

SECOND REGULAR SESSION

[PERFECTED]

SENATE SUBSTITUTE FOR

SENATE BILL NO. 1196

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR HENDERSON.

5629S.04P

KRISTINA MARTIN, Secretary

AN ACT

To repeal sections 173.2553, 620.511, 620.512, and 620.513, RSMo, and to enact in lieu thereof five new sections relating to grants for certain workforce training programs, with an emergency clause.

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

Section A. Sections 173.2553, 620.511, 620.512, and
2 620.513, RSMo, are repealed and five new sections enacted in
3 lieu thereof, to be known as sections 173.2553, 620.511,
4 620.512, 620.513, and 620.514, 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:

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

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;

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; and

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

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

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

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

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

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

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

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

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

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

71 (e) Has an adjusted gross income, as reported on the
72 FAFSA or other documentation as determined by the board,
73 that does not exceed [eighty] **one hundred** thousand dollars

74 for married filing joint taxpayers or [forty] **fifty** thousand
75 dollars for all other taxpayers; and

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

79 (7) "Eligible training provider", a training
80 organization listed in the state of Missouri eligible
81 training provider system maintained by the office of
82 workforce development in the department of higher education
83 and workforce development;

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

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

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

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

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

104 (13) "Related educational costs", direct costs
105 incurred by an individual as part of an eligible

106 apprenticeship program, such as, but not limited to, tools,
107 books, and uniforms;

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

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

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

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

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

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

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

134 5. The coordinating board shall initially designate
135 eligible programs of study by January 1, 2020, in connection
136 with local education institutions, regional business
137 organizations, and other stakeholders. The coordinating

138 board shall annually review the list of eligible programs of
139 study and occupations relating to eligible apprenticeships
140 and make changes to the program list as it determines
141 appropriate.

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

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

167 8. Grants shall be awarded in an amount equal to the
168 actual tuition and general fees charged of an eligible
169 student, after all federal nonloan aid, state student aid,

170 and any other governmental student financial aid are
171 applied. If a grant amount is reduced to zero due to the
172 receipt of other aid, the eligible student shall receive an
173 award of up to five hundred dollars or the remaining cost of
174 attendance as calculated by the institution after all
175 nonloan student aid has been applied, whichever is less, per
176 academic term. Grants shall also be awarded in an amount
177 equal to the related educational costs for an eligible
178 apprentice after all other governmental assistance provided
179 for the apprenticeship has been applied.

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

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

198 11. Persons who receive fast track grants under this
199 section shall be required to submit proof of residency and
200 qualifying employment to the coordinating board for higher
201 education within thirty days of completing each twelve

202 months of qualifying employment until the three-year
203 employment obligation is fulfilled.

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

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

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

211 (3) This section shall terminate on December thirty-
212 first of the calendar year immediately following the
213 calendar year in which the program authorized under this
214 section is sunset.

215 13. (1) There is hereby created in the state treasury
216 the "Fast Track Workforce Incentive Grant Fund". The state
217 treasurer shall be custodian of the fund. In accordance with
218 sections 30.170 and 30.180, the state treasurer may approve
219 disbursements. The fund shall be a dedicated fund and, upon
220 appropriation, moneys in the fund shall be used solely by
221 the coordinating board for the purposes of this section.

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

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

230 14. The coordinating board shall have the authority to
231 promulgate rules to implement the provisions of this
232 section. Any rule or portion of a rule, as that term is
233 defined in section 536.010, that is created under the

234 authority delegated in this section shall become effective
235 only if it complies with and is subject to all of the
236 provisions of chapter 536 and, if applicable, section
237 536.028. This section and chapter 536 are nonseverable and
238 if any of the powers vested with the general assembly
239 pursuant to chapter 536 to review, to delay the effective
240 date, or to disapprove and annul a rule are subsequently
241 held unconstitutional, then the grant of rulemaking
242 authority and any rule proposed or adopted after August 28,
243 2019, shall be invalid and void.

