

SECOND REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1389
97TH GENERAL ASSEMBLY

4863L.03T

2014

AN ACT

To repeal sections 173.030 and 174.450, RSMo, and to enact in lieu thereof two new sections relating to state authorization of reciprocity agreements for distance education.

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

Section A. Sections 173.030 and 174.450, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 173.030 and 174.450, to read as follows:

173.030. The coordinating board, in addition, shall have responsibility, within the provisions of the constitution and the statutes of the state of Missouri, for:

(1) Requesting the governing boards of all state-supported institutions of higher education, and of major private institutions to submit to the coordinating board any proposed policy changes which would create additional institutions of higher education, additional residence centers, or major additions in degree and certificate programs, and make pertinent recommendations relating thereto;

(2) Recommending to the governing board of any institution of higher education in the state the development, consolidation, or elimination of programs, degree offerings, physical facilities or policy changes where that action is deemed by the coordinating board as in the best interests of the institutions themselves and/or the general requirements of the state. Recommendations shall be submitted to governing boards by twelve months preceding the term in which the action may take effect;

(3) Recommending to the governing boards of state-supported institutions of higher education, including public community colleges receiving state support, formulas to be employed in specifying plans for general operations, for development and expansion, and for requests for appropriations from the general assembly. Such recommendations will be submitted 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 governing boards by April first of each year preceding a regular session of the general assembly
19 of the state of Missouri;

20 (4) Promulgating rules to include selected off-campus instruction in public college and
21 university appropriation recommendations where prior need has been established in areas
22 designated by the coordinating board for higher education. Funding for such off-campus
23 instruction shall be included in the appropriation recommendations, shall be determined by the
24 general assembly and shall continue, within the amounts appropriated therefor, unless the general
25 assembly disapproves the action by concurrent resolution;

26 (5) Coordinating reciprocal agreements between or among Missouri state institutions of
27 higher education at the request of one or more of the institutions party to the agreement, and
28 between or among Missouri state institutions of higher education and publicly supported higher
29 education institutions located outside the state of Missouri at the request of any Missouri
30 institution party to the agreement;

31 (6) **Entering into agreements for interstate reciprocity regarding the delivery of**
32 **postsecondary distance education, administering such agreements, and approving or**
33 **disapproving applications to participate in such agreements from a postsecondary**
34 **institution that has its principal campus in the state of Missouri:**

35 (a) **The coordinating board shall establish standards for institutional approval.**
36 **Those standards shall include, but are not limited to the:**

37 a. **Definition of physical presence for non-Missouri institutions serving Missouri**
38 **residents consistent with other states' definitions of physical presence; and**

39 b. **Establishment of consumer protection policies for distance education addressing**
40 **recruitment and marketing activities; disclosure of tuition, fees, and other charges;**
41 **disclosure of admission processes and procedures; and student complaints;**

42 (b) **The coordinating board shall establish policies for the review and resolution of**
43 **student complaints arising from distance education programs offered under the agreement;**

44 (c) **The coordinating board may charge fees to any institution that applies to**
45 **participate in an interstate postsecondary distance education reciprocity agreement**
46 **authorized pursuant to this section. Such fees shall not exceed the coordinating board for**
47 **higher education's cost of reviewing and evaluating the applications; and**

48 (d) **The coordinating board shall promulgate rules to implement the provisions of**
49 **this subdivision. Any rule or portion of a rule, as that term is defined in section 536.010,**
50 **that is created under the authority delegated in this section shall become effective only if**
51 **it complies with and is subject to all of the provisions of chapter 536 and, if applicable,**
52 **section 536.028. This section and chapter 536 are nonseverable and if any of the powers**
53 **vested with the general assembly pursuant to chapter 536 to review, to delay the effective**

54 **date, or to disapprove and annul a rule are subsequently held unconstitutional, then the**
55 **grant of rulemaking authority and any rule proposed or adopted after August 28, 2014,**
56 **shall be invalid and void;**

57 (7) Administering the nurse training incentive fund;

