

SECOND REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**SENATE BILL NO. 605**  
**97TH GENERAL ASSEMBLY**

4203H.03C

D. ADAM CRUMBLISS, Chief Clerk

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**AN ACT**

To repeal sections 30.750, 161.097, 173.003, 173.051, 173.236, 173.239, 173.254, 173.260, 173.262, 173.778, and 174.770, RSMo, and section 173.005 as truly agreed to and finally passed by house bill no. 673, ninety-seventh general assembly, first regular session, and to enact in lieu thereof thirteen new sections relating to higher education, with an existing penalty provision.

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

Section A. Sections 30.750, 161.097, 173.003, 173.051, 173.236, 173.239, 173.254, 2 173.260, 173.262, 173.778, and 174.770, RSMo, and section 173.005 as truly agreed to and 3 finally passed by house bill no. 673, ninety-seventh general assembly, first regular session, are 4 repealed and thirteen new sections enacted in lieu thereof, to be known as sections 30.750, 5 161.097, 173.003, 173.005, 173.051, 173.236, 173.239, 173.254, 173.260, 173.262, 173.778, 6 173.1050, and 174.770, to read as follows:

30.750. As used in sections 30.750 to 30.765, the following terms mean:

- 2 (1) "Eligible agribusiness", a person engaged in the processing or adding of value to 3 agricultural products produced in Missouri;
- 4 (2) "Eligible alternative energy consumer", an individual who wishes to borrow moneys 5 for the purchase, installation, or construction of facilities or equipment related to the production 6 of fuel or power primarily for the individual's own use from energy sources other than fossil 7 fuels, including but not limited to solar, hydroelectric, wind, and qualified biomass;
- 8 (3) "Eligible alternative energy operation", a business enterprise engaged in the 9 production of fuel or power from energy sources other than fossil fuels, including but not limited 10 to solar, hydroelectric, wind, and qualified biomass. Such business enterprise shall conform to 11 the characteristics of paragraphs (a), (b), and (d) of subdivision (6) of this section;

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.

12 (4) "Eligible beginning farmer":

13 (a) For any beginning farmer who seeks to participate in the linked deposit program  
14 alone, a farmer who:

15 a. Is a Missouri resident;

16 b. Wishes to borrow for a farm operation located in Missouri;

17 c. Is at least eighteen years old; and

18 d. In the preceding five years has not owned, either directly or indirectly, farm land  
19 greater than fifty percent of the average size farm in the county where the proposed farm  
20 operation is located or farm land with an appraised value greater than four hundred fifty thousand  
21 dollars. A farmer who qualifies as an eligible farmer under this provision may utilize the  
22 proceeds of a linked deposit loan to purchase agricultural land, farm buildings, new and used  
23 farm equipment, livestock and working capital;

24 (b) For any beginning farmer who is participating in both the linked deposit program and  
25 the beginning farmer loan program administered by the Missouri agriculture and small business  
26 development authority, a farmer who:

27 a. Qualifies under the definition of a beginning farmer utilized for eligibility for federal  
28 tax-exempt financing, including the limitations on the use of loan proceeds; and

29 b. Meets all other requirements established by the Missouri agriculture and small  
30 business development authority;

31 (5) "Eligible facility borrower", a borrower qualified under section 30.860 to apply for  
32 a reduced-rate loan under sections 30.750 to 30.765;

33 (6) "Eligible farming operation", any person engaged in farming in an authorized farm  
34 corporation, family farm, or family farm corporation as defined in section 350.010 that has all  
35 of the following characteristics:

36 (a) Is headquartered in this state;

37 (b) Maintains offices, operating facilities, or farming operations and transacts business  
38 in this state;

39 (c) Employs less than ten employees;

40 (d) Is organized for profit;

41 (7) "Eligible governmental entity", any political subdivision of the state seeking to  
42 finance capital improvements, capital outlay, or other significant programs through an eligible  
43 lending institution;

44 (8) "Eligible higher education institution", any approved public or private institution as  
45 defined in section [173.205] **173.1102**;

46 (9) "Eligible job enhancement business", a new, existing, or expanding firm operating  
47 in Missouri, or as a condition of accepting the linked deposit, will locate a facility or office in

48 Missouri associated with said linked deposit, which employs ten or more employees in Missouri  
49 on a yearly average and which, as nearly as possible, is able to establish or retain at least one job  
50 in Missouri for each fifty thousand dollars received from a linked deposit loan except when the  
51 applicant can demonstrate significant costs for equipment, capital outlay, or capital  
52 improvements associated with the physical expansion, renovation, or modernization of a facility  
53 or equipment. In such cases, the maximum amount of the linked deposit shall not exceed fifty  
54 thousand dollars per job created or retained plus the initial cost of the physical expansion,  
55 renovation or capital outlay;

56 (10) "Eligible lending institution", a financial institution that is eligible to make  
57 commercial or agricultural or student loans or discount or purchase such loans, is a public  
58 depository of state funds or obtains its funds through the issuance of obligations, either directly  
59 or through a related entity, eligible for the placement of state funds under the provisions of  
60 section 15, article IV, Constitution of Missouri, and agrees to participate in the linked deposit  
61 program;

62 (11) "Eligible livestock operation", any person engaged in production of livestock or  
63 poultry in an authorized farm corporation, family farm, or family farm corporation as defined in  
64 section 350.010;

65 (12) "Eligible locally owned business", any person seeking to establish a new firm,  
66 partnership, cooperative company, or corporation that shall retain at least fifty-one percent  
67 ownership by residents in a county in which the business is headquartered, that consists of the  
68 following characteristics:

69 (a) The county has a median population of twelve thousand five hundred or less; and

70 (b) The median income of residents in the county are equal to or less than the state  
71 median income; or

72 (c) The unemployment rate of the county is equal to or greater than the state's  
73 unemployment rate;

74 (13) "Eligible marketing enterprise", a business enterprise operating in this state which  
75 is in the process of marketing its goods, products or services within or outside of this state or  
76 overseas, which marketing is designed to increase manufacturing, transportation, mining,  
77 communications, or other enterprises in this state, which has proposed its marketing plan and  
78 strategy to the department of economic development and which plan and strategy has been  
79 approved by the department for purposes of eligibility pursuant to sections 30.750 to 30.765.  
80 Such business enterprise shall conform to the characteristics of paragraphs (a), (b) and (d) of  
81 subdivision (6) of this section and also employ less than twenty-five employees;

82 (14) "Eligible multitenant development enterprise", a new enterprise that develops  
83 multitenant space for targeted industries as determined by the department of economic

84 development and approved by the department for the purposes of eligibility pursuant to sections  
85 30.750 to 30.765;

86 (15) "Eligible residential property developer", an individual who purchases and develops  
87 a residential structure of either two or four units, if such residential property developer uses and  
88 agrees to continue to use, for at least the five years immediately following the date of issuance  
89 of the linked deposit loan, one of the units as his principal residence or if such person's principal  
90 residence is located within one-half mile from the developed structure and such person agrees  
91 to maintain the principal residence within one-half mile of the developed structure for at least  
92 the five years immediately following the date of issuance of the linked deposit loan;

