

FIRST REGULAR SESSION  
[P E R F E C T E D]  
SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE BILL NO. 163**  
96TH GENERAL ASSEMBLY

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Reported from the Committee on Education, March 3, 2011, with recommendation that the Senate Committee Substitute do pass.

Senate Committee Substitute for Senate Bill No. 163, adopted March 9, 2011.

Taken up for Perfection March 9, 2011. Bill declared Perfected and Ordered Printed, as amended.

1045S.02P

TERRY L. SPIELER, Secretary.

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**AN ACT**

To repeal sections 172.030, 173.005, and 174.450, RSMo, and to enact in lieu thereof three new sections relating to higher education boards.

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

Section A. Sections 172.030, 173.005, and 174.450, RSMo, are repealed  
2 and three new sections enacted in lieu thereof, to be known as sections 172.030,  
3 173.005, and 174.450, to read as follows:

172.030. The board of curators of the University of the state of Missouri  
2 shall hereafter consist of nine members, who shall be appointed by the governor,  
3 by and with the advice and consent of the senate; provided, that [not more than  
4 one person] **at least one but no more than two** shall be appointed upon said  
5 board from [the same] **each** congressional district, and no person shall be  
6 appointed a curator who shall not be a citizen of the United States, and who shall  
7 not have been a resident of the state of Missouri two years next prior to his  
8 appointment. Not more than five curators shall belong to any one political party.

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

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

8 [coordinating] board shall be the head of the department. The [coordinating]  
9 board shall consist of nine members appointed by the governor with the advice  
10 and consent of the senate, and not more than five of its members shall be of the  
11 same 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  
16 Missouri.] **Moreover, no person shall be appointed to the board who  
17 shall not be a citizen of the United States, and who shall not have been  
18 a resident of the state of Missouri two years next prior to appointment,  
19 and at least one but not more than two persons shall be appointed to  
20 said board from each congressional district. The term of service of a  
21 member of the board shall be six years and said members, while  
22 attending the meetings of the board, shall be reimbursed for their  
23 actual expenses.** The [coordinating] board may, in order to carry out the duties  
24 prescribed for it in subsections 1, 2, 3, 7, and 8 of this section, employ such  
25 professional, clerical and research personnel as may be necessary to assist it in  
26 performing those duties, but this staff shall not, in any fiscal year, exceed  
27 twenty-five full-time equivalent employees regardless of the source of funding. In  
28 addition to all other powers, duties and functions transferred to it, the  
29 [coordinating] board for higher education shall have the following duties and  
30 responsibilities:

31 (1) The [coordinating] board for higher education shall have approval of  
32 proposed new degree programs to be offered by the state institutions of higher  
33 education;

34 (2) The [coordinating] board for higher education may promote and  
35 encourage the development of cooperative agreements between Missouri public  
36 four-year institutions of higher education which do not offer graduate degrees and  
37 Missouri public four-year institutions of higher education which do offer graduate  
38 degrees for the purpose of offering graduate degree programs on campuses of  
39 those public four-year institutions of higher education which do not otherwise  
40 offer graduate degrees. Such agreements shall identify the obligations and duties  
41 of the parties, including assignment of administrative responsibility. Any  
42 diploma awarded for graduate degrees under such a cooperative agreement shall  
43 include the names of both institutions inscribed thereon. Any cooperative

44 agreement in place as of August 28, 2003, shall require no further approval from  
45 the [coordinating] board for higher education. Any costs incurred with respect  
46 to the administrative provisions of this subdivision may be paid from state funds  
47 allocated to the institution assigned the administrative authority for the  
48 program. The provisions of this subdivision shall not be construed to invalidate  
49 the provisions of subdivision (1) of this subsection;

50 (3) In consultation with the heads of the institutions of higher education  
51 affected and against a background of carefully collected data on enrollment,  
52 physical facilities, manpower needs, institutional missions, the [coordinating]  
53 board for higher education shall establish guidelines for appropriation requests  
54 by those institutions of higher education; however, other provisions of the  
55 Reorganization Act of 1974 notwithstanding, all funds shall be appropriated by  
56 the general assembly to the governing board of each public four-year institution  
57 of higher education which shall prepare expenditure budgets for the institution;

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

61 (5) The [coordinating] board for higher education shall establish  
62 admission guidelines consistent with institutional missions;