620.511. 1. There is hereby established the "Missouri
2 Workforce Development Board", formerly known as the Missouri
3 workforce investment board, and hereinafter referred to as
4 "the board" in sections 620.511 to **[620.513] 620.514**.

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

14 3. The board shall meet the requirements of the
15 federal Workforce Innovation and Opportunity Act,
16 hereinafter referred to as the "WIOA", P.L. 113-128, as
17 amended. Should another federal law supplant the WIOA, all
18 references in sections 620.511 to **[620.513] 620.514** to the
19 WIOA shall apply as well to the new federal law.

20 4. Composition of the board shall comply with the
21 WIOA. Board members appointed by the governor shall be
22 subject to the advice and consent of the senate. Consistent

23 with the requirements of the WIOA, the governor shall
24 designate one member of the board to be its chairperson.

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

32 6. Of the members initially appointed to the WIOA,
33 formerly known as the WIA, board, one-fourth shall be
34 appointed for a term of four years, one-fourth shall be
35 appointed for a term of three years, one-fourth shall be
36 appointed for a term of two years, and one-fourth shall be
37 appointed for a term of one year.

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

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

620.512. 1. The board shall establish bylaws
2 governing its organization, operation, and procedure
3 consistent with sections 620.511 to [620.513] **620.514**, and
4 consistent with the WIOA.

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

7 3. In order to assure objective management and
8 oversight, the board shall not operate programs or provide
9 services directly to eligible participants, but shall exist
10 solely to plan, coordinate, and monitor the provisions of

11 such programs and services. A member of the board may not
12 vote on a matter under consideration by the board that
13 regards the provision of services by the member or by an
14 entity that the member represents or would provide direct
15 financial benefit to the member or the immediate family of
16 the member. A member of the board may not engage in any
17 other activity determined by the governor to constitute a
18 conflict of interest.

19 4. The composition and the roles and responsibilities
20 of the board membership may be amended to comply with any
21 succeeding federal or state legislative or regulatory
22 requirements governing workforce investment activities,
23 except that the procedure for such change shall be outlined
24 in state rules and regulations and adopted in the bylaws of
25 the board.

26 5. The department of economic development shall
27 provide professional, technical, and clerical staff for the
28 board.

29 6. The board may promulgate any rules and regulations
30 necessary to administer the provisions of sections 620.511
31 to [620.513] **620.514**. Any rule or portion of a rule, as
32 that term is defined in section 536.010, that is created
33 under the authority delegated in this section shall become
34 effective only if it complies with and is subject to all of
35 the provisions of chapter 536 and, if applicable, section
36 536.028. This section and chapter 536 are nonseverable and
37 if any of the powers vested with the general assembly
38 pursuant to chapter 536 to review, to delay the effective
39 date, or to disapprove and annul a rule are subsequently
40 held unconstitutional, then the grant of rulemaking
41 authority and any rule proposed or adopted after August 28,
42 2007, shall be invalid and void.

620.513. 1. The board shall assist the governor with
2 the functions described in Section 101(d) of the WIOA, 29
3 U.S.C. Section 311d, and any regulations issued pursuant to
4 the WIOA.

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

9 3. Nothing in sections 620.511 to [620.513] **620.514**
10 shall be construed to require or allow the board to assume
11 or supersede the statutory authority granted to, or impose
12 any duties or requirements on, the state coordinating board
13 for higher education, the governing boards of the state's
14 public colleges and universities, the state board of
15 education, or any local educational agencies.

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

4 **2. The board shall coordinate approval of eligible**
5 **workforce training programs with other state and federal**
6 **workforce programs, including the Workforce Innovation and**
7 **Opportunity Act under 29 U.S.C. Section 3101, et seq., and**
8 **the Carl D. Perkins Career and Technical Education Act under**
9 **20 U.S.C. Section 2301, et seq.**

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

Section B. Because of the importance of ensuring the
2 receipt of federal funding, section A of this act is deemed

3 necessary for the immediate preservation of the public
4 health, welfare, peace, and safety, and is hereby declared
5 to be an emergency act within the meaning of the
6 constitution, and section A of this act shall be in full
7 force and effect upon its passage and approval.

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