#### SECOND REGULAR SESSION

# **SENATE BILL NO. 455**

### 96TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR PEARCE.

Pre-filed December 1, 2011, and ordered printed.

TERRY L. SPIELER, Secretary.

#### 4233S.03I

## AN ACT

To repeal sections 173.005 and 173.040, RSMo, and to enact in lieu thereof two new sections relating to duties prescribed to the coordinating board for higher education.

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

Section A. Sections 173.005 and 173.040, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 173.005 and 173.040, to read as follows:

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

2. The commission on higher education is abolished and all its powers, 56 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 shall consist of nine members appointed by the governor with the advice and 9 10 consent of the senate, and not more than five of its members shall be of the same political party. None of the members shall be engaged professionally as an 11 12educator or educational administrator with a public or private institution of higher education at the time appointed or during his term. Moreover, no person 1314 shall be appointed to the coordinating board who shall not be a citizen of the United States, and who shall not have been a resident of the state of Missouri two 1516years next prior to appointment, and at least one but not more than two persons 17shall be appointed to said board from each congressional district. The term of

service of a member of the coordinating board shall be six years and said 1819members, while attending the meetings of the board, shall be reimbursed for their actual expenses. Notwithstanding any provision of law to the contrary, nothing 2021in this section relating to a change in the composition and configuration of 22congressional districts in this state shall prohibit a member who is serving a term 23on August 28, 2011, from completing his or her term. The coordinating board may, in order to carry out the duties prescribed for it in subsections 1, 2, 3, 7, and 248 of this section, employ such professional, clerical and research personnel as may 2526be necessary to assist it in performing those duties, but this staff shall not, in any fiscal year, exceed twenty-five full-time equivalent employees regardless of the 2728source of funding. In addition to all other powers, duties and functions transferred to it, the coordinating board for higher education shall have the 29following duties and responsibilities: 30

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

34(2) The coordinating board for higher education may promote and encourage the development of cooperative agreements between Missouri public 35four-year institutions of higher education which do not offer graduate degrees and 36 37Missouri public four-year institutions of higher education which do offer graduate 38degrees for the purpose of offering graduate degree programs on campuses of those public four-year institutions of higher education which do not otherwise 39 40offer graduate degrees. Such agreements shall identify the obligations and duties of the parties, including assignment of administrative responsibility. Any 41diploma awarded for graduate degrees under such a cooperative agreement shall 42include the names of both institutions inscribed thereon. Any cooperative 43agreement in place as of August 28, 2003, shall require no further approval from 44 the coordinating board for higher education. Any costs incurred with respect to 45the administrative provisions of this subdivision may be paid from state funds 46 47allocated to the institution assigned the administrative authority for the program. The provisions of this subdivision shall not be construed to invalidate 4849the 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 board 53 for higher education shall establish guidelines for appropriation requests by those institutions of higher education; however, other provisions of the Reorganization
Act of 1974 notwithstanding, all funds shall be appropriated by the general
assembly to the governing board of each public four-year institution of higher
education which shall prepare expenditure budgets for the institution;

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

61 (5) The coordinating board for higher education shall establish admission62 guidelines consistent with institutional missions;

63 (6) The coordinating board for higher education shall require all 64public two-year and four-year higher education institutions to replicate best practices in remediation identified by the coordinating board and 65 66 institutions from research undertaken by regional educational laboratories, higher education research organizations, and similar 67 organizations with expertise in the subject, and identify and reduce 68 methods that have been found to be ineffective in preparing or 69 retaining students or that delay students from enrollment in 70college-level courses; 71