93 (16) "Eligible residential property owner", a person, firm or corporation who purchases,  
94 develops or rehabilitates a multifamily residential structure;

95 (17) "Eligible small business", a person engaged in an activity with the purpose of  
96 obtaining, directly or indirectly, a gain, benefit or advantage and which conforms to the  
97 characteristics of paragraphs (a), (b) and (d) of subdivision (6) of this section, and also employs  
98 less than one hundred employees;

99 (18) "Eligible student borrower", any person attending, or the parent of a dependent  
100 undergraduate attending, an eligible higher education institution in Missouri who may or may  
101 not qualify for need-based student financial aid calculated by the federal analysis called  
102 Congressional Methodology Formula pursuant to 20 U.S.C. 1078, as amended (the Higher  
103 Education Amendments of 1986);

104 (19) "Eligible water supply system", a water system which serves fewer than fifty  
105 thousand persons and which is owned and operated by:

106 (a) A public water supply district established pursuant to chapter 247; or

107 (b) A municipality or other political subdivision; or

108 (c) A water corporation; and which is certified by the department of natural resources  
109 in accordance with its rules and regulations to have suffered a significant decrease in its capacity  
110 to meet its service needs as a result of drought;

111 (20) "Farming", using or cultivating land for the production of agricultural crops,  
112 livestock or livestock products, forest products, poultry or poultry products, milk or dairy  
113 products, or fruit or other horticultural products;

114 (21) "Linked deposit", a certificate of deposit, or in the case of production credit  
115 associations, the subscription or purchase outright of obligations described in section 15, article  
116 IV, Constitution of Missouri, placed by the state treasurer with an eligible lending institution at  
117 rates otherwise provided by law in section 30.758, provided the institution agrees to lend the  
118 value of such deposit, according to the deposit agreement provided in sections 30.750 to 30.765,  
119 to eligible multitenant development enterprises, eligible small businesses, eligible alternative

120 energy operations, eligible alternative energy consumers, eligible locally owned businesses,  
121 farming operations, eligible job enhancement businesses, eligible marketing enterprises, eligible  
122 residential property developers, eligible residential property owners, eligible governmental  
123 entities, eligible agribusinesses, eligible beginning farmers, eligible livestock operations, eligible  
124 student borrowers, eligible facility borrowers, or eligible water supply systems at below the  
125 present borrowing rate applicable to each multitenant development enterprise, small business,  
126 alternative energy operation, alternative energy consumer, farming operation, eligible job  
127 enhancement business, eligible marketing enterprise, eligible residential property developer,  
128 eligible residential property owner, eligible governmental entity, eligible agribusiness, eligible  
129 beginning farmer, eligible livestock operation, eligible student borrower, or supply system at the  
130 time of the deposit of state funds in the institution;

131 (22) "Market rate", the interest rate more specifically described in subsection 6 of section  
132 30.260;

133 (23) "Professional forester", any individual who holds a bachelor of science degree in  
134 forestry from a regionally accredited college or university with a minimum of two years of  
135 professional forest management experience;

136 (24) "Qualified biomass", any agriculture-derived organic material or any wood-derived  
137 organic material harvested in accordance with a site-specific forest management plan focused  
138 on long-term forest sustainability developed by a professional forester and qualified, in  
139 consultation with the conservation commission, by the agriculture and small business  
140 development authority;

141 (25) "Water corporation", as such term is defined in section 386.020;

142 (26) "Water system", as such term is defined in section 386.020.

161.097. 1. The state board of education **and the coordinating board for higher**  
2 **education** shall **jointly** establish standards and procedures by which [it] **they** will evaluate all  
3 teacher training institutions in this state [for the approval of teacher education programs. The  
4 state board of education shall not require teacher training institutions to meet national or regional  
5 accreditation as a part of its standards and procedures in making those evaluations, but it may  
6 accept such accreditations in lieu of such approval if standards and procedures set thereby are  
7 at least as stringent as those set by the board. The state board of education's standards and  
8 procedures for evaluating teacher training institutions shall equal or exceed those of national or  
9 regional accrediting associations.] **with the guidance and approval of the Missouri advisory**  
10 **board for educator preparation established under subsection 3 of this section.**  
11 **Notwithstanding any other provision of law, the state board of education and the**  
12 **coordinating board of higher education shall approve all teacher education programs and**  
13 **any changes to the standard and procedures by which such programs are evaluated.**

14           **2. With regard to requirements for state educator certification, any assessments of**  
15 **general education, content knowledge, pedagogical knowledge, dispositions, or any other**  
16 **measures required for state educator certification and any related competencies shall be**  
17 **approved by the state board of education and the coordinating board for higher education**  
18 **prior to utilization in any manner. Any assessment used to measure student learning that**  
19 **is used in the evaluation of educator preparation programs and any related competencies**  
20 **shall be approved by the state board of education and the coordinating board for higher**  
21 **education prior to utilization in any manner. All current assessments and competencies and**  
22 **those under development, as well as future competencies and assessments shall be**  
23 **approved by the state board of education and the coordinating board for higher education**  
24 **prior to utilization in any manner. Qualifying scores on such assessments shall be**  
25 **established jointly by the state board of education and the coordinating board for higher**  
26 **education. No quotas on educator preparation programs or limits on program size shall**  
27 **be imposed by the state board of education without consent of the coordinating board for**  
28 **higher education and the institution of higher education providing the program. However,**  
29 **institutions of higher education may establish quotas for specific educator preparation**  
30 **programs as deemed necessary.**

31           **3. There is hereby established within the department of elementary and secondary**  
32 **education the "Missouri Advisory Board for Educator Preparation", hereinafter referred**  
33 **to as "MABEP". The MABEP shall advise the state board of education and the**  
34 **coordinating board for higher education as provided in this section and foster meaningful**  
35 **and substantial collaboration and transparency among all stakeholders in the interest of**  
36 **improving the quality of teacher preparation in Missouri.**

37           **4. MABEP shall be comprised of fourteen members, who shall be appointed to**  
38 **serve as follows: five members to be appointed by the state board of education upon the**  
39 **recommendation of the commissioner of elementary and secondary education, two**  
40 **members selected by the commissioner of elementary and secondary education, five**  
41 **members to be selected by the coordinating board of higher education upon the**  
42 **recommendation of the commissioner of higher education, and two members to be selected**  
43 **by the commissioner of higher education. The commissioner of elementary and secondary**  
44 **education and the commissioner of higher education shall serve as ex officio members and**  
45 **thus shall not vote on matters before MABEP.**

46           **5. The composition of MABEP shall consist of the following:**

47           **(1) One practicing certificated public school teacher who has served as a**  
48 **cooperating teacher, selected by the state board of education upon the recommendation of**  
49 **the commissioner of elementary and secondary education;**

50           **(2) One practicing certified public school administrator with direct responsibility**  
51 **for the evaluation of educators, selected by the state board of education upon the**  
52 **recommendation of the commissioner of elementary and secondary education;**