58 [(7)] (8) Conducting, in consultation with each public four-year institution's governing
59 board and the governing board of technical colleges and community colleges, a review every five
60 years of the mission statements of the institutions comprising Missouri's system of public higher
61 education. This review shall be based upon the needs of the citizens of the state as well as the
62 requirements of business, industry, the professions and government. The purpose of this review
63 shall be to ensure that Missouri's system of higher education is responsive to the state's needs and
64 is focused, balanced, cost-effective, and characterized by programs of high quality as
65 demonstrated by student performance and program outcomes. As a component of this review,
66 each institution shall prepare, in a manner prescribed by the coordinating board, a mission
67 implementation plan for the coordinating board's consideration and approval. If the coordinating
68 board determines that an institution has qualified for a mission change or additional targeted
69 resources pursuant to review conducted under this subdivision and subdivision [(8)] (9) of this
70 subsection, the coordinating board shall submit a report to the general assembly that outlines the
71 proposed mission change or targeted state resources. No change of mission for an institution
72 under this subdivision establishing a statewide mission shall become effective until the general
73 assembly approves the proposed mission change by concurrent resolution, except for the
74 institution defined pursuant to subdivision (1) of section 174.010, and has been approved by the
75 coordinating board and the institutions for which the coordinating board has recommended a
76 statewide mission prior to August 28, 1995. The effective date of any mission change under this
77 subdivision shall be the first day of July immediately following the approval of the concurrent
78 resolution by the general assembly as required under this subdivision, and shall be August 28,
79 1995, for any institution for which the coordinating board has recommended a statewide mission
80 which has not yet been implemented on such date. Nothing in this subdivision shall preclude
81 an institution from initiating a request to the coordinating board for a revision of its mission; and

82 [(8)] (9) Reviewing applications from institutions seeking a statewide mission. Such
83 institutions shall provide evidence to the coordinating board that they have the capacity to
84 discharge successfully such a mission. Such evidence shall consist of the following:

85 (a) That the institution enrolls a representative cross-section of Missouri students.
86 Examples of evidence for meeting this requirement which the institution may present include,
87 but are not limited to, the following: enrolling at least forty percent of its Missouri resident,
88 first-time degree-seeking freshmen from outside its historic statutory service region; enrolling
89 its Missouri undergraduate students from at least eighty percent of all Missouri counties; or

90 enrolling one or more groups of special population students such as minorities, economically
91 disadvantaged, or physically disadvantaged from outside its historic statutory service region at
92 rates exceeding state averages of such populations enrolled in the higher educational institutions
93 of this state;

94 (b) That the institution offers one or more programs of unusual strength which respond
95 to a specific statewide need. Examples of evidence of meeting this requirement which the
96 institution may present include, but are not limited to, the following: receipt of national,
97 discipline-specific accreditation when available; receipt of independent certification for meeting
98 national or state standards or requirements when discipline-specific accreditation is not available;
99 for occupationally specific programs, placement rates significantly higher than average; for
100 programs for which state or national licensure is required or for which state or national licensure
101 or registration is available on a voluntary basis, licensure or registration rates for graduates
102 seeking such recognition significantly higher than average; or quality of program faculty as
103 measured by the percentage holding terminal degrees, the percentage writing publications in
104 professional journals or other appropriate media, and the percentage securing competitively
105 awarded research grants which are higher than average;

106 (c) That the institution has a clearly articulated admission standard consistent with the
107 provisions of subdivision (4) of subsection 2 of section 173.005 or section 174.130;

108 (d) That the institution is characterized by a focused academic environment which
109 identifies specific but limited areas of academic emphasis at the undergraduate, and if
110 appropriate, at the graduate and professional school levels, including the identification of
111 programs to be continued, reduced, terminated or targeted for excellence. The institution shall,
112 consistent with its focused academic environment, also have the demonstrable capacity to
113 provide significant public service or research support that address statewide needs for
114 constituencies beyond its historic statutory service region; and

115 (e) That the institution has adopted and maintains a program of continuous quality
116 improvement, or the equivalent of such a program, and reports annually appropriate and
117 verifiable measures of institutional accountability related to such program. Such measures shall
118 include, but not be limited to, indicators of student achievement and institutional mission
119 attainment such as percentage of students meeting institutional admission standards; success of
120 remediation programs, if offered; student retention rate; student graduation rate; objective
121 measures of student, alumni, and employer satisfaction; objective measures of student learning
122 in general education and the major, including written and oral communication skills and critical
123 thinking skills; percentage of students attending graduate or professional schools; student
124 placement, licensure and professional registration rates when appropriate to a program's
125 objectives; objective measures of successful attainment of statewide goals as may be expressed

126 from time to time by the coordinating board or by the general assembly; and objective measures
127 of faculty teaching effectiveness. In the development and evaluation of these institutional
128 accountability reports, the coordinating board and institutions are expected to use multiple
129 measures of success, including nationally developed and verified as well as locally developed
130 and independently verified assessment instruments; however, preference shall be given to
131 nationally developed instruments when they are available and if they are appropriate. Institutions
132 which serve or seek to serve a statewide mission shall be judged to have met the prerequisites
133 for such a mission when they demonstrate to the coordinating board that they have met the
134 criteria described in this subdivision. As a component of this process, each institution shall
135 prepare, in a manner prescribed by the coordinating board, a mission implementation plan for
136 the coordinating board's consideration and approval.

