

SS SCS HCS HB 437 -- MISSOURI MILITARY FAMILY RELIEF FUND AND
MISSOURI NATIONAL GUARD SCHOLARSHIPS

This bill authorizes a contribution check-off box on state income tax forms for the Missouri Military Family Relief Fund and modifies the educational assistance grant program of the Missouri National Guard.

MISSOURI MILITARY FAMILY RELIEF FUND

The bill creates the Missouri Military Family Relief Fund to be administered by the Adjutant General. The Adjutant General will make, subject to appropriations, grants from the fund to families of persons who are members of the Missouri National Guard or Missouri residents who are members of the reserves of the armed forces of the United States and have been called to active duty as a result of the terrorist attacks on September 11, 2001. A panel of three individuals will administer the fund and determine eligibility criteria for grants made from the fund. The panel will include a command sergeants major of the Missouri National Guard, a command sergeants major of the reserves or its equivalent, and a representative of the Missouri Veterans Commission.

In addition to state appropriations, in each taxable year beginning January 1, 2005, Missouri residents and corporations may designate a minimum contribution of \$1 on a single return or \$2 on a combined return to the fund from their refund amount or by separate payment. In 2006, up to \$70,000 of the moneys contributed by corporations will be used to pay for the program's administration.

The Director of the Department of Revenue is required to transfer the contributions on a monthly basis to the State Treasurer for deposit into the fund. Any moneys remaining in the fund at the end of the biennium will not revert to the General Revenue Fund.

These provisions of the bill will expire six years from the effective date.

MISSOURI NATIONAL GUARD SCHOLARSHIP

Currently, if a Missouri National Guard scholarship recipient ceases to be a member of the Missouri National Guard, he or she is required to repay the full amount of the scholarship. The bill requires the recipients to maintain their military affiliation in order to avoid repayment penalties, although they are not required to be members of the Missouri National Guard. Individuals who are medically disqualified from service prior to the end of their three-year obligation are not required to repay

the grant, and individuals who are called to active duty will be credited for time served in fulfillment of their three-year obligation. Currently, these scholarship funds may only be used after all available United States Department of Defense educational assistance funds have been expended. The bill removes this requirement.