

CONFERENCE COMMITTEE SUBSTITUTE

FOR

HOUSE COMMITTEE SUBSTITUTE

FOR

SENATE SUBSTITUTE

FOR

SENATE COMMITTEE SUBSTITUTE

FOR

SENATE BILLS NOS. 603, 576 & 898

AN ACT

To repeal sections 161.670, 167.121, 173.234, 173.616, 173.1101, 173.1102, 173.1104, 173.1105, 173.1107, 173.1150, and 173.1153, RSMo, and to enact in lieu thereof eleven new sections relating to virtual education.

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

1           Section A. Sections 161.670, 167.121, 173.234, 173.616,  
2 173.1101, 173.1102, 173.1104, 173.1105, 173.1107, 173.1150, and  
3 173.1153, RSMo, are repealed and eleven new sections enacted in  
4 lieu thereof, to be known as sections 161.670, 167.121, 173.234,  
5 173.616, 173.1101, 173.1102, 173.1104, 173.1105, 173.1107,  
6 173.1150, and 173.1153, to read as follows:

7           161.670. 1. Notwithstanding any other law, prior to July  
8 1, 2007, the state board of education shall establish [a virtual  
9 public school] the "Missouri Course Access and Virtual School  
10 Program" to serve school-age students residing in the state. The  
11 [virtual public school] Missouri course access and virtual school

1 program shall offer instruction in a virtual setting using  
2 technology, intranet, and/or internet methods of communication.  
3 Any student under the age of twenty-one in grades kindergarten  
4 through twelve who resides in this state shall be eligible to  
5 enroll in the [virtual public school regardless of the student's  
6 physical location] Missouri course access and virtual school  
7 program pursuant to subsection 3 of this section.

8 2. For purposes of calculation and distribution of state  
9 school aid, students enrolled in [a virtual public school] the  
10 Missouri course access and virtual school program shall be  
11 included[, at the choice of the student's parent or guardian,] in  
12 the student enrollment of the school district in which the  
13 student physically [resides] is enrolled under subsection 3 of  
14 this section. The [virtual public school] Missouri course access  
15 and virtual school program shall report to the district of  
16 residence the following information about each student served by  
17 the [virtual public school] Missouri course access and virtual  
18 school program: name, address, eligibility for free or  
19 reduced-price lunch, limited English proficiency status, special  
20 education needs, and the number of courses in which the student  
21 is enrolled. The [virtual public school] Missouri course access  
22 and virtual school program shall promptly notify the resident  
23 district when a student discontinues enrollment. A "full-time  
24 equivalent student" is a student who successfully has completed  
25 the instructional equivalent of six credits per regular term.  
26 Each [virtual] Missouri course access and virtual school program  
27 course shall count as one class and shall generate that portion  
28 of a full-time equivalent that a comparable course offered by

1 the school district would generate. In no case shall more than  
2 the full-time equivalency of a regular term of attendance for a  
3 single student be used to claim state aid. Full-time equivalent  
4 student credit completed shall be reported to the department of  
5 elementary and secondary education in the manner prescribed by  
6 the department. Nothing in this section shall prohibit students  
7 from enrolling in additional courses under a separate agreement  
8 that includes terms for paying tuition or course fees.

9 3. [When a school district has one or more resident  
10 students enrolled in a virtual public school program authorized  
11 by this section, whose parent or guardian has chosen to include  
12 such student in the district's enrollment, the department of  
13 elementary and secondary education shall disburse an amount  
14 corresponding to fifteen percent of the state aid under sections  
15 163.031 and 163.043 attributable to such student to the resident  
16 district. Subject to an annual appropriation by the general  
17 assembly, the department shall disburse an amount corresponding  
18 to eighty-five percent of the state adequacy target attributable  
19 to such student to the virtual public school.

20 4.] (1) A school district or charter school shall allow any  
21 eligible student who resides in such district to enroll in  
22 Missouri course access and virtual school program courses of his  
23 or her choice as a part of the student's annual course load each  
24 school year or a full-time virtual school option, with any costs  
25 associated with such course or courses to be paid by the school  
26 district or charter school if:

27 (a) The student is enrolled full-time in and has attended,  
28 for at least one semester immediately prior to enrolling in the

1 Missouri course access and virtual school program, a public  
2 school, including any charter school; except that, no student  
3 seeking to enroll in Missouri course access and virtual school  
4 program courses under this subdivision shall be required to have  
5 attended a public school during the previous semester if the  
6 student has a documented medical or psychological diagnosis or  
7 condition that prevented the student from attending a school in  
8 the community during the previous semester; and

9 (b) Prior to enrolling in any Missouri course access and  
10 virtual school program course, a student has received approval  
11 from his or her school district or charter school through the  
12 procedure described under subdivision (2) of this subsection.

