

FIRST REGULAR SESSION

# SENATE BILL NO. 125

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR HOUGH.

1056S.01I

ADRIANE D. CROUSE, Secretary

## AN ACT

To repeal section 173.2553, RSMo, and to enact in lieu thereof one new section relating to workforce development.

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

Section A. Section 173.2553, RSMo, is repealed and one  
2 new section enacted in lieu thereof, to be known as section  
3 173.2553, to read as follows:

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

7 2. The definitions of terms set forth in section  
8 173.1102 shall be applicable to such terms as used in this  
9 section and section 173.2554. In addition, the following  
10 terms shall mean:

11 (1) "Board", the coordinating board for higher  
12 education;

13 (2) "Eligible program of study", a program of  
14 instruction:

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

**EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

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

21 (3) "Eligible student", an individual who:

22 (a) Has completed and submitted a FAFSA for the  
23 academic year for which the grant is requested;

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

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

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

32 (e) Has an adjusted gross income, as reported on the  
33 FAFSA, that does not exceed eighty thousand dollars for  
34 married filing joint taxpayers or forty thousand dollars for  
35 all other taxpayers; and

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

39 (4) "FAFSA", the Free Application for Federal Student  
40 Aid, as maintained by the United States Department of  
41 Education;

42 (5) "Fast track grant", an amount of moneys paid by  
43 the state of Missouri to a student under the provisions of  
44 this section;

45 (6) "Graduation", completion of a program of study as  
46 indicated by the award of a certificate, undergraduate  
47 degree, or other industry-recognized credential;

48 (7) "Qualifying employment", full-time employment of a  
49 Missouri resident at a workplace located within the state of

50 Missouri, or self-employment while a Missouri resident, with  
51 at least fifty percent of an individual's annual income  
52 coming from self-employment, either of which result in  
53 required returns of income in accordance with section  
54 143.481;

55 (8) "Recipient", an eligible student or renewal  
56 student who receives a fast track grant under the provisions  
57 of this section;

58 (9) "Renewal student", an eligible student who remains  
59 in compliance with the provisions of this section, has  
60 received a grant as an initial recipient, maintains a  
61 cumulative grade point average of at least two and one-half  
62 on a four-point scale or the equivalent, makes satisfactory  
63 academic degree progress as defined by the institution, with  
64 the exception of grade point average, and has not received a  
65 bachelor's degree.

66 3. Standards of eligibility for renewed assistance  
67 shall be the same as for an initial award of financial  
68 assistance; except that, for renewal, an applicant shall  
69 demonstrate a grade point average of two and one-half on a  
70 four-point scale, or the equivalent on another scale.

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

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

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

76 (3) Reaching two hundred percent of the time typically  
77 required to complete the program of study.

78 5. The coordinating board shall initially designate  
79 eligible programs of study by January 1, 2020, in connection  
80 with local education institutions, regional business  
81 organizations, and other stakeholders. The coordinating

82 board shall annually review the list of eligible programs of  
83 study and make changes to the program list as it determines  
84 appropriate.

85 6. The coordinating board shall be the administrative  
86 agency for the implementation of the program established by  
87 this section and section 173.2554. The coordinating board  
88 shall promulgate reasonable rules and regulations for the  
89 exercise of its functions and the effectuation of the  
90 purposes of this section and section 173.2554. The  
91 coordinating board shall prescribe the form and the time and  
92 method of filing applications and supervise the processing  
93 thereof. The coordinating board shall determine the  
94 criteria for eligibility of applicants and shall evaluate  
95 each applicant's eligibility. The coordinating board shall  
96 select qualified recipients to receive grants, make such  
97 awards of financial assistance to qualified recipients, and  
98 determine the manner and method of payment to the recipients.

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

110 8. Grants shall be awarded in an amount equal to the  
111 actual tuition and general fees charged of an eligible  
112 student, after all federal nonloan aid, state student aid,  
113 and any other governmental student financial aid are

114 applied. If a grant amount is reduced to zero due to the  
115 receipt of other aid, the eligible student shall receive an  
116 award of up to five hundred dollars or the remaining cost of  
117 attendance as calculated by the institution after all  
118 nonloan student aid has been applied, whichever is less, per  
119 academic term.

120 9. If appropriated funds are insufficient to fund the  
121 program as described, students applying for renewed  
122 assistance shall be given priority until all funds are  
123 expended.

124 10. A recipient of financial assistance may transfer  
125 from one approved public, private, or virtual institution to  
126 another without losing eligibility for assistance under this  
127 section, but the coordinating board shall make any necessary  
128 adjustments in the amount of the award. If a recipient of  
129 financial assistance at any time is entitled to a refund of  
130 any tuition or fees under the rules and regulations of the  
131 institution in which he or she is enrolled, the institution  
132 shall pay the portion of the refund that may be attributed  
133 to the grant to the coordinating board. The coordinating  
134 board shall use these refunds to make additional awards  
135 under the provisions of this section.

136 11. Subject to the requirements of subsections 2, 3,  
137 and 4 of this section, a student is eligible for a fast  
138 track grant under this section if the student meets all of  
139 the following criteria:

140 (1) The student has successfully completed counseling  
141 explaining the benefits and obligations of the program under  
142 this section, including the terms and conditions of the  
143 promissory note under subdivision (2) of this subsection and  
144 the consequences of noncompliance specified in section  
145 173.2554; and

146           (2) The student executes a promissory note  
147 acknowledging that the fast track grant moneys awarded under  
148 this section will be converted to a loan, and agreeing to  
149 repay that loan if he or she fails to satisfy the following  
150 conditions:

151           (a) Maintenance of at least half-time enrollment in an  
152 eligible program, with an interruption of qualifying  
153 enrollment of no more than twelve consecutive months from  
154 the last day of the most recent payment period during which  
155 the student received a fast track award;

156           (b) Graduation from an approved institution; or

157           (c) Residency within the state of Missouri within  
158 twelve months after the date of the student's graduation and  
159 for a period of not less than three years and qualifying  
160 employment within twelve months of the student's graduation  
161 and for a period of not less than three years. Residency  
162 and qualifying employment obligations may be deferred if the  
163 recipient's studies continue after graduation.

164           12. Persons who receive fast track grants under this  
165 section shall be required to submit proof of residency and  
166 qualifying employment to the coordinating board for higher  
167 education within thirty days of completing each twelve  
168 months of qualifying employment until the three-year  
169 employment obligation is fulfilled.

170           13. Under section 23.253 of the Missouri sunset act:

171           (1) The provisions of the [new] program authorized  
172 under this section shall sunset automatically [three years  
173 after August 28, 2019] **on August 28, 2027**, unless  
174 reauthorized by an act of the general assembly; and

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

178           (3) This section shall terminate on December thirty-  
179 first of the calendar year immediately following the  
180 calendar year in which the program authorized under this  
181 section is sunset.

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