

SECOND REGULAR SESSION

# HOUSE BILL NO. 2278

## 102ND GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE DIEHL.

4603H.011

DANA RADEMAN MILLER, Chief Clerk

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### AN ACT

To repeal section 173.2553, RSMo, and to enact in lieu thereof one new section relating to grants for postsecondary education.

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

Section A. Section 173.2553, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 173.2553, to read as follows:

173.2553. 1. There is hereby established a "Fast Track Workforce Incentive Grant", and any moneys appropriated by the general assembly for this program shall be deposited in the fund created in subsection 13 of this section and shall be used to provide grants for Missouri citizens to attend an approved Missouri postsecondary institution of their choice in accordance with the provisions of this section.

2. The definitions of terms set forth in section 173.1102 shall be applicable to such terms as used in this section ~~[and section 173.2554]~~. In addition, the following terms shall mean:

(1) "Active apprentice status", formal participation in an apprenticeship that meets any related requirements as defined by the organization providing the apprenticeship or the United States Department of Labor;

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

(3) "Eligible apprentice", an individual who:

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

(b) Is a Missouri resident as determined by reference to standards promulgated by the coordinating board;

(c) Has active apprentice status in an eligible apprenticeship;

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 (d) Has an adjusted gross income as reported on their Missouri individual income tax  
19 return that does not exceed [~~eighty~~] **one hundred** thousand dollars for married filing joint  
20 taxpayers or [~~forty~~] **fifty** thousand dollars for all other taxpayers, **with such caps adjusted**  
21 **annually beginning on January 1, 2025, based on the rate of inflation according to the**  
22 **Consumer Price Index for All Urban Consumers for the United States, or its successor**  
23 **index, as such index is defined and officially reported by the United States Department**  
24 **of Labor, or its successor agency; and**

25 (e) Is twenty-five years of age or older at the time of entering the apprenticeship or  
26 has not been enrolled in a postsecondary education program, other than one related to the  
27 current apprenticeship, for the prior two calendar years;

28 (4) "Eligible apprenticeship", a United States Department of Labor approved  
29 apprenticeship, as defined under 29 CFR Part 29, conducted within the state of Missouri that  
30 prepares a participant to enter employment in an area of occupational shortage as determined  
31 by the coordinating board;

32 (5) "Eligible program of study", a program of instruction:

33 (a) Resulting in the award of a certificate, undergraduate degree, or other industry-  
34 recognized credential; and

35 (b) That has been designated by the coordinating board as preparing students to enter  
36 an area of occupational shortage as determined by the board;

37 (6) "Eligible student", an individual who:

38 (a) Has completed and submitted a FAFSA for the academic year for which the grant  
39 is requested or if the student is enrolled, or is enrolling, with an eligible training provider that  
40 does not participate in federal student aid programs, has provided documentation of their  
41 adjusted gross income as determined by the board;

42 (b) Is a citizen or permanent resident of the United States;

43 (c) Is a Missouri resident for at least two years prior to receiving a grant pursuant to  
44 the fast track workforce incentive grant program as determined by reference to standards  
45 promulgated by the coordinating board, provided that this paragraph shall not apply to an  
46 individual who is an active duty member of the Armed Forces of the United States who has  
47 been transferred to the state of Missouri, or his or her spouse;

48 (d) Is enrolled, or plans to enroll, at least half-time as a student in an eligible  
49 undergraduate program of study offered by an approved public, private, or virtual institution,  
50 as defined in section 173.1102 or by an eligible training provider;

51 (e) Has an adjusted gross income, as reported on the FAFSA or other documentation  
52 as determined by the board, that does not exceed [~~eighty~~] **one hundred** thousand dollars for  
53 married filing joint taxpayers or [~~forty~~] **fifty** thousand dollars for all other taxpayers, **with**  
54 **such caps adjusted annually beginning on January 1, 2025, based on the rate of inflation**

55 **according to the Consumer Price Index for All Urban Consumers for the United States,**  
56 **or its successor index, as such index is defined and officially reported by the United**  
57 **States Department of Labor, or its successor agency; and**

58 (f) Is twenty-five years of age or older at the time of enrollment or has not been  
59 enrolled in an educational program for the prior two academic years;

60 (7) "Eligible training provider", a training organization listed in the state of Missouri  
61 eligible training provider system maintained by the office of workforce development in the  
62 department of higher education and workforce development;

63 (8) "FAFSA", the Free Application for Federal Student Aid, as maintained by the  
64 United States Department of Education;

65 (9) "Fast track grant", an amount of moneys paid by the state of Missouri to a student  
66 under the provisions of this section;

67 (10) "Graduation", completion of a program of study as indicated by the award of a  
68 certificate, undergraduate degree, or other industry-recognized credential;

69 (11) "Qualifying employment", full-time employment of a Missouri resident at a  
70 workplace located within the state of Missouri, or self-employment while a Missouri resident,  
71 with at least fifty percent of an individual's annual income coming from self-employment,  
72 either of which result in required returns of income in accordance with section 143.481;

73 (12) "Recipient", an eligible student, an eligible apprentice, a renewal apprentice, or a  
74 renewal student who receives a fast track grant under the provisions of this section;

75 (13) "Related educational costs", direct costs incurred by an individual as part of an  
76 eligible apprenticeship program, such as, but not limited to, tools, books, and uniforms;

77 (14) "Renewal apprentice", an eligible apprentice who remains in compliance with  
78 the provisions of this section, has received the grant as an initial apprentice, maintains active  
79 apprentice status, and who has not received a bachelor's degree;

80 (15) "Renewal student", an eligible student who remains in compliance with the  
81 provisions of this section, has received a grant as an initial recipient, maintains a cumulative  
82 grade point average of at least two and one-half on a four-point scale or the equivalent, makes  
83 satisfactory academic degree progress as defined by the institution, with the exception of  
84 grade point average, and has not received a bachelor's degree.

