

SECOND REGULAR SESSION  
SENATE COMMITTEE SUBSTITUTE FOR

# SENATE BILLS NOS. 857 & 712

## 98TH GENERAL ASSEMBLY

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Reported from the Committee on Education, March 31, 2016, with recommendation that the Senate Committee Substitute do pass.

5478S.07C

ADRIANE D. CROUSE, Secretary.

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### AN ACT

To amend chapters 135 and 173, RSMo, by adding thereto three new sections relating to financial assistance for dual enrollment courses.

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

Section A. Chapters 135 and 173, RSMo, are amended by adding thereto  
2 and three new sections enacted in lieu thereof, to be known as sections 135.2100,  
3 173.1109, and 173.2400, to read as follows:

**135.2100. 1. Sections 135.2100 and 173.2400 shall be known and  
2 may be cited as the "Missouri Dual Enrollment Scholarships Act".**

3 **2. As used in this section, the following terms mean:**

4 **(1) "Certificate", a tax credit certificate issued under this section;**

5 **(2) "Department", the Missouri department of economic  
6 development;**

7 **(3) "Eligible donation", donations received by local public school  
8 districts or public charter schools or local educational agencies that  
9 are to be used solely for the scholarship program created under section  
10 173.2400. Eligible donations may include cash, publicly traded stocks  
11 and bonds, or other marketable securities that shall be valued and  
12 documented according to the rules promulgated by the department;**

13 **(4) "Taxpayer", any of the following individuals or entities who  
14 make an eligible donation:**

15 **(a) A person, firm, partner in a firm, corporation, or a  
16 shareholder in an S corporation doing business in the state of Missouri  
17 and subject to the state income tax imposed in chapter 143;**

18 **(b) A corporation subject to the annual corporation franchise tax  
19 imposed in chapter 147;**

20 (c) An insurance company paying an annual tax on its gross  
21 premium receipts in this state;

22 (d) Any other financial institution paying taxes to the state of  
23 Missouri or any political subdivisions of this state under chapter 148;

24 (e) An individual subject to the state income tax imposed in  
25 chapter 143;

26 (f) Any charitable organization which is exempt from federal  
27 income tax and whose Missouri unrelated business taxable income, if  
28 any, would be subject to the state income tax imposed under chapter  
29 143.

30 3. For all taxable years beginning on or after January 1, 2017,  
31 any taxpayer shall be allowed a credit against the taxes otherwise due  
32 under chapters 143, 147, or 148, excluding withholding tax imposed by  
33 sections 143.191 to 143.265, in an amount equal to fifty percent of the  
34 amount of an eligible donation, subject to the restrictions in this  
35 section. The amount of the tax credit claimed shall not exceed the  
36 amount of the taxpayer's state income tax liability in the tax year for  
37 which the credit is claimed. Any amount of credit that the taxpayer is  
38 prohibited by this section from claiming in a tax year shall not be  
39 refundable, but may be carried forward to any of the taxpayer's four  
40 subsequent taxable years.

41 4. To claim the credit authorized in this section, a public school  
42 district or public charter school or local educational agency may  
43 submit to the department an application for the tax credit authorized  
44 by this section on behalf of taxpayers. The department shall verify that  
45 the public school district or public charter school or local educational  
46 agency has submitted the following items:

47 (1) A valid application in the form and format required by the  
48 department;

49 (2) A statement attesting to the eligible donation received, which  
50 shall include the name and taxpayer identification number of the  
51 taxpayer making the eligible donation, the amount of the eligible  
52 donation, and the date the eligible donation was received by the public  
53 school district or public charter school or local educational agency; and

54 (3) Payment from the public school district or public charter  
55 school or local educational agency equal to the value of the tax credit

56 for which application is made.

57 If the public school district or public charter school or local  
58 educational agency applying for the tax credit meets all criteria  
59 required by this subsection, the department shall issue a certificate in  
60 the appropriate amount.

61 5. Tax credits issued under this section may be assigned,  
62 transferred, sold, or otherwise conveyed, and the new owner of the tax  
63 credit shall have the same rights in the credit as the  
64 taxpayer. Whenever a certificate is assigned, transferred, sold, or  
65 otherwise conveyed, a notarized endorsement shall be filed with the  
66 department specifying the name and address of the new owner of the  
67 tax credit and the value of the credit.

