

CONFERENCE COMMITTEE SUBSTITUTE

FOR

HOUSE COMMITTEE SUBSTITUTE

FOR

SENATE COMMITTEE SUBSTITUTE

FOR

SENATE BILL NO. 492

AN ACT

To repeal sections 161.097, 163.191, 173.670, 173.1006, 178.638, 340.381, and 340.396, RSMo, and to enact in lieu thereof ten new sections relating to higher education.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI, AS FOLLOWS:

1 Section A. Sections 161.097, 163.191, 173.670, 173.1006,
2 178.638, 340.381, and 340.396, RSMo, are repealed and ten new
3 sections enacted in lieu thereof, to be known as sections
4 161.097, 163.191, 173.670, 173.675, 173.680, 173.1006, 173.1540,
5 178.638, 340.381, and 340.396, to read as follows:

6 161.097. 1. The state board of education shall establish
7 standards and procedures by which it will evaluate all teacher
8 training institutions in this state for the approval of teacher
9 education programs. The state board of education shall not
10 require teacher training institutions to meet national or
11 regional accreditation as a part of its standards and procedures
12 in making those evaluations, but it may accept such

1 accreditations in lieu of such approval if standards and
2 procedures set thereby are at least as stringent as those set by
3 the board. The state board of education's standards and
4 procedures for evaluating teacher training institutions shall
5 equal or exceed those of national or regional accrediting
6 associations.

7 2. There is hereby established within the department of
8 elementary and secondary education the "Missouri Advisory Board
9 for Educator Preparation", hereinafter referred to as "MABEP".
10 The MABEP shall advise the state board of education and the
11 coordinating board for higher education regarding matters of
12 mutual interest in the area of quality educator preparation
13 programs in Missouri.

14 3. Upon approval by the state board of education of the
15 teacher education program at a particular teacher training
16 institution, any person who graduates from that program, and who
17 meets other requirements which the state board of education shall
18 prescribe by rule, regulation and statute shall be granted a
19 certificate or license to teach in the public schools of this
20 state. However, no such rule or regulation shall require that
21 the program from which the person graduates be accredited by any
22 national or regional accreditation association.

23 [3. Notwithstanding any provision in the law to the
24 contrary, the state board of education may accredit a graduate
25 law school and any graduate of such an accredited law school
26 shall be allowed to take the examination for admission to the bar
27 of Missouri.]

28 4. Any rule or portion of a rule, as that term is defined

1 in section 536.010, that is created under the authority delegated
2 in this section shall become effective only if it complies with
3 and is subject to all of the provisions of chapter 536 and, if
4 applicable, section 536.028. This section and chapter 536 are
5 nonseverable and if any of the powers vested with the general
6 assembly pursuant to chapter 536 to review, to delay the
7 effective date, or to disapprove and annul a rule are
8 subsequently held unconstitutional, then the grant of rulemaking
9 authority and any rule proposed or adopted after August 28, 2014,
10 shall be invalid and void.

11 163.191. 1. As used in this section, the following terms
12 shall mean:

13 (1) "Community college", an institution of higher education
14 deriving financial resources from local, state, and federal
15 sources, and providing postsecondary education primarily for
16 persons above the twelfth grade age level, including courses in:

- 17 (a) Liberal arts and sciences, including general education;
18 (b) Occupational, vocational-technical; and
19 (c) A variety of educational community services.

20
21 Community college course offerings lead to the granting of
22 certificates, diplomas, or associate degrees, but do not include
23 baccalaureate or higher degrees;

24 (2) "Operating costs", all costs attributable to current
25 operations, including all direct costs of instruction,
26 instructors' and counselors' compensation, administrative costs,
27 all normal operating costs and all similar noncapital
28 expenditures during any year, excluding costs of construction of

1 facilities and the purchase of equipment, furniture, and other
2 capital items authorized and funded in accordance with subsection
3 6 of this section. Operating costs shall be computed in
4 accordance with accounting methods and procedures to be specified
5 by the department of higher education;

6 (3) "Year", from July first to June thirtieth of the
7 following year.

