

SECOND REGULAR SESSION

SENATE BILL NO. 581

100TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR CIERPIOT.

Pre-filed December 1, 2019, and ordered printed.

ADRIANE D. CROUSE, Secretary.

3447S.03I

AN ACT

To amend chapter 135, RSMo, by adding thereto five new sections relating to educational scholarships.

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

Section A. Chapter 135, RSMo, is amended by adding thereto five new sections, to be known as sections 135.730, 135.732, 135.734, 135.736, and 135.738, to read as follows:

135.730. 1. Sections 135.730 to 135.738 establish the "Show Me A Brighter Future Scholarship Program".

2. For purposes of sections 135.730 to 135.738, the following terms
4 shall mean:

5 (1) "Department", the department of revenue;

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

7 (a) Is a member of a household whose total annual income in the
8 year prior to such student receiving a scholarship under this program
9 does not exceed an amount equal to two times the income standard
10 used to qualify for free and reduced-price lunch. Once a student
11 receives a scholarship under this program, the student shall remain
12 eligible regardless of household income until the student graduates
13 high school or reaches twenty-one years of age, whichever is sooner;
14 and

15 (b) Attended a public school in the preceding semester or is
16 starting school in the state for the first time; or

17 (c) Is starting school in Missouri for the first time and is a
18 sibling of a student already enrolled in the program;

19 (3) "Parent", a parent or guardian, custodian, or other person
20 with authority to act on behalf of the eligible student;

21 (4) "Program", the show me a brighter future scholarship
22 program;

23 (5) "Qualifying school", any private school in the state that
24 provides education to elementary or secondary students and has
25 notified the state treasurer of its intention to participate in the
26 program and comply with the program's requirements;

27 (6) "Scholarship fund", the show me a brighter future scholarship
28 fund administered by the state treasurer;

29 (7) "Scholarship grant", a contribution to a qualified tuition
30 savings account established pursuant to Section 529 of the Internal
31 Revenue Code, or an achieving a better life experience (ABLE) account,
32 as defined in section 209.600, to cover all or part of tuition, special
33 education services, therapies, or transportation at a qualifying school;

34 (8) "Special education eligible student", any student who has an
35 Individualized Education Program (IEP) created by a public school at
36 the time of application to the program.

135.732. 1. For all fiscal years beginning on or after July 1, 2021,
2 any taxpayer who makes a qualifying contribution to the show me a
3 brighter future scholarship fund set forth in section 135.736 may claim
4 a credit against the tax otherwise due under chapter 143, other than
5 taxes withheld under sections 143.191 to 143.265, and chapter 153, in an
6 amount equal to one hundred percent of the amount the taxpayer
7 contributed during the tax year for which the credit is claimed. No
8 taxpayer shall claim a credit under sections 135.730 to 135.738 for any
9 contribution made by the taxpayer, or an agent of the taxpayer, on
10 behalf of the taxpayer's dependent, or in the case of a business
11 taxpayer, on behalf of the business's agent's dependent.

12 2. The amount of the tax credit claimed by an individual
13 taxpayer or a married couple filing jointly shall not exceed fifty
14 percent of the taxpayer's state tax liability for the tax year for which
15 the credit is claimed.

16 3. The amount of the tax credit claimed by a corporate taxpayer
17 shall not exceed fifty percent of the corporate taxpayer's state tax
18 liability for the tax year for which the credit is claimed.

19 4. The state treasurer shall certify the tax credit amount to the
20 taxpayer. An individual or corporate taxpayer, or a married couple
21 filing jointly, may carry the credit forward to any of such taxpayer's

22 three subsequent tax years. All tax credits authorized under the
23 program shall not be transferred, sold, or assigned, and are not
24 refundable.

25 5. The cumulative amount of tax credits that may be allocated to
26 all taxpayers contributing to the scholarship fund in the first year of
27 the program shall not exceed twenty-five million dollars. If the amount
28 of tax credits claimed in the first tax year exceeds ninety percent of the
29 tax credits available, the amount of tax credits available shall increase
30 by ten percent in the subsequent year. The state treasurer shall
31 establish a procedure by which, from the beginning of the calendar
32 year until August first, the cumulative amount of tax credits shall be
33 allocated to taxpayers on a first come, first served basis.

34 6. A taxpayer who makes a contribution to the scholarship fund
35 shall not designate the student who will receive a scholarship grant.

135.734. 1. The state treasurer shall adopt rules and procedures
2 necessary to implement the provisions of sections 135.730 to 135.738,
3 including rules setting forth:

- 4 (1) The order of preference for scholarship awards;
- 5 (2) Reporting requirements;
- 6 (3) Responsibilities of a parent of an eligible student; and
- 7 (4) Responsibilities of an eligible student's district of residence.

8 2. A scholarship grant awarded to an eligible student shall be in
9 an amount equal to the state adequacy target, as defined in section
10 163.011.

11 3. A scholarship grant awarded to a special education eligible
12 student shall be in an amount equal to the state adequacy target
13 multiplied by one and seventy-five hundredths.

14 4. Scholarship funds in a qualified tuition savings account shall
15 only be used for payment of tuition at a qualifying school.

16 5. Scholarship funds in an ABLE account shall only be used for
17 tuition at a qualifying school, special education services, therapies, and
18 transportation.

19 6. The state treasurer shall not discriminate on the basis of race,
20 color, creed, or national origin in making scholarship grants, and shall
21 not make multi year scholarship grants.

22 7. The state treasurer may bar a parent from future participation
23 in the program if the state treasurer establishes that the parent has

24 intentionally spent scholarship grant funds for a purpose other than
25 that allowed by law or rule.

135.736. 1. There is hereby created in the state treasury the
2 "Show Me a Brighter Future Scholarship Fund", which shall consist of
3 money collected under this section. The state treasurer shall be
4 custodian of the fund. In accordance with sections 30.170 and 30.180,
5 the state treasurer may approve disbursements. The fund shall be used
6 solely by the department for the purpose of sections 135.730 to 135.738.

7 2. Notwithstanding the provisions of section 33.080 to the
8 contrary, any moneys remaining in the fund at the end of the biennium
9 shall not revert to the credit of the general revenue fund.

10 3. The state treasurer shall invest moneys in the fund in the
11 same manner as other funds are invested. Any interest and moneys
12 earned on such investments shall be credited to the fund.

135.738. 1. The state treasurer shall promulgate rules to
2 implement the provisions of section 135.730 to 135.738. Any rule or
3 portion of a rule, as that term is defined in section 536.010, that is
4 created under the authority delegated in this section shall become
5 effective only if it complies with and is subject to all of the provisions
6 of chapter 536 and, if applicable, section 536.028. This section and
7 chapter 536 are nonseverable and if any of the powers vested with the
8 general assembly pursuant to chapter 536 to review, to delay the
9 effective date, or to disapprove and annul a rule are subsequently held
10 unconstitutional, then the grant of rulemaking authority and any rule
11 proposed or adopted after August 28, 2020, shall be invalid and void.

12 2. The provisions of section 23.253 of the Missouri sunset act
13 shall not apply to sections 135.730 to 135.738.

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