

SECOND REGULAR SESSION

# HOUSE BILL NO. 1893

## 95TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES KELLY (Sponsor), FISHER (125) AND DAY (Co-sponsors).

3899L.02I

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To repeal section 313.835, RSMo, and to enact in lieu thereof three new sections relating to the distribution and use of gaming funds.

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

Section A. Section 313.835, RSMo, is repealed and three new sections enacted in lieu thereof, to be known as sections 42.300, 161.215, and 313.835, to read as follows:

**42.300. 1. There is hereby created in the state treasury the "Veterans Commission Capital Improvement Trust Fund" which shall consist of money collected under section 313.835. The state treasurer shall administer the veterans commission capital improvement trust fund, and the moneys in such fund shall be used solely, upon appropriation, by the Missouri veterans commission for:**

**(1) The construction, maintenance or renovation or equipment needs of veterans homes in this state;**

**(2) The construction, maintenance, renovation, equipment needs and operation of veterans cemeteries in this state;**

**(3) Fund transfers to Missouri veterans' homes fund established under the provisions of section 42.121, as necessary to maintain solvency of the fund;**

**(4) Fund transfers to any municipality with a population greater than four hundred thousand and located in part of a county with a population greater than six hundred thousand in this state which has established a fund for the sole purpose of the restoration, renovation and maintenance of a memorial or museum or both dedicated to World War**

**I. Appropriations from the veterans commission capital improvement trust fund to such memorial fund shall be provided only as a one-time match for other funds devoted to the**

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.

18 project and shall not exceed five million dollars. Additional appropriations not to exceed  
19 ten million dollars total may be made from the veterans commission capital improvement  
20 trust fund as a match to other funds for the new construction or renovation of other  
21 facilities dedicated as veterans memorials in the state. All appropriations for renovation,  
22 new construction, reconstruction, and maintenance of veterans memorials shall be made  
23 only for applications received by the Missouri veterans commission prior to July 1, 2004;

24 (5) The issuance of matching fund grants for veterans service officer programs to  
25 any federally chartered veterans organization or municipal government agency that is  
26 certified by the Veterans Administration to process veteran claims within the Veterans  
27 Administration System; provided that such veterans organization has maintained a  
28 veterans service officer presence within the state of Missouri for the three-year period  
29 immediately preceding the issuance of any such grant. A total of one million five hundred  
30 thousand dollars in grants shall be made available annually with grants being issued in  
31 July of each year. Application for the matching grants shall be made through and  
32 approved by the Missouri veterans commission based on the requirements established by  
33 the commission;

34 (6) For payment of Missouri national guard and Missouri veterans commission  
35 expenses associated with providing medals, medallions and certificates in recognition of  
36 service in the armed forces of the United States during World War II and the Korean  
37 Conflict under sections 42.170 to 42.206. Any funds remaining from the medals,  
38 medallions and certificates shall not be transferred to any other fund and shall only be  
39 utilized for the awarding of future medals, medallions, and certificates in recognition of  
40 service in the armed forces; and

41 (7) Fund transfers totaling ten million dollars to any municipality with a population  
42 greater than three hundred fifty thousand inhabitants and located in part in a county with  
43 a population greater than six hundred thousand inhabitants and with a charter form of  
44 government, for the sole purpose of the construction, restoration, renovation and  
45 maintenance of a memorial or museum or both dedicated to World War I.

46 2. Any interest which accrues to the fund shall remain in the fund and shall be used  
47 in the same manner as moneys which are transferred to the fund under this section.  
48 Notwithstanding the provisions of section 33.080, to the contrary, moneys in the veterans  
49 commission capital improvement trust fund at the end of any biennium shall not be  
50 transferred to the credit of the general revenue fund.

51 3. Upon request by the veterans commission, the general assembly may appropriate  
52 moneys from the veterans commission capital improvements trust fund to the Missouri  
53 national guard trust fund to support the activities described in section 41.958.

