77section as specified in subsection 2 of this section. 78

6. For any school year, grants authorized by subsections 1 to 3 of this section shall be funded with the amount appropriated for this program, less those funds necessary to reimburse eligible students pursuant to subsection 7 of this section.

7.] 3. The commissioner of education shall, by rule and regulation of the state board of education and with the advice of the coordinating board for higher education, establish a procedure for the [reimbursement] payment of the cost of tuition, books, and fees to any public community college or [within the limits established in subsection 9 of this section any two-year public or private]

88 vocational or technical school [for any student] or state technical college, or

within the limits established in subsection 11 of this section, any twoyear private vocational or technical school, for any student:

91 (1) Who has attended a public high school in the state for at least three 92 years immediately prior to graduation [that meets the requirements of subsection 93 2 of this section], except that students who are active duty military dependents 94 who, in the school year immediately preceding graduation, meet all other 95 requirements of this subsection and are attending a school that meets the 96 requirements of [subsection 2 of] this section shall be exempt from the three-year 97 attendance requirement of this subdivision; and

98 (2) Who has made a good faith effort to first secure all available [federal]
99 sources of funding that could be applied to the [reimbursement described in this
100 subsection] costs covered by this scholarship program; and

101 (3) Who has earned a [minimal] grade **point** average **of at least two** 102 **and one-half points on a four-point scale, or its equivalent on another** 103 **scale**, while in high school [as determined by rule of the state board of 104 education,]; and

105 (4) Meets other requirements for the [reimbursement] payment
 106 authorized by this subsection as determined by rule and regulation of said board.

4. Student financial incentives shall be available for a period of
four years after high school graduation.

109 5. To be eligible for a student financial incentive, each student110 shall:

(1) Have attended a public high school in Missouri for threeconsecutive years prior to high school graduation;

(2) Have graduated from high school with an overall grade point average of two and five-tenths or higher on a four point scale, or its equivalent on another scale, or have graduated from a high school with documented mastery of institutionally identified skills that would equate to a two and five-tenths grade point average or higher on a four point scale;

119 (3) Have performed at least fifty hours of unpaid tutoring or120 mentoring;

121 (4) Have at least a ninety-five percent attendance record overall122 for grades nine through twelve; and

123 (5) Have maintained a record of good citizenship and avoidance

124 of the unlawful use of drugs and alcohol.

6. To maintain eligibility, each participating student shall,
during the four year period of incentive availability:

(1) Enroll in and attend on a full-time basis a Missouri public
community college, vocational or technical school, state technical
college, or within the limits established in subsection 11 of this section,
any two-year private vocational or technical school;

131 (2) Maintain a grade point average of two and five-tenths points
132 or higher on a four point scale, or its equivalent on another scale; and

(3) Maintain a record of good citizenship and avoidance of theunlawful use of drugs and alcohol.

7. The financial incentives shall be made available, subject to
appropriation, only after the student has made a documented good
faith effort to first secure all available postsecondary student financial
assistance funds that do not require repayment.

8. Subject to appropriation, the financial incentives shall only be made available to pay the unpaid balance of the cost of tuition, general fees, and up to fifty percent of the book cost after all postsecondary student financial assistance funds have been applied to these costs. If changes are made to the above incentives, the department of elementary and secondary education shall provide payments in the following order of priority:

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(1) The full amount of tuition;

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(2) The general fees; and

(3) Up to fifty percent of the book cost.