68 6. The department may promulgate rules to implement the  
69 provisions of this section. Any rule or portion of a rule, as that term is  
70 defined in section 536.010 that is created under the authority delegated  
71 in this section shall become effective only if it complies with and is  
72 subject to all of the provisions of chapter 536, and, if applicable, section  
73 536.028. This section and chapter 536 are nonseverable and if any of  
74 the powers vested with the general assembly pursuant to chapter 536,  
75 to review, to delay the effective date, or to disapprove and annul a rule  
76 are subsequently held unconstitutional, then the grant of rulemaking  
77 authority and any rule proposed or adopted after August 28, 2016, shall  
78 be invalid and void.

79 7. Under section 23.253 of the Missouri sunset act:

80 (1) The program authorized under this section shall expire six  
81 years after the effective date of this act, unless reauthorized by an act  
82 of the general assembly; and

83 (2) If such program is reauthorized, the program authorized  
84 under this section shall automatically sunset twelve years after the  
85 effective date of this act; and

86 (3) This section shall terminate on September first of the  
87 calendar year immediately following the calendar year in which the  
88 program authorized under this section is sunset.

173.1109. 1. This section shall be known and may be cited as the  
2 "Access Missouri Dual Enrollment Program". For the purposes of this  
3 section, the term "director" shall mean a director of the access Missouri

4 **dual enrollment program established in this section.**

5           **2. Students who meet all eligibility requirements set forth in**  
6 **subsection 4 of this section shall be eligible to receive funds during his**  
7 **or her high school career to pay for dual enrollment credits and dual**  
8 **credit courses from an approved private or public institution that are**  
9 **directly applicable to a postsecondary associate or bachelor's**  
10 **degree. Payment shall be made from the access Missouri financial**  
11 **assistance fund created in section 173.1103 and shall occur only after**  
12 **successful completion of approved credit hours.**

13           **3. Each school district or local educational agency shall**  
14 **designate a salaried employee to serve as the access Missouri dual**  
15 **enrollment director. Such employee may also serve as the program**  
16 **coordinator for the A+ Schools Program or as a school guidance**  
17 **counselor or equivalent. The provisions of this subsection shall not**  
18 **apply to districts or local educational agencies that do not offer courses**  
19 **above the eighth grade level.**

20           **4. An applicant shall be eligible for financial assistance only if,**  
21 **at the time of application and throughout the period during which the**  
22 **applicant is receiving such assistance, the applicant shall:**

23           **(1) Be a citizen or a permanent resident of the United States;**

24           **(2) Be a resident of the state of Missouri, as determined by**  
25 **reference to standards promulgated by the coordinating board;**

26           **(3) Enter into a written program commitment agreement at the**  
27 **beginning of the applicant's seventh grade year that includes, but is not**  
28 **limited to, a commitment by the applicant and parent to develop a**  
29 **personal plan of study that meets the requirements provided for in**  
30 **subdivision (6) of this subsection. Students who are enrolled in a**  
31 **school district or local educational agency that does not offer courses**  
32 **above the eighth grade level shall sign such program commitment**  
33 **agreement at the beginning of the applicant's ninth grade year. A**  
34 **student who moves into the district after the seventh grade year shall**  
35 **sign such program commitment agreement by the end of the school year**  
36 **in which the student enrolls;**

37           **(4) Be assigned a mentor by the director in consultation with the**  
38 **applicant, parent or guardian, and school guidance personnel. The**  
39 **mentor shall advise and consult with students in effective and**

40 successful work habits and career paths;

41 (5) Have performed fifty hours of unpaid tutoring or mentoring,  
42 of which up to twenty-five percent may include job shadowing;

43 (6) During his or her seventh grade year, develop in consultation  
44 with parents, the district's or local educational agency's access  
45 Missouri director, and school guidance personnel a personal plan of  
46 study, which shall be reviewed at least annually by the school's access  
47 Missouri director and the student's parent or guardian for possible  
48 modification based upon career and academic requirements. Students  
49 who are enrolled in a school district or local educational agency that  
50 does not offer courses above the eighth grade level shall develop such  
51 plan of study at the beginning of his or her ninth grade year. A student  
52 who moves into the district after the seventh grade year shall develop  
53 such plan of study by the end of the school year in which the student  
54 enrolls. Each plan shall present a sequence of courses and experiences  
55 that conclude with the student reaching his or her postsecondary  
56 goals. Implementation of the plan of study shall transfer to the  
57 program of postsecondary education or training upon the student's  
58 high school graduation without need for remediation at the  
59 postsecondary level. The plan shall include, but not be limited to:

60 (a) Requirements for graduation from the school district or  
61 charter school;

62 (b) Career or postsecondary goals;

63 (c) Coursework or program of study related to career and  
64 postsecondary goals, which shall include, where relevant, opportunities  
65 that the district or school may not directly offer but are essential for  
66 goal attainment;