53           **(3) One practicing human resource director for a public school district with direct**  
54 **responsibility for hiring, selected by the state board of education upon the recommendation**  
55 **of the commissioner of elementary and secondary education;**

56           **(4) One practicing certificated public school teacher who has served as a teacher**  
57 **mentor, selected by the state board of education upon the recommendation of the**  
58 **commissioner of elementary and secondary education;**

59           **(5) One practicing certified superintendent of a public school, selected by the state**  
60 **board of education upon the recommendation of the commissioner of elementary and**  
61 **secondary education;**

62           **(6) One representative of the public, to be appointed by the commissioner of**  
63 **elementary and secondary education. This representative shall not be a member of a local**  
64 **school board of education or educator preparation governing board, nor shall he or she be,**  
65 **or ever in the past have been, employed as a public school educator, or in a professional**  
66 **position at any post-secondary education program;**

67           **(7) One employee of the department of elementary and secondary education whose**  
68 **responsibilities include educator preparation and/or certification, selected by the**  
69 **commissioner of elementary and secondary education;**

70           **(8) One faculty member or administrator within an approved educator preparation**  
71 **program, selected by the coordinating board of higher education upon the**  
72 **recommendation of the commissioner of higher education;**

73           **(9) One dean or director of a college or program of educator preparation for a**  
74 **public four-year university, selected by the coordinating board of higher education upon**  
75 **the recommendation of the commissioner of higher education;**

76           **(10) One director of an educator preparation program of a public community**  
77 **college, selected by the coordinating board of higher education upon the recommendation**  
78 **of the commissioner of higher education;**

79           **(11) One dean of a college of education or director of an educator preparation**  
80 **program of an independent college or university, selected by the coordinating board of**  
81 **higher education upon the recommendation of the commissioner of higher education;**

82           **(12) One dean or director within an approved educator preparation, selected by the**  
83 **coordinating board of higher education upon the recommendation of the commissioner of**  
84 **higher education;**

85           **(13) One student enrolled in an approved program of educator preparation of**  
86 **public or independent university, selected by the commissioner of higher education;**

87           **(14) One employee of the department of higher education with responsibility for**  
88 **the approval of degree programs; selected by the commissioner of higher education;**

89           **6. The duties and responsibilities of the MABEP shall include, but not be limited**  
90 **to the following:**

91           **(1) Meet with the commissioners of elementary and secondary education and higher**  
92 **education to discuss policy issues and proposed changes to standards and practices related**  
93 **to educator preparation programs;**

94           **(2) Make public recommendations to the commissioners of elementary and**  
95 **secondary education and higher education regarding the criteria and procedures for**  
96 **evaluation and approval of educator degree programs and educator preparation programs**  
97 **within the state;**

98           **(3) Facilitate communication by inviting subject matter and educator preparation**  
99 **experts and constituencies with an interest in developing highly effective educators to meet**  
100 **with the MABEP for the purpose of identifying, reviewing and promoting best practices**  
101 **and standards in educator preparation and professional development;**

102           **(4) Present annually to the state board of education and coordinating board for**  
103 **higher education to discuss matters of mutual interest in the area of educator preparation**  
104 **as presented by the rotating chairs of MABEP; and**

105           **(5) Maintain a record of deliberations for the purpose of keeping constituent**  
106 **groups with an interest in the maintenance of quality education preparation programs**  
107 **informed of issues and recommendations.**

108           **7. MABEP shall meet at least two times annually, but may meet more frequently**  
109 **if requested by either board, the commissioner of elementary and secondary education or**  
110 **the commissioner of higher education. MABEP shall be chaired by the commissioner of**  
111 **elementary and secondary education (or designee) and the commissioner of higher**  
112 **education (or designee) on alternating years.**

113           **[2.] 8. Upon approval by the state board of education of the teacher education program**  
114 **at a particular teacher training institution, any person who graduates from that program, and who**  
115 **meets other requirements which the state board of education shall prescribe by rule, regulation**  
116 **and statute shall be granted a certificate or license to teach in the public schools of this state.**  
117 **The state board of education shall not approve any teacher education program prior to**  
118 **receiving a formal recommendation on that approval from the coordinating board for**  
119 **higher education. However, no such rule or regulation shall require that the program from**

120 which the person graduates be accredited by any national or regional accreditation  
121 association.

122 [3.] 9. Notwithstanding any provision in the law to the contrary, the state board of  
123 education may accredit a graduate law school and any graduate of such an accredited law school  
124 shall be allowed to take the examination for admission to the bar of Missouri.

173.003. Retirement, severance and associated salary continuance policies and plans of  
2 approved public institutions, as defined in section [173.205] **173.1102**, shall be applied  
3 uniformly, consistently and fairly to all similarly situated officials and employees of such  
4 approved public institutions; and no employee or official shall be singled out for retirement or  
5 severance benefits which are inconsistent with the formally adopted policies and plans of such  
6 approved public institutions.

173.005. 1. There is hereby created a "Department of Higher Education", and the  
2 division of higher education of the department of education is abolished and all its powers,  
3 duties, functions, personnel and property are transferred as provided by the Reorganization Act  
4 of 1974, Appendix B, RSMo.

5 2. The commission on higher education is abolished and all its powers, duties, personnel  
6 and property are transferred by type I transfer to the "Coordinating Board for Higher Education",  
7 which is hereby created, and the coordinating board shall be the head of the department. The  
8 coordinating board shall consist of nine members appointed by the governor with the advice and  
9 consent of the senate, and not more than five of its members shall be of the same political party.  
10 None of the members shall be engaged professionally as an educator or educational administrator  
11 with a public or private institution of higher education at the time appointed or during his term.  
12 Moreover, no person shall be appointed to the coordinating board who shall not be a citizen of  
13 the United States, and who shall not have been a resident of the state of Missouri two years next  
14 prior to appointment, and at least one but not more than two persons shall be appointed to said  
15 board from each congressional district. The term of service of a member of the coordinating  
16 board shall be six years and said members, while attending the meetings of the board, shall be  
17 reimbursed for their actual expenses. Notwithstanding any provision of law to the contrary,  
18 nothing in this section relating to a change in the composition and configuration of congressional  
19 districts in this state shall prohibit a member who is serving a term on August 28, 2011, from  
20 completing his or her term. The coordinating board may, in order to carry out the duties  
21 prescribed for it in subsections 1, 2, 3, 7, and 8 of this section, employ such professional, clerical  
22 and research personnel as may be necessary to assist it in performing those duties, but this staff  
23 shall not, in any fiscal year, exceed twenty-five full-time equivalent employees regardless of the  
24 source of funding. In addition to all other powers, duties and functions transferred to it, the  
25 coordinating board for higher education shall have the following duties and responsibilities:

26 (1) The coordinating board for higher education shall have approval of proposed new  
27 degree programs to be offered by the state institutions of higher education. **In the case of**  
28 **educator preparation programs, the coordinating board for higher education and the state**  
29 **board of education shall jointly approve proposed new degree programs offered by state**  
30 **institutions of higher education;**