161.215. 1. There is hereby created in the state treasury the "Early Childhood Development, Education and Care Fund" which shall consist of money collected under section 313.835 and which is created to give parents meaningful choices and assistance in choosing the child-care and education arrangements that are appropriate for their family. All interest received on the fund shall be credited to the fund. Notwithstanding the provisions of section 33.080, moneys in the fund at the end of any biennium shall not be transferred to the credit of the general revenue fund. Any moneys deposited in such fund shall be used to support programs that prepare children prior to the age in which they are eligible to enroll in kindergarten, under section 160.053 to enter school ready to learn. All moneys deposited in the early childhood development, education and care fund shall be annually appropriated for voluntary, early childhood development, education and care programs serving children in every region of the state not yet enrolled in kindergarten.

2. No less than sixty percent of moneys deposited in the early childhood development, education and care fund shall be appropriated as provided in this subsection to the department of elementary and secondary education and to the department of social services to provide early childhood development, education and care programs through competitive grants to, or contracts with, governmental or private agencies. Eighty percent of such moneys under the provisions of this subsection and additional moneys as appropriated by the general assembly shall be appropriated to the department of elementary and secondary education and twenty percent of such moneys under the provisions of this subsection shall be appropriated to the department of social services. The departments shall provide public notice and information about the grant process to potential applicants:

(1) Grants or contracts may be provided for:

(a) Start-up funds for necessary materials, supplies, equipment and facilities; and

(b) Ongoing costs associated with the implementation of a sliding parental fee schedule based on income;

(2) Grant and contract applications shall, at a minimum, include:

(a) A funding plan which demonstrates funding from a variety of sources including parental fees;

(b) A child development, education and care plan that is appropriate to meet the needs of children;

(c) The identity of any partner agencies or contractual service providers;

(d) Documentation of community input into program development;

(e) Demonstration of financial and programmatic accountability on an annual basis;

37 (f) Commitment to state licensure within one year of the initial grant, if funding  
38 comes from the appropriation to the department of elementary and secondary education  
39 and commitment to compliance with the requirements of the department of social services,  
40 if funding comes from the department of social services; and

41 (g) With respect to applications by public schools, the establishment of a parent  
42 advisory committee within each public school program;

43 (3) In awarding grants and contracts under this subdivision, the departments may  
44 give preference to programs which:

45 (a) Are new or expanding programs which increase capacity;

46 (b) Target geographic areas of high need, namely where the ratio of program slots  
47 to children under the age of six in the area is less than the same ratio statewide;

48 (c) Are programs designed for special needs children;

49 (d) Are programs that offer services during nontraditional hours and weekends;

50 or

51 (e) Are programs that serve a high concentration of low-income families.

52 3. No less than ten percent of moneys deposited in the early childhood development,  
53 education and care fund shall be appropriated to the department of social services to  
54 provide early childhood development, education and care programs through child  
55 development, education and care certificates to families whose income does not exceed one  
56 hundred eighty-five percent of the federal poverty level in the manner pursuant to 42  
57 U.S.C. Section 9858c(c)(2)(A) and 42 U.S.C. Section 9858n(2) for the purpose of funding  
58 early childhood development, education and care programs as approved by the department  
59 of social services. At a minimum, the certificate shall be of a value per child which is  
60 commensurate with the per-child payment under paragraph (b) of subdivision (1) of  
61 subsection 2 of this section pertaining to the grants or contracts. On February first of each  
62 year the department shall certify the total amount of child development, education and  
63 care certificates applied for and the unused balance of the funds shall be released to be  
64 used for supplementing the competitive grants and contracts program authorized under  
65 subsection 2 of this section.

66 4. No less than ten percent of moneys deposited in the early childhood development,  
67 education and care fund shall be appropriated to the department of social services to  
68 increase reimbursements to child-care facilities for low-income children that are accredited  
69 by a recognized, early childhood accrediting organization.