9. Missouri public community colleges, vocational or technical schools, state technical colleges, or within the limits established in subsection 11 of this section, two-year private vocational or technical schools shall, under this section, verify, prior to payment, for each student intending to participate in the program at their institution that:

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(1) By the end of the first semester of the student's participation:

(a) Verification of student eligibility has been received from the
high school from which the student graduated;

158 (b) The eligible student is enrolled as a full-time student;

(c) A good faith effort has been made to secure all available
postsecondary student financial assistance funds; and

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(d) After all available postsecondary student financial assistance
funds are applied, the student shall receive financial incentive
funds. The amount of funds shall depend on the remaining costs of
tuition, general fees, and up to fifty percent of the book cost to attend
that institution, subject to appropriation; and

166 (2) During the second and subsequent semesters of the student's167 participation:

168 (a) The eligible student continues to be enrolled as a full-time169 student;

(b) Good faith efforts continue to be made to secure all available
postsecondary student financial assistance funds;

(c) The student has earned and maintains a grade point average
of two and five-tenths points or higher on a four point scale, or its
equivalent on another scale; and

(d) After all other available postsecondary student financial assistance funds are applied, the student shall receive financial incentive funds. The amount of funds shall be subject to appropriation and shall depend on the remaining costs of tuition, general fees, and up to fifty percent of the book cost to attend that institution.

[8.] 10. The commissioner of education shall develop a procedure for evaluating the effectiveness of the **scholarship** program described in this section. Such evaluation shall be conducted annually with the results of the evaluation provided to the governor, speaker of the house, and president pro tempore of the senate.

[9.] 11. For a two-year [public or] private vocational or technical school to obtain reimbursements under subsection [7] 3 of this section, [except for those schools that are receiving reimbursements on August 28, 2008,] the following requirements shall be satisfied:

(1) Such two-year [public or] private vocational or technical school shall
be a member of the North Central Association and be accredited by the Higher
Learning Commission as of July 1, 2008, and maintain such accreditation;

(2) Such two-year [public or] private vocational or technical school shall
be designated as a 501(c)(3) nonprofit organization under the Internal Revenue
Code of 1986, as amended;

(3) No two-year [public or] private vocational or technical school shallreceive tuition reimbursements in excess of the tuition rate charged by a public

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197 community college for course work offered by the private vocational or technical198 school within the service area of such college; and

(4) The reimbursements provided to any two-year private vocational or
technical school shall not violate the provisions of article IX, section 8, or article
I, section 7, of the Missouri Constitution or the first amendment of the United
States Constitution.

173.250. 1. There is hereby established a "Higher Education Academic
Scholarship Program" and any moneys appropriated by the general assembly for
this program shall be used to provide scholarships for Missouri citizens to attend
a Missouri college or university of their choice pursuant to the provisions of this
section.

6 2. The definitions of terms set forth in section [173.205] **173.1102** shall 7 be applicable to such terms as used in this section. [The term "academic 8 scholarship" means an amount of money paid by the state of Missouri to a 9 qualified college or university student who has demonstrated superior academic 10 achievement pursuant to the provisions of this section.] In addition, the 11 following definitions shall apply:

12 (1) "Academic scholarship", an amount of money paid by the state
13 of Missouri to a student pursuant to the provisions of this section;

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(2) "ACT", the American College Testing Program examination;

(3) "Approved institution", an approved public or approved
private institution as defined in section 173.1102;

17 (4) "Eligible student", an individual who meets the criteria set 18 forth in section 173.1104, excluding the requirements of financial need 19 and undergraduate status, and in addition, meets the following 20 requirements:

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(a) Has achieved a qualifying score on the ACT or SAT;

(b) Is a Missouri resident who has completed secondary
coursework through graduation from high school, receipt of a general
education development diploma (GED), or completion of a program of
study through homeschooling; and

(c) Is enrolled full-time or accepted for full-time enrollment as
a postsecondary student at an approved institution during the
academic year immediately following the completion of his or her
secondary coursework;



(5) "Missouri test-takers", all Missouri high school seniors who

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31 take the ACT or the SAT;

32 (6) "Qualifying score", a composite score on the ACT or the SAT 33 achieved as a high school sophomore, junior, or senior, that is in the 34 top three percent of Missouri test-takers for fiscal years prior to 2011, 35 and five percent of Missouri test-takers for fiscal year 2011 and each 36 fiscal year thereafter, as established at the beginning of an eligible 37 student's final year of secondary coursework;

38 (7) "Recipient", an eligible or renewal student who receives an
39 academic scholarship pursuant to this section;

40 (8) "Renewal student", an eligible student who remains in 41 compliance with the provisions of section 173.1104, maintains 42 continuous enrollment, and makes satisfactory academic degree 43 progress;

44 (9) "SAT", the Scholastic Aptitude Test.