13 (2) Each school district or charter school shall adopt a  
14 policy that delineates the process by which a student may enroll  
15 in courses provided by the Missouri course access and virtual  
16 school program that is substantially similar to the typical  
17 process by which a district student would enroll in courses  
18 offered by the school district and a charter school student would  
19 enroll in courses offered by the charter school. The policy may  
20 include consultation with the school's counselor and may include  
21 parental notification or authorization. School counselors shall  
22 not be required to approve or disapprove a student's enrollment  
23 in the Missouri course access and virtual school program. If the  
24 school district or charter school disapproves a student's request  
25 to enroll in a course or courses provided by the Missouri course  
26 access and virtual school program, including full-time enrollment  
27 in courses provided by the Missouri course access and virtual  
28 school program, the reason shall be provided in writing and it

1 shall be for "good cause". "Good cause" justification to  
2 disapprove a student's request for enrollment in a course shall  
3 be a determination that doing so is not in the best educational  
4 interest of the student. In cases of denial by the school  
5 district or charter school, local education agencies shall inform  
6 the student and the student's family of their right to appeal any  
7 enrollment denial in the Missouri course access and virtual  
8 school program to the local school district board or charter  
9 school governing body where the family shall be given an  
10 opportunity to present their reasons for their child or children  
11 to enroll in the Missouri course access and virtual school  
12 program in an official school board meeting. In addition, the  
13 school district or charter school administration shall provide  
14 its "good cause" justification for denial at a school board  
15 meeting or governing body meeting. Both the family and school  
16 administration shall also provide their reasons in writing to the  
17 members of the school board or governing body and the documents  
18 shall be entered into the official board minutes. The members of  
19 the board or governing body shall issue their decision in writing  
20 within thirty calendar days, and then an appeal may be made to  
21 the department of elementary and secondary education, which shall  
22 provide a final enrollment decision within seven calendar days.

23 (3) For students enrolled in any Missouri course access and  
24 virtual school program course in which costs associated with such  
25 course are to be paid by the school district or charter school as  
26 described under subdivision (1) of this subsection, the school  
27 district or charter school shall pay the content provider  
28 directly on a pro rata monthly basis based on a student's

1 completion of assignments and assessments. If a student  
2 discontinues enrollment, the district or charter school may stop  
3 making monthly payments to the content provider. No school  
4 district or charter school shall pay, for any one course for a  
5 student, more than the market necessary costs but in no case  
6 shall pay more than fourteen percent of the state adequacy  
7 target, as defined under section 163.011, as calculated at the  
8 end of the most recent school year for any single, year-long  
9 course and no more than seven percent of the state adequacy  
10 target as described above for any single semester equivalent  
11 course. Payment for a full-time virtual school student shall not  
12 exceed the state adequacy target, unless the student receives  
13 additional federal or state aid. Nothing in this subdivision  
14 shall prohibit a school district or charter school from  
15 negotiating lower costs directly with course or full-time virtual  
16 school providers, particularly in cases where several students  
17 enroll in a single course or full-time virtual school.

18 (4) In the case of a student who is a candidate for A+  
19 tuition reimbursement and taking a virtual course under this  
20 section, the school shall attribute no less than ninety-five  
21 percent attendance to any such student who has completed such  
22 virtual course.

23 (5) The Missouri course access and virtual school program  
24 shall ensure that individual learning plans designed by certified  
25 teachers and professional staff are developed for all students  
26 enrolled in more than two full-time course access program courses  
27 or a full-time virtual school.

28 (6) The department shall monitor student success and

1 engagement of students enrolled in their program and report the  
2 information to the school district or charter school. Providers  
3 and the department may make recommendations to the school  
4 district or charter school regarding the student's continued  
5 enrollment in the program. The school district or charter school  
6 shall consider the recommendations and evaluate the progress and  
7 success of enrolled students that are enrolled in any course or  
8 full-time virtual school offered under this section and may  
9 terminate or alter the course offering if it is found the course  
10 or full-time virtual school is not meeting the educational needs  
11 of the students enrolled in the course.

12 (7) School districts and charter schools shall monitor  
13 student progress and success, and course or full-time virtual  
14 school quality, and annually provide feedback to the department  
15 of elementary and secondary education regarding course quality.

16 (8) Pursuant to rules to be promulgated by the department  
17 of elementary and secondary education, when a student transfers  
18 into a school district or charter school, credits previously  
19 gained through successful passage of approved courses under the  
20 Missouri course access and virtual school program shall be  
21 accepted by the school district or charter school.

22 (9) Pursuant to rules to be promulgated by the department  
23 of elementary and secondary education, if a student transfers  
24 into a school district or charter school while enrolled in a  
25 Missouri course access and virtual school program course or full-  
26 time virtual school, the student shall continue to be enrolled in  
27 such course or school.

28 (10) Nothing in this section shall prohibit home school

1 students, private school students, or students wishing to take  
2 additional courses beyond their regular course load from  
3 enrolling in Missouri course access and virtual school program  
4 courses under an agreement that includes terms for paying tuition  
5 or course fees.

6 (11) Nothing in this subsection shall require any school  
7 district, charter school, or the state to provide computers,  
8 equipment, or internet access to any student unless required by  
9 an eligible student with a disability to comply with federal law.

10 (12) The authorization process shall provide for continuous  
11 monitoring of approved providers and courses. The department  
12 shall revoke or suspend or take other corrective action regarding  
13 the authorization of any course or provider no longer meeting the  
14 requirements of the program. Unless immediate action is  
15 necessary, prior to revocation or suspension, the department  
16 shall notify the provider and give the provider a reasonable time  
17 period to take corrective action to avoid revocation or  
18 suspension. The process shall provide for periodic renewal of  
19 authorization no less frequently than once every three years.