85 3. Standards of eligibility for renewed assistance shall be the same as for an initial  
86 award of financial assistance; except that, for a renewal student, an applicant shall  
87 demonstrate a grade point average of two and one-half on a four-point scale, or the equivalent  
88 on another scale.

89 4. Eligibility for a grant expires upon the earliest of:

90 (1) Receipt of the grant for four semesters or the equivalent;

91 (2) Receipt of a bachelor's degree; or

92 (3) For an eligible student, reaching two hundred percent of the time typically  
93 required to complete the program of study.

94 5. The coordinating board shall initially designate eligible programs of study by  
95 January 1, 2020, in connection with local education institutions, regional business  
96 organizations, and other stakeholders. The coordinating board shall annually review the  
97 list of eligible programs of study and occupations relating to eligible apprenticeships and  
98 make changes to the program list as it determines appropriate.

99 6. The coordinating board shall be the administrative agency for the implementation  
100 of the program established by this section [~~and section 173.2554~~]. The coordinating board  
101 shall promulgate reasonable rules and regulations for the exercise of its functions and the  
102 effectuation of the purposes of this section [~~and section 173.2554~~]. The coordinating board  
103 shall prescribe the form and the time and method of filing applications and supervise the  
104 processing thereof. The coordinating board shall determine the criteria for eligibility of  
105 applicants and shall evaluate each applicant's eligibility. The coordinating board shall select  
106 qualified recipients to receive grants, make such awards of financial assistance to qualified  
107 recipients, and determine the manner and method of payment to the recipients.

108 7. The coordinating board shall determine eligibility for renewed assistance on the  
109 basis of annual applications. As a condition to consideration for initial or renewed assistance,  
110 the coordinating board may require the applicant and the applicant's spouse to execute forms  
111 of consent authorizing the director of revenue to compare financial information submitted by  
112 the applicant with the Missouri individual income tax returns of the applicant, and the  
113 applicant's spouse, for the taxable year immediately preceding the year for which application  
114 is made, and to report any discrepancies to the coordinating board.

115 8. Grants shall be awarded in an amount equal to the actual tuition and general fees  
116 charged of an eligible student, after all federal nonloan aid, state student aid, and any other  
117 governmental student financial aid are applied. If a grant amount is reduced to zero due to the  
118 receipt of other aid, the eligible student shall receive an award of up to five hundred dollars or  
119 the remaining cost of attendance as calculated by the institution after all nonloan student aid  
120 has been applied, whichever is less, per academic term. Grants shall also be awarded in an  
121 amount equal to the related educational costs for an eligible apprentice after all other  
122 governmental assistance provided for the apprenticeship has been applied.

123 9. If appropriated funds are insufficient to fund the program as described, students  
124 and apprentices applying for renewed assistance shall be given priority until all funds are  
125 expended.

126 10. An eligible student that is the recipient of financial assistance may transfer from  
127 one approved public, private, or virtual institution, or eligible training provider to another  
128 without losing eligibility for assistance under this section, but the coordinating board shall

129 make any necessary adjustments in the amount of the award. If a recipient of financial  
130 assistance at any time is entitled to a refund of any tuition or fees under the rules and  
131 regulations of the institution in which he or she is enrolled, the institution shall pay the  
132 portion of the refund that may be attributed to the grant to the coordinating board. The  
133 coordinating board shall use these refunds to make additional awards under the provisions of  
134 this section.

135 11. Persons who receive fast track grants under this section shall be required to  
136 submit proof of residency and qualifying employment to the coordinating board for higher  
137 education within thirty days of completing each twelve months of qualifying employment  
138 until the three-year employment obligation is fulfilled.

139 12. Under section 23.253 of the Missouri sunset act:

140 (1) The provisions of the new program authorized under this section shall sunset  
141 automatically on August 28, 2029, unless reauthorized by an act of the general assembly; and

142 (2) If such program is reauthorized, the program authorized under this section shall  
143 sunset automatically six years after the effective date of the reauthorization; and

144 (3) This section shall terminate on December thirty-first of the calendar year  
145 immediately following the calendar year in which the program authorized under this section  
146 is sunset.

147 13. (1) There is hereby created in the state treasury the "Fast Track Workforce  
148 Incentive Grant Fund". The state treasurer shall be custodian of the fund. In accordance with  
149 sections 30.170 and 30.180, the state treasurer may approve disbursements. The fund shall be  
150 a dedicated fund and, upon appropriation, moneys in the fund shall be used solely by the  
151 coordinating board for the purposes of this section.

152 (2) Notwithstanding the provisions of section 33.080 to the contrary, any moneys  
153 remaining in the fund at the end of the biennium shall not revert to the credit of the general  
154 revenue fund.

155 (3) The state treasurer shall invest moneys in the fund in the same manner as other  
156 funds are invested. Any interest and moneys earned on such investments shall be credited to  
157 the fund.

158 14. The coordinating board shall have the authority to promulgate rules to implement  
159 the provisions of this section. Any rule or portion of a rule, as that term is defined in section  
160 536.010, that is created under the authority delegated in this section shall become effective  
161 only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable,  
162 section 536.028. This section and chapter 536 are nonseverable and if any of the powers  
163 vested with the general assembly pursuant to chapter 536 to review, to delay the effective  
164 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant

165 of rulemaking authority and any rule proposed or adopted after August 28, 2019, shall be  
166 invalid and void.

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