70 5. No less than ten percent of the funds deposited in the early childhood  
71 development, education and care fund shall be appropriated to the department of social  
72 services to provide assistance to eligible parents whose family income does not exceed one

73 **hundred eighty-five percent of the federal poverty level who wish to care for their children**  
74 **under three years of age in the home, to enable such parent to take advantage of early**  
75 **childhood development, education and care programs for such parent's child or children.**  
76 **At a minimum, the certificate shall be of a value per child which is commensurate with the**  
77 **per-child payment under paragraph (b) of subdivision (1) of subsection 2 of this section**  
78 **pertaining to the grants or contracts. The department of social services shall provide**  
79 **assistance to these parents in the effective use of early childhood development, education**  
80 **and care tools and methods.**

81 **6. In setting the value of parental certificates under subsection 3 of this section and**  
82 **payments under subsection 5 of this section, the department of social services may increase**  
83 **the value based on the following:**

84 **(1) The adult caretaker of the children successfully participates in the parents as**  
85 **teachers program under the provisions of sections 178.691 to 178.699, a training program**  
86 **provided by the department on early childhood development, education and care, the**  
87 **home-based Head Start program as defined in 42 U.S.C. Section 9832 or a similar program**  
88 **approved by the department;**

89 **(2) The adult caretaker consents to and clears a child abuse or neglect screening**  
90 **under subdivision (1) of subsection 2 of section 210.152; and**

91 **(3) The degree of economic need of the family.**

92 **7. The department of elementary and secondary education and the department of**  
93 **social services each shall by rule promulgated under chapter 536, establish guidelines for**  
94 **the implementation of the early childhood development, education and care programs as**  
95 **provided in subsections 2 to 6 of this section.**

96 **8. Any rule or portion of a rule, as that term is defined in section 536.010, that is**  
97 **created under the authority delegated in this section shall become effective only if it**  
98 **complies with and is subject to all of the provisions of chapter 536 and if applicable, section**  
99 **536.028. This section and chapter 536 are nonseverable and if any of the powers vested**  
100 **with the general assembly under chapter 536 to review, to delay the effective date, or to**  
101 **disapprove and annul a rule are subsequently held unconstitutional, then the grant of**  
102 **rulemaking authority and any rule proposed or adopted after August 28, 2010, shall be**  
103 **invalid and void.**

313.835. [1.] All revenue received by the commission from license fees, penalties,  
2 administrative fees, reimbursement by any excursion gambling boat operators for services  
3 provided by the commission and admission fees authorized pursuant to the provisions of sections  
4 313.800 to 313.850, except that portion of the admission fee, not to exceed one cent, that may  
5 be appropriated to the compulsive gamblers fund as provided in section 313.820, shall be

6 deposited in the state treasury to the credit of the "Gaming Commission Fund" which is hereby  
7 created for the sole purpose of funding the administrative costs of the commission, subject to  
8 appropriation. Moneys deposited into this fund shall not be considered proceeds of gambling  
9 operations. Moneys deposited into the gaming commission fund shall be considered state funds  
10 pursuant to article IV, section 15 of the Missouri Constitution. All interest received on the  
11 gaming commission fund shall be credited to the gaming commission fund. In each fiscal year,  
12 total revenues to the gaming commission fund for the preceding fiscal year shall be compared  
13 to total expenditures and transfers from the gaming commission fund for the preceding fiscal  
14 year. The remaining net proceeds in the gaming commission fund shall be distributed in the  
15 following manner:

16 (1) The first five hundred thousand dollars shall be appropriated on a per capita basis to  
17 cities and counties that match the state portion and have demonstrated a need for funding  
18 community neighborhood organization programs for the homeless and to deter gang-related  
19 violence and crimes;

20 (2) [The remaining net proceeds in the gaming commission fund for fiscal year 1998 and  
21 prior years shall be transferred to the "Veterans' Commission Capital Improvement Trust Fund",  
22 as hereby created in the state treasury. The state treasurer shall administer the veterans'  
23 commission capital improvement trust fund, and the moneys in such fund shall be used solely,  
24 upon appropriation, by the Missouri veterans' commission for:

25 (a) The construction, maintenance or renovation or equipment needs of veterans' homes  
26 in this state;

27 (b) The construction, maintenance, renovation, equipment needs and operation of  
28 veterans' cemeteries in this state;

29 (c) Fund transfers to Missouri veterans' homes fund established pursuant to the  
30 provisions of section 42.121, RSMo, as necessary to maintain solvency of the fund;