8 2. Each year public community colleges in the aggregate
9 shall be eligible to receive from state funds, if state funds are
10 available and appropriated, an amount up to but not more than
11 fifty percent of the state community colleges' planned operating
12 costs as determined by the department of higher education. [As
13 used in this subsection, the term "year" means from July first to
14 June thirtieth of the following year. As used in this
15 subsection, the term "operating costs" means all costs
16 attributable to current operations, including all direct costs of
17 instruction, instructors' and counselors' compensation,
18 administrative costs, all normal operating costs and all similar
19 noncapital expenditures during any year, excluding costs of
20 construction of facilities and the purchase of equipment,
21 furniture, and other capital items authorized and funded in
22 accordance with subsection 2 of this section. Operating costs
23 shall be computed in accordance with accounting methods and
24 procedures to be specified by the department of higher
25 education.] The department of higher education shall review all
26 institutional budget requests and prepare appropriation
27 recommendations annually for the community colleges under the
28 supervision of the department. The department's budget request

1 shall include a recommended level of funding.

2 3. (1) Except as provided in subdivision (2) of this
3 subsection, distribution of appropriated funds to community
4 college districts shall be in accordance with the community
5 college resource allocation model. This model shall be developed
6 and revised as appropriate cooperatively by the community
7 colleges and the department of higher education. The department
8 of higher education shall recommend the model to the coordinating
9 board for higher education for their approval. The core funding
10 level for each community college shall initially be established
11 at an amount agreed upon by the community colleges and the
12 department of higher education. This amount will be adjusted
13 annually for inflation, limited growth, and program improvements
14 in accordance with the resource allocation model starting with
15 fiscal year 1993. [The department of higher education shall
16 request new and separate state aid funds for any new districts
17 for their first six years of operation. The request for the new
18 districts shall be based upon the same level of funding being
19 provided to the existing districts, and should be sufficient to
20 provide for the growth required to reach a mature enrollment
21 level.]

22 (2) Unless the general assembly chooses to otherwise
23 appropriate state funding, beginning in fiscal year 2016, at
24 least ninety percent of any increase in core funding over the
25 appropriated amount for the previous fiscal year shall be
26 distributed in accordance with the achievement of performance-
27 funding measures under section 173.1006.

28 4. The department of higher education [will] shall be

1 responsible for evaluating the effectiveness of the resource
2 allocation model and [will] shall submit a report to the
3 governor, the joint committee on education, the speaker of the
4 house of representatives and president pro [tem] tempore of the
5 senate by [November 1997] October 31, 2019, and every four years
6 thereafter.

7 [2.] 5. The department of higher education shall request
8 new and separate state-aid funds for any new community college
9 district for its first six years of operation. The request for
10 the new district shall be based upon the same level of funding
11 being provided to the existing districts, and should be
12 sufficient to provide for the growth required to reach a mature
13 enrollment level.

14 6. In addition to state funds received for operating
15 purposes, each community college district shall be eligible to
16 receive an annual appropriation, exclusive of any capital
17 appropriations, for the cost of maintenance and repair of
18 facilities and grounds, including surface parking areas, and
19 purchases of equipment and furniture. Such funds shall not
20 exceed in any year an amount equal to ten percent of the state
21 appropriations, exclusive of any capital appropriations, to
22 community college districts for operating purposes during the
23 most recently completed fiscal year. The department of higher
24 education may include in its annual appropriations request the
25 necessary funds to implement the provisions of this subsection
26 and when appropriated shall distribute the funds to each
27 community college district as appropriated. The department of
28 higher education appropriations request shall be for specific

1 maintenance, repair, and equipment projects at specific community
2 college districts, shall be in an amount of fifty percent of the
3 cost of a given project as determined by the coordinating board
4 and shall be only for projects which have been approved by the
5 coordinating board through a process of application, evaluation,
6 and approval as established by the coordinating board. The
7 coordinating board, as part of its process of application,
8 evaluation, and approval, shall require the community college
9 district to provide proof that the fifty-percent share of funding
10 to be defrayed by the district is either on hand or committed for
11 maintenance, repair, and equipment projects. Only salaries or
12 portions of salaries paid which are directly related to approved
13 projects may be used as a part of the fifty-percent share of
14 funding.

15 [3.] 7. School districts offering two-year college courses
16 pursuant to section 178.370 on October 31, 1961, shall receive
17 state aid pursuant to [subsections 1 and 2] subsection 2,
18 subdivision (1) of subsection 3, and subsection 6 of this section
19 if all scholastic standards established pursuant to sections
20 178.770 to 178.890 are met.

