

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 520
98TH GENERAL ASSEMBLY

1399H.02C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 173.670, RSMo, and to enact in lieu thereof two new sections relating to the science, technology, engineering and mathematics fund.

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

Section A. Section 173.670, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 173.670 and 620.3030, to read as follows:

173.670. 1. There is hereby established within the department of higher education the "Missouri Science, Technology, Engineering and Mathematics Initiative". The department of higher education may award matching funds through this initiative to public institutions of higher education as part of the annual appropriations process.

2. The purpose of the initiative shall be to provide support to increase interest among elementary, secondary, and university students in fields of study related to science, technology, engineering, and mathematics and to increase the number of Missouri graduates in these fields at Missouri's public two- and four-year institutions of higher education.

3. There is hereby created a "Science, Technology, Engineering and Mathematics Fund", which shall consist of money collected under this section. The state treasurer shall be custodian of the fund and may approve disbursements from the fund in accordance with sections 30.170 and 30.180. Upon appropriation, money in the fund shall be used solely for the administration of this section. Any moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general revenue fund. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

4. As part of the initiative, the department of higher education shall develop a process to award grants to Missouri public two- and four-year institutions of higher education and school

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.

19 districts that have entered into articulation agreements to offer information technology
20 certification through technical course work leading to postsecondary academic credit through the
21 program established in section 173.675.

22 5. The general assembly may appropriate funds to the science, technology, engineering[,]
23 and mathematics fund [to match institution funds] to support the following programs:

24 (1) Endowed teaching professor programs, which provide funds to support faculty who
25 teach undergraduate courses in science, technology, engineering, or mathematics fields at public
26 institutions of higher education;

27 (2) Scholarship programs, which provide financial aid or loan forgiveness awards to
28 Missouri students who study in the science, technology, engineering, or mathematics fields or
29 who plan to enter the teaching field in Missouri with an emphasis on science, technology,
30 engineering, and mathematics areas;

31 (3) Experiential youth programs at public colleges or universities, designed to provide
32 Missouri middle school, junior high, and high school students with the opportunity to experience
33 science, technology, engineering, and mathematics fields through camps or other educational
34 offerings;

35 (4) Career enhancement programs for current elementary and secondary teachers and
36 professors at Missouri public and private colleges and universities in the science, technology,
37 engineering, or mathematics fields to improve the quality of teaching.

38 **6. Beginning on or after January 1, 2016, any taxpayer who donates at least five**
39 **thousand dollars to the science, technology, engineering and mathematics fund established**
40 **in subsection 3 of this section and hires a person who is currently enrolled as a student**
41 **majoring in science, technology, engineering, or mathematics, at any two-year or four-year**
42 **public or private Missouri college or university, to fill an internship position in the fields**
43 **of science, technology, engineering, or mathematics shall be allowed a tax credit against the**
44 **state tax liability incurred under chapter 143, exclusive of the provisions relating to the**
45 **withholding of tax as provided in sections 143.191 to 143.265, in an amount equal to five**
46 **thousand dollars. The department of higher education shall establish a procedure for**
47 **approving applications under this section. The amount of the tax credit claimed shall not**
48 **exceed the amount of the taxpayer's state tax liability for the taxable year that the credit**
49 **is claimed. However, any tax credit that cannot be claimed in the taxable year may be**
50 **carried over to the next three succeeding taxable years until the full credit has been**
51 **claimed. For tax years beginning on or after January 1, 2016, the total amount of tax**
52 **credits authorized under this subsection and section 620.3030 shall not exceed an annual**
53 **total of fifty thousand dollars from all participating taxpayers. In the event a donation is**
54 **made to the fund from a third party, that donation shall not count towards the fifty**

55 thousand dollar annual limit. In order to qualify for purposes of this subsection, the
56 internship shall be:

57 (1) Located within the state of Missouri; and

58 (2) For a duration of at least twelve weeks and consist of at least fifteen hours of
59 work per week.

60 7. The department may promulgate rules and regulations for the administration
61 of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that
62 is created under the authority delegated in this section shall become effective only if it
63 complies with and is subject to all of the provisions of chapter 536 and, if applicable,
64 section 536.028. This section and chapter 536 are nonseverable, and if any of the powers
65 vested with the general assembly pursuant to chapter 536 to review, to delay the effective
66 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the
67 grant of rulemaking authority and any rule proposed or adopted after August 28, 2015,
68 shall be invalid and void.

620.3030. 1. This section shall be known and may be cited as the
2 "Economic-Education Partnership Act".

3 2. As used in this section, the following terms mean:

4 (1) "Educational benefits", the funds provided by an employer to a qualified
5 individual or to an accredited educational institution for a period of up to five years to pay
6 any portion of the tuition or fees for a qualified individual pursuing an associates degree,
7 bachelors degree, masters degree, or doctorate degree in health care, engineering, or
8 information technology related programs;

9 (2) "Employer", a business with facilities in Missouri that employs a qualified
10 individual upon the completion of the individual's degree or training for at least the same
11 length of time as the employer provided educational benefits or training to the qualified
12 individual;

13 (3) "Qualified individual", an individual:

14 (a) Who is a resident of this state;

15 (b) Who is employed by an employer in Missouri;

16 (c) Who has an annual individual gross income of two hundred thousand dollars
17 or less; and

18 (d) Who pursues an advanced certificate, associate's degree, bachelor's degree,
19 master's degree, or doctorate degree in health care, engineering, or information technology
20 related programs.

21 3. Beginning on or after January 1, 2016, any employer who donates at least five
22 thousand dollars to the science, technology, engineering and mathematics fund established

23 in section 173.670 and provides educational benefits to a qualified individual, or trains a
24 qualified individual for an employment position in the health care, engineering, or
25 information technology fields for no more than one year, shall be allowed a tax credit
26 against the state tax liability incurred under chapter 143, exclusive of the provisions
27 relating to the withholding of tax as provided in sections 143.191 to 143.265, in an amount
28 equal to five thousand dollars. The department of higher education shall establish a
29 procedure for approving applications under this section. The amount of the tax credit
30 claimed shall not exceed the amount of the taxpayer's state tax liability for the taxable year
31 that the credit is claimed. However, any tax credit that cannot be claimed in the taxable
32 year may be carried over to the next three succeeding taxable years until the full credit has
33 been claimed. For tax years beginning on or after January 1, 2016, the total amount of tax
34 credits authorized under this and subsection 5 of section 173.670 shall not exceed an annual
35 total of fifty thousand dollars from all participating taxpayers. In the event a donation is
36 made to the fund from a third party, that donation shall not count towards the fifty
37 thousand dollar annual limit.

38 4. The department of economic development may audit employers to ensure
39 compliance with the provisions of this section.

40 5. The department of economic development and the department of higher
41 education may promulgate rules to implement the provisions of this section. Any rule or
42 portion of a rule, as that term is defined in section 536.010, that is created under the
43 authority delegated in this section shall become effective only if it complies with and is
44 subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This
45 section and chapter 536 are nonseverable, and if any of the powers vested with the general
46 assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove
47 and annul a rule are subsequently held unconstitutional, then the grant of rulemaking
48 authority, and any rule proposed or adopted after August 28, 2015, shall be invalid and
49 void.

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