31 (d) Fund transfers to any municipality with a population greater than four hundred  
32 thousand and located in part of a county with a population greater than six hundred thousand in  
33 this state which has established a fund for the sole purpose of the restoration, renovation and  
34 maintenance of a memorial or museum or both dedicated to World War I. Appropriations from  
35 the veterans' commission capital improvement trust fund to such memorial fund shall be  
36 provided only as a one-time match for other funds devoted to the project and shall not exceed  
37 five million dollars. Additional appropriations not to exceed ten million dollars total may be  
38 made from the veterans' commission capital improvement trust fund as a match to other funds  
39 for the new construction or renovation of other facilities dedicated as veterans' memorials in the  
40 state. All appropriations for renovation, new construction, reconstruction, and maintenance of

41 veterans' memorials shall be made only for applications received by the Missouri veterans'  
42 commission prior to July 1, 2004;

43 (e) The issuance of matching fund grants for veterans' service officer programs to any  
44 federally chartered veterans' organization or municipal government agency that is certified by  
45 the Veterans Administration to process veteran claims within the Veterans Administration  
46 System; provided that such veterans' organization has maintained a veterans' service officer  
47 presence within the state of Missouri for the three-year period immediately preceding the  
48 issuance of any such grant. A total of one million dollars in grants shall be made available  
49 annually with grants being issued in July of each year. Application for the matching grants shall  
50 be made through and approved by the Missouri veterans' commission based on the requirements  
51 established by the commission;

52 (f) For payment of Missouri national guard and Missouri veterans' commission expenses  
53 associated with providing medals, medallions and certificates in recognition of service in the  
54 armed forces of the United States during World War II and the Korean Conflict pursuant to  
55 sections 42.170 to 42.206, RSMo. Any funds remaining from the medals, medallions and  
56 certificates shall not be transferred to any other fund and shall only be utilized for the awarding  
57 of future medals, medallions, and certificates in recognition of service in the armed forces; and

58 (g) Fund transfers totaling ten million dollars to any municipality with a population  
59 greater than three hundred fifty thousand inhabitants and located in part in a county with a  
60 population greater than six hundred thousand inhabitants and with a charter form of government,  
61 for the sole purpose of the construction, restoration, renovation and maintenance of a memorial  
62 or museum or both dedicated to World War I. Any interest which accrues to the fund shall  
63 remain in the fund and shall be used in the same manner as moneys which are transferred to the  
64 fund pursuant to this section. Notwithstanding the provisions of section 33.080, RSMo, to the  
65 contrary, moneys in the veterans' commission capital improvement trust fund at the end of any  
66 biennium shall not be transferred to the credit of the general revenue fund;

67 (3)] The remaining net proceeds in the gaming commission fund for fiscal year 1999 and  
68 each fiscal year thereafter shall be distributed as follows:

69 (a) The first four and one-half million dollar portion shall be transferred to the access  
70 Missouri financial assistance fund, established pursuant to the provisions of sections 173.1101  
71 to 173.1107, RSMo, and additional moneys as annually appropriated by the general assembly  
72 shall be appropriated to such fund;

73 (b) The second three million dollar portion shall be transferred to the veterans'  
74 commission capital improvement trust fund **created in section 42.300**;

75 (c) The third three million dollar portion shall be transferred to the Missouri national  
76 guard trust fund created in section 41.214, RSMo;

77 (d) Subject to appropriations, one hundred percent of remaining net proceeds in the  
78 gaming commission fund except as provided in [paragraph (l)] **paragraphs (e) and (f)** of this  
79 subdivision, and after the appropriations made pursuant to the provisions of paragraphs (a), (b),  
80 and (c) of this subdivision, shall be transferred to the ["Early Childhood Development, Education  
81 and Care Fund" which is hereby created to give parents meaningful choices and assistance in  
82 choosing the child-care and education arrangements that are appropriate for their family. All  
83 interest received on the fund shall be credited to the fund. Notwithstanding the provisions of  
84 section 33.080, RSMo, moneys in the fund at the end of any biennium shall not be transferred  
85 to the credit of the general revenue fund. Any moneys deposited in such fund shall be used to  
86 support programs that prepare children prior to the age in which they are eligible to enroll in  
87 kindergarten, pursuant to section 160.053, RSMo, to enter school ready to learn. All moneys  
88 deposited in the early childhood development, education and care fund shall be annually  
89 appropriated for voluntary, early childhood development, education and care programs serving  
90 children in every region of the state not yet enrolled in kindergarten;

