

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE SUBSTITUTE FOR
SENATE BILL NO. 1196
103RD GENERAL ASSEMBLY

5629H.06C

JOSEPH ENGLER, Chief Clerk

AN ACT

To repeal sections 173.831, 173.2553, 620.511, 620.512, and 620.513, RSMo, and to enact in lieu thereof seven new sections relating to higher education, with an emergency clause for certain sections.

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

Section A. Sections 173.831, 173.2553, 620.511, 620.512, and 620.513, RSMo, are
2 repealed and seven new sections enacted in lieu thereof, to be known as sections 173.831,
3 173.1541, 173.2553, 173.2570, 173.2571, 173.2572, and 173.2573, to read as follows:

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

2 (1) "Academic skill intake assessment", a criterion-referenced assessment of
3 numeracy and literacy skills with high reliability and validity as determined by third-party
4 research;

5 (2) "Accredited", holding an active accreditation from one of the seven United States
6 regional accreditors including, but not limited to, the Middle States Commission on Higher
7 Education, the New England Association of Schools and Colleges, the Higher Learning
8 Commission, the Northwest Commission on Colleges and Universities, the Southern
9 Association of Colleges and Schools, the Western Association of Schools and Colleges, and
10 the Accrediting Commission for Community and Junior Colleges, as well as any successor
11 entities or consolidations of the above including, but not limited to, AdvancEd or Cognia;

12 (3) "Adult dropout recovery services" includes, but is not limited to, sourcing,
13 recruitment, and engagement of eligible students, learning plan development, active teaching,
14 and proactive coaching and mentoring, resulting in an accredited high school diploma and
15 pathway to post secondary education opportunities;

EXPLANATION — Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

16 (4) "Approved program provider", a public, not-for-profit, or other entity that meets
17 the requirements of subdivision (2) of subsection 3 of this section or any consortium of such
18 entities;

19 (5) "Average cost per graduate", the amount of the total program funding reimbursed
20 to an approved program provider for each cohort during the period of time from the beginning
21 of the same cohort through the subsequent twelve months after the close of the same cohort,
22 divided by the total number of students who graduated from the same cohort within twelve
23 months after the close of the same cohort or enrollment in postsecondary education;

24 (6) "Career pathways coursework", one or more courses that align with the skill needs
25 of industries in the economy of the state or region that help an individual enter or advance
26 within a specific occupation or occupational cluster;

27 (7) "Career placement services", services designed to assist students in obtaining
28 employment, such as career interest self-assessments and job search skills such as resume
29 development and mock interviews;

30 (8) "Coaching", proactive communication between the approved program provider
31 and the student related to the student's pace and progress through the student's learning plan;

32 (9) "Cohort", students who enter the program between July first and June thirtieth of
33 each program year;

34 (10) "Department", the department of elementary and secondary education;

35 (11) "Employability skills certification", a certificate earned by demonstrating
36 professional nontechnical skills through assessment, portfolio, or observation;

37 (12) "Graduate", a student who has successfully completed all of the state and
38 approved program provider requirements in order to obtain a high school diploma;

39 (13) "Graduation rate", the total number of graduates from a cohort who graduated
40 within twelve months after the close of the cohort divided by the total number of students
41 included in the same cohort;

42 (14) "Graduation requirements", course and credit requirements for the approved
43 program provider's accredited high school diploma;

44 (15) "High school diploma", a diploma issued by an accredited institution;

45 (16) "Industry-recognized credential", an education-related credential or work-related
46 credential that verifies an individual's qualification or competence issued by a third party with
47 the relevant authority to issue such credential;

48 (17) "Learning plan", a documented plan for courses or credits needed for each
49 individual in order to complete program and approved program provider graduation
50 requirements;

51 (18) "Mentoring", a direct relationship between a coach and a student to facilitate the
52 completion of the student's learning plan designed to prepare the student to succeed in the
53 program and the student's future endeavors;

