

SECOND REGULAR SESSION

[P E R F E C T E D]

SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILLS NOS. 857 & 712

98TH GENERAL ASSEMBLY

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

Senate Committee Substitute for Senate Bills Nos. 857 & 712, adopted April 19, 2016.

Taken up for Perfection April 19, 2016. Bill declared Perfected and Ordered Printed.

ADRIANE D. CROUSE, Secretary.

5478S.07P

AN ACT

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

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.**

Unofficial ✓

Bill

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