91 (e) No less than sixty percent of moneys deposited in the early childhood development,  
92 education and care fund shall be appropriated as provided in this paragraph to the department of  
93 elementary and secondary education and to the department of social services to provide early  
94 childhood development, education and care programs through competitive grants to, or contracts  
95 with, governmental or private agencies. Eighty percent of such moneys pursuant to the provisions  
96 of this paragraph and additional moneys as appropriated by the general assembly shall be  
97 appropriated to the department of elementary and secondary education and twenty percent of  
98 such moneys pursuant to the provisions of this paragraph shall be appropriated to the department  
99 of social services. The departments shall provide public notice and information about the grant  
100 process to potential applicants:

101 a. Grants or contracts may be provided for:

102 (I) Start-up funds for necessary materials, supplies, equipment and facilities; and

103 (ii) Ongoing costs associated with the implementation of a sliding parental fee schedule  
104 based on income;

105 b. Grant and contract applications shall, at a minimum, include:

106 (I) A funding plan which demonstrates funding from a variety of sources including  
107 parental fees;

108 (ii) A child development, education and care plan that is appropriate to meet the needs  
109 of children;

110 (iii) The identity of any partner agencies or contractual service providers;

111 (iv) Documentation of community input into program development;

112 (v) Demonstration of financial and programmatic accountability on an annual basis;



113 (vi) Commitment to state licensure within one year of the initial grant, if funding comes  
114 from the appropriation to the department of elementary and secondary education and  
115 commitment to compliance with the requirements of the department of social services, if funding  
116 comes from the department of social services; and

117 (vii) With respect to applications by public schools, the establishment of a parent  
118 advisory committee within each public school program;

119 c. In awarding grants and contracts pursuant to this paragraph, the departments may give  
120 preference to programs which:

121 (I) Are new or expanding programs which increase capacity;

122 (ii) Target geographic areas of high need, namely where the ratio of program slots to  
123 children under the age of six in the area is less than the same ratio statewide;

124 (iii) Are programs designed for special needs children;

125 (iv) Are programs that offer services during nontraditional hours and weekends; or

126 (v) Are programs that serve a high concentration of low-income families;

127 d. Beginning on August 28, 1998, the department of elementary and secondary education  
128 and the department of social services shall initiate and conduct a four-year study to evaluate the  
129 impact of early childhood development, education and care in this state. The study shall consist  
130 of an evaluation of children eligible for moneys pursuant to this paragraph, including an  
131 evaluation of the early childhood development, education and care of those children participating  
132 in such program and those not participating in the program over a four-year period. At the  
133 conclusion of the study, the department of elementary and secondary education and the  
134 department of social services shall, within ninety days of conclusion of the study, submit a report  
135 to the general assembly and the governor, with an analysis of the study required pursuant to this  
136 subparagraph, all data collected, findings, and other information relevant to early childhood  
137 development, education and care;

138 (f) No less than ten percent of moneys deposited in the early childhood development,  
139 education and care fund shall be appropriated to the department of social services to provide  
140 early childhood development, education and care programs through child development,  
141 education and care certificates to families whose income does not exceed one hundred  
142 eighty-five percent of the federal poverty level in the manner pursuant to 42 U.S.C.  
143 9858c(c)(2)(A) and 42 U.S.C. 9858n(2) for the purpose of funding early childhood development,  
144 education and care programs as approved by the department of social services. At a minimum,  
145 the certificate shall be of a value per child which is commensurate with the per child payment  
146 under item (ii) of subparagraph a. of paragraph (e) of this subdivision pertaining to the grants or  
147 contracts. On February first of each year the department shall certify the total amount of child  
148 development, education and care certificates applied for and the unused balance of the funds

149 shall be released to be used for supplementing the competitive grants and contracts program  
150 authorized pursuant to paragraph (e) of this subdivision;

151 (g) No less than ten percent of moneys deposited in the early childhood development,  
152 education and care fund shall be appropriated to the department of social services to increase  
153 reimbursements to child-care facilities for low-income children that are accredited by a  
154 recognized, early childhood accrediting organization;