54 (19) "Milestones", objective measures of progress for which payment is made to an
55 approved program provider under this section such as earned units of high school credit,
56 attainment of an employability skills certificate, attainment of an industry-recognized
57 credential, attainment of a technical skills assessment, and attainment of an accredited high
58 school diploma;

59 (20) "Program", the workforce diploma program established in this section;

60 (21) "Request for qualifications", a request for interested potential program providers
61 to submit evidence that they meet the qualifications established in subsection 3 of this section;

62 (22) "Stackable credential", a third-party credential that is part of a sequence of
63 credentials that can be accumulated over time to build up an individual's qualifications to
64 advance along a career pathway;

65 (23) "Student", a participant in the program established in this section who is twenty-
66 one years of age or older, who is a resident of Missouri, and who has not yet earned a high
67 school diploma;

68 (24) "Technical skills assessment", a criterion-referenced assessment of an
69 individual's skills required for an entry-level career, or additional training in a technical
70 field, or other postsecondary opportunities;

71 (25) "Transcript evaluation", a documented summary of credits earned in previous
72 public or private accredited high schools compared with the program and approved program
73 provider graduation requirements;

74 (26) "Unit of high school credit", credit awarded based on a student's demonstration
75 that the student has successfully met the content expectations for the credit area as defined by
76 subject area standards, expectations, or guidelines.

77 2. There is hereby established the "Workforce Diploma Program" within the
78 department of elementary and secondary education to assist students with obtaining a high
79 school diploma and developing employability and career technical skills. The program may
80 be delivered in campus-based, blended, or online modalities.

81 3. (1) Before September 1, 2022, and annually thereafter, the department shall issue a
82 request for qualifications for interested program providers to become approved program
83 providers and participate in the program.

84 (2) Each approved program provider shall meet all of the following qualifications:

85 (a) Be an accredited high school diploma-granting entity;

86 (b) Have a minimum of two years of experience providing adult dropout recovery
87 services;

88 (c) Provide academic skill intake assessments and transcript evaluations to each
89 student. Such academic skill intake assessments may be administered in person or online;

90 (d) Develop a learning plan for each student that integrates graduation requirements
91 and career goals;

92 (e) Provide a course catalog that includes all courses necessary to meet graduation
93 requirements;

94 (f) Offer remediation opportunities in literacy and numeracy, as applicable;

95 (g) Offer employability skills certification, as applicable;

96 (h) Offer career pathways coursework, as applicable;

97 (i) Ability to provide preparation for industry-recognized credentials or stackable
98 credentials, a technical skills assessment, or a combination thereof; and

99 (j) Offer career placement services, as applicable.

100 (3) Upon confirmation by the department that an interested program provider meets
101 all of the qualifications listed in subdivision (2) of this subsection, an interested program
102 provider shall become an approved program provider.

103 4. (1) The department shall announce the approved program providers before
104 October sixteenth annually, with authorization for the approved program providers to begin
105 enrolling students before November fifteenth annually.

106 (2) Approved program providers shall maintain approval without reapplying annually
107 if the approved program provider has not been removed from the approved program provider
108 list under this section.

109 5. All approved program providers shall comply with requirements as provided by the
110 department to ensure:

111 (1) An accurate accounting of a student's accumulated credits toward a high school
112 diploma;

113 (2) An accurate accounting of credits necessary to complete a high school diploma;
114 and

115 (3) The provision of coursework aligned to the academic performance standards of
116 the state.

117 6. (1) Except as provided in subdivision (2) of this subsection, the department shall
118 pay an amount as set by the department to approved program providers for the following
119 milestones provided by the approved program provider:

120 (a) Completion of each half unit of high school credit;

121 (b) Attainment of an employability skills certification;

122 (c) Attainment of an industry-recognized credential, technical skills assessment, or
123 stackable credential requiring no more than fifty hours of training;

124 (d) Attainment of an industry-recognized credential or stackable credential requiring
125 at least fifty-one but no more than one hundred hours of training;

126 (e) Attainment of an industry-recognized credential or stackable credential requiring
127 more than one hundred hours of training; and

128 (f) Attainment of an accredited high school diploma.