3. The coordinating board for higher education shall be the administrative
agency for the implementation of the program established by this section, and
shall:

48 (1) Promulgate reasonable rules and regulations for the exercise of its
49 functions and the effectuation of the purposes of this section, including
50 regulations for granting scholarship deferments;

51 (2) Prescribe the form and the time and method of awarding academic52 scholarships, and shall supervise the processing thereof; and

53 (3) Select qualified recipients to receive academic scholarships, make such
54 awards of academic scholarships to qualified recipients and determine the
55 manner and method of payment to the recipient.

4. [A student shall be eligible for initial or renewed academic scholarship if he or she is in compliance with the eligibility requirements set forth in section 173.215 excluding the requirement of financial need and undergraduate status, and in addition meets the following requirements:

60 (1) Initial academic scholarships shall be offered in the academic year 61 immediately following graduation from high school to Missouri high school seniors 62 whose composite scores on the American College Testing Program (ACT) or the 63 Scholastic Aptitude Test (SAT) of the College Board are in the top five percent of 64 all Missouri students taking those tests during the school year in which the 65 scholarship recipients graduate from high school. In the freshman year of college, 66 scholarship recipients are required to maintain status as a full-time student;

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67 (2) Academic scholarships are renewable if the recipient remains in 68 compliance with the applicable provisions of section 173.215 and the recipient makes satisfactory academic degree progress as a full-time student. 69

- 5. A student who is enrolled or has been accepted for enrollment as a postsecondary student at an approved private or public institution beginning with 7172the fall 1987, term and who meets the other eligibility requirements for an 73academic scholarship shall, within the limits of the funds appropriated and made 74available, be offered an academic scholarship in the amount of two thousand 75dollars for each eligible student whose composite scores on the American College Testing Program (ACT) or the Scholastic Aptitude Test (SAT) of the College 7677Board are in the top three percent of all Missouri students taking those tests during the school year in which the scholarship recipients graduate from high 78school for each fiscal year prior to fiscal year 2011, and, subject to appropriations, 7980 three thousand dollars for fiscal year 2011 and every fiscal year thereafter, and one thousand dollars for fiscal year 2011 and every fiscal year thereafter for each 81 eligible student whose composite scores on the American College Testing Program 82 83 (ACT) or the Scholastic Aptitude Test (SAT) of the College Board are between the top five and three percent of all Missouri students taking those tests during the 84 school year in which the scholarship recipients graduate from high school, for the 8586 first academic year of study, which scholarship shall be renewable in the amount 87 of two thousand dollars for each eligible student whose composite scores on the American College Testing Program (ACT) or the Scholastic Aptitude Test (SAT) 88 89 of the College Board are in the top three percent of all Missouri students taking those tests during the school year in which the scholarship recipients graduate 90 from high school for each fiscal year prior to fiscal year 2011, and, subject to 91appropriations, three thousand dollars for fiscal year 2011 and every fiscal year 92thereafter, and one thousand dollars for fiscal year 2011 and every fiscal year 93 thereafter for each eligible student whose composite scores on the American 94College Testing Program (ACT) or the Scholastic Aptitude Test (SAT) of the 95 College Board are between the top five and three percent of all Missouri students 96 97 taking those tests during the school year in which the scholarship recipients 98 graduate from high school, annually for the second, third and fourth academic 99 years or as long as the recipient is in compliance with the applicable eligibility 100 requirements set forth in section 173.215, provided those years of study are continuous and the student continues to meet eligibility requirements for the 101
- scholarship; provided, however, if a recipient ceases all attendance at an approved 102

public or private institution for the purpose of providing service to a nonprofit organization, a state or federal government agency or any branch of the armed forces of the United States, the recipient shall be eligible for a renewal scholarship upon return to any approved public or private institution, provided the recipient:

108 (1) Returns to full-time status within twenty-seven months;

(2) Provides verification in compliance with coordinating board for higher
education rules that the service to the nonprofit organization was satisfactorily
completed and was not compensated other than for expenses or that the service
to the state or federal governmental agency or branch of the armed forces of the
United States was satisfactorily completed; and

(3) Meets all other requirements established for eligibility to receive arenewal scholarship.