31 (2) The coordinating board for higher education may promote and encourage the  
32 development of cooperative agreements between Missouri public four-year institutions of higher  
33 education which do not offer graduate degrees and Missouri public four-year institutions of  
34 higher education which do offer graduate degrees for the purpose of offering graduate degree  
35 programs on campuses of those public four-year institutions of higher education which do not  
36 otherwise offer graduate degrees. Such agreements shall identify the obligations and duties of  
37 the parties, including assignment of administrative responsibility. Any diploma awarded for  
38 graduate degrees under such a cooperative agreement shall include the names of both institutions  
39 inscribed thereon. Any cooperative agreement in place as of August 28, 2003, shall require no  
40 further approval from the coordinating board for higher education. Any costs incurred with  
41 respect to the administrative provisions of this subdivision may be paid from state funds  
42 allocated to the institution assigned the administrative authority for the program. The provisions  
43 of this subdivision shall not be construed to invalidate the provisions of subdivision (1) of this  
44 subsection;

45 (3) In consultation with the heads of the institutions of higher education affected and  
46 against a background of carefully collected data on enrollment, physical facilities, manpower  
47 needs, **and** institutional missions, the coordinating board for higher education shall establish  
48 guidelines for appropriation requests by those institutions of higher education; however, other  
49 provisions of the Reorganization Act of 1974 notwithstanding, all funds shall be appropriated  
50 by the general assembly to the governing board of each public four-year institution of higher  
51 education which shall prepare expenditure budgets for the institution;

52 (4) No new state-supported senior colleges or residence centers shall be established  
53 except as provided by law and with approval of the coordinating board for higher education;

54 (5) The coordinating board for higher education shall establish admission guidelines  
55 consistent with institutional missions;

56 (6) The coordinating board for higher education shall require all public two-year and  
57 four-year higher education institutions to replicate best practices in remediation identified by the  
58 coordinating board and institutions from research undertaken by regional educational  
59 laboratories, higher education research organizations, and similar organizations with expertise  
60 in the subject, and identify and reduce methods that have been found to be ineffective in  
61 preparing or retaining students or that delay students from enrollment in college-level courses;

62 (7) The coordinating board shall establish policies and procedures for institutional  
63 decisions relating to the residence status of students;

64 (8) The coordinating board shall establish guidelines to promote and facilitate the  
65 transfer of students between institutions of higher education within the state and, with the  
66 assistance of the committee on transfer and articulation, shall require all public two-year and  
67 four-year higher education institutions to create by July 1, 2014, a statewide core transfer library  
68 of at least twenty-five lower division courses across all institutions that are transferable among  
69 all public higher education institutions. The coordinating board shall establish policies and  
70 procedures to ensure such courses are accepted in transfer among public institutions and treated  
71 as equivalent to similar courses at the receiving institutions. The coordinating board shall  
72 develop a policy to foster reverse transfer for any student who has accumulated enough hours in  
73 combination with at least one public higher education institution in Missouri that offers an  
74 associate degree and one public four-year higher education institution in the prescribed courses  
75 sufficient to meet the public higher education institution's requirements to be awarded an  
76 associate degree. The department of elementary and secondary education shall maintain the  
77 alignment of the assessments found in section 160.518 and successor assessments with the  
78 competencies previously established under this subdivision for entry-level collegiate courses in  
79 English, mathematics, foreign language, sciences, and social sciences associated with an  
80 institution's general education core;

81 (9) The coordinating board shall collect the necessary information and develop  
82 comparable data for all institutions of higher education in the state. The coordinating board shall  
83 use this information to delineate the areas of competence of each of these institutions and for any  
84 other purposes deemed appropriate by the coordinating board;

85 (10) Compliance with requests from the coordinating board for institutional information  
86 and the other powers, duties and responsibilities, herein assigned to the coordinating board, shall  
87 be a prerequisite to the receipt of any funds which the coordinating board is responsible for  
88 administering;

89 (11) If any institution of higher education in this state, public or private, willfully fails  
90 or refuses to follow any lawful guideline, policy or procedure established or prescribed by the  
91 coordinating board, or knowingly deviates from any such guideline, or knowingly acts without  
92 coordinating board approval where such approval is required, or willfully fails to comply with  
93 any other lawful order of the coordinating board, the coordinating board may, after a public  
94 hearing, withhold or direct to be withheld from that institution any funds the disbursement of  
95 which is subject to the control of the coordinating board, or may remove the approval of the  
96 institution as an approved institution within the meaning of section 173.1102. If any such public  
97 institution willfully disregards board policy, the commissioner of higher education may order

98 such institution to remit a fine in an amount not to exceed one percent of the institution's current  
99 fiscal year state operating appropriation to the board. The board shall hold such funds until such  
100 time that the institution, as determined by the commissioner of higher education, corrects the  
101 violation, at which time the board shall refund such amount to the institution. If the  
102 commissioner determines that the institution has not redressed the violation within one year, the  
103 fine amount shall be deposited into the general revenue fund, unless the institution appeals such  
104 decision to the full coordinating board, which shall have the authority to make a binding and  
105 final decision, by means of a majority vote, regarding the matter. However, nothing in this  
106 section shall prevent any institution of higher education in this state from presenting additional  
107 budget requests or from explaining or further clarifying its budget requests to the governor or the  
108 general assembly; and

109 (12) (a) As used in this subdivision, the term "out-of-state public institution of higher  
110 education" shall mean an education institution located outside of Missouri that:

111 a. Is controlled or administered directly by a public agency or political subdivision or is  
112 classified as a public institution by the state;

113 b. Receives appropriations for operating expenses directly or indirectly from a state other  
114 than Missouri;

115 c. Provides a postsecondary course of instruction at least six months in length leading  
116 to or directly creditable toward a degree or certificate;

117 d. Meets the standards for accreditation by an accrediting body recognized by the United  
118 States Department of Education or any successor agency; and

119 e. Permits faculty members to select textbooks without influence or pressure by any  
120 religious or sectarian source.

121 (b) No later than July 1, 2008, the coordinating board shall promulgate rules regarding:

122 a. The board's approval process of proposed new degree programs and course offerings  
123 by any out-of-state public institution of higher education seeking to offer degree programs or  
124 course work within the state of Missouri; and

125 b. The board's approval process of degree programs and courses offered by any out-of-  
126 state public institutions of higher education that, prior to July 1, 2008, were approved by the  
127 board to operate a school in compliance with the provisions of sections 173.600 to 173.618. The  
128 rules shall ensure that, as of July 1, 2008, all out-of-state public institutions seeking to offer  
129 degrees and courses within the state of Missouri are evaluated in a manner similar to Missouri  
130 public higher education institutions. Such out-of-state public institutions shall be held to  
131 standards no lower than the standards established by the coordinating board for program approval  
132 and the policy guidelines of the coordinating board for data collection, cooperation, and  
133 resolution of disputes between Missouri institutions of higher education under this section. Any

134 such out-of-state public institutions of higher education wishing to continue operating within this  
135 state must be approved by the board under the rules promulgated under this subdivision. The  
136 coordinating board may charge and collect fees from out-of-state public institutions to cover the  
137 costs of reviewing and assuring the quality of programs offered by out-of-state public  
138 institutions. Any rule or portion of a rule, as that term is defined in section 536.010, that is  
139 created under the authority delegated in this section shall become effective only if it complies  
140 with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028.  
141 This section and chapter 536 are nonseverable and if any of the powers vested with the general  
142 assembly under chapter 536 to review, to delay the effective date, or to disapprove and annul a  
143 rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule  
144 proposed or adopted after August 28, 2007, shall be invalid and void.

