

SECOND REGULAR SESSION

# SENATE BILL NO. 783

99TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR NASHEED.

Pre-filed December 7, 2017, and ordered printed.

ADRIANE D. CROUSE, Secretary.

5106S.011

## AN ACT

To amend chapter 173, RSMo, by adding thereto three new sections relating to the establishment of the Missouri promise scholarship program.

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

Section A. Chapter 173, RSMo, is amended by adding thereto three new sections, to be known as sections 173.1570, 173.1575, and 173.1580, to read as follows:

**173.1570. 1. Sections 173.1570 to 173.1580 shall be known and may be cited as the "Missouri Promise Scholarship Act".**

**2. As used in sections 173.1570 to 173.1580, the following terms mean:**

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

**(2) "Continuous enrollment", attending classes in the fall and spring semester of a single academic year. Enrollment in summer semester or intersession terms is not required;**

**(3) "Eligible high school", a Missouri public secondary school or a private secondary school that is located in Missouri;**

**(4) "Eligible postsecondary institution", any public two-year or four-year institution of higher education, including community colleges and two-year vocational or technical schools;**

**(5) "Full-time student", a student at an eligible postsecondary institution who is enrolled for at least twelve credit hours during each semester of attendance;**

**(6) "Gift aid", scholarships and grants from any source that do not require repayment, including the federal Pell Grant. Student loans and work-study awards shall not be considered gift aid;**

**(7) "Home school student", a student who completed home school**

21 study in accordance with section 167.031;

22 (8) "Resident", a resident of this state as determined under rules  
23 promulgated by the board.

173.1575. 1. The coordinating board for higher education shall  
2 administer the Missouri promise scholarship program for students  
3 seeking a bachelor's degree, associate degree, or certificate from an  
4 eligible postsecondary institution under the following terms and  
5 conditions:

6 (1) To be eligible for the Missouri promise scholarship a student  
7 shall be a Missouri resident and be admitted to and enrolled full-time  
8 in an eligible postsecondary institution in the fall term after receiving  
9 a high school diploma, a general education development (GED)  
10 certificate, a high school equivalency certificate, or completion of high  
11 school as a home school student. Exceptions to initial enrollment may  
12 be made for extenuating circumstances as provided in rules and  
13 regulations promulgated by the board;

14 (2) Students applying for the Missouri promise scholarship shall  
15 complete the Missouri promise application in their initial year of  
16 enrollment. Students shall also complete the free application for  
17 federal student aid each academic year in which they seek to receive  
18 the Missouri promise scholarship;

19 (3) A student is eligible for initial enrollment in the Missouri  
20 promise scholarship program one time;

21 (4) A student shall have a household income below the federal  
22 poverty level as established by the department of health and human  
23 services;

24 (5) To continue to receive a Missouri promise scholarship, a  
25 student shall:

26 (a) Maintain satisfactory academic progress as determined by the  
27 rules and regulations promulgated by the board;

28 (b) Enroll in not less than twelve credit hours per semester and  
29 complete not less than thirty credit hours per academic year; and

30 (c) Participate in a mentoring program and complete not less  
31 than fifteen hours of community service each semester the student  
32 receives the scholarship, under the rules and regulations promulgated  
33 by the board;

34 (6) Subject to the amounts appropriated by the general assembly,

35 a Missouri promise scholarship shall be the cost of tuition and  
36 mandatory fees at the eligible postsecondary institution attended less  
37 all other gift aid. Gift aid shall be credited first to the student's tuition  
38 and mandatory fees;

39 (7) The amount of the Missouri promise scholarship at an eligible  
40 four-year postsecondary institution shall not exceed the average cost  
41 of tuition and mandatory fees at public two-year postsecondary  
42 institutions. Scholarship funds shall only be used toward the  
43 completion of one degree or certificate;

44 (8) A Missouri promise scholarship recipient who has an  
45 approved medical or personal leave of absence from an eligible  
46 postsecondary institution may continue to receive the scholarship upon  
47 resuming the student's education at an eligible postsecondary  
48 institution so long as the student continues to meet all applicable  
49 eligibility requirements. The sum of all approved leaves of absence  
50 shall not exceed six months;

51 (9) The student shall be eligible for the scholarship until the  
52 student has earned a bachelor's degree, associate degree, or certificate;

53 (10) Except for a medical or personal leave of absence, as  
54 approved by an eligible postsecondary institution, a Missouri promise  
55 scholarship student shall maintain continuous enrollment at an eligible  
56 postsecondary institution;

57 (11) A student shall agree to reside in the state for three  
58 consecutive years and be employed within six months after receiving  
59 a bachelor's degree, associate degree, or certificate;

60 (12) If a student does not comply with the provisions of  
61 subdivision (11) of this subsection, the scholarship shall convert into a  
62 loan and the student shall be liable for repayment of the scholarship  
63 amount in its entirety at an interest rate and on a schedule as  
64 determined by the board.

65 2. The board shall develop the selection and renewal criteria for  
66 students and shall have the authority to work with outside  
67 organizations to develop the most effective means for delivering the  
68 scholarships.

69 3. Notwithstanding any other provision of law, students who  
70 participate in the A+ schools program, as defined in section 160.545,  
71 shall not be considered eligible for a scholarship under the Missouri

72 **promise scholarship program.**

173.1580. 1. There is hereby created in the state treasury the  
2 "Missouri Promise Scholarship Fund", which shall consist of moneys  
3 appropriated annually by the general assembly from general revenue  
4 and any gifts, bequests, or donations. The state treasurer shall be  
5 custodian of the fund. In accordance with sections 30.170 and 30.180,  
6 the state treasurer may approve disbursements. The fund shall be a  
7 dedicated fund and, upon appropriation, moneys in the fund shall be  
8 used solely for the administration of the Missouri promise scholarship  
9 program. Notwithstanding the provisions of section 33.080 to the  
10 contrary, any moneys remaining in the fund at the end of the biennium  
11 shall not revert to the credit of the general revenue fund. The state  
12 treasurer shall invest moneys in the fund in the same manner as other  
13 funds are invested. Any interest and moneys earned on such  
14 investments shall be credited to the fund.

15 2. The coordinating board for higher education shall promulgate  
16 rules to implement the provisions of sections 173.1570 to 173.1574. Any  
17 rule or portion of a rule, as that term is defined in section 536.010, that  
18 is created under the authority delegated in this section shall become  
19 effective only if it complies with and is subject to all of the provisions  
20 of chapter 536 and, if applicable, section 536.028. This section and  
21 chapter 536 are nonseverable and if any of the powers vested with the  
22 general assembly pursuant to chapter 536 to review, to delay the  
23 effective date, or to disapprove and annul a rule are subsequently  
24 found unconstitutional, then the grant of rulemaking authority and any  
25 rule proposed or adopted after August 28, 2018, shall be invalid and  
26 void.

27 3. Under section 23.253 of the Missouri sunset act:

28 (1) The provisions of the new program authorized under sections  
29 173.1570 to 173.1580 shall automatically sunset six years after the  
30 effective date of sections 173.1570 to 173.1580 unless reauthorized by an  
31 act of the general assembly; and

32 (2) If such program is reauthorized, the program authorized  
33 under sections 173.1570 to 173.1580 shall automatically sunset twelve  
34 years after the effective date of the reauthorization of sections 173.1570  
35 to 173.1580; and

36 (3) Sections 173.1570 to 173.1580 shall terminate on September

37 **first of the calendar year immediately following the calendar year in**  
38 **which the program authorized under sections 173.1570 to 173.1580 is**  
39 **sunset.**

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