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

74[(7)] (8) The coordinating board shall establish guidelines to promote and 75facilitate the transfer of students between institutions of higher education within the state and [shall ensure that as of the 2008-09 academic year, in order to 76receive increases in state appropriations, all approved public two- and four-year 7778public institutions shall work with the commissioner of higher education to 79establish agreed-upon competencies for all entry-level collegiate courses in English, mathematics, foreign language, sciences, and social sciences associated 80 with an institution's general education core and that], with the assistance of 81 the committee on transfer and articulation, shall require all public 82two-year and four-year higher education institutions to create by July 83 1, 2014, a statewide core transfer library of at least twenty-five lower 84 85 division courses across all institutions that are transferable among all public higher education institutions. The coordinating board shall establish 86 policies and procedures to ensure such courses are accepted in transfer among 87 public institutions and treated as equivalent to similar courses at the receiving 88 institutions. The coordinating board shall develop a policy to foster 89

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reverse transfer for any student who has accumulated enough hours in 90 91combination with at least one public higher education institution in 92Missouri that offers an associate degree and one public four-year higher education institution in the prescribed courses sufficient to 93meet the public higher education institution's requirements to be 94awarded an associate degree. The department of elementary and secondary 9596 education shall [align such competencies with] maintain the alignment of the assessments found in section 160.518 and successor assessments with the 97 competencies previously established under this subdivision for entry-9899 level collegiate courses in English, mathematics, foreign language, 100sciences, and social sciences associated with an institution's general 101 education core;

102 [(8)] (9) The coordinating board shall collect the necessary information 103 and develop comparable data for all institutions of higher education in the 104 state. The coordinating board shall use this information to delineate the areas 105 of competence of each of these institutions and for any other purposes deemed 106 appropriate by the coordinating board;

107 [(9)] (10) Compliance with requests from the coordinating board for 108 institutional information and the other powers, duties and responsibilities, herein 109 assigned to the coordinating board, shall be a prerequisite to the receipt of any 110 funds which the coordinating board is responsible for administering;

111 [(10)] (11) If any institution of higher education in this state, public or private, willfully fails or refuses to follow any lawful guideline, policy or 112procedure established or prescribed by the coordinating board, or knowingly 113114deviates from any such guideline, or knowingly acts without coordinating board 115approval where such approval is required, or willfully fails to comply with any other lawful order of the coordinating board, the coordinating board may, after 116 117 a public hearing, withhold or direct to be withheld from that institution any funds the disbursement of which is subject to the control of the coordinating board, or 118 119may remove the approval of the institution as an approved institution within the 120meaning of section 173.1102. If any such public institution willfully disregards board policy, the commissioner of higher education may order such institution to 121122remit a fine in an amount not to exceed one percent of the institution's current fiscal year state operating appropriation to the board. The board shall hold such 123124funds until such time that the institution, as determined by the commissioner of 125higher education, corrects the violation, at which time the board shall refund such

126amount to the institution. If the commissioner determines that the institution 127has not redressed the violation within one year, the fine amount shall be deposited into the general revenue fund, unless the institution appeals such 128129decision to the full coordinating board, which shall have the authority to make 130a binding and final decision, by means of a majority vote, regarding the 131matter. However, nothing in this section shall prevent any institution of higher 132education in this state from presenting additional budget requests or from 133 explaining or further clarifying its budget requests to the governor or the general 134assembly; and

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

a. Is controlled or administered directly by a public agency or politicalsubdivision or is classified as a public institution by the state;

b. Receives appropriations for operating expenses directly or indirectlyfrom a state other than Missouri;

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

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

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

(b) No later than July 1, 2008, the coordinating board shall promulgaterules regarding:

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

b. The board's approval process of degree programs and courses offered 153154by any out-of-state public institutions of higher education that, prior to July 1, 1552008, were approved by the board to operate a school in compliance with the provisions of sections 173.600 to 173.618. The rules shall ensure that, as of July 1561571, 2008, all out-of-state public institutions seeking to offer degrees and courses 158within the state of Missouri are evaluated in a manner similar to Missouri public 159higher education institutions. Such out-of-state public institutions shall be held to standards no lower than the standards established by the coordinating board 160for program approval and the policy guidelines of the coordinating board for data 161