129 (2) No approved program provider shall receive funding for a student under this
130 section if the approved program provider receives federal or state funding or private tuition
131 for that student. No approved program provider shall charge student fees of any kind
132 including, but not limited to, textbook fees, tuition fees, lab fees, or participation fees unless
133 the student chooses to obtain additional education offered by the approved program provider
134 that is not included in the state-funded program.

135 (3) Payments made under this subsection shall be subject to an appropriation made to
136 the department for such purposes.

137 7. (1) Approved program providers shall submit monthly invoices to the department
138 before the eleventh calendar day of each month for milestones met in the previous calendar
139 month.

140 (2) The department shall pay approved program providers in the order in which
141 invoices are submitted until all available funds are exhausted.

142 (3) The department shall provide a written update to approved program providers by
143 the last calendar day of each month. The update shall include the aggregate total dollars that
144 have been paid to approved program providers to date and the estimated number of
145 enrollments still available for the program year.

146 8. Before July sixteenth of each year, each provider shall report the following metrics
147 to the department for each individual cohort, on a cohort-by-cohort basis:

148 (1) The total number of students who have been funded through the program;

149 (2) The total number of credits earned;

150 (3) The total number of employability skills certifications issued;

151 (4) The total number of industry-recognized credentials, stackable credentials, and
152 technical skills assessments earned for each tier of funding;

153 (5) The total number of graduates;

154 (6) The average cost per graduate once the stipulated time to make such a calculation
155 has passed; and

156 (7) The graduation rate once the stipulated time to make such a calculation has
157 passed.

158 9. (1) Before September sixteenth of each year, each approved program provider
159 shall conduct and submit to the department the aggregate results of a survey of each
160 individual cohort, on a cohort-by-cohort basis, who graduated from the program of the

161 approved program provider under this section. The survey shall be conducted in the year
162 after the year in which the individuals graduate and the next four consecutive years.

163 (2) The survey shall include at least the following data collection elements for each
164 year the survey is conducted:

165 (a) The individual's employment status, including whether the individual is employed
166 full time or part time;

167 (b) The individual's hourly wages;

168 (c) The individual's access to employer-sponsored health care; and

169 (d) The individual's postsecondary enrollment status, including whether the
170 individual has completed a postsecondary certificate or degree program.

171 10. (1) Beginning at the end of the second fiscal year of the program, the department
172 shall review data from each approved program provider to ensure that each is achieving
173 minimum program performance standards including, but not limited to:

174 (a) A minimum fifty percent average graduation rate per cohort; and

175 (b) An average cost per graduate per cohort of seven thousand dollars or less.

176 (2) Any approved program provider that fails to meet the minimum program
177 performance standards described in subdivision (1) of this subsection shall be placed on
178 probationary status for the remainder of the fiscal year by the department.

179 (3) Any approved program provider that fails to meet the minimum program
180 performance standards described in subdivision (1) of this subsection for two consecutive
181 years shall be removed from the approved program provider list by the department.

182 11. (1) No approved program provider shall discriminate against a student on the
183 basis of race, color, religion, national origin, ancestry, sex, sexuality, gender, or age.

184 (2) If an approved program provider determines that a student would be better served
185 by participating in a different program, the approved program provider may refer the student
186 to the state's adult basic education services.

187 12. (1) There is hereby created in the state treasury the "Workforce Diploma Program
188 Fund", which shall consist of any grants, gifts, donations, bequests, or moneys appropriated
189 under this section. The state treasurer shall be custodian of the fund. In accordance with
190 sections 30.170 and 30.180, the state treasurer may approve disbursements. The fund shall be
191 a dedicated fund and, upon appropriation, moneys in the fund shall be used solely as provided
192 in this section.