63 (6) The [coordinating] board shall establish policies and procedures for  
64 institutional decisions relating to the residence status of students;

65 (7) The [coordinating] board shall establish guidelines to promote and  
66 facilitate the transfer of students between institutions of higher education within  
67 the state and shall ensure that as of the 2008-09 academic year, in order to  
68 receive increases in state appropriations, all approved public two- and four-year  
69 public institutions shall work with the commissioner of higher education to  
70 establish agreed-upon competencies for all entry-level collegiate courses in  
71 English, mathematics, foreign language, sciences, and social sciences associated  
72 with an institution's general education core and that the [coordinating] board  
73 shall establish policies and procedures to ensure such courses are accepted in  
74 transfer among public institutions and treated as equivalent to similar courses  
75 at the receiving institutions. The department of elementary and secondary  
76 education shall align such competencies with the assessments found in section  
77 160.518 and successor assessments;

78 (8) The [coordinating] board shall collect the necessary information and  
79 develop comparable data for all institutions of higher education in the state. The

80 [coordinating] board shall use this information to delineate the areas of  
81 competence of each of these institutions and for any other purposes deemed  
82 appropriate by the [coordinating] board;

83 (9) Compliance with requests from the [coordinating] board for  
84 institutional information and the other powers, duties and responsibilities, herein  
85 assigned to the [coordinating] board, shall be a prerequisite to the receipt of any  
86 funds which the [coordinating] board is responsible for administering;

87 (10) If any institution of higher education in this state, public or private,  
88 willfully fails or refuses to follow any lawful guideline, policy or procedure  
89 established or prescribed by the [coordinating] board, or knowingly deviates from  
90 any such guideline, or knowingly acts without [coordinating] board approval  
91 where such approval is required, or willfully fails to comply with any other lawful  
92 order of the [coordinating] board, the [coordinating] board may, after a public  
93 hearing, withhold or direct to be withheld from that institution any funds the  
94 disbursement of which is subject to the control of the [coordinating] board, or may  
95 remove the approval of the institution as an approved institution within the  
96 meaning of section 173.1102. If any such public institution willfully disregards  
97 board policy, the commissioner of higher education may order such institution to  
98 remit a fine in an amount not to exceed one percent of the institution's current  
99 fiscal year state operating appropriation to the board. The board shall hold such  
100 funds until such time that the institution, as determined by the commissioner of  
101 higher education, corrects the violation, at which time the board shall refund such  
102 amount to the institution. If the commissioner determines that the institution  
103 has not redressed the violation within one year, the fine amount shall be  
104 deposited into the general revenue fund, unless the institution appeals such  
105 decision to the full [coordinating] board, which shall have the authority to make  
106 a binding and final decision, by means of a majority vote, regarding the  
107 matter. However, nothing in this section shall prevent any institution of higher  
108 education in this state from presenting additional budget requests or from  
109 explaining or further clarifying its budget requests to the governor or the general  
110 assembly; and

111 (11) (a) As used in this subdivision, the term "out-of-state public  
112 institution of higher education" shall mean an education institution located  
113 outside of Missouri that:

114 a. Is controlled or administered directly by a public agency or political  
115 subdivision or is classified as a public institution by the state;

116           b. Receives appropriations for operating expenses directly or indirectly  
117 from a state other than Missouri;

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

120           d. Meets the standards for accreditation by an accrediting body recognized  
121 by the United States Department of Education or any successor agency; and

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

124           (b) No later than July 1, 2008, the [coordinating] board shall promulgate  
125 rules regarding:

126           a. The board's approval process of proposed new degree programs and  
127 course offerings by any out-of-state public institution of higher education seeking  
128 to offer degree programs or course work within the state of Missouri; and