20 (13) Courses approved as of August 28, 2018, by the  
21 department to participate in the Missouri virtual instruction  
22 program shall be automatically approved to participate in the  
23 Missouri course access and virtual school program, but shall be  
24 subject to periodic renewal.

25 (14) Any online course or virtual program offered by a  
26 school district or charter school, including those offered prior  
27 to August 28, 2018, which meets the requirements of section  
28 162.1250 shall be automatically approved to participate in the



1 Missouri course access and virtual school program. Such course  
2 or program shall be subject to periodic renewal. A school  
3 district or charter school offering such a course or virtual  
4 school program shall be deemed an approved provider.

5 4. School districts or charter schools shall inform parents  
6 of their child's right to participate in the program.

7 Availability of the program shall be made clear in the parent  
8 handbook, registration documents, and featured on the home page  
9 of the school district or charter school's website.

10 5. The department shall:

11 (1) Establish an authorization process for course or full-  
12 time virtual school providers that includes multiple  
13 opportunities for submission each year;

14 (2) Pursuant to the time line established by the  
15 department, authorize course or full-time virtual school  
16 providers that:

17 (a) Submit all necessary information pursuant to the  
18 requirements of the process; and

19 (b) Meet the criteria described in subdivision (3) of this  
20 subsection;

21 (3) Review, pursuant to the authorization process,  
22 proposals from providers to provide a comprehensive, full-time  
23 equivalent course of study for students through the Missouri  
24 course access and virtual school program. The department shall  
25 ensure that these comprehensive courses of study align to state  
26 academic standards and that there is consistency and  
27 compatibility in the curriculum used by all providers from one  
28 grade level to the next grade level;

1       (4) Within thirty days of any denial, provide a written  
2 explanation to any course or full-time virtual school providers  
3 that are denied authorization.

4       6. If a course or full-time virtual school provider is  
5 denied authorization, the course provider may reapply at any  
6 point in the future.

7       7. The department shall publish the process established  
8 under this section, including any deadlines and any guidelines  
9 applicable to the submission and authorization process for course  
10 or full-time virtual school providers on its website.

11       8. If the department determines that there are insufficient  
12 funds available for evaluating and authorizing course or full-  
13 time virtual school providers, the department may charge  
14 applicant course or full-time virtual school providers a fee up  
15 to, but no greater than, the amount of the costs in order to  
16 ensure that evaluation occurs. The department shall establish  
17 and publish a fee schedule for purposes of this subsection.

18       9. Except as specified in this section and as may be  
19 specified by rule of the state board of education, the [virtual  
20 public school] Missouri course access and virtual school program  
21 shall comply with all state laws and regulations applicable to  
22 school districts, including but not limited to the Missouri  
23 school improvement program (MSIP), [adequate yearly progress  
24 (AYP),] annual performance report (APR), teacher certification,  
25 and curriculum standards.

26       [5.] 10. The department shall submit and publicly publish  
27 an annual report on the Missouri course access and virtual school  
28 program and the participation of entities to the governor, the

1 chair and ranking member of the senate education committee, and  
2 the chair and ranking member of the house of representatives  
3 elementary and secondary education committee. The report shall  
4 at a minimum include the following information:

5 (1) The annual number of unique students participating in  
6 courses authorized under this section and the total number of  
7 courses in which students are enrolled;

8 (2) The number of authorized providers;

9 (3) The number of authorized courses and the number of  
10 students enrolled in each course;

11 (4) The number of courses available by subject and grade  
12 level;

13 (5) The number of students enrolled in courses broken down  
14 by subject and grade level;

15 (6) Student outcome data, including completion rates,  
16 student learning gains, student performance on state or  
17 nationally accepted assessments, by subject and grade level per  
18 provider. This outcome data shall be published in a manner that  
19 protects student privacy;

20 (7) The costs per course;

21 (8) Evaluation of in-school course availability compared to  
22 course access availability to ensure gaps in course access are  
23 being addressed statewide.

24 11. The department shall be responsible for creating the  
25 Missouri course access and virtual school program catalog  
26 providing a listing of all courses authorized and available to  
27 students in the state, detailed information, including costs per  
28 course, about the courses to inform student enrollment decisions,

1 and the ability for students to submit their course enrollments.

2 12. The state board of education through the rulemaking  
3 process and the department of elementary and secondary education  
4 in its policies and procedures shall ensure that multiple content  
5 providers and learning management systems are allowed, ensure  
6 digital content conforms to accessibility requirements, provide  
7 an easily accessible link for providers to submit courses or  
8 full-time virtual schools on the Missouri course access and  
9 virtual school program website, and allow any person,  
10 organization, or entity to submit courses or full-time virtual  
11 schools for approval. No content provider shall be allowed that  
12 is unwilling to accept payments in the amount and manner as  
13 described under subdivision (3) of subsection 3 of this section  
14 or does not meet performance or quality standards adopted by the  
15 state board of education.

16 [6.] 13. Any rule or portion of a rule, as that term is  
17 defined in section 536.010, that is created under the authority  
18 delegated in this section shall become effective only if it  
19 complies with and is subject to all of the provisions of chapter  
20 536 and, if applicable, section 536.028. This section and  
21 chapter 536 are nonseverable and if any of the powers vested with  
22 the general assembly pursuant to chapter 536 to review, to delay  
23 the effective date, or to disapprove and annul a rule are  
24 subsequently held unconstitutional, then the grant of rulemaking  
25 authority and any rule proposed or adopted after August 28, 2006,  
26 shall be invalid and void.