21 [4.] 8. In order to make postsecondary educational
22 opportunities available to Missouri residents who do not reside
23 in an existing community college district, community colleges
24 organized pursuant to section 178.370 or sections 178.770 to
25 178.890 shall be authorized pursuant to the funding provisions of
26 this section to offer courses and programs outside the community
27 college district with prior approval by the coordinating board
28 for higher education. The classes conducted outside the district

1 shall be self-sustaining except that the coordinating board shall
2 promulgate rules to reimburse selected out-of-district
3 instruction only where prior need has been established in
4 geographical areas designated by the coordinating board for
5 higher education.

6
7 Funding for such off-campus instruction shall be included in the
8 appropriation recommendations, shall be determined by the general
9 assembly and shall continue, within the amounts appropriated
10 therefor, unless the general assembly disapproves the action by
11 concurrent resolution.

12 [5. A "community college" is an institution of higher
13 education deriving financial resources from local, state, and
14 federal sources, and providing postsecondary education primarily
15 for persons above the twelfth grade age level, including courses
16 in:

- 17 (1) Liberal arts and sciences, including general education;
18 (2) Occupational, vocational-technical; and
19 (3) A variety of educational community services.

20
21 Community college course offerings lead to the granting of
22 certificates, diplomas, and/or associate degrees, but do not
23 include baccalaureate or higher degrees.

24 6.] 9. When distributing state aid authorized for community
25 colleges, the state treasurer may, in any year if requested by a
26 community college, disregard the provision in section 30.180
27 requiring the state treasurer to convert the warrant requesting
28 payment into a check or draft and wire transfer the amount to be

1 distributed to the community college directly to the community
2 college's designated deposit for credit to the community
3 college's account.

4 173.670. 1. There is hereby established within the
5 department of higher education the "Missouri Science, Technology,
6 Engineering and Mathematics Initiative". The department of
7 higher education may award matching funds through this initiative
8 to public institutions of higher education as part of the annual
9 appropriations process.

10 2. The purpose of the initiative shall be to provide
11 support to increase interest among elementary, secondary, and
12 university students in fields of study related to science,
13 technology, engineering, and mathematics and to increase the
14 number of Missouri graduates in these fields at Missouri's public
15 two- and four-year institutions of higher education.

16 3. There is hereby created a "Science, Technology,
17 Engineering and Mathematics Fund", which shall consist of money
18 collected under this section. The state treasurer shall be
19 custodian of the fund and may approve disbursements from the fund
20 in accordance with sections 30.170 and 30.180. Upon
21 appropriation, money in the fund shall be used solely for the
22 administration of this section. Any moneys remaining in the fund
23 at the end of the biennium shall not revert to the credit of the
24 general revenue fund. The state treasurer shall invest moneys in
25 the fund in the same manner as other funds are invested. Any
26 interest and moneys earned on such investments shall be credited
27 to the fund.

28 4. As part of the initiative, the department of higher

1 education shall develop a process to award grants to Missouri
2 public two- and four-year institutions of higher education and
3 school districts that have entered into articulation agreements
4 to offer information technology certification through technical
5 course work leading to postsecondary academic credit through the
6 program established in section 173.675.

7 5. The general assembly may appropriate funds to the
8 science, technology, engineering, and mathematics fund to match
9 institution funds to support the following programs:

10 (1) Endowed teaching professor programs, which provide
11 funds to support faculty who teach undergraduate courses in
12 science, technology, engineering, or mathematics fields at public
13 institutions of higher education;

14 (2) Scholarship programs, which provide financial aid or
15 loan forgiveness awards to Missouri students who study in the
16 science, technology, engineering, or mathematics fields or who
17 plan to enter the teaching field in Missouri with an emphasis on
18 science, technology, engineering, and mathematics areas;

19 (3) Experiential youth programs at public colleges or
20 universities, designed to provide Missouri middle school, junior
21 high, and high school students with the opportunity to experience
22 science, technology, engineering, and mathematics fields through
23 camps or other educational offerings;

24 (4) Career enhancement programs for current elementary and
25 secondary teachers and professors at Missouri public and private
26 colleges and universities in the science, technology,
27 engineering, or mathematics fields to improve the quality of
28 teaching.