145 (c) Nothing in this subdivision or in section 173.616 shall be construed or interpreted  
146 so that students attending an out-of-state public institution are considered to be attending a  
147 Missouri public institution of higher education for purposes of obtaining student financial  
148 assistance.

149 3. The coordinating board shall meet at least four times annually with an advisory  
150 committee who shall be notified in advance of such meetings. The coordinating board shall have  
151 exclusive voting privileges. The advisory committee shall consist of thirty-two members, who  
152 shall be the president or other chief administrative officer of the University of Missouri; the  
153 chancellor of each campus of the University of Missouri; the president of each state-supported  
154 four-year college or university, including Harris-Stowe State University, Missouri Southern State  
155 University, Missouri Western State University, and Lincoln University; the president of State  
156 Technical College of Missouri; the president or chancellor of each public community college  
157 district; and representatives of each of five accredited private institutions selected biennially,  
158 under the supervision of the coordinating board, by the presidents of all of the state's privately  
159 supported institutions; but always to include at least one representative from one privately  
160 supported community college, one privately supported four-year college, and one privately  
161 supported university. The conferences shall enable the committee to advise the coordinating  
162 board of the views of the institutions on matters within the purview of the coordinating board.

163 4. The University of Missouri, Lincoln University, and all other state-governed colleges  
164 and universities, chapters 172, 174, 175, and others, are transferred by type III transfers to the  
165 department of higher education subject to the provisions of subsection 2 of this section.

166 5. The state historical society, chapter 183, is transferred by type III transfer to the  
167 University of Missouri.

168 6. The state anatomical board, chapter 194, is transferred by type II transfer to the  
169 department of higher education.

170           7. All the powers, duties and functions vested in the division of public schools and state  
171 board of education relating to community college state aid and the supervision, formation of  
172 districts and all matters otherwise related to the state's relations with community college districts  
173 and matters pertaining to community colleges in public school districts, chapters 163, 178, and  
174 others, are transferred to the coordinating board for higher education by type I transfer.  
175 Provided, however, that all responsibility for administering the federal-state programs of  
176 vocational-technical education, except for the 1202a postsecondary educational amendments of  
177 1972 program, shall remain with the department of elementary and secondary education. The  
178 department of elementary and secondary education and the coordinating board for higher  
179 education shall cooperate in developing the various plans for vocational-technical education;  
180 however, the ultimate responsibility will remain with the state board of education.

181           8. All the powers, duties, functions, and properties of the state poultry experiment  
182 station, chapter 262, are transferred by type I transfer to the University of Missouri, and the state  
183 poultry association and state poultry board are abolished. In the event the University of Missouri  
184 shall cease to use the real estate of the poultry experiment station for the purposes of research  
185 or shall declare the same surplus, all real estate shall revert to the governor of the state of  
186 Missouri and shall not be disposed of without legislative approval.

173.051. 1. The coordinating board for higher education may submit requests for  
2 appropriations for the purposes of the coordinating board contracting with Missouri independent  
3 colleges and universities or publicly supported higher education institutions or coordinating  
4 agencies located outside the state of Missouri to provide professional or graduate programs of  
5 instruction for Missouri citizens or research services for the state of Missouri. At the time of  
6 submission for appropriations, the coordinating board shall demonstrate to the general assembly  
7 that the program or service fulfills a state manpower or research need that is not available in  
8 Missouri's public universities in the area in which such is located. Such agreements or contracts  
9 shall be entered into and approved as otherwise provided by law.

10           2. A Missouri independent college or university to be eligible to enter into such a  
11 contract shall be designated as an approved private institution as defined in the provisions of  
12 section [173.205] **173.1102**. Publicly supported institutions of higher education located outside  
13 the state of Missouri shall possess the equivalent approval of what would be required if such  
14 institutions were located in this state.

15           3. Nothing in this section shall be construed so as to prohibit the coordinating board for  
16 higher education from approving the development of a new program of instruction at a public  
17 college or university if in the judgment of the coordinating board the development of a new  
18 program is in the best educational and fiscal interests of the state of Missouri.

173.236. 1. As used in this section, unless the context clearly requires otherwise, the following terms mean:

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

(2) "Grant", the Vietnam veteran's survivors grant as established in this section;

(3) "Institution of postsecondary education", any approved public or private institution as defined in section [173.205] **173.1102**;

(4) "Survivor", a child or spouse of a Vietnam veteran as defined in this section;

(5) "Tuition", any tuition or incidental fee or both charged by an institution of postsecondary education, as defined in this section, for attendance at the institution by a student as a resident of this state;

(6) "Vietnam veteran", a person who served in the military in Vietnam or the war zone in Southeast Asia and to whom the following criteria shall apply:

(a) The veteran was a Missouri resident when first entering the military service and at the time of death;

(b) The veteran's death was attributable to illness that could possibly be a result of exposure to toxic chemicals during the Vietnam Conflict; and

(c) The veteran served in the Vietnam theater between 1961 and 1972.

2. Within the limits of the amounts appropriated therefor, the coordinating board for higher education shall award annually up to twelve grants to survivors of Vietnam veterans to attend institutions of postsecondary education in this state. If the waiting list of eligible survivors exceeds fifty, the coordinating board may petition the general assembly to expand the quota. If the quota is not expanded the eligibility of survivors on the waiting list shall be extended.

3. A survivor may receive a grant pursuant to this section only so long as the survivor is enrolled in a program leading to a certificate, or an associate or baccalaureate degree. In no event shall a survivor receive a grant beyond the completion of the first baccalaureate degree, regardless of age. No survivor shall receive more than one hundred percent of tuition when combined with similar funds made available to such survivor.

4. The coordinating board for higher education shall:

(1) Promulgate all necessary rules and regulations for the implementation of this section;

(2) Determine minimum standards of performance in order for a survivor to remain eligible to receive a grant under this program;

(3) Make available on behalf of a survivor an amount toward the survivor's tuition which is equal to the grant to which the survivor is entitled under the provisions of this section;

(4) Provide the forms and determine the procedures necessary for a survivor to apply for and receive a grant under this program.

37           5. In order to be eligible to receive a grant pursuant to this section, a survivor shall be  
38 certified as eligible by a Missouri state veterans service officer. Such certification shall be made  
39 upon qualified medical certification by a Veterans Administration medical authority that  
40 exposure to toxic chemicals contributed to or was the cause of death of the veteran, as defined  
41 in subsection 1 of this section.