27 167.121. [1.] If the residence of a pupil is so located  
28 that attendance in the district of residence constitutes an

1 unusual or unreasonable transportation hardship because of  
2 natural barriers, travel time, or distance, the commissioner of  
3 education or his designee may assign the pupil to another  
4 district. Subject to the provisions of this section, all  
5 existing assignments shall be reviewed prior to July 1, 1984, and  
6 from time to time thereafter, and may be continued or rescinded.  
7 The board of education of the district in which the pupil lives  
8 shall pay the tuition of the pupil assigned. The tuition shall  
9 not exceed the pro rata cost of instruction.

10 [2. (1) For the school year beginning July 1, 2008, and  
11 each succeeding school year, a parent or guardian residing in a  
12 lapsed public school district or a district that has scored  
13 either unaccredited or provisionally accredited, or a combination  
14 thereof, on two consecutive annual performance reports may enroll  
15 the parent's or guardian's child in the Missouri virtual school  
16 created in section 161.670 provided the pupil first enrolls in  
17 the school district of residence. The school district of  
18 residence shall include the pupil's enrollment in the virtual  
19 school created in section 161.670 in determining the district's  
20 average daily attendance. Full-time enrollment in the virtual  
21 school shall constitute one average daily attendance equivalent  
22 in the school district of residence. Average daily attendance  
23 for part-time enrollment in the virtual school shall be  
24 calculated as a percentage of the total number of virtual courses  
25 enrolled in divided by the number of courses required for  
26 full-time attendance in the school district of residence.

27 (2) A pupil's residence, for purposes of this section,  
28 means residency established under section 167.020. Except for

1 students residing in a K-8 district attending high school in a  
2 district under section 167.131, the board of the home district  
3 shall pay to the virtual school the amount required under section  
4 161.670.

5 (3) Nothing in this section shall require any school  
6 district or the state to provide computers, equipment, internet  
7 or other access, supplies, materials or funding, except as  
8 provided in this section, as may be deemed necessary for a pupil  
9 to participate in the virtual school created in section 161.670.

10 (4) Any rule or portion of a rule, as that term is defined  
11 in section 536.010, that is created under the authority delegated  
12 in this section shall become effective only if it complies with  
13 and is subject to all of the provisions of chapter 536 and, if  
14 applicable, section 536.028. This section and chapter 536 are  
15 nonseverable and if any of the powers vested with the general  
16 assembly pursuant to chapter 536 to review, to delay the  
17 effective date, or to disapprove and annul a rule are  
18 subsequently held unconstitutional, then the grant of rulemaking  
19 authority and any rule proposed or adopted after August 28, 2007,  
20 shall be invalid and void.]

21 173.234. 1. As used in this section, unless the context  
22 clearly requires otherwise, the following terms mean:

23 (1) "Board", the coordinating board for higher education;

24 (2) "Books", any books required for any course for which  
25 tuition was paid by a grant awarded under this section;

26 (3) "Eligible student", the natural, adopted, or stepchild  
27 of a qualifying military member, who is less than twenty-five  
28 years of age and who was a dependent of a qualifying military

1 member at the time of death or injury or within five years  
2 subsequent to the injury, or the spouse of a qualifying military  
3 member which was the spouse of a veteran at the time of death or  
4 injury or within five years subsequent to the injury;

5 (4) "Grant", the veteran's survivors grant as established  
6 in this section;

7 (5) "Institution of postsecondary education", any approved  
8 Missouri public institution of postsecondary education, as  
9 defined in subdivision (3) of subsection 1 of section 173.1102;

10 (6) "Qualifying military member", any member of the  
11 military of the United States, whether active duty, reserve, or  
12 National Guard, who served in the military after September 11,  
13 2001, during time of war and for whom the following criteria  
14 apply:

15 (a) A veteran was a Missouri resident when first entering  
16 the military service or at the time of death or injury;

17 (b) A veteran died or was injured as a result of combat  
18 action or a veteran's death or injury was certified by the  
19 Department of Veterans' Affairs medical authority to be  
20 attributable to an illness or accident that occurred while  
21 serving in combat, or became eighty percent disabled as a result  
22 of injuries or accidents sustained in combat action after  
23 September 11, 2001; and

24 (c) "Combat veteran", a Missouri resident who is discharged  
25 for active duty service having served since September 11, 2001,  
26 and received a DD214 in a geographic area entitled to receive  
27 combat pay tax exclusion exemption, hazardous duty pay, or  
28 imminent danger pay, or hostile fire pay;

1           (7) "Survivor", an eligible student of a qualifying  
2 military member;

3           (8) "Tuition", any tuition or incidental fee, or both,  
4 charged by an institution of postsecondary education for  
5 attendance at the institution by a student as a resident of this  
6 state. The tuition grant shall not exceed the amount of tuition  
7 charged a Missouri resident at the University of  
8 Missouri-Columbia for attendance.

9           2. Within the limits of the amounts appropriated therefor,  
10 the coordinating board for higher education shall award annually  
11 up to twenty-five grants to survivors of qualifying military  
12 members to attend institutions of postsecondary education in this  
13 state, which shall continue to be awarded annually to eligible  
14 recipients as long as the recipient achieves and maintains a  
15 cumulative grade point average of at least two and one-half on a  
16 four-point scale, or its equivalent. If the waiting list of  
17 eligible survivors exceeds fifty, the coordinating board may  
18 petition the general assembly to expand the quota. If the quota  
19 is not expanded, then the eligibility of survivors on the waiting  
20 list shall be extended.

