

SENATE BILL NO. 672

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR HOUGH.

4278S.01H

ADRIANE D. CROUSE, Secretary

AN ACT

To repeal section 173.2553, RSMo, and to enact in lieu thereof one new section relating to workforce development.

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

Section A. Section 173.2553, RSMo, is repealed and one
2 new section enacted in lieu thereof, to be known as section
3 173.2553, to read as follows:

173.2553. 1. There is hereby established a "Fast
2 Track Workforce Incentive Grant", and any moneys
3 appropriated by the general assembly for this program shall
4 be used to provide grants for Missouri citizens to attend an
5 approved Missouri postsecondary institution of their choice
6 in accordance with the provisions of this section.

7 2. The definitions of terms set forth in section
8 173.1102 shall be applicable to such terms as used in this
9 section and section 173.2554. In addition, the following
10 terms shall mean:

11 (1) **"Active apprentice status", formal participation**
12 **in an apprenticeship that meets any related requirements as**
13 **defined by the organization providing the apprenticeship or**
14 **the United States Department of Labor;**

15 (2) "Board", the coordinating board for higher
16 education;

17 [(2)] (3) **"Eligible apprentice", an individual who:**

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

18 (a) Is a citizen or permanent resident of the United
19 States;

20 (b) Is a Missouri resident as determined by reference
21 to standards promulgated by the coordinating board;

22 (c) Has active apprentice status in an eligible
23 apprenticeship;

24 (d) Has an adjusted gross income as reported on their
25 Missouri individual income tax return, that does not exceed
26 eighty thousand dollars for married filing joint taxpayers
27 or forty thousand dollars for all other taxpayers; and

28 (e) Is twenty-five years of age or older at the time
29 of entering the apprenticeship or has not been enrolled in a
30 postsecondary education program, other than one related to
31 the current apprenticeship, for the prior two calendar years;

32 (4) "Eligible apprenticeship", a United States
33 Department of Labor approved apprenticeship, as defined
34 under 29 CFR Part 29, conducted within the state of Missouri
35 that prepares a participant to enter employment in an area
36 of occupational shortage as determined by the coordinating
37 board;

38 (5) "Eligible program of study", a program of
39 instruction:

40 (a) Resulting in the award of a certificate,
41 undergraduate degree, or other industry-recognized
42 credential; and

43 (b) That has been designated by the coordinating board
44 as preparing students to enter an area of occupational
45 shortage as determined by the board;

46 [(3)] (6) "Eligible student", an individual who:

47 (a) Has completed and submitted a FAFSA for the
48 academic year for which the grant is requested;

49 (b) Is a citizen or permanent resident of the United
50 States;

51 (c) Is a Missouri resident as determined by reference
52 to standards promulgated by the coordinating board;

53 (d) Is enrolled, or plans to enroll, at least half-
54 time as a student in an eligible undergraduate program of
55 study offered by an approved public, private, or virtual
56 institution, as defined in section 173.1102;

57 (e) Has an adjusted gross income, as reported on the
58 FAFSA, that does not exceed eighty thousand dollars for
59 married filing joint taxpayers or forty thousand dollars for
60 all other taxpayers; and

61 (f) Is twenty-five years of age or older at the time
62 of enrollment or has not been enrolled in an educational
63 program for the prior two academic years;

64 [(4)] (7) "FAFSA", the Free Application for Federal
65 Student Aid, as maintained by the United States Department
66 of Education;

67 [(5)] (8) "Fast track grant", an amount of moneys paid
68 by the state of Missouri to a student under the provisions
69 of this section;

70 [(6)] (9) "Graduation", completion of a program of
71 study as indicated by the award of a certificate,
72 undergraduate degree, or other industry-recognized
73 credential;

74 [(7)] (10) "Qualifying employment", full-time
75 employment of a Missouri resident at a workplace located
76 within the state of Missouri, or self-employment while a
77 Missouri resident, with at least fifty percent of an
78 individual's annual income coming from self-employment,
79 either of which result in required returns of income in
80 accordance with section 143.481;

81 [(8)] (11) "Recipient", an eligible student [or], an
82 **eligible apprentice, a renewal apprentice, or a** renewal
83 student who receives a fast track grant under the provisions
84 of this section;

85 [(9)] (12) "Related educational costs", **direct costs**
86 **incurred by an individual as part of an eligible**
87 **apprenticeship program, such as, but not limited to, tools,**
88 **books, and uniforms;**

89 (13) "Renewal apprentice", an eligible apprentice who
90 remains in compliance with the provision of this section,
91 has received the grant as an initial apprentice, maintains
92 active apprentice status, and who has not received a
93 **bachelor's degree;**

94 (14) "Renewal student", an eligible student who
95 remains in compliance with the provisions of this section,
96 has received a grant as an initial recipient, maintains a
97 cumulative grade point average of at least two and one-half
98 on a four-point scale or the equivalent, makes satisfactory
99 academic degree progress as defined by the institution, with
100 the exception of grade point average, and has not received a
101 bachelor's degree.

102 3. Standards of eligibility for renewed assistance
103 shall be the same as for an initial award of financial
104 assistance; except that, for **a renewal student**, an applicant
105 shall demonstrate a grade point average of two and one-half
106 on a four-point scale, or the equivalent on another scale.