42           6. A survivor who is enrolled or has been accepted for enrollment as an undergraduate  
43 postsecondary student at an approved institution of postsecondary education shall receive a grant  
44 in an amount not to exceed the least of the following:

45           (1) The actual tuition, as defined in this section, charged at an approved institution where  
46 the child is enrolled or accepted for enrollment; or

47           (2) The average amount of tuition charged a Missouri resident at the institutions  
48 identified in section 174.020 for attendance as a full-time student, as defined in section [173.205]  
49 **173.1102.**

50           7. A survivor who is a recipient of a grant may transfer from one approved public or  
51 private institution of postsecondary education to another without losing his entitlement under this  
52 section. The board shall make necessary adjustments in the amount of the grant. If a grant  
53 recipient at any time withdraws from the institution of postsecondary education so that under the  
54 rules and regulations of that institution he is entitled to a refund of any tuition, fees, or other  
55 charges, the institution shall pay the portion of the refund to which he is entitled attributable to  
56 the grant for that semester or similar grading period to the board.

57           8. If a survivor is granted financial assistance under any other student aid program,  
58 public or private, the full amount of such aid shall be reported to the board by the institution and  
59 the eligible survivor.

60           9. Nothing in this section shall be construed as a promise or guarantee that a person will  
61 be admitted to an institution of postsecondary education or to a particular institution of  
62 postsecondary education, will be allowed to continue to attend an institution of postsecondary  
63 education after having been admitted, or will be graduated from an institution of postsecondary  
64 education.

65           10. The benefits conferred by this section shall be available to any academically qualified  
66 surviving children and spouses of Vietnam veterans as defined in subsection 1 of this section,  
67 regardless of the survivor's age, until December 31, 1995. After December 31, 1995, the benefits  
68 conferred by this section shall not be available to such persons who are twenty-five years of age  
69 or older, except spouses will remain eligible until the fifth anniversary after the death of the  
70 veteran.

71           11. This section shall expire on December 31, 2015.

173.239. 1. Any member of the Missouri national guard who possesses the  
2 qualifications set forth in this section may be awarded an educational assistance grant to an  
3 approved public institution or an approved private institution, as those terms are defined in either  
4 section [173.205] **173.1102** or section 173.778, of his or her choice while he or she is a member  
5 of the Missouri national guard. Funding for educational assistance pursuant to this section may  
6 be requested annually in the budget of the Missouri national guard. Educational assistance  
7 provided pursuant to this section shall not exceed funds appropriated for that purpose.

8 2. Educational assistance provided under this section shall not exceed the least of the  
9 following:

10 (1) The actual tuition, as defined in section 173.260, charged at an approved institution  
11 where the individual is enrolled or accepted for enrollment; or

12 (2) The amount of tuition charged a Missouri resident at the University of Missouri for  
13 attendance[;

14 (3)].

15 The grants provided under this section may be prorated subject to appropriations in an amount  
16 no less than fifty percent of the limits set forth in this section.

17 3. A member of the Missouri national guard seeking educational assistance pursuant to  
18 this section shall provide a certificate of satisfactory service of his or her Missouri national guard  
19 duties from his or her commanding officer and shall possess all other necessary entrance  
20 requirements of the school of his or her choice and shall maintain a cumulative grade point  
21 average (GPA) of at least two point five on a four point scale, or the equivalent on another scale  
22 approved by the program administrator, while attending the approved public or private  
23 institution.

24 4. If the grade point average of a member who is receiving educational assistance  
25 pursuant to this section falls below two point five on a four point scale, or the equivalent on  
26 another scale, such member shall retain the educational assistance and shall be placed on  
27 probation under the educational assistance program. Failure to achieve a current grade point  
28 average of at least two point five on a four point scale or the equivalent on another scale for  
29 future semesters or equivalent academic terms shall result in termination of the scholarship  
30 effective as of the next academic term. The member shall be removed from probation status  
31 upon achieving a cumulative grade point average of two point five on a four point scale or the  
32 equivalent on another scale.

33 5. If a recipient of educational assistance pursuant to this section ceases to maintain their  
34 active military affiliation while enrolled in an academic semester or term for any reason except  
35 death, disability, or medical disqualification the educational assistance shall be terminated and  
36 the recipient shall repay any amounts awarded for the academic semester or term.

37           6. Applicants for educational assistance pursuant to this section shall meet the  
38 qualifications established by section [173.215] **173.1104**, except the provisions of [subdivisions]  
39 **subdivision** (2) [and (4)] of subsection 1 of section [173.215] **173.1104**, and shall be qualified,  
40 full-time or part-time students.

41           7. The educational assistance program established pursuant to this section shall be  
42 administered by the office of the adjutant general of the Missouri national guard. The Missouri  
43 national guard shall establish guidelines for equitable administrative distribution of educational  
44 assistance.

173.254. 1. There is hereby established the "Kids' Chance Scholarship Program", to  
2 provide scholarships for the children of workers who were seriously injured or died in a  
3 work-related accident or occupational disease covered by workers' compensation and  
4 compensable pursuant to chapter 287 to attend a college, university or accredited vocational  
5 institution of their choice pursuant to the provisions of this section.

6           2. The definitions of terms set forth in section [173.205] **173.1102** shall be applicable  
7 to such terms as used in this section.

8           3. The department of higher education shall be the administrative agency for the  
9 implementation of the program established by this section, and shall:

10           (1) Promulgate reasonable rules for the exercise of its functions and the effectuation of  
11 the purposes of this section;

12           (2) Prescribe the form and the time and method of awarding the scholarships after  
13 reasonably considering the recommendations, if any, of the board of directors of KIDS'  
14 CHANCE Inc. of Missouri, and shall supervise the processing thereof; and

15           (3) Select qualified recipients to receive the scholarships, make such awards of  
16 scholarships to qualified recipients and determine the use, the manner and the method of  
17 payment to the recipient after reasonably considering the recommendations, if any, of the board  
18 of directors of KIDS' CHANCE Inc. of Missouri.

19           4. A student shall be eligible for an initial or renewed scholarship if, at the time of  
20 application and throughout the period during which the student is receiving such assistance, he  
21 or she is a part-time or full-time student who:

22           (1) Is at least seventeen and not more than twenty-two years of age;

23           (2) Is a Missouri citizen;

24           (3) Is a child of an employee who was seriously injured or died in a work-related  
25 accident or occupational disease covered by workers' compensation and compensable pursuant  
26 to chapter 287;

27           (4) Is enrolled, or has been accepted for enrollment, as a student in a private or public  
28 institution in Missouri or an accredited vocational institution in Missouri; and

29 (5) Establishes financial need.

30 5. A recipient of a scholarship awarded pursuant to the provisions of this section may  
31 transfer from one public or private institution in Missouri or accredited vocational institution in  
32 Missouri to another without losing eligibility for the scholarship. If a recipient of the scholarship  
33 at any time withdraws from a private or public institution in Missouri or accredited vocational  
34 institution in Missouri so that under the rules and regulations of that institution he or she is  
35 entitled to a refund of any tuition, fees or other charges, the institution shall pay the portion of  
36 the refund attributable to the scholarship for that term to the department of higher education for  
37 deposit in this program.