193 (2) Notwithstanding the provisions of section 33.080 to the contrary, any moneys
194 remaining in the fund at the end of the biennium shall not revert to the credit of the general
195 revenue fund.

196 (3) The state treasurer shall invest moneys in the fund in the same manner as other
197 funds are invested. Any interest and moneys earned on such investments shall be credited to
198 the fund.

199 13. The director of the department may promulgate all necessary rules and regulations
200 for the administration of this section. Any rule or portion of a rule, as that term is defined in
201 section 536.010, that is created under the authority delegated in this section shall become
202 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if
203 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the
204 powers vested with the general assembly pursuant to chapter 536 to review, to delay the
205 effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then
206 the grant of rulemaking authority and any rule proposed or adopted after August 28, 2022,
207 shall be invalid and void.

208 14. ~~Under section 23.253 of the Missouri sunset act:~~

209 ~~(1) The provisions of the new program authorized under this section shall~~
210 ~~automatically sunset six years after August 28, 2022, unless reauthorized by an act of the~~
211 ~~general assembly; and~~

212 ~~(2) If such program is reauthorized, the program authorized under this section shall~~
213 ~~automatically sunset twelve years after the effective date of the reauthorization of this section;~~
214 ~~and~~

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

217 ~~15.] If any provision of this section or its application to any person or circumstance is~~
218 ~~held invalid, such determination shall not affect the provisions or applications of the~~
219 ~~remainder of this act which may be given effect without the invalid provision or application,~~
220 ~~and to that end the provisions of this section are severable.~~

**173.1541. 1. This section shall be known and may be cited as the "Missouri
2 Higher Education Workforce Policy Prioritization Act".**

**3 2. The Missouri department of higher education and workforce development, in
4 consultation with public institutions of higher education in this state, shall:**

5 (1) Develop a funding model for public institutions of higher education that:

**6 (a) Aligns funding for higher education to develop educated persons to meet the
7 professional and workforce needs for the state of Missouri including, but not limited to,
8 increasing the percentage of the state's population with a quality postsecondary
9 credential, increasing student persistence and graduation, addressing the emerging and
10 unmet regional and statewide workforce needs, increasing collaboration and
11 cooperation among public colleges and universities, and ensuring the efficient and
12 effective use of state tax dollars;**

13 **(b) Provides a level of stable, sustainable resources that allow public institutions**
14 **of higher education in this state to serve students well and fulfill such institutions'**
15 **missions;**

16 **(c) Builds on the work of the 2024 house special interim committee on higher**
17 **education performance funding, including the findings from the legislatively mandated**
18 **2023 study, and is developed in cooperation with public institutions of higher education**
19 **in this state and the Missouri department of higher education and workforce**
20 **development using data, mechanics, and calculations that are as simple and easy to**
21 **understand as practicable;**

22 **(d) Includes a process for the allocation of the core appropriations to public**
23 **four-year institutions of higher education; public community colleges, as that term is**
24 **defined in section 163.191; and State Technical College of Missouri;**

25 **(e) Recognizes each institution's cost structure and instructional mission and**
26 **incorporates accountability and an outcomes-based focus;**

27 **(f) Includes a performance component that is designed to enhance improvement**
28 **in student success, workforce alignment, and efficient operations; and**

29 **(g) Clearly specifies institutional actions that will support additional**
30 **performance or workforce appropriations, such as instructional program changes;**
31 **institutional or statewide initiatives; graduation, retention, or enrollment**
32 **accountabilities; or other institutional improvements;**

33 **(2) Establish a plan for testing and implementing the funding model described in**
34 **this section, which plan, after having been reviewed and consented to by two members**
35 **of the Missouri house of representatives appointed by the speaker of the house of**
36 **representatives and two members of the Missouri senate appointed by the president pro**
37 **tempore of the senate, shall be considered for approval by the coordinating board for**
38 **higher education and, if approved, submitted to the governor and the general assembly**
39 **before October 15, 2026;**