21           3. A survivor may receive a grant under this section only  
22 so long as the survivor is enrolled in a program leading to a  
23 certificate, or an associate or baccalaureate degree. In no  
24 event shall a survivor receive a grant beyond the completion of  
25 the first baccalaureate degree, regardless of age.

26           4. The coordinating board for higher education shall:

27           (1) Promulgate all necessary rules and regulations for the  
28 implementation of this section; and



1           (2) Provide the forms and determine the procedures  
2 necessary for a survivor to apply for and receive a grant under  
3 this section.

4           5. Any rule or portion of a rule, as that term is defined  
5 in section 536.010, that is created under the authority delegated  
6 in this section shall become effective only if it complies with  
7 and is subject to all of the provisions of chapter 536 and, if  
8 applicable, section 536.028. This section and chapter 536 are  
9 nonseverable and if any of the powers vested with the general  
10 assembly pursuant to chapter 536 to review, to delay the  
11 effective date, or to disapprove and annul a rule are  
12 subsequently held unconstitutional, then the grant of rulemaking  
13 authority and any rule proposed or adopted after August 28, 2008,  
14 shall be invalid and void.

15           6. In order to be eligible to receive a grant under this  
16 section, a survivor shall be certified as eligible by the  
17 Missouri veterans' commission.

18           7. A survivor who is enrolled or has been accepted for  
19 enrollment as an undergraduate postsecondary student at an  
20 approved institution of postsecondary education, and who is  
21 selected to receive a grant under this section, shall receive the  
22 following:

23           (1) An amount not to exceed the actual tuition charged at  
24 the approved institution of postsecondary education where the  
25 survivor is enrolled or accepted for enrollment;

26           (2) An allowance of up to two thousand dollars per semester  
27 for room and board; and

28           (3) The actual cost of books, up to a maximum of five

1 hundred dollars per semester.

2 8. A survivor who is a recipient of a grant may transfer  
3 from one approved public institution of postsecondary education  
4 to another without losing his or her entitlement under this  
5 section. The board shall make necessary adjustments in the  
6 amount of the grant. If a grant recipient at any time withdraws  
7 from the institution of postsecondary education so that under the  
8 rules and regulations of that institution he or she is entitled  
9 to a refund of any tuition, fees, room and board, books, or other  
10 charges, the institution shall pay the portion of the refund to  
11 which he or she is entitled attributable to the grant for that  
12 semester or similar grading period to the board.

13 9. If a survivor is granted financial assistance under any  
14 other student aid program, public or private, the full amount of  
15 such aid shall be reported to the board by the institution and  
16 the eligible survivor.

17 10. Nothing in this section shall be construed as a promise  
18 or guarantee that a person will be admitted to an institution of  
19 postsecondary education or to a particular institution of  
20 postsecondary education, will be allowed to continue to attend an  
21 institution of postsecondary education after having been  
22 admitted, or will be graduated from an institution of  
23 postsecondary education.

24 11. The benefits conferred by this section shall be  
25 available to any academically eligible student of a qualifying  
26 military member. Surviving children who are eligible shall be  
27 permitted to apply for full benefits conferred by this section  
28 until they reach twenty-five years of age.

1           12. Pursuant to section 23.253 of the Missouri sunset act:

2           (1) The provisions of the new program authorized under this  
3 section shall be reauthorized as of June 13, 2016, and shall  
4 expire on August 28, 2020, unless reauthorized by an act of the  
5 general assembly; and

6           (2) If such program is reauthorized, the program authorized  
7 under this section shall sunset automatically twelve years after  
8 June 13, 2016; and

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

12           173.616. 1. The following schools, training programs, and  
13 courses of instruction shall be exempt from the provisions of  
14 sections 173.600 to 173.618:

15           (1) A public institution;

16           (2) Any college or university represented directly or  
17 indirectly on the advisory committee of the coordinating board  
18 for higher education as provided in subsection 3 of section  
19 173.005;

20           (3) An institution that is certified by the board as an  
21 "approved private institution" under subdivision (2) of  
22 subsection 1 of section 173.1102;

23           (4) A not-for-profit religious school that is accredited by  
24 the American Association of Bible Colleges, the Association of  
25 Theological Schools in the United States and Canada, or a  
26 regional accrediting association, such as the North Central  
27 Association, which is recognized by the Council on Postsecondary  
28 Accreditation and the United States Department of Education; and

1           (5) Beginning July 1, 2008, all out-of-state public  
2 institutions of higher education, as such term is defined in  
3 subdivision (13) of subsection 2 of section 173.005.