6.] Eligible students shall be offered academic scholarships in
the following amounts, within the limits of the funds appropriated and
made available:

(1) During each fiscal year prior to fiscal year 2011, each eligible
student with a qualifying score in the top three percent of all Missouri
test-takers shall be offered an academic scholarship in the amount of
two thousand dollars per year;

123 (2) During fiscal year 2011 and each fiscal year thereafter:

(a) Each eligible student with a qualifying score in the top three
percent of all Missouri test-takers shall be offered an academic
scholarship in the amount of three thousand dollars per year; and

(b) Each eligible student with a qualifying score in the top five
percent shall be offered an academic scholarship in the amount of one
thousand dollars per year;

(3) Eligible students may renew academic scholarships for their
second, third, and fourth years of postsecondary education, or as long
as the recipient is in compliance with the criteria to be a renewal
student;

(4) If an eligible student is unable to enroll during the first academic year or a renewal student ceases attendance at an approved institution for the purpose of providing service to a nonprofit organization, a state or federal government agency, or any branch of the armed forces of the United States, such student shall be offered an

academic scholarship upon enrollment in any approved institution
after the completion of their service, if the student meets all other
requirements for an initial or renewal award and if the following
criteria are met:

143(a) For an eligible student who cannot attend an approved institution as a result of service to a non-profit organization or the 144state or federal government, the student returns to full-time status 145within twenty-seven months and provides verification to the 146 147coordinating board for higher education that the service to the nonprofit organization was satisfactorily completed and was not 148149compensated other than for expenses, or that the service to the state or federal government was satisfactorily completed; or 150

(b) For an eligible student who cannot attend an approved institution as a result of military service in the armed forces of the United States, the student returns to full-time status within six months after the eligible student first ceases service to the armed forces and provides verification to the coordinating board for higher education that the military service was satisfactorily completed.

157 5. A recipient of an academic scholarship awarded under this section may
158 transfer from one approved [Missouri public or private] institution to another
159 without losing eligibility for the academic scholarship.

6. If a recipient of [the] an academic scholarship at any time withdraws from an approved [private or public] institution so that under the rules and regulations of that institution he or she is entitled to a refund of any tuition, fees or other charges, the institution shall pay the portion of the refund attributable to the academic scholarship for that term to the coordinating board for higher education.

7. Other provisions of this section to the contrary notwithstanding, if [a 166 167 recipient] an eligible student has been awarded an initial academic scholarship 168pursuant to the provisions of this section but is unable to [use the scholarship] 169 attend an approved institution during the first academic year because of illness, disability, pregnancy or other medical need or if a [recipient] renewal 170student ceases all attendance at an approved [public or private] institution 171172because of illness, disability, pregnancy or other medical need, the recipient shall be eligible for an initial or renewal **academic** scholarship upon enrollment in or 173return to any approved [public or private] institution, provided the recipient: 174

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(1) Enrolls in or returns to full-time status within twenty-seven months;
(2) Provides verification in compliance with coordinating board for higher
education rules of sufficient medical evidence documenting an illness, disability,
pregnancy or other medical need of such person to require that that person will
not be able to use the [initial or renewal] academic scholarship during the time

180 period for which it was originally offered; and

181 (3) Meets all other requirements established for eligibility to receive an
182 [initial or a renewal] academic scholarship.

173.268. 1. There is hereby established within the department of
higher education the "Missouri Promise Program" to be administered
by the commissioner of higher education.