40 **(3) Evaluate the effectiveness of the funding model test and submit a report to**
41 **the governor, the speaker of the house of representatives, and the president pro tempore**
42 **of the senate before November 15, 2026; and**

43 **(4) Present the funding model to the coordinating board for higher education for**
44 **action before December 1, 2026.**

45 **3. Such funding model shall not become effective unless approved by the general**
46 **assembly by concurrent resolution.**

47 **4. (1) Except as provided in subdivision (2) of this subsection, for the 2028-29**
48 **fiscal year and all subsequent fiscal years, the appropriation of state funding to public**
49 **four-year institutions of higher education; public community colleges, as that term is**

50 defined in section 163.191; and State Technical College of Missouri shall be in
51 accordance with such funding model approved by the general assembly.

52 (2) Any appropriation of state funding to an institution described in this
53 subsection for the 2028-29 fiscal year shall not be less than the appropriation received
54 by that institution for the previous fiscal year unless the appropriations for all
55 institutions described in this subsection are reduced proportionately.

173.2553. 1. There is hereby established a "Fast Track Workforce Incentive Grant",
2 and any moneys appropriated by the general assembly for this program shall be deposited in
3 the fund created in subsection 13 of this section and shall be used to provide grants for
4 Missouri citizens to attend an approved Missouri postsecondary institution of their choice in
5 accordance with the provisions of this section.

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

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

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

13 (3) "Eligible apprentice", an individual who:

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

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

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

18 (d) Has an adjusted gross income as reported on their Missouri individual income tax
19 return that does not exceed ~~[eighty]~~ **one hundred** thousand dollars for married filing joint
20 taxpayers or ~~[forty]~~ **fifty** thousand dollars for all other taxpayers; and

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

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

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

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

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

33 (6) "Eligible student", an individual who:

34 (a) Has completed and submitted a FAFSA for the academic year for which the grant
35 is requested or if the student is enrolled, or is enrolling, with an eligible training provider that
36 does not participate in federal student aid programs, has provided documentation of their
37 adjusted gross income as determined by the board;

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

39 (c) Is a Missouri resident for at least two years prior to receiving a grant pursuant to
40 the fast track workforce incentive grant program as determined by reference to standards
41 promulgated by the coordinating board, provided that this paragraph shall not apply to an
42 individual who is an active duty member of the Armed Forces of the United States who has
43 been transferred to the state of Missouri, or his or her spouse;

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

47 (e) Has an adjusted gross income, as reported on the FAFSA or other documentation
48 as determined by the board, that does not exceed [~~eighty~~] **one hundred** thousand dollars for
49 married filing joint taxpayers or [~~forty~~] **fifty** thousand dollars for all other taxpayers; and

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

52 (7) "Eligible training provider", a training organization listed in the state of Missouri
53 eligible training provider system maintained by the office of workforce development in the
54 department of higher education and workforce development **that has been in continuous**
55 **legal operation within the state of Missouri for no fewer than twelve consecutive months**
56 **as determined by the department;**

57 (8) "FAFSA", the Free Application for Federal Student Aid, as maintained by the
58 United States Department of Education;

59 (9) "Fast track grant", an amount of moneys paid by the state of Missouri to a student
60 under the provisions of this section;

61 (10) "Graduation", completion of a program of study as indicated by the award of a
62 certificate, undergraduate degree, or other industry-recognized credential;

63 (11) "Qualifying employment", full-time employment of a Missouri resident at a
64 workplace located within the state of Missouri, or self-employment while a Missouri resident,
65 with at least fifty percent of an individual's annual income coming from self-employment,
66 either of which result in required returns of income in accordance with section 143.481;

67 (12) "Recipient", an eligible student, an eligible apprentice, a renewal apprentice, or a
68 renewal student who receives a fast track grant under the provisions of this section;