162collection, cooperation, and resolution of disputes between Missouri institutions 163 of higher education under this section. Any such out-of-state public institutions of higher education wishing to continue operating within this state must be 164 165approved by the board under the rules promulgated under this subdivision. The 166 coordinating board may charge and collect fees from out-of-state public 167institutions to cover the costs of reviewing and assuring the quality of 168programs offered by out-of-state public institutions. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the 169authority delegated in this section shall become effective only if it complies with 170171and is subject to all of the provisions of chapter 536 and, if applicable, section 172536.028. This section and chapter 536 are nonseverable and if any of the powers 173vested with the general assembly under chapter 536 to review, to delay the 174effective date, or to disapprove and annul a rule are subsequently held 175unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void. 176

(c) Nothing in this subdivision or in section 173.616 shall be construed or
interpreted so that students attending an out-of-state public institution are
considered to be attending a Missouri public institution of higher education for
purposes of obtaining student financial assistance.

181 3. The coordinating board shall meet at least four times annually with an 182advisory committee who shall be notified in advance of such meetings. The 183coordinating board shall have exclusive voting privileges. The advisory 184committee shall consist of thirty-two members, who shall be the president or other chief administrative officer of the University of Missouri; the chancellor of 185186 each campus of the University of Missouri; the president of each state-supported four-year college or university, including Harris-Stowe State University, Missouri 187Southern State University, Missouri Western State University, and Lincoln 188University; the president of Linn State Technical College; the president or 189chancellor of each public community college district; and representatives of each 190 of five accredited private institutions selected biennially, under the supervision 191of the coordinating board, by the presidents of all of the state's privately 192supported institutions; but always to include at least one representative from one 193194 privately supported community college, one privately supported four-year college, 195and one privately supported university. The conferences shall enable the 196 committee to advise the coordinating board of the views of the institutions on 197 matters within the purview of the coordinating board.

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

5. The state historical society, chapter 183, is transferred by type IIItransfer to the University of Missouri.

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

206 7. All the powers, duties and functions vested in the division of public 207schools and state board of education relating to community college state aid and 208the supervision, formation of districts and all matters otherwise related to the state's relations with community college districts and matters pertaining to 209 community colleges in public school districts, chapters 163, 178, and others, are 210transferred to the coordinating board for higher education by type I 211212transfer. Provided, however, that all responsibility for administering the 213federal-state programs of vocational-technical education, except for the 1202a 214postsecondary educational amendments of 1972 program, shall remain with the department of elementary and secondary education. The department of 215elementary and secondary education and the coordinating board for higher 216217education shall cooperate in developing the various plans for vocational-technical 218education; however, the ultimate responsibility will remain with the state board 219of education.

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

173.040. The coordinating board is directed to submit a written report to the governor or governor-elect at least forty-five days prior to the opening of each regular session of the general assembly and to submit the same report to the general assembly within five days after the opening of each regular session. The report shall include:

6 (1) A statement of the initial coordinated plan for higher education in 7 Missouri, together with subsequent changes and implementations; 8 (2) A review of recent changes in enrollments and programs among 9 institutions of higher education in the state;

10 (3) A review of requests and recommendations made by the coordinating 11 board to institutions of higher education in accordance with section 173.030 and 12 of the college's or university's response to requests and recommendations, 13 including noncompliance therewith;

(4) The coordinating board's recommendations for development and
coordination in state-supported higher education in the forthcoming biennium,
within the context of the long-range coordinated plan;

17 (5) The coordinating board's budget recommendations for each
18 state-supported college or university for the forthcoming biennium; and

(6) Notwithstanding section 173.1006, campus-level progression,
retention, and completion metrics consistent with performance-funding
goals, and a description of progress towards implementing revised
remediation, transfer, and retention practices under subdivisions (6)
and (8) of subsection 2 of section 173.005.