129           b. The board's approval process of degree programs and courses offered  
130 by any out-of-state public institutions of higher education that, prior to July 1,  
131 2008, were approved by the board to operate a school in compliance with the  
132 provisions of sections 173.600 to 173.618. The rules shall ensure that, as of July  
133 1, 2008, all out-of-state public institutions seeking to offer degrees and courses  
134 within the state of Missouri are evaluated in a manner similar to Missouri public  
135 higher education institutions. Such out-of-state public institutions shall be held  
136 to standards no lower than the standards established by the [coordinating] board  
137 for program approval and the policy guidelines of the [coordinating] board for  
138 data collection, cooperation, and resolution of disputes between Missouri  
139 institutions of higher education under this section. Any such out-of-state public  
140 institutions of higher education wishing to continue operating within this state  
141 must be approved by the board under the rules promulgated under this  
142 subdivision. Any rule or portion of a rule, as that term is defined in section  
143 536.010, that is created under the authority delegated in this section shall  
144 become effective only if it complies with and is subject to all of the provisions of  
145 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are  
146 nonseverable and if any of the powers vested with the general assembly under  
147 chapter 536 to review, to delay the effective date, or to disapprove and annul a  
148 rule are subsequently held unconstitutional, then the grant of rulemaking  
149 authority and any rule proposed or adopted after August 28, 2007, shall be  
150 invalid and void.

151           (c) Nothing in this subdivision or in section 173.616 shall be construed or

152 interpreted so that students attending an out-of-state public institution are  
153 considered to be attending a Missouri public institution of higher education for  
154 purposes of obtaining student financial assistance.

155           3. The [coordinating] board shall meet at least four times annually with  
156 an advisory committee who shall be notified in advance of such meetings. The  
157 [coordinating] board shall have exclusive voting privileges. The advisory  
158 committee shall consist of thirty-two members, who shall be the president or  
159 other chief administrative officer of the University of Missouri; the chancellor of  
160 each campus of the University of Missouri; the president of each state-supported  
161 four-year college or university, including Harris-Stowe State University, Missouri  
162 Southern State University, Missouri Western State University, and Lincoln  
163 University; the president of Linn State Technical College; the president or  
164 chancellor of each public community college district; and representatives of each  
165 of five accredited private institutions selected biennially, under the supervision  
166 of the [coordinating] board, by the presidents of all of the state's privately  
167 supported institutions; but always to include at least one representative from one  
168 privately supported community college, one privately supported four-year college,  
169 and one privately supported university. The conferences shall enable the  
170 committee to advise the [coordinating] board of the views of the institutions on  
171 matters within the purview of the [coordinating] board.

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

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

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

180           7. All the powers, duties and functions vested in the division of public  
181 schools and state board of education relating to community college state aid and  
182 the supervision, formation of districts and all matters otherwise related to the  
183 state's relations with community college districts and matters pertaining to  
184 community colleges in public school districts, chapters 163, 178, and others, are  
185 transferred to the [coordinating] board for higher education by type I  
186 transfer. Provided, however, that all responsibility for administering the  
187 federal-state programs of vocational-technical education, except for the 1202a

188 postsecondary educational amendments of 1972 program, shall remain with the  
189 department of elementary and secondary education. The department of  
190 elementary and secondary education and the [coordinating] board for higher  
191 education shall cooperate in developing the various plans for vocational-technical  
192 education; however, the ultimate responsibility will remain with the state board  
193 of education.

194 8. All the powers, duties, functions, and properties of the state poultry  
195 experiment station, chapter 262, are transferred by type I transfer to the  
196 University of Missouri, and the state poultry association and state poultry board  
197 are abolished. In the event the University of Missouri shall cease to use the real  
198 estate of the poultry experiment station for the purposes of research or shall  
199 declare the same surplus, all real estate shall revert to the governor of the state  
200 of Missouri and shall not be disposed of without legislative approval.

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

19 2. The governing board of Missouri State University, a public institution  
20 of higher education charged with a statewide mission in public affairs, shall be  
21 a board of governors of ten members, composed of nine voting members and one  
22 nonvoting member, who shall be appointed by the governor, by and with the  
23 advice and consent of the senate. The nonvoting member shall be a student

24 selected in the same manner as prescribed in section 174.055. [No more than one  
25 voting member] **At least one but no more than two voting members** shall  
26 be appointed to the board from [the same] **each** congressional district, and every  
27 member of the board shall be a citizen of the United States, and a resident of this  
28 state for at least two years prior to his or her appointment. No more than five  
29 voting members shall belong to any one political party. The term of office of the  
30 governors shall be six years. The voting members of the board of governors  
31 serving on August 28, 2005, shall serve until the expiration of the terms for which  
32 they were appointed. For those voting members appointed after August 28, 2005,  
33 the term of office will be established in a manner where no more than three terms  
34 shall expire in a given year. The term of office for those appointed hereafter shall  
35 end January first in years ending in an odd number.

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

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

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

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

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