69 (13) "Related educational costs", direct costs incurred by an individual as part of an
70 eligible apprenticeship program, such as, but not limited to, tools, books, and uniforms;

71 (14) "Renewal apprentice", an eligible apprentice who remains in compliance with
72 the provisions of this section, has received the grant as an initial apprentice, maintains active
73 apprentice status, and who has not received a bachelor's degree;

74 (15) "Renewal student", an eligible student who remains in compliance with the
75 provisions of this section, has received a grant as an initial recipient, maintains a cumulative
76 grade point average of at least two and one-half on a four-point scale or the equivalent, makes
77 satisfactory academic degree progress as defined by the institution, with the exception of
78 grade point average, and has not received a bachelor's degree.

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

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

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

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

86 (3) For an eligible student, reaching two hundred percent of the time typically
87 required to complete the program of study.

88 5. The coordinating board shall initially designate eligible programs of study by
89 January 1, 2020, in connection with local education institutions, regional business
90 organizations, and other stakeholders. The coordinating board shall annually review the
91 list of eligible programs of study and occupations relating to eligible apprenticeships and
92 make changes to the program list as it determines appropriate.

93 6. The coordinating board shall be the administrative agency for the implementation
94 of the program established by this section and section 173.2554. The coordinating board shall
95 promulgate reasonable rules and regulations for the exercise of its functions and the
96 effectuation of the purposes of this section and section 173.2554. The coordinating board
97 shall prescribe the form and the time and method of filing applications and supervise the
98 processing thereof. The coordinating board shall determine the criteria for eligibility of
99 applicants and shall evaluate each applicant's eligibility. The coordinating board shall select
100 qualified recipients to receive grants, make such awards of financial assistance to qualified
101 recipients, and determine the manner and method of payment to the recipients.

102 7. The coordinating board shall determine eligibility for renewed assistance on the
103 basis of annual applications. As a condition to consideration for initial or renewed assistance,

104 the coordinating board may require the applicant and the applicant's spouse to execute forms
105 of consent authorizing the director of revenue to compare financial information submitted by
106 the applicant with the Missouri individual income tax returns of the applicant, and the
107 applicant's spouse, for the taxable year immediately preceding the year for which application
108 is made, and to report any discrepancies to the coordinating board.

109 8. Grants shall be awarded in an amount equal to the actual tuition and general fees
110 charged of an eligible student, after all federal nonloan aid, state student aid, and any other
111 governmental student financial aid are applied. If a grant amount is reduced to zero due to the
112 receipt of other aid, the eligible student shall receive an award of up to five hundred dollars or
113 the remaining cost of attendance as calculated by the institution after all nonloan student aid
114 has been applied, whichever is less, per academic term. Grants shall also be awarded in an
115 amount equal to the related educational costs for an eligible apprentice after all other
116 governmental assistance provided for the apprenticeship has been applied.

117 9. If appropriated funds are insufficient to fund the program as described, students
118 and apprentices applying for renewed assistance shall be given priority until all funds are
119 expended.

120 10. An eligible student that is the recipient of financial assistance may transfer from
121 one approved public, private, or virtual institution, or eligible training provider to another
122 without losing eligibility for assistance under this section, but the coordinating board shall
123 make any necessary adjustments in the amount of the award. If a recipient of financial
124 assistance at any time is entitled to a refund of any tuition or fees under the rules and
125 regulations of the institution in which he or she is enrolled, the institution shall pay the
126 portion of the refund that may be attributed to the grant to the coordinating board. The
127 coordinating board shall use these refunds to make additional awards under the provisions of
128 this section.

129 11. Persons who receive fast track grants under this section shall be required to
130 submit proof of residency and qualifying employment to the coordinating board for higher
131 education within thirty days of completing each twelve months of qualifying employment
132 until the three-year employment obligation is fulfilled.