38 6. The provisions of sections 173.254 to 173.258 shall only apply to moneys received  
39 by the kids' chance scholarship fund or program pursuant to section 173.258 and shall not apply  
40 to any moneys received by the kids' chance scholarship fund or program from sources other than  
41 the state.

42 7. Scholarships provided pursuant to the provisions of sections 173.254 to 173.258 shall  
43 not exceed the least of the following:

44 (1) The actual tuition, as defined in section 173.260, charged at an approved institution  
45 pursuant to this section where the individual is enrolled or accepted for enrollment; or

46 (2) The amount of tuition charged a Missouri resident at the University of Missouri for  
47 attendance.

48 8. No rule or portion of a rule promulgated pursuant to the authority of this section shall  
49 become effective unless it has been promulgated pursuant to the provisions of chapter 536.

173.260. 1. As used in this section, unless the context clearly requires otherwise, the  
2 following terms mean:

3 (1) "Board", the coordinating board for higher education;

4 (2) "Eligible child", the natural, adopted or stepchild of a public safety officer or  
5 employee, as defined in this section, who is less than twenty-four years of age and who is a  
6 dependent of a public safety officer or employee or was a dependent at the time of death or  
7 permanent and total disability of a public safety officer or employee;

8 (3) "Employee", any full-time employee of the department of transportation engaged in  
9 the construction or maintenance of the state's highways, roads and bridges;

10 (4) "Grant", the public safety officer or employee survivor grant as established by this  
11 section;

12 (5) "Institution of postsecondary education", any approved public or private institution  
13 as defined in section [173.205] **173.1102**;

14 (6) "Line of duty", any action of a public safety officer, whose primary function is crime  
15 control or reduction, enforcement of the criminal law, or suppression of fires, is authorized or  
16 obligated by law, rule, regulation or condition of employment or service to perform;

17 (7) "Public safety officer", any firefighter, police officer, capitol police officer, parole  
18 officer, probation officer, state correctional employee, water safety officer, park ranger,  
19 conservation officer or highway patrolman employed by the state of Missouri or a political  
20 subdivision thereof who is killed or permanently and totally disabled in the line of duty;

21 (8) "Permanent and total disability", a disability which renders a person unable to engage  
22 in any gainful work;

23 (9) "Spouse", the husband, wife, widow or widower of a public safety officer or  
24 employee at the time of death or permanent and total disability of such public safety officer;

25 (10) "Tuition", any tuition or incidental fee or both charged by an institution of  
26 postsecondary education, as defined in this section, for attendance at that institution by a student  
27 as a resident of this state.

28 2. Within the limits of the amounts appropriated therefor, the coordinating board for  
29 higher education shall provide, as defined in this section, a grant for either of the following to  
30 attend an institution of postsecondary education:

31 (1) An eligible child of a public safety officer or employee killed or permanently and  
32 totally disabled in the line of duty; or

33 (2) A spouse of a public safety officer killed or permanently and totally disabled in the  
34 line of duty.

35 3. An eligible child or spouse may receive a grant under this section only so long as the  
36 child or spouse is enrolled in a program leading to a certificate, or an associate or baccalaureate  
37 degree. In no event shall a child or spouse receive a grant beyond the completion of the first  
38 baccalaureate degree or, in the case of a child, age twenty-four years, except that the child may  
39 receive a grant through the completion of the semester or similar grading period in which the  
40 child reaches his twenty-fourth year. No child or spouse shall receive more than one hundred  
41 percent of tuition when combined with similar funds made available to such child or spouse.

42 4. The coordinating board for higher education shall:

43 (1) Promulgate all necessary rules and regulations for the implementation of this section;

44 (2) Determine minimum standards of performance in order for a child or spouse to  
45 remain eligible to receive a grant under this program;

46 (3) Make available on behalf of an eligible child or spouse an amount toward the child's  
47 or spouse's tuition which is equal to the grant to which the child or spouse is entitled under the  
48 provisions of this section;

49 (4) Provide the forms and determine the procedures necessary for an eligible child or  
50 spouse to apply for and receive a grant under this program.

51 5. An eligible child or spouse who is enrolled or has been accepted for enrollment as an  
52 undergraduate postsecondary student at an approved institution of postsecondary education shall  
53 receive a grant in an amount not to exceed the least of the following:

54 (1) The actual tuition, as defined in this section, charged at an approved institution where  
55 the child or spouse is enrolled or accepted for enrollment; or

56 (2) The amount of tuition charged a Missouri resident at the University of Missouri for  
57 attendance as a full-time student, as defined in section [173.205] **173.1102**.

58 6. An eligible child or spouse who is a recipient of a grant may transfer from one  
59 approved public or private institution of postsecondary education to another without losing his  
60 entitlement under this section. The board shall make necessary adjustments in the amount of the  
61 grant. If a grant recipient at anytime withdraws from the institution of postsecondary education  
62 so that under the rules and regulations of that institution he is entitled to a refund of any tuition,  
63 fees, or other charges, the institution shall pay the portion of the refund to which he is entitled  
64 attributable to the grant for that semester or similar grading period to the board.

65 7. If an eligible child or spouse is granted financial assistance under any other student  
66 aid program, public or private, the full amount of such aid shall be reported to the board by the  
67 institution and the eligible child or spouse.

68 8. Nothing in this section shall be construed as a promise or guarantee that a person will  
69 be admitted to an institution of postsecondary education or to a particular institution of  
70 postsecondary education, will be allowed to continue to attend an institution of postsecondary  
71 education after having been admitted, or will be graduated from an institution of postsecondary  
72 education.

73 9. A public safety officer who is permanently and totally disabled shall be eligible for  
74 a grant pursuant to the provisions of this section.

75 10. An eligible child of a public safety officer or employee, spouse of a public safety  
76 officer or public safety officer shall cease to be eligible for a grant pursuant to this section when  
77 such public safety officer or employee is no longer permanently and totally disabled.

173.262. 1. There is hereby established the "Marguerite Ross Barnett Competitiveness  
2 Scholarship Program", and any moneys appropriated by the general assembly for this program  
3 shall be used to provide scholarships for Missouri citizens to attend a Missouri college or  
4 university of their choice pursuant to the provisions of this section.

5 2. The definitions of terms set forth in section [173.205] **173.1102** shall be applicable  
6 to such terms as used in this section. The term "competitiveness scholarship" means an amount

7 of money paid by the state of Missouri to a qualified college or university student pursuant to the  
8 provisions of this section.

9 3. The coordinating board for higher education shall be the administrative agency for the  
10 implementation of the program established by this section, and shall:

11 (1) Promulgate reasonable rules and regulations for the exercise of its functions and the  
12 effectuation of the purposes of this section;

13 (2) Prescribe the form and the time and method of awarding competitiveness  
14 scholarships, and shall supervise the processing thereof; and

15 (3) Select qualified recipients to receive competitiveness scholarships, make such awards  
16 of competitiveness scholarships to qualified recipients and determine the manner and method of  
17 payment to the recipient.