67 (d) Grade-appropriate and career-related experiences, as  
68 outlined in the grade-level expectations of the Missouri comprehensive  
69 guidance program. These experiences shall include at least one  
70 substantial and sustained activity to introduce or develop  
71 entrepreneurship. Such experiences may include, but shall not be  
72 limited to, membership in distributive education clubs of America,  
73 future business leaders of America, and future farmers of America; and

74 (e) Student assessments, interest inventories, or academic results  
75 needed to develop, review, and revise the personal plan of study, which

76 shall include, where relevant, assessments, inventories, or academic  
77 results that the school district or charter school may not offer;

78 (7) Meet one or more of the following indicators of economic  
79 need:

80 (a) Be individually eligible to be enrolled in a federal free or  
81 reduced-price lunch program, based on income levels established by the  
82 United States Department of Agriculture;

83 (b) Reside in a foster home, be a ward of the state, or be  
84 homeless;

85 (c) Receive low-income public assistance, such as the  
86 Supplemental Nutrition Assistance Program (SNAP) or the Special  
87 Supplemental Nutrition Program for Women, Infants, and Children  
88 (WIC), or live in federally subsidized public housing; or

89 (d) Have an expected family contribution of twelve-thousand  
90 dollars or less, as defined in section 173.1102. For school year 2017-2018  
91 and annually thereafter, such maximum amount of expected family  
92 contribution shall be adjusted in proportion to changes in the  
93 consumer price index, as defined in section 173.1003.

173.2400. 1. As used in this section, the following terms mean:

2 (1) "Board", a Missouri dual enrollment scholarship board created  
3 under subsections 3 and 4 of this section;

4 (2) "Eligible student", a student who:

5 (a) Has attended for at least one year a public high school in the  
6 state as defined in section 160.011;

7 (b) Has earned a minimum grade point average while in high  
8 school as determined by the board;

9 (c) Has made a good faith effort to first secure all available  
10 federal sources of funding that could be applied to the costs of dual  
11 enrollment courses;

12 (d) Has at least a ninety-five percent attendance record overall;

13 (e) Has maintained a record of good citizenship and avoidance  
14 of the unlawful use of drugs and/or alcohol; and

15 (f) Has met all other eligibility requirements established by the  
16 board;

17 (3) "Scholarship", a Missouri dual enrollment scholarship created  
18 under this section.

19           **2. A public school district or public charter school or local**  
20 **educational agency shall use any funds received through gifts,**  
21 **bequests, or public or private donations made for the purposes of**  
22 **funding a scholarship under this section, in addition to any donations**  
23 **made pursuant to section 135.2100, to provide scholarships for the**  
24 **purpose of paying for an eligible student's portion of fees for any dual**  
25 **enrollment credits and dual credit courses. The amount of such**  
26 **scholarship shall not exceed the amount of the student's portion of fees**  
27 **for such courses.**

28           **3. Each public school district or local educational agency that**  
29 **operates a high school, as defined in section 160.011, and receives**  
30 **donations as described in subsection 2 of this section shall establish a**  
31 **Missouri dual enrollment scholarship board to determine an applicant**  
32 **student's eligibility to receive a scholarship.**

33           **4. The board shall be composed of five members who shall be**  
34 **Missouri residents to be appointed as follows:**

35           **(1) Two members shall be teachers employed by a public high**  
36 **school located within the district and shall be appointed by the**  
37 **governing board of said district or local educational agency;**

38           **(2) Two members shall be instructors employed by an institution**  
39 **of higher education that provides dual enrollment opportunities to**  
40 **students enrolled in the district or local educational agency and shall**  
41 **be appointed by the governing board of said institution of higher**  
42 **education;**

43           **(3) One member shall be an individual from the business**  
44 **community and shall be appointed by the governing board of the school**  
45 **district or local educational agency.**

46           **5. Members shall serve a term of two years and may be**  
47 **reappointed at the end of his or her term. Members of the board shall**  
48 **serve without compensation.**

49           **6. The board may establish eligibility criteria in addition to**  
50 **those required by this section. If a student is determined to be eligible**  
51 **for a scholarship, the board shall distribute such scholarship to the**  
52 **eligible student upon such student's enrollment in a dual enrollment or**  
53 **dual credit course.**

54           **7. (1) Each district or local educational agency offering**

55 **scholarships under this section shall annually report to the department**  
56 **of higher education the value of all donations received for the purposes**  
57 **of funding scholarships under this section, and the number and value**  
58 **of all scholarships awarded.**

59 **(2) The department of higher education shall annually report the**  
60 **information required under this subsection to the chairperson and vice-**  
61 **chairperson of the joint committee on education.**

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