133 12. Under section 23.253 of the Missouri sunset act:

134 (1) The provisions of the new program authorized under this section shall sunset
135 automatically on August 28, 2029, unless reauthorized by an act of the general assembly; and

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

138 (3) This section shall terminate on December thirty-first of the calendar year
139 immediately following the calendar year in which the program authorized under this section
140 is sunset.

141 13. (1) There is hereby created in the state treasury the "Fast Track Workforce
142 Incentive Grant Fund". The state treasurer shall be custodian of the fund. In accordance with
143 sections 30.170 and 30.180, the state treasurer may approve disbursements. The fund shall be
144 a dedicated fund and, upon appropriation, moneys in the fund shall be used solely by the
145 coordinating board for the purposes of this section.

146 (2) Notwithstanding the provisions of section 33.080 to the contrary, any moneys
147 remaining in the fund at the end of the biennium shall not revert to the credit of the general
148 revenue fund.

149 (3) The state treasurer shall invest moneys in the fund in the same manner as other
150 funds are invested. Any interest and moneys earned on such investments shall be credited to
151 the fund.

152 14. The coordinating board shall have the authority to promulgate rules to implement
153 the provisions of this section. Any rule or portion of a rule, as that term is defined in section
154 536.010, that is created under the authority delegated in this section shall become effective
155 only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable,
156 section 536.028. This section and chapter 536 are nonseverable and if any of the powers
157 vested with the general assembly pursuant to chapter 536 to review, to delay the effective
158 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant
159 of rulemaking authority and any rule proposed or adopted after August 28, 2019, shall be
160 invalid and void.

~~[620.511-]~~ **173.2570.** 1. There is hereby established the "Missouri Workforce
2 Development Board", formerly known as the Missouri workforce investment board, and
3 hereinafter referred to as "the board" in sections ~~[620.511 to 620.513]~~ **173.2570 to 173.2573.**

4 2. The purpose of the board is to provide workforce investment activities, through
5 statewide and local workforce investment systems, that increase the employment, retention,
6 and earnings of participants, and increase occupational skill attainment by participants, and,
7 as a result, improve the quality of the workforce, reduce welfare dependency, and enhance the
8 productivity and competitiveness of the state of Missouri. The board shall be the state's
9 advisory board pertaining to workforce preparation policy.

10 3. The board shall meet the requirements of the federal Workforce Innovation and
11 Opportunity Act, hereinafter referred to as the "WIOA", P.L. 113-128, as amended. Should
12 another federal law supplant the WIOA, all references in sections ~~[620.511 to 620.513]~~
13 **173.2570 to 173.2573** to the WIOA shall apply as well to the new federal law.

14 4. Composition of the board shall comply with the WIOA. Board members appointed
15 by the governor shall be subject to the advice and consent of the senate. Consistent with the
16 requirements of the WIOA, the governor shall designate one member of the board to be its
17 chairperson.

18 5. Each member of the board shall serve for a term of four years, subject to the
19 pleasure of the governor, and until a successor is duly appointed. In the event of a vacancy on
20 the board, the vacancy shall be filled in the same manner as the original appointment and said
21 replacement shall serve the remainder of the original appointee's unexpired term.

22 6. Of the members initially appointed to the WIOA, formerly known as the WIA,
23 board, one-fourth shall be appointed for a term of four years, one-fourth shall be appointed for
24 a term of three years, one-fourth shall be appointed for a term of two years, and one-fourth
25 shall be appointed for a term of one year.

26 7. WIOA board members shall receive no compensation, but shall be reimbursed for
27 all necessary expenses actually incurred in the performance of their duties.

28 8. The department may include on its website a list of the names of the members of
29 the board, including the names of members of local workforce development boards, along
30 with information on how to contact such boards.

~~[620.512.]~~ **173.2571.** 1. The board shall establish bylaws governing its organization,
2 operation, and procedure consistent with sections ~~[620.511 to 620.513]~~ **173.2570 to**
3 **173.2573**, and consistent with the WIOA.

