

FIRST REGULAR SESSION

HOUSE BILL NO. 299

92ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES WILDBERGER, SALVA (Co-sponsors),
WALKER AND WALSH.

Read 1st time January 28, 2003, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

0593L.011

AN ACT

To amend chapter 173, RSMo, by adding thereto five new sections relating to the higher education funding formula.

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

Section A. Chapter 173, RSMo, is amended by adding thereto five new sections, to be
2 known as sections 173.940, 173.943, 173.946, 173.949, and 173.950, to read as follows:

2 **173.940. The provisions of sections 173.940 to 173.950 shall be applicable to state**
3 **funding for the institutions listed in the following: subsection 1 of section 174.020, RSMo,**
3 **section 174.600, RSMo, and section 175.010, RSMo.**

2 **173.943. 1. Beginning July 1, 2004, adjustments in funding for the institutions**
2 **referred to in section 173.940 shall be based on full-time equivalent (FTE) student counts,**
3 **with each full-time equivalent student in a general education program, undergraduate**
4 **program, or undeclared major given the same weight of 1.0. The coordinating board for**
5 **higher education shall calculate the weighted average cost of teaching one undergraduate**
6 **credit hour by program. Institutions with graduate programs shall provide documentation**
7 **of costs for graduate programs that exceed the undergraduate programs in the same**
8 **discipline, and the coordinating board shall consider this information when allocating**
9 **funds to graduate programs but shall not permit a weighting of more than 1.25 per**
10 **graduate student.**

11 **2. Up to five percent of the total appropriation pursuant to this section may be used**
12 **for performance-based funding according to a set of indicators that the coordinating board**
13 **for higher education shall establish in cooperation with the institutions. Performance**
14 **funding shall contain some elements for which all institutions are eligible and shall also**
15 **contain elements that are specific to each institution's mission. The coordinating board**

16 shall also allocate maintenance and repair funding, technology infrastructure funding, and
17 mission enhancement funding according to a prioritization method that grants additional
18 weight to institutions that have experienced significant, documented, long-term
19 underfunding.

173.946. The funding formula in section 173.943 shall be phased in over four years.
2 For fiscal year 2005, twenty-five percent of new appropriations shall be made according
3 to this formula, and the percentage shall be increased by twenty-five percent each year
4 until fiscal year 2008, by which time one hundred percent of new appropriations shall be
5 made according to this method.

173.949. 1. During fiscal year 2007, the coordinating board for higher education
2 shall issue a request for proposal from a research firm that does not have financial ties to
3 any Missouri state-supported higher education institution for an equity analysis to be
4 completed during fiscal year 2008.

5 2. Every four years thereafter, the coordinating board for higher education shall
6 conduct or shall contract for the completion of a study of equity in funding among the
7 state's higher education institutions that are funded according to the formula in section
8 173.943.

173.950. The core plus cost-to-continue method of funding public, four-year
2 institutions shall continue to be the policy of the coordinating board for higher education.