

SENATE COMMITTEE SUBSTITUTE

FOR

SENATE BILL NO. 1370

AN ACT

To repeal section 173.831, RSMo, and to enact in lieu thereof two new sections relating to education.

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

Section A. Section 173.831, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 161.672 and 173.831, to read as follows:

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

(1) "Adult student", an individual who:

(a) Resides in this state;

(b) Does not have a high school diploma or a high school equivalency certificate issued by any state;

(c) Is twenty-one years of age or older; and

(d) Has fewer than twelve credits remaining or a total of two academic years remaining to achieve a high school diploma in the state of Missouri. For purposes of this paragraph, the term "credits remaining" shall not be construed to include credits earned toward career and technical education courses or attainment of an industry-recognized credential, technical skills assessment, or stackable credential;

(2) "Adult virtual program", a state-approved virtual course or full-time virtual program offered by a school district or a public institution of higher education.

2. An adult student may enroll in an adult virtual program and shall be eligible to enroll in the Missouri course access and virtual school program established in section 161.670.

3. (1) An adult virtual program under this subsection shall not be entitled to any moneys paid to the school district as ordinary school revenue, including, but not limited to, local effort calculated under chapter 163. Such program provider shall be entitled to receive a monthly state allocation from the department of elementary and secondary education, derived solely from the state moneys the department collects and distributes based on the state adequacy target as defined in section 163.011, in excess of any minimum free public school funding and separate from any payment from the public school fund as required by Article IX of the Constitution of Missouri. Subject only to such restrictions, each successfully passed and completed course shall result in payment to the program equal to fourteen percent of the state adequacy target.

(2) The total amount provided for an adult student enrolled in an adult virtual program shall not exceed the state adequacy target.

4. No school district with an adult student enrolled in an adult virtual program shall be required to report such adult student's information for purposes of a report submitted under section 160.522 or 161.670.

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

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

(2) "Accredited", holding an active accreditation from one of the seven United States regional accreditors including, but not limited to, the Middle States Commission on Higher Education, the New England Association of Schools and Colleges, the Higher Learning Commission, the Northwest

Commission on Colleges and Universities, the Southern Association of Colleges and Schools, the Western Association of Schools and Colleges, and the Accrediting Commission for Community and Junior Colleges, as well as any successor entities or consolidations of the above including, but not limited to, AdvancEd or Cognia;

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

(4) "[Approved] Adult program provider", a public, not-for-profit, or other entity [that meets the requirements of subdivision (2) of subsection 3 of this section or any consortium of such entities] authorized under section 161.672;

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

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

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

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

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

[(10)] (9) "Department", the department of elementary and secondary education;

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

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

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

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

[(15)] (14) "High school diploma", a diploma issued by an accredited institution;

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

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

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

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

[(20)] (18) "Program", the workforce diploma program established in this section;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(g) Offer employability skills certification, as applicable;

(h) Offer career pathways coursework, as applicable;

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

(j) Offer career placement services, as applicable.

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

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

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

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

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

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

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

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

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

(b) Attainment of an employability skills certification;

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

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

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

(f) Attainment of an accredited high school diploma.

(2) No [approved] adult program provider shall receive funding for a student under [this] section 161.672 if the [approved] adult program provider receives federal or state funding or private tuition for that student. No [approved] adult program provider shall charge student fees of any kind including, but not limited to, textbook fees, tuition fees, lab fees, or participation fees unless the student chooses to obtain additional education offered by the [approved] adult program provider that is not included in the state-funded program.

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

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

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

(3) The department shall provide a written update to approved program providers by the last calendar day of each month. The update shall include the aggregate total dollars

that have been paid to approved program providers to date and the estimated number of enrollments still available for the program year.

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

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

(2) The total number of credits earned;

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

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

(5) The total number of graduates[;

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

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

[9.] 5. (1) Before September sixteenth of each year, each [approved] adult program provider shall conduct and submit to the department the aggregate results of a survey of each individual cohort, on a cohort-by-cohort basis, who graduated from the program of the [approved] adult program provider under this section. The survey shall be conducted in the year after the year in which the individuals graduate and the next four consecutive years.

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

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

- (b) The individual's hourly wages;
- (c) The individual's access to employer-sponsored health care; and
- (d) The individual's postsecondary enrollment status, including whether the individual has completed a postsecondary certificate or degree program.

[10.] 6. (1) Beginning at the end of the second fiscal year of the program, the department shall review data from each **[approved]** adult program provider to ensure that each is achieving a minimum **[program performance standards including, but not limited to:**

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

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

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

(3) Any **[approved]** adult program provider that fails to meet the minimum program performance standards described in subdivision (1) of this subsection for two consecutive years shall be removed from the Missouri course access and virtual school program under section 161.670 approved program provider list by the department.

[11.] 7. (1) No **[approved]** adult program provider shall discriminate against a student on the basis of race, color, religion, national origin, ancestry, sex, sexuality, gender, or age.

(2) If an **[approved]** adult program provider determines that a student would be better served by participating in a

different program, the approved program provider may refer the student to the state's adult basic education services.

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

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

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

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

[14. Under section 23.253 of the Missouri sunset act:

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

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

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

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