4 2. The board shall meet at least four times each year at the call of the chairperson.

5 3. In order to assure objective management and oversight, the board shall not operate
6 programs or provide services directly to eligible participants, but shall exist solely to plan,
7 coordinate, and monitor the provisions of such programs and services. A member of the
8 board may not vote on a matter under consideration by the board that regards the provision of
9 services by the member or by an entity that the member represents or would provide direct
10 financial benefit to the member or the immediate family of the member. A member of the
11 board may not engage in any other activity determined by the governor to constitute a conflict
12 of interest.

13 4. The composition and the roles and responsibilities of the board membership may
14 be amended to comply with any succeeding federal or state legislative or regulatory
15 requirements governing workforce investment activities, except that the procedure for such
16 change shall be outlined in state rules and regulations and adopted in the bylaws of the board.

17 5. The department of ~~economic~~ **higher education and workforce** development,
18 **office of workforce development**, shall provide professional, technical, and clerical staff for
19 the board.

20 6. The board may promulgate any rules and regulations necessary to administer the
21 provisions of sections ~~[620.511 to 620.513]~~ **173.2570 to 173.2573**. Any rule or portion of a
22 rule, as that term is defined in section 536.010, that is created under the authority delegated in
23 this section shall become effective only if it complies with and is subject to all of the
24 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536

25 are nonseverable and if any of the powers vested with the general assembly pursuant to
26 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
27 subsequently held unconstitutional, then the grant of rulemaking authority and any rule
28 proposed or adopted after August 28, 2007, shall be invalid and void.

~~[620.513.]~~ **173.2572.** 1. The board shall assist the governor with the functions
2 described in Section 101(d) of the WIOA, 29 U.S.C. Section ~~[344d]~~ **3111(d)**, and any
3 regulations issued pursuant to the WIOA.

4 2. The board shall submit an annual report of its activities to the governor, the speaker
5 of the house of representatives, and the president pro tem of the senate no later than January
6 thirty-first of each year.

7 3. Nothing in sections ~~[620.511 to 620.513]~~ **173.2570 to 173.2573** shall be construed
8 to require or allow the board to assume or supersede the statutory authority granted to, or
9 impose any duties or requirements on, the state coordinating board for higher education, the
10 governing boards of the state's public colleges and universities, the state board of education,
11 or any local educational agencies.

173.2573. 1. The governor may, in consultation with the board, approve eligible
2 **workforce training programs for participation in the federal workforce Pell grant**
3 **program.**

4 **2. The board shall coordinate approval of eligible workforce training programs**
5 **with other state and federal workforce programs, including the Workforce Innovation**
6 **and Opportunity Act under 29 U.S.C. Section 3101, et seq., and the Carl D. Perkins**
7 **Career and Technical Education Act under 20 U.S.C. Section 2301, et seq.**

8 **3. The provisions of this section shall be consistent with applicable federal rules**
9 **governing the workforce Pell grant program established in section 83002 of Pub. L. 119-**
10 **21. If any provision of this section is found to conflict with federal law or regulation, the**
11 **federal requirement shall govern.**

Section B. Because immediate action is necessary to ensure the receipt of federal
2 funding, the repeal and reenactment of section 173.2553, the enactment of section 173.2573,
3 and the repeal, reenactment, and transfer of section 620.511 to section 173.2570, section
4 620.512 to section 173.2571, and section 620.513 to section 173.2572 of this act are deemed
5 necessary for the immediate preservation of the public health, welfare, peace, and safety, and
6 is hereby declared to be an emergency act within the meaning of the constitution, and the
7 repeal and reenactment of section 173.2553, the enactment of section 173.2573, and the
8 repeal, reenactment, and transfer of section 620.511 to section 173.2570, section 620.512 to

9 section 173.2571, and section 620.513 to section 173.2572 of this act shall be in full force and
10 effect upon its passage and approval.

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