18 4. A student shall be eligible for initial or renewed competitiveness scholarship if, at the  
19 time of his application and throughout the period during which he is receiving such assistance,  
20 he is a part-time student who:

21 (1) Is eighteen years of age or older;

22 (2) Is employed twenty hours or more per week;

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

24 (4) Is a resident of the state of Missouri, as determined by reference to standards  
25 promulgated pursuant to section 173.140;

26 (5) Is enrolled, or has been accepted for enrollment, as a part-time undergraduate student  
27 in an approved private or public institution; and

28 (6) Establishes financial need.

29 5. A recipient of competitiveness scholarship awarded under the provisions of this  
30 section may transfer from one approved Missouri public or private institution to another without  
31 losing eligibility for the scholarship. If a recipient of the scholarship at any time withdraws from  
32 an approved private or public institution so that under the rules and regulations of that institution  
33 he is entitled to a refund of any tuition, fees or other charges, the institution shall pay the portion  
34 of the refund attributable to the scholarship for that term to the coordinating board for higher  
35 education.

173.778. As used in sections 173.775 to 173.796, the following terms mean:

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

3 (2) "Eligible institution", any approved public or private institution of postsecondary  
4 education, as defined in section [173.205] **173.1102** or any other Missouri private institution that:

5 (a) Is required by statute to be certified to operate by the board;

6 (b) Is institutionally accredited by a United States Department of Education recognized  
7 accrediting commission;

- 8 (c) Has operated continuously in the state of Missouri for five or more years;
- 9 (d) Has no more than fifty percent of its students in correspondence programs;
- 10 (e) Offers a one-year or two-year certificate, associate or baccalaureate degree programs,  
11 or graduate or professional degree programs; and
- 12 (f) Is approved for participation in the advantage Missouri program by the board;
- 13 (3) "Eligible student", an individual who is enrolled full time in an eligible institution,  
14 unless the board approves less than full-time enrollment, who meets the eligibility requirements  
15 pursuant to subsection 1 of section [173.215] **173.1104** and who meets the following additional  
16 requirements:
- 17 (a) Has received a high school diploma, general educational development certificate  
18 (GED), or its equivalent;
- 19 (b) Maintains satisfactory academic progress as determined by the eligible institution  
20 such student attends in pursuing a one-year or two-year certificate, associate or baccalaureate  
21 degree, or graduate or professional degree. Failure to maintain satisfactory academic progress  
22 shall result in ineligibility for continued participation in the program and ineligibility for  
23 forgiveness of any loan or loans received;
- 24 (c) Is not currently confined in any federal or state correctional facility or jail;
- 25 (d) Has not defaulted on the repayment of any previously granted higher education loan;  
26 and
- 27 (e) Submits an application provided by the board for participation in the program;
- 28 (4) "Fund", the advantage Missouri trust fund, established in section 173.775; and
- 29 (5) "Occupational areas of high demand", specific professions or skill areas for which  
30 the board determines that the state is experiencing a shortage of qualified employees;
- 31 (6) "Program", the advantage Missouri program established pursuant to sections 173.775  
32 to 173.796.

**173.1050. 1. This section shall be known and may be cited as the "Show-Me Future Program".**

**2. The department of higher education shall, in consultation with the coordinating board of higher education, consider the creation of a pilot program to be implemented in one or more public institutions of higher education and one or more community colleges to replace the current system of charging students tuition and fees for enrollment at public institutions of higher education or community colleges.**

**3. If the department, in consultation with the coordinating board of higher education, determines that a pilot program is warranted, the department shall submit a proposed pilot program to the general assembly by January 1, 2015 for approval.**

**4. A proposed pilot program shall:**

12           **(1) Allow students who are residents of the state and who qualify for admission to**  
13 **the institution to enroll in the institution without paying tuition or fees;**

14           **(2) Provide that, in lieu of paying tuition and fees, students must sign binding**  
15 **contracts to pay to the state of Missouri or the institution a certain percentage of the**  
16 **student's annual adjusted gross income upon graduation from the institution for a**  
17 **specified number of years;**

18           **(3) Specify the number of years and the percentage of annual adjusted gross income**  
19 **for contracts at each participating institution and base the specifications on research to**  
20 **date; and**

21           **(4) Establish an immediate funding source for the first fifteen years of the pilot**  
22 **program and include the establishment of a revolving fund to deposit payments made**  
23 **under the pilot program.**

24           **5. A proposed pilot program may vary by institution depending on:**

25           **(1) The total cost of education at the institution;**

26           **(2) The portion of the cost that is paid by the state of Missouri;**

27           **(3) The number of years specified in the contract; and**

28           **(4) The percentage of annual adjusted gross income specified in the contract.**

29           **6. The department shall promulgate rules to implement the provisions of this**  
30 **section. Any rule or portion of a rule, as that term is defined in section 536.010, that is**  
31 **created under the authority delegated in this section shall become effective only if it**  
32 **complies with and is subject to all of the provisions of chapter 536 and, if applicable,**  
33 **section 536.028. This section and chapter 536 are nonseverable, and if any of the powers**  
34 **vested with the general assembly under chapter 536 to review, to delay the effective date,**  
35 **or to disapprove and annul a rule are subsequently held unconstitutional, then the grant**  
36 **of rulemaking authority and any rule proposed or adopted after August 28, 2014, shall be**  
37 **invalid and void.**

174.770. 1. There is hereby established the "Jim Sears Leadership Scholarship  
2 Program". Any moneys appropriated by the general assembly for this program shall be used to  
3 provide scholarships for Missouri citizens to attend Truman State University pursuant to the  
4 provisions of this section.

5           2. The definitions of terms set forth in section [173.205] **173.1102** shall be applicable  
6 to such terms as used in this section.

7           3. The board of governors of Truman State University shall be the administrative agency  
8 for the implementation of the program established by this section, and shall:

9           (1) Promulgate reasonable rules for the exercise of its functions related to the purposes  
10 of this section;

11 (2) Prescribe the form, time and method of awarding academic scholarships, and shall  
12 supervise the processing thereof; and

13 (3) Select qualified recipients to receive the scholarships.

14 4. Subject to appropriations, a student shall be eligible for the scholarship, if such student  
15 is in compliance with the eligibility requirements set forth in section [173.215] **173.1104**  
16 excluding the requirement of financial need.

17 5. Initial scholarships shall be offered in the academic year immediately following  
18 graduation from high school to Missouri high school seniors who have shown a strong record  
19 of leadership or community service while in high school. The scholarships shall be distributed  
20 as evenly as possible throughout the state. During the freshman year of college, scholarship  
21 recipients are required to maintain status as a full-time student.

22 6. The scholarships are renewable for up to six additional semesters if the recipient  
23 remains in compliance with the applicable provisions of section [173.215] **173.1104**, the  
24 recipient makes satisfactory academic degree progress as a full-time student, and upon the  
25 provision of funds by Truman State University.

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