2. For the purposes of subsection 3 of this section:

5 (1) "Average tuition" shall be the sum of the tuition amounts for 6 the academic year in which the scholarships shall be granted for any 7 approved public institution that meets the conditions set forth in 8 subdivision (3) of section 173.1102 and in addition offers baccalaureate 9 degrees, divided by the number of such institutions;

10 (2) "Tuition" shall have the definition ascribed to under
11 subsection 7 of section 173.1003.

3. For the academic year 2009-2010 and subsequent years, the 12commissioner of higher education shall, by rule and regulation 13promulgated by the coordinating board for higher education, establish 14a procedure for the provision of scholarships, provided that 15scholarships for all qualified students under subsection 3 of section 16 160.545, RSMo, are fully funded. The amount of scholarships under this 17subsection shall not exceed the lesser of either the tuition for the 1819 relevant student or the average tuition to any approved public institution that meets the conditions set forth in subdivision (3) of 2021section 173.1102, and in addition offers baccalaureate degrees. The amount of each scholarship shall be reduced by the amount of a 2223student's award under all other sources of postsecondary student financial assistance. All scholarships under this subsection shall be 2425subject to appropriation.

26 4. Scholarships shall be awarded to any student who has:

27 (1) Received a payment under subsection 3 of section 160.545,
28 RSMo;

29 (2) Completed an associate of arts degree, an associate's degree

30 that contains the forty-two-hour general education block, or an 31 associate's degree in a program that is part of an articulation 32 agreement recognized by the coordinating board for higher education 33 and enrolls in an approved public institution under subsection 3 of this 34 section within nine months of completing the associate's degree 35 described in this subdivision:

36 (3) Received a scholarship under subsection 3 of this section for
37 no more than six semesters;

(4) Made a good faith effort to first secure all available federal
and state sources of nonrepayable financial assistance that could be
applied to the student's tuition and fees;

41 (5) Maintained a record of good citizenship and avoidance of the
42 unlawful use of drugs and alcohol;

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(6) Maintained full-time enrollment; and

(7) Maintained a grade point average of three points or higher
on a four-point scale, or its equivalent on another scale, during the
student's enrollment while receiving a scholarship under the provisions
of subsection 3 of this section.

485. In the event a student receiving a scholarship under 49 subsection 3 of this section has a cumulative grade point average that 50falls below three points on a four-point scale or the equivalent on another scale at the end of a semester, the student shall be granted a 5152one-semester grace period from the grade point requirement of subdivision (6) of subsection 4 of this section. If the student's grades 53in the subsequent semester are insufficient to raise the student's 54cumulative average to three points or more on a four-point scale or the 5556equivalent on another scale, the student shall lose eligibility for the program established under subsection 3 of this section. 57

6. If appropriated funds are insufficient to fund all eligible 58students, the department shall adjust scholarship 59amounts. Scholarships under subsection 3 of section 160.545, RSMo, 60 shall be fully funded prior to any scholarships being distributed under 61subdivision (2) of this subsection. Scholarships shall be distributed in 6263 the following priority:

64 (1) Students eligible for scholarships under subsection 3 of
65 section 160.545, RSMo. If appropriated funds are insufficient to fund
66 all students eligible under subsection 3 of section 160.545, RSMo,

scholarship amounts shall be reduced equally for all such students,
following the order of priority in subsection 8 of section 160.545, RSMo;
(2) Students eligible for scholarships under subsection 3 of this
section. If appropriated funds are insufficient to fund all students
eligible under subsection 3 of this section, scholarship amounts shall
be reduced equally for all such students.

73 7. The commissioner of higher education shall develop a 74 procedure for evaluating the effectiveness of the program described in 75 this section. Such evaluation shall be conducted every two years with 76 the results of the evaluation provided to the governor, speaker of the 77 house of representatives, and president pro tempore of the senate.

788. Any rule or portion of a rule, as that term is defined in section 79536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to 80 81 all of the provisions of chapter 536, RSMo, and, if applicable, section 82536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to 83 84chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, 8586 then the grant of rulemaking authority and any rule proposed or 87 adopted after August 28, 2009, shall be invalid and void.