107 4. Eligibility for a grant expires upon the earliest
108 of:

109 (1) Receipt of the grant for four semesters or the
110 equivalent;

111 (2) Receipt of a bachelor's degree; or

112 (3) **For an eligible student**, reaching two hundred
113 percent of the time typically required to complete the
114 program of study.

115 5. The coordinating board shall initially designate
116 eligible programs of study by January 1, 2020, in connection
117 with local education institutions, regional business
118 organizations, and other stakeholders. The coordinating
119 board shall annually review the list of eligible programs of
120 study and **occupations relating to eligible apprenticeships**
121 **and** make changes to the program list as it determines
122 appropriate.

123 6. The coordinating board shall be the administrative
124 agency for the implementation of the program established by
125 this section and section 173.2554. The coordinating board
126 shall promulgate reasonable rules and regulations for the
127 exercise of its functions and the effectuation of the
128 purposes of this section and section 173.2554. The
129 coordinating board shall prescribe the form and the time and
130 method of filing applications and supervise the processing
131 thereof. The coordinating board shall determine the
132 criteria for eligibility of applicants and shall evaluate
133 each applicant's eligibility. The coordinating board shall
134 select qualified recipients to receive grants, make such
135 awards of financial assistance to qualified recipients, and
136 determine the manner and method of payment to the recipients.

137 7. The coordinating board shall determine eligibility
138 for renewed assistance on the basis of annual applications.
139 As a condition to consideration for initial or renewed
140 assistance, the coordinating board may require the applicant
141 and the applicant's spouse to execute forms of consent
142 authorizing the director of revenue to compare financial
143 information submitted by the applicant with the Missouri

144 individual income tax returns of the applicant, and the
145 applicant's spouse, for the taxable year immediately
146 preceding the year for which application is made, and to
147 report any discrepancies to the coordinating board.

148 8. Grants shall be awarded in an amount equal to the
149 actual tuition and general fees charged of an eligible
150 student, after all federal nonloan aid, state student aid,
151 and any other governmental student financial aid are
152 applied. If a grant amount is reduced to zero due to the
153 receipt of other aid, the eligible student shall receive an
154 award of up to five hundred dollars or the remaining cost of
155 attendance as calculated by the institution after all
156 nonloan student aid has been applied, whichever is less, per
157 academic term. **Grants shall also be awarded in an amount
158 equal to the related educational costs for an eligible
159 apprentice after all other governmental assistance provided
160 for the apprenticeship has been applied.**

161 9. If appropriated funds are insufficient to fund the
162 program as described, students **and apprentices** applying for
163 renewed assistance shall be given priority until all funds
164 are expended.

165 10. **[A] An eligible student that is the** recipient of
166 financial assistance may transfer from one approved public,
167 private, or virtual institution to another without losing
168 eligibility for assistance under this section, but the
169 coordinating board shall make any necessary adjustments in
170 the amount of the award. If a recipient of financial
171 assistance at any time is entitled to a refund of any
172 tuition or fees under the rules and regulations of the
173 institution in which he or she is enrolled, the institution
174 shall pay the portion of the refund that may be attributed
175 to the grant to the coordinating board. The coordinating

176 board shall use these refunds to make additional awards
177 under the provisions of this section.

178 11. Subject to the requirements of subsections 2, 3,
179 and 4 of this section, a student is eligible for a fast
180 track grant under this section if the student meets all of
181 the following criteria:

182 (1) The student **or apprentice** has successfully
183 completed counseling explaining the benefits and obligations
184 of the program under this section, including the terms and
185 conditions of the promissory note under subdivision (2) of
186 this subsection and the consequences of noncompliance
187 specified in section 173.2554; and

188 (2) The student executes a promissory note
189 acknowledging that the fast track grant moneys awarded under
190 this section will be converted to a loan, and agreeing to
191 repay that loan if he or she fails to satisfy **any of** the
192 following conditions:

193 (a) **For an eligible student**, maintenance of at least
194 half-time enrollment in an eligible program, with an
195 interruption of qualifying enrollment of no more than twelve
196 consecutive months from the last day of the most recent
197 payment period during which the student received a fast
198 track award **or for an eligible apprentice, maintenance of**
199 **active apprentice status, with an interruption of not more**
200 **than twelve consecutive months from the last day of the most**
201 **recent payment period during which the student received a**
202 **fast track award;**

203 (b) Graduation from an approved institution **or**
204 **successful completion of an eligible apprenticeship;** or

205 (c) Residency within the state of Missouri within
206 twelve months after the date of the student's graduation and
207 for a period of not less than three years and qualifying

208 employment within twelve months of the student's graduation
209 and for a period of not less than three years. Residency
210 and qualifying employment obligations may be deferred if the
211 recipient's studies continue after graduation **or completion**
212 **of the apprenticeship.**

213 12. Persons who receive fast track grants under this
214 section shall be required to submit proof of residency and
215 qualifying employment to the coordinating board for higher
216 education within thirty days of completing each twelve
217 months of qualifying employment until the three-year
218 employment obligation is fulfilled.

219 [13. Under section 23.253 of the Missouri sunset act:

220 (1) The provisions of the new program authorized under
221 this section shall sunset automatically three years after
222 August 28, 2019, unless reauthorized by an act of the
223 general assembly; and

224 (2) If such program is reauthorized, the program
225 authorized under this section shall sunset automatically six
226 years after the effective date of the reauthorization; and

227 (3) This section shall terminate on December thirty-
228 first of the calendar year immediately following the
229 calendar year in which the program authorized under this
230 section is sunset.]

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