

SECOND REGULAR SESSION

HOUSE BILL NO. 2030

101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE UNSICKER.

3399H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 166.410 and 166.502, RSMo, and to enact in lieu thereof two new sections relating to education savings program expenses.

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

Section A. Sections 166.410 and 166.502, RSMo, are repealed and two new sections
2 enacted in lieu thereof, to be known as sections 166.410 and 166.502, to read as follows:

166.410. As used in sections 166.400 to 166.455, except where the context clearly
2 requires another interpretation, the following terms mean:

3 (1) "Beneficiary", any individual designated by a participation agreement to benefit
4 from payments for qualified education expenses at an eligible educational institution;

5 (2) "Benefits", the payment of qualified education expenses on behalf of a beneficiary
6 from a savings account during the beneficiary's attendance at an eligible educational
7 institution;

8 (3) "Board", the Missouri education program board established in section 166.415;

9 (4) "Eligible educational institution", an eligible educational institution as defined in
10 Section 529 of the Internal Revenue Code, as amended;

11 (5) "Financial institution", a bank, insurance company or registered investment
12 company;

13 (6) "Internal Revenue Code", the Internal Revenue Code of 1986, as amended;

14 (7) "Missouri education program" or "program", the program created pursuant to
15 sections 166.400 to 166.455;

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

16 (8) "Participant", a person who has entered into a participation agreement pursuant to
17 sections 166.400 to 166.455 for the advance payment of qualified education expenses on
18 behalf of a beneficiary;

19 (9) "Participation agreement", an agreement between a participant and the board
20 pursuant to and conforming with the requirements of sections 166.400 to 166.455; ~~and~~

21 (10) "Qualified higher education expenses" or "qualified education expenses", the
22 qualified costs of tuition and fees and other expenses for attendance at an eligible educational
23 institution, as defined in Section 529 of the Internal Revenue Code, as amended. **"Qualified**
24 **higher education expenses" and "qualified education expenses" shall be construed to**
25 **apply to the amounts not exceeding ten thousand dollars that are paid as principal or**
26 **interest on any qualified education loan incurred by the beneficiary or a sibling of the**
27 **beneficiary to pay for the costs of attendance at an institution of postsecondary**
28 **education. As used in this subdivision, the terms "qualified education loan" and**
29 **"sibling" shall have the same definitions as in 26 U.S.C. Section 529(c)(9), as amended.**

166.502. As used in sections 166.500 to 166.529, except where the context clearly
2 requires another interpretation, the following terms mean:

3 (1) "Beneficiary", any individual designated by a participation agreement to benefit
4 from payments for qualified higher education expenses at an eligible educational institution;

5 (2) "Benefits", the payment of qualified higher education expenses on behalf of a
6 beneficiary from a deposit account during the beneficiary's attendance at an eligible
7 educational institution;

8 (3) "Board", the Missouri education program board established in section 166.415;

9 (4) "Eligible educational institution", an institution of postsecondary education as
10 defined in Section 529(e)(5) of the Internal Revenue Code;

11 (5) "Financial institution", a depository institution and any intermediary that brokers
12 certificates of deposits;

13 (6) "Internal Revenue Code", the Internal Revenue Code of 1986, as amended;

14 (7) "Missouri higher education deposit program" or "deposit program", the program
15 created pursuant to sections 166.500 to 166.529;

16 (8) "Participant", a person who has entered into a participation agreement pursuant to
17 sections 166.500 to 166.529 for the advance payment of qualified higher education expenses
18 on behalf of a beneficiary;

19 (9) "Participation agreement", an agreement between a participant and the board
20 pursuant to and conforming with the requirements of sections 166.500 to 166.529;

21 (10) "Qualified higher education expenses", the qualified costs of tuition and fees and
22 other expenses for attendance at an eligible educational institution, as defined in Section 529
23 (e)(3) of the Internal Revenue Code of 1986, as amended. **"Qualified higher education**

24 expenses" shall be construed to apply to the amounts not exceeding ten thousand dollars
25 that are paid as principal or interest on any qualified education loan incurred by the
26 beneficiary or a sibling of the beneficiary to pay for the costs of attendance at an
27 institution of postsecondary education. As used in this subdivision, the terms "qualified
28 education loan" and "sibling" shall have the same definitions as in 26 U.S.C. Section 529
29 (c)(9), as amended.

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