

SECOND REGULAR SESSION

SENATE BILL NO. 1451

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR HENDERSON.

6231S.011

KRISTINA MARTIN, Secretary

AN ACT

To repeal section 173.2553, RSMo, and to enact in lieu thereof one new section relating to grants for postsecondary education.

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Section A. Section 173.2553, RSMo, is repealed and one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 deposited in the fund created in subsection 13 of this
5 section and shall be used to provide grants for Missouri
6 citizens to attend an approved Missouri postsecondary
7 institution of their choice in accordance with the
8 provisions of this section.

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

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

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

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

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

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

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

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

26 (d) Has an adjusted gross income as reported on their
27 Missouri individual income tax return that does not exceed
28 **[eighty] one hundred** thousand dollars for married filing
29 joint taxpayers or **[forty] fifty** thousand dollars for all
30 other taxpayers, **adjusted annually based on the rate of**
31 **inflation according to the Consumer Price Index beginning**
32 **January 1, 2027;** and

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

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

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

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

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

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

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

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

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

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

(e) Has an adjusted gross income, as reported on the FAFSA or other documentation as determined by the board, that does not exceed **[eighty] one hundred** thousand dollars for married filing joint taxpayers or **[forty] fifty** thousand dollars for all other taxpayers, **adjusted annually based on the rate of inflation according to the Consumer Price Index beginning January 1, 2027;** and

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

83 (7) "Eligible training provider", a training
84 organization listed in the state of Missouri eligible
85 training provider system maintained by the office of
86 workforce development in the department of higher education
87 and workforce development;

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

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

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

97 (11) "Qualifying employment", full-time employment of
98 a Missouri resident at a workplace located within the state
99 of Missouri, or self-employment while a Missouri resident,
100 with at least fifty percent of an individual's annual income
101 coming from self-employment, either of which result in
102 required returns of income in accordance with section
103 143.481;

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

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

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

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

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

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

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

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

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

5. The coordinating board shall initially designate eligible programs of study by January 1, 2020, in connection with local education institutions, regional business organizations, and other stakeholders. The coordinating board shall annually review the list of eligible programs of study and occupations relating to eligible apprenticeships

144 and make changes to the program list as it determines
145 appropriate.

146 6. The coordinating board shall be the administrative
147 agency for the implementation of the program established by
148 this section and section 173.2554. The coordinating board
149 shall promulgate reasonable rules and regulations for the
150 exercise of its functions and the effectuation of the
151 purposes of this section and section 173.2554. The
152 coordinating board shall prescribe the form and the time and
153 method of filing applications and supervise the processing
154 thereof. The coordinating board shall determine the
155 criteria for eligibility of applicants and shall evaluate
156 each applicant's eligibility. The coordinating board shall
157 select qualified recipients to receive grants, make such
158 awards of financial assistance to qualified recipients, and
159 determine the manner and method of payment to the recipients.

160 7. The coordinating board shall determine eligibility
161 for renewed assistance on the basis of annual applications.
162 As a condition to consideration for initial or renewed
163 assistance, the coordinating board may require the applicant
164 and the applicant's spouse to execute forms of consent
165 authorizing the director of revenue to compare financial
166 information submitted by the applicant with the Missouri
167 individual income tax returns of the applicant, and the
168 applicant's spouse, for the taxable year immediately
169 preceding the year for which application is made, and to
170 report any discrepancies to the coordinating board.

171 8. Grants shall be awarded in an amount equal to the
172 actual tuition and general fees charged of an eligible
173 student, after all federal nonloan aid, state student aid,
174 and any other governmental student financial aid are
175 applied. If a grant amount is reduced to zero due to the

receipt of other aid, the eligible student shall receive an award of up to five hundred dollars or the remaining cost of attendance as calculated by the institution after all nonloan student aid has been applied, whichever is less, per academic term. Grants shall also be awarded in an amount equal to the related educational costs for an eligible apprentice after all other governmental assistance provided for the apprenticeship has been applied.

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

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

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

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

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

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

215 (3) This section shall terminate on December thirty-
216 first of the calendar year immediately following the
217 calendar year in which the program authorized under this
218 section is sunset.

219 13. (1) There is hereby created in the state treasury
220 the "Fast Track Workforce Incentive Grant Fund". The state
221 treasurer shall be custodian of the fund. In accordance with
222 sections 30.170 and 30.180, the state treasurer may approve
223 disbursements. The fund shall be a dedicated fund and, upon
224 appropriation, moneys in the fund shall be used solely by
225 the coordinating board for the purposes of this section.

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

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

234 14. The coordinating board shall have the authority to
235 promulgate rules to implement the provisions of this
236 section. Any rule or portion of a rule, as that term is
237 defined in section 536.010, that is created under the
238 authority delegated in this section shall become effective
239 only if it complies with and is subject to all of the

240 provisions of chapter 536 and, if applicable, section
241 536.028. This section and chapter 536 are nonseverable and
242 if any of the powers vested with the general assembly
243 pursuant to chapter 536 to review, to delay the effective
244 date, or to disapprove and annul a rule are subsequently
245 held unconstitutional, then the grant of rulemaking
246 authority and any rule proposed or adopted after August 28,
247 2019, shall be invalid and void.

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