1 173.675. 1. The department of higher education shall
2 develop a program to offer information technology certification
3 through technical course work that leads to postsecondary
4 academic credit. The program shall be available to students
5 enrolled in a public high school in Missouri that has entered
6 into an articulation agreement with a Missouri public two- or
7 four-year institution of higher education to offer such course
8 work. The program shall provide instruction on skills and
9 competencies essential for the workplace and requested by
10 employers and shall include the following components:

11 (1) A web-enabled online curriculum;

12 (2) Instructional software for classroom and student use;

13 (3) Training for teachers to advance technical education
14 skills;

15 (4) Industry recognized skills certification; and

16 (5) Integration with existing education standards.

17 2. Any rule or portion of a rule, as that term is defined
18 in section 536.010, that is created under the authority delegated
19 in this section shall become effective only if it complies with
20 and is subject to all of the provisions of chapter 536 and, if
21 applicable, section 536.028. This section and chapter 536 are
22 nonseverable and if any of the powers vested with the general
23 assembly pursuant to chapter 536 to review, to delay the
24 effective date, or to disapprove and annul a rule are
25 subsequently held unconstitutional, then the grant of rulemaking
26 authority and any rule proposed or adopted after August 28, 2014,
27 shall be invalid and void.

28 173.680. 1. The department of higher education shall

1 conduct a study to identify the information technology industry
2 certifications most frequently requested by employers in
3 Missouri. The department of higher education may conduct the
4 study with the assistance of other state departments and
5 agencies, the Missouri mathematics and science coalition, and the
6 governor's advisory council on science, technology, engineering,
7 and mathematical issues.

8 2. The department of higher education shall complete the
9 study no later than January 31, 2015. The department shall
10 prepare the findings in a report and provide it to:

11 (1) The president pro tempore of the senate;

12 (2) The speaker of the house of representatives;

13 (3) The joint committee on education;

14 (4) The governor;

15 (5) The coordinating board for higher education; and

16 (6) The state board of education.

17 173.1006. 1. [The following performance measures shall be
18 established by July 1, 2008:

19 (1) Two institutional measures as negotiated by each public
20 institution through the department of higher education; and

21 (2) Three statewide measures as developed by the department
22 of higher education in consultation with public institutions of
23 higher education.

24 One such measure may be a sector-specific measure making use of
25 the 2005 additional Carnegie categories, if deemed appropriate by
26 the department of higher education.

27 2. The department shall report to the joint committee on
28 education established in section 160.254 on its progress at least

1 twice a year in developing the statewide measures and negotiating
2 the institution-specific measures and shall develop a procedure
3 for reporting the effects of performance measures to the joint
4 committee on education at an appropriate time for consideration
5 during the appropriations process.] Each public four-year
6 institution, each community college, and the state technical
7 college shall utilize the five institutional performance measures
8 it has submitted to, and that were approved by, the coordinating
9 board for higher education as of the effective date of this act,
10 for performance funding under sections 163.191, 173.1540, and
11 178.638. Each institution shall adopt, in collaboration with the
12 coordinating board for higher education, an additional
13 institutional performance measure to measure student job
14 placement in a field or position associated with the student's
15 degree level and pursuit of a graduate degree. The institutional
16 performance measure relating to job placement may not be used in
17 any year in which the state unemployment rate has increased from
18 the previous calendar year's state unemployment rate.

19 2. The coordinating board shall evaluate and, if necessary,
20 revise the institutional performance measures every three years
21 beginning in calendar year 2019 or more frequently at the
22 coordinating board's discretion.

23 3. The department of higher education shall be responsible
24 for evaluating the effectiveness of the performance funding
25 measures, including their effect on statewide postsecondary,
26 higher education, and workforce goals, and shall submit a report
27 to the governor, the joint committee on education, the speaker of
28 the house of representatives and president pro tempore of the

1 senate by October 31, 2019, and every four years thereafter.

2 173.1540. 1. Each public four-year institution of higher
3 education shall annually prepare an institutional budget request
4 and submit it to the department of higher education. The
5 department of higher education shall review all institutional
6 budget requests and prepare appropriation recommendations
7 annually for each public four-year institution of higher
8 education.

9 2. Unless the general assembly chooses to otherwise
10 appropriate state funding, the appropriation of core-funding
11 increases in state funding to public four-year institutions of
12 higher education shall be in accordance with the increase
13 allocation model, subject to the parameters set forth in
14 subsection 4 of this section. The increase allocation model
15 shall be developed and revised as appropriate cooperatively by
16 the public four-year institutions of higher education and the
17 department of higher education. The department of higher
18 education shall recommend the model to the coordinating board for
19 higher education for its approval by October 31, 2014.