4           2. The coordinating board shall exempt the following  
5 schools, training programs and courses of instruction from the  
6 provisions of sections 173.600 to 173.618:

7           (1) A not-for-profit school owned, controlled and operated  
8 by a bona fide religious or denominational organization which  
9 offers no programs or degrees and grants no degrees or  
10 certificates other than those specifically designated as  
11 theological, bible, divinity or other religious designation;

12           (2) A not-for-profit school owned, controlled and operated  
13 by a bona fide eleemosynary organization which provides  
14 instruction with no financial charge to its students and at which  
15 no part of the instructional cost is defrayed by or through  
16 programs of governmental student financial aid, including grants  
17 and loans, provided directly to or for individual students;

18           (3) A school which offers instruction only in subject areas  
19 which are primarily for avocational or recreational purposes as  
20 distinct from courses to teach employable, marketable knowledge  
21 or skills, which does not advertise occupational objectives and  
22 which does not grant degrees;

23           (4) A course of instruction, study or training program  
24 sponsored by an employer for the training and preparation of its  
25 own employees;

26           (5) A course of study or instruction conducted by a trade,  
27 business or professional organization with a closed membership  
28 where participation in the course is limited to bona fide members

1 of the trade, business or professional organization, or a course  
2 of instruction for persons in preparation for an examination  
3 given by a state board or commission where the state board or  
4 commission approves that course and school;

5 (6) A school or person whose clientele are primarily  
6 students aged sixteen or under;

7 (7) A yoga teacher training course, program, or school.

8 3. A school which is otherwise licensed and approved under  
9 and pursuant to any other licensing law of this state shall be  
10 exempt from sections 173.600 to 173.618, but a state certificate  
11 of incorporation shall not constitute licensing for the purpose  
12 of sections 173.600 to 173.618.

13 4. Any school, training program or course of instruction  
14 exempted herein may elect by majority action of its governing  
15 body or by action of its director to apply for approval of the  
16 school, training program or course of instruction under the  
17 provisions of sections 173.600 to 173.618. Upon application to  
18 and approval by the coordinating board, such school training  
19 program or course of instruction may become exempt from the  
20 provisions of sections 173.600 to 173.618 at any subsequent time,  
21 except the board shall not approve an application for exemption  
22 if the approved school is then in any status of noncompliance  
23 with certification standards and a reversion to exempt status  
24 shall not relieve the school of any liability for indemnification  
25 or any penalty for noncompliance with certification standards  
26 during the period of the school's approved status.

27 173.1101. The financial assistance program established  
28 under sections 173.1101 to 173.1107 shall be hereafter known as

1 the "Access Missouri Financial Assistance Program". The  
2 coordinating board and all approved private [and], public, and  
3 virtual institutions in this state shall refer to the financial  
4 assistance program established under sections 173.1101 to  
5 173.1107 as the access Missouri student financial assistance  
6 program in their scholarship literature, provided that no  
7 institution shall be required to revise or amend any such  
8 literature to comply with this section prior to the date such  
9 literature would otherwise be revised, amended, reprinted or  
10 replaced in the ordinary course of such institution's business.

11 173.1102. 1. As used in sections 173.1101 to 173.1107,  
12 unless the context requires otherwise, the following terms mean:

13 (1) "Academic year", the period from July first of any year  
14 through June thirtieth of the following year;

15 (2) "Approved private institution", a nonprofit  
16 institution, dedicated to educational purposes, located in  
17 Missouri which:

18 (a) Is operated privately under the control of an  
19 independent board and not directly controlled or administered by  
20 any public agency or political subdivision;

21 (b) Provides a postsecondary course of instruction at least  
22 six months in length leading to or directly creditable toward a  
23 certificate or degree;

24 (c) Meets the standards for accreditation as determined by  
25 either the Higher Learning Commission or by other accrediting  
26 bodies recognized by the United States Department of Education or  
27 by utilizing accreditation standards applicable to  
28 nondegree-granting institutions as established by the

1 coordinating board for higher education;

2 (d) Does not discriminate in the hiring of administrators,  
3 faculty and staff or in the admission of students on the basis of  
4 race, color, religion, sex, or national origin and is in  
5 compliance with the Federal Civil Rights Acts of 1964 and 1968  
6 and executive orders issued pursuant thereto. Sex discrimination  
7 as used herein shall not apply to admission practices of  
8 institutions offering the enrollment limited to one sex;

9 (e) Permits faculty members to select textbooks without  
10 influence or pressure by any religious or sectarian source;

11 (3) "Approved public institution", an educational  
12 institution located in Missouri which:

13 (a) Is directly controlled or administered by a public  
14 agency or political subdivision;

15 (b) Receives appropriations directly or indirectly from the  
16 general assembly for operating expenses;

17 (c) Provides a postsecondary course of instruction at least  
18 six months in length leading to or directly creditable toward a  
19 degree or certificate;

20 (d) Meets the standards for accreditation as determined by  
21 either the Higher Learning Commission, or if a public community  
22 college created under the provisions of sections 178.370 to  
23 178.400 meets the standards established by the coordinating board  
24 for higher education for such public community colleges, or by  
25 other accrediting bodies recognized by the United States  
26 Department of Education or by utilizing accreditation standards  
27 applicable to the institution as established by the coordinating  
28 board for higher education;

1 (e) Does not discriminate in the hiring of administrators,  
2 faculty and staff or in the admission of students on the basis of  
3 race, color, religion, sex, or national origin and is otherwise  
4 in compliance with the Federal Civil Rights Acts of 1964 and 1968  
5 and executive orders issued pursuant thereto;

6 (f) Permits faculty members to select textbooks without  
7 influence or pressure by any religious or sectarian source;

8 (4) "Approved virtual institution", an educational  
9 institution that meets all of the following requirements:

