

FIRST REGULAR SESSION

# HOUSE BILL NO. 890

## 94TH GENERAL ASSEMBLY

---

INTRODUCED BY REPRESENTATIVES KRATKY (Sponsor), HUBBARD, PEARCE, RICHARD,  
SMITH (150), SPRENG, BROWN (50), DAUS, LIESE AND YAEGER (Co-sponsors).

Read 1st time February 15, 2007 and copies ordered printed.

D. ADAM CRUMBLISS, Chief Clerk

1776L.01I

---

### AN ACT

To repeal sections 178.895 and 178.896, RSMo, and to enact in lieu thereof two new sections relating to community college districts.

---

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

Section A. Sections 178.895 and 178.896, are repealed and two new sections enacted in lieu thereof, to be known as sections 178.895 and 178.896, to read as follows:

178.895. 1. To provide funds