20 3. The core-funding level for each public four-year
21 institution of higher education shall initially be the
22 appropriated amount for each institution for fiscal year 2015.
23 Increases under subsection 4 of this section shall be
24 incorporated into the core-funding level annually in accordance
25 with the increase allocation model starting with fiscal year
26 2016.

27 4. (1) The increase allocation model shall comply with the
28 parameters of this subsection in allocating annual increases in

1 core appropriations to public four-year institutions of higher
2 education.

3 (2) Unless otherwise provided by the general assembly
4 during the appropriations process, no more than ten percent of
5 any increase in core appropriations shall be distributed to
6 address inequitable state funding through any combination of the
7 following:

8 (a) Determined on a per-student basis, as determined by
9 calculating full-time equivalency or on such other basis as
10 determined by the department and agreed upon by the institutions.
11 To the extent inequities result from an institution's performance
12 on its performance funding measures adopted under section
13 173.1006, such inequities shall not be eligible for an allocation
14 under this paragraph; and

15 (b) Distributed based on weighted full-time equivalent
16 credit hours so as to provide enrollment, program offering, and
17 mission sensitivity on an on-going basis.

18 (3) Unless otherwise provided by the general assembly
19 during the appropriations process, at least ninety percent of
20 annual increases shall be distributed in accordance with the
21 performance funding model adopted under section 173.1006.

22 5. The department of higher education shall be responsible
23 for evaluating the effectiveness of the increase allocation model
24 and shall submit a report to the governor, the joint committee on
25 education, the speaker of the house of representatives and the
26 president pro tempore of the senate by October 31, 2019, and
27 every four years thereafter.

28 178.638. 1. State Technical College of Missouri shall be

1 under the oversight of the coordinating board for higher
2 education. The institution shall also be subject to oversight by
3 the state board of education to the extent it serves as an area
4 vocational technical school. Beginning in the first full state
5 fiscal year subsequent to the approval of State Technical College
6 of Missouri's plan by the coordinating board submitted pursuant
7 to section 178.637, the state of Missouri shall, subject to
8 appropriation, provide the funds necessary to provide the staff,
9 cost of operation, and payment of all new capital improvements
10 commencing with that fiscal year.

11 2. All funds designated for the institution shall be
12 included in the coordinating board's budget request as provided
13 in chapter 173, except that vocational technical education
14 reimbursements shall continue to be requested through the state
15 board of education.

16 3. Unless the general assembly chooses to otherwise
17 appropriate state funding, beginning with fiscal year 2016, at
18 least ninety percent of any annual increase in core funding over
19 the previous year shall be distributed in accordance with the
20 performance-funding measures under section 173.1006.

21 340.381. 1. Sections 340.381 to 340.396 establish a
22 student loan forgiveness program for approved veterinary students
23 who practice in areas of defined need. Such program shall be
24 known as the "Dr. Merrill Townley Large Animal Veterinary Student
25 Loan Program".

26 2. There is hereby created in the state treasury the
27 "Veterinary Student Loan Payment Fund", which shall consist of
28 general revenue appropriated to the large animal veterinary

1 student loan program, voluntary contributions to support or match
2 program activities, money collected under section 340.396, and
3 funds received from the federal government. The state treasurer
4 shall be custodian of the fund and shall approve disbursements
5 from the fund in accordance with sections 30.170 and 30.180.
6 Upon appropriation, money in the fund shall be used solely for
7 the administration of sections 340.381 to 340.396.
8 Notwithstanding the provisions of section 33.080 to the contrary,
9 any moneys remaining in the fund at the end of the biennium shall
10 not revert to the credit of the general revenue fund. The state
11 treasurer shall invest moneys in the fund in the same manner as
12 other funds are invested. Any interest and moneys earned on such
13 investments shall be credited to the fund.

14 340.396. 1. Sections 340.381 to 340.396 shall not be
15 construed to require the department to enter into contracts with
16 individuals who qualify for education loans or loan repayment
17 programs when federal, state, and local funds are not available
18 for such purposes.

19 2. Sections 340.381 to 340.396 shall not be subject to the
20 provisions of sections 23.250 to 23.298.

21 [3. Sections 340.381 to 340.396 shall expire on June 30,
22 2013.]

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1 David Pearce

Mike Thomson