10 (a) Is recognized as a qualifying institution by  
11 gubernatorial executive order, unless such order is rescinded;

12 (b) Is recognized as a qualifying institution through a  
13 memorandum of understanding between the state of Missouri and the  
14 approved virtual institution;

15 (c) Is accredited by a regional accrediting agency  
16 recognized by the United States Department of Education;

17 (d) Has established and continuously maintains a physical  
18 campus or location of operation within the state of Missouri;

19 (e) Maintains at least twenty-five full-time Missouri  
20 employees, at least one-half of which shall be faculty or  
21 administrators engaged in operations;

22 (f) Enrolls at least one thousand Missouri residents as  
23 degree or certificate seeking students;

24 (g) Maintains a governing body or advisory board based in  
25 Missouri with oversight of Missouri operations;

26 (h) Is organized as a nonprofit institution; and

27 (i) Utilizes an exclusively competency-based education  
28 model;



1       (5) "Coordinating board", the coordinating board for higher  
2 education;

3       [(5)] (6) "Expected family contribution", the amount of  
4 money a student and family should pay toward the cost of  
5 postsecondary education as calculated by the United States  
6 Department of Education and reported on the student aid report or  
7 the institutional student information record;

8       [(6)] (7) "Financial assistance", an amount of money paid  
9 by the state of Missouri to a qualified applicant under sections  
10 173.1101 to 173.1107;

11       [(7)] (8) "Full-time student", an individual who is  
12 enrolled in and is carrying a sufficient number of credit hours  
13 or their equivalent at an approved private [or], public, or  
14 virtual institution to secure the degree or certificate toward  
15 which he or she is working in no more than the number of  
16 semesters or their equivalent normally required by that  
17 institution in the program in which the individual is enrolled.  
18 This definition shall be construed as the successor to  
19 subdivision (7) of section 173.205 for purposes of eligibility  
20 requirements of other financial assistance programs that refer to  
21 section 173.205.

22       2. The failure of an approved virtual institution to  
23 continuously maintain all of the requirements in paragraphs (a)  
24 to (i) of subdivision (4) of subsection 1 of this section shall  
25 preclude such institution's students or applicants from being  
26 eligible for assistance under sections 173.1104 and 173.1105.

27       173.1104. 1. An applicant shall be eligible for initial or  
28 renewed financial assistance only if, at the time of application

1 and throughout the period during which the applicant is receiving  
2 such assistance, the applicant:

3 (1) Is a citizen or a permanent resident of the United  
4 States;

5 (2) Is a resident of the state of Missouri, as determined  
6 by reference to standards promulgated by the coordinating board;

7 (3) Is enrolled, or has been accepted for enrollment, as a  
8 full-time undergraduate student in an approved private [or],  
9 public, or virtual institution; and

10 (4) Is not enrolled or does not intend to use the award to  
11 enroll in a course of study leading to a degree in theology or  
12 divinity.

13 2. If an applicant is found guilty of or pleads guilty to  
14 any criminal offense during the period of time in which the  
15 applicant is receiving financial assistance, such applicant shall  
16 not be eligible for renewal of such assistance, provided such  
17 offense would disqualify the applicant from receiving federal  
18 student aid under Title IV of the Higher Education Act of 1965,  
19 as amended.

20 3. Financial assistance shall be allotted for one academic  
21 year, but a recipient shall be eligible for renewed assistance  
22 until he or she has obtained a baccalaureate degree, provided  
23 such financial assistance shall not exceed a total of ten  
24 semesters or fifteen quarters or their equivalent. Standards of  
25 eligibility for renewed assistance shall be the same as for an  
26 initial award of financial assistance, except that for renewal,  
27 an applicant shall demonstrate a grade-point average of two and  
28 five-tenths on a four-point scale, or the equivalent on another

1 scale. This subsection shall be construed as the successor to  
2 section 173.215 for purposes of eligibility requirements of other  
3 financial assistance programs that refer to section 173.215.

4 173.1105. 1. An applicant who is an undergraduate  
5 postsecondary student at an approved private [or], public, or  
6 virtual institution and who meets the other eligibility criteria  
7 shall be eligible for financial assistance, with a minimum and  
8 maximum award amount as follows:

9 (1) For academic years 2010-11, 2011-12, 2012-13, and  
10 2013-14:

11 (a) One thousand dollars maximum and three hundred dollars  
12 minimum for students attending institutions classified as part of  
13 the public two-year sector;

14 (b) Two thousand one hundred fifty dollars maximum and one  
15 thousand dollars minimum for students attending institutions  
16 classified as part of the public four-year sector, including  
17 State Technical College of Missouri; and

18 (c) Four thousand six hundred dollars maximum and two  
19 thousand dollars minimum for students attending approved private  
20 institutions;

21 (2) For the 2014-15 academic year and subsequent years:

22 (a) One thousand three hundred dollars maximum and three  
23 hundred dollars minimum for students attending institutions  
24 classified as part of the public two-year sector; and

25 (b) Two thousand eight hundred fifty dollars maximum and  
26 one thousand five hundred dollars minimum for students attending  
27 institutions classified as part of the public four-year sector,  
28 including State Technical College of Missouri, [or] approved

1 private institutions, or approved virtual institutions.