155 (h) No less than ten percent of the funds deposited in the early childhood development,  
156 education and care fund shall be appropriated to the department of social services to provide  
157 assistance to eligible parents whose family income does not exceed one hundred eighty-five  
158 percent of the federal poverty level who wish to care for their children under three years of age  
159 in the home, to enable such parent to take advantage of early childhood development, education  
160 and care programs for such parent's child or children. At a minimum, the certificate shall be of  
161 a value per child which is commensurate with the per child payment under item (ii) of  
162 subparagraph a. of paragraph (e) of this subdivision pertaining to the grants or contracts. The  
163 department of social services shall provide assistance to these parents in the effective use of early  
164 childhood development, education and care tools and methods;

165 (I) In setting the value of parental certificates under paragraph (f) of this subdivision and  
166 payments under paragraph (h) of this subdivision, the department of social services may increase  
167 the value based on the following:

168 a. The adult caretaker of the children successfully participates in the parents as teachers  
169 program pursuant to the provisions of sections 178.691 to 178.699, RSMo, a training program  
170 provided by the department on early childhood development, education and care, the home-based  
171 Head Start program as defined in 42 U.S.C. 9832 or a similar program approved by the  
172 department;

173 b. The adult caretaker consents to and clears a child abuse or neglect screening pursuant  
174 to subdivision (1) of subsection 2 of section 210.152, RSMo; and

175 c. The degree of economic need of the family;

176 (j) The department of elementary and secondary education and the department of social  
177 services each shall by rule promulgated pursuant to chapter 536, RSMo, establish guidelines for  
178 the implementation of the early childhood development, education and care programs as  
179 provided in paragraphs (e) through (I) of this subdivision;

180 (k) Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that  
181 is promulgated under the authority delegated in paragraph (j) of this subdivision shall become  
182 effective only if the agency has fully complied with all of the requirements of chapter 536,  
183 RSMo, including but not limited to, section 536.028, RSMo, if applicable, after August 28, 1998.  
184 All rulemaking authority delegated prior to August 28, 1998, is of no force and effect and

185 repealed as of August 28, 1998, however, nothing in this section shall be interpreted to repeal  
186 or affect the validity of any rule adopted or promulgated prior to August 28, 1998. If the  
187 provisions of section 536.028, RSMo, apply, the provisions of this section are nonseverable and  
188 if any of the powers vested with the general assembly pursuant to section 536.028, RSMo, to  
189 review, to delay the effective date, or to disapprove and annul a rule or portion of a rule are held  
190 unconstitutional or invalid, the purported grant of rulemaking authority and any rule so proposed  
191 and contained in the order of rulemaking shall be invalid and void, except that nothing in this  
192 act shall affect the validity of any rule adopted and promulgated prior to August 28, 1998] **early**  
193 **childhood development, education and care fund created in section 161.215;**

194 [1] (e) When the remaining net proceeds, as such term is used pursuant to paragraph  
195 (d) of this subdivision, in the gaming commission fund annually exceeds twenty-eight million  
196 dollars: one-half million dollars of such proceeds shall be transferred annually, subject to  
197 appropriation, to the access Missouri financial assistance fund, established pursuant to the  
198 provisions of sections 173.1101 to 173.1107[, RSMo]; three million dollars of such proceeds  
199 shall be transferred annually, subject to appropriation, to the veterans' commission capital  
200 improvement trust fund; and one million dollars of such proceeds shall be transferred annually,  
201 subject to appropriation, to the Missouri national guard trust fund created in section 41.214[,  
202 RSMo] ;

203 (f) **Beginning in fiscal year 2011 and each fiscal year thereafter when the funding**  
204 **for early childhood education under paragraph (d) of this subdivision equals the funding**  
205 **level for early childhood education under paragraph (d) of this subdivision in fiscal year**  
206 **2009, the next five hundred thousand dollars of such proceeds shall be transferred**  
207 **annually, subject to appropriation, to the Veterans commission capital improvement trust**  
208 **fund.**

209 [2. Upon request by the veterans' commission, the general assembly may appropriate  
210 moneys from the veterans' commission capital improvements trust fund to the Missouri national  
211 guard trust fund to support the activities described in section 41.958, RSMo.]

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