174.450. 1. Except as provided in subsection 2 and subsection 6 of this section, the
2 governing board of the University of Central Missouri, Missouri State University, Missouri
3 Southern State University, Missouri Western State University, and of each other public
4 institution of higher education which, through the procedures established in subdivision [(7) or]
5 (8) **or (9)** of section 173.030, is charged with a statewide mission shall be a board of governors
6 consisting of eight members, composed of seven voting members and one nonvoting member
7 as provided in sections 174.453 and 174.455, who shall be appointed by the governor of
8 Missouri, by and with the advice and consent of the senate. No person shall be appointed a
9 voting member who is not a citizen of the United States and who has not been a resident of the
10 state of Missouri for at least two years immediately prior to such appointment. Not more than
11 four voting members shall belong to any one political party. The appointed members of the
12 board of regents serving on the date of the statutory mission change shall become members of
13 the board of governors on the effective date of the statutory mission change and serve until the
14 expiration of the terms for which they were appointed. The board of regents of any such
15 institution shall be abolished on the effective date of the statutory mission change, as prescribed
16 in subdivision [(7) or] (8) **or (9)** of section 173.030.

2. The governing board of Missouri State University, a public institution of higher
18 education charged with a statewide mission in public affairs, shall be a board of governors of ten
19 members, composed of nine voting members and one nonvoting member, who shall be appointed
20 by the governor, by and with the advice and consent of the senate. The nonvoting member shall
21 be a student selected in the same manner as prescribed in section 174.055. At least one but no
22 more than two voting members shall be appointed to the board from each congressional district,
23 and every member of the board shall be a citizen of the United States, and a resident of this state

24 for at least two years prior to his or her appointment. No more than five voting members shall
25 belong to any one political party. The term of office of the governors shall be six years, except
26 as provided in this subsection. The term of office for those appointed hereafter shall end January
27 first in years ending in an odd number. For the six voting members' terms that expired in 2011,
28 the successors shall be appointed in the following manner:

29 (1) Of the five voting members' terms that expired on August 28, 2011, one successor
30 member shall be appointed, or the existing member shall be reappointed, to a term that shall
31 expire on January 1, 2013;

32 (2) Of the five voting members' terms that expired on August 28, 2011, two successor
33 members shall be appointed, or the existing members shall be reappointed, to terms that shall
34 expire on January 1, 2015;

35 (3) Of the five voting members' terms that expired on August 28, 2011, two successor
36 members shall be appointed, or the existing members shall be reappointed, to a term that shall
37 expire on January 1, 2017; and

38 (4) For the voting member's term that expired on January 1, 2011, the successor member
39 shall be appointed, or the existing member shall be reappointed, to a term that shall expire on
40 January 1, 2017.

41 Notwithstanding any provision of law to the contrary, nothing in this section relating to a change
42 in the composition and configuration of congressional districts in this state shall prohibit a
43 member who is serving a term on August 28, 2011, from completing his or her term.

44 3. If a voting member of the board of governors of Missouri State University is found
45 by unanimous vote of the other governors to have moved such governor's residence from the
46 district from which such governor was appointed, then the office of such governor shall be
47 forfeited and considered vacant.

48 4. Should the total number of Missouri congressional districts be altered, all members
49 of the board of governors of Missouri State University shall be allowed to serve the remainder
50 of the term for which they were appointed.

51 5. Should the boundaries of any congressional districts be altered in a manner that
52 displaces a member of the board of governors of Missouri State University from the
53 congressional district from which the member was appointed, the member shall be allowed to
54 serve the remainder of the term for which the member was appointed.

55 6. The governing board of Missouri Southern State University shall be a board of
56 governors consisting of nine members, composed of eight voting members and one nonvoting
57 member as provided in sections 174.453 and 174.455, who shall be appointed by the governor

58 of Missouri, by and with the advice and consent of the senate. No person shall be appointed a
59 voting member who is not a citizen of the United States and who has not been a resident of the
60 state of Missouri for at least two years immediately prior to such appointment. Not more than
61 four voting members shall belong to any one political party.

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