2 2. All students with an expected family contribution of  
3 twelve thousand dollars or less shall receive at least the  
4 minimum award amount for his or her institution. Maximum award  
5 amounts for an eligible student with an expected family  
6 contribution above seven thousand dollars shall be reduced by ten  
7 percent of the maximum expected family contribution for his or  
8 her increment group. Any award amount shall be reduced by the  
9 amount of a student's payment from the A+ schools program or any  
10 successor program to it. For purposes of this subsection, the  
11 term "increment group" shall mean a group organized by expected  
12 family contribution in five hundred dollar increments into which  
13 all eligible students shall be placed.

14 3. If appropriated funds are insufficient to fund the  
15 program as described, the maximum award shall be reduced across  
16 all sectors by the percentage of the shortfall. If appropriated  
17 funds exceed the amount necessary to fund the program, the  
18 additional funds shall be used to increase the number of  
19 recipients by raising the cutoff for the expected family  
20 contribution rather than by increasing the size of the award.

21 4. Every three years, beginning with academic year 2009-10,  
22 the award amount may be adjusted to increase no more than the  
23 Consumer Price Index for All Urban Consumers (CPI-U), 1982-1984 =  
24 100, not seasonally adjusted, as defined and officially recorded  
25 by the United States Department of Labor, or its successor  
26 agency, for the previous academic year. The coordinating board  
27 shall prepare a report prior to the legislative session for use  
28 of the general assembly and the governor in determining budget

1 requests which shall include the amount of funds necessary to  
2 maintain full funding of the program based on the baseline  
3 established for the program upon the effective date of sections  
4 173.1101 to 173.1107. Any increase in the award amount shall not  
5 become effective unless an increase in the amount of money  
6 appropriated to the program necessary to cover the increase in  
7 award amount is passed by the general assembly.

8 173.1107. A recipient of financial assistance may transfer  
9 from one approved public [or], private, or virtual institution to  
10 another without losing eligibility for assistance under sections  
11 173.1101 to 173.1107, but the coordinating board shall make any  
12 necessary adjustments in the amount of the award. If a recipient  
13 of financial assistance at any time is entitled to a refund of  
14 any tuition, fees, or other charges under the rules and  
15 regulations of the institution in which he or she is enrolled,  
16 the institution shall pay the portion of the refund which may be  
17 attributed to the state grant to the coordinating board. The  
18 coordinating board will use these refunds to make additional  
19 awards under the provisions of sections 173.1101 to 173.1107.

20 173.1150. 1. Notwithstanding any provision of law to the  
21 contrary, any individual who is in the process of separating from  
22 any branch of the military forces of the United States with an  
23 honorable discharge or a general discharge shall have student  
24 resident status for purposes of admission and in-state tuition at  
25 any approved public four-year institution in Missouri or  
26 in-state, in-district tuition at any approved two-year  
27 institution in Missouri.

28 2. To be eligible for student resident status under this

1 section, any such individual shall demonstrate presence and  
2 declare residency within the state of Missouri. For purposes of  
3 attending a community college, an individual shall demonstrate  
4 presence and declare residency within the taxing district of the  
5 community college he or she attends.

6 3. The coordinating board for higher education shall  
7 promulgate rules to implement this section.

8 4. For purposes of this section, "approved public  
9 institution" shall have the same meaning as provided in  
10 subdivision (3) of subsection 1 of section 173.1102.

11 5. Any rule or portion of a rule, as that term is defined  
12 in section 536.010, that is created under the authority delegated  
13 in this section shall become effective only if it complies with  
14 and is subject to all of the provisions of chapter 536 and, if  
15 applicable, section 536.028. This section and chapter 536 are  
16 nonseverable and if any of the powers vested with the general  
17 assembly pursuant to chapter 536 to review, to delay the  
18 effective date, or to disapprove and annul a rule are  
19 subsequently held unconstitutional, then the grant of rulemaking  
20 authority and any rule proposed or adopted after August 28, 2013,  
21 shall be invalid and void.

22 173.1153. 1. Notwithstanding any provision of law to the  
23 contrary, any individual who is currently serving in the Missouri  
24 National Guard or in a reserve component of the Armed Forces of  
25 the United States shall be deemed to be domiciled in this state  
26 for purposes of eligibility for in-state tuition at any approved  
27 public institution in Missouri.

28 2. To be eligible for in-state tuition under this section,

1 any such individual shall demonstrate presence within the state  
2 of Missouri. For purposes of attending a community college, an  
3 individual shall demonstrate presence within the taxing district  
4 of the community college he or she attends.

5 3. If any such individual is eligible to receive financial  
6 assistance under any other federal or state student aid program,  
7 public or private, the full amount of such aid shall be reported  
8 to the coordinating board for higher education by the institution  
9 and the individual. The tuition limitation under this section  
10 shall be provided after all other federal and state aid for which  
11 the individual is eligible has been applied, and no individual  
12 shall receive more than the actual cost of attendance when the  
13 limitation is combined with other aid made available to such  
14 individual.

15 4. The coordinating board for higher education shall  
16 promulgate rules to implement this section.

17 5. For purposes of this section, "approved public  
18 institution" shall have the same meaning as provided in  
19 subdivision (3) of subsection 1 of section 173.1102.

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

1 authority and any rule proposed or adopted after August 28, 2016,  
2 shall be invalid and void.

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10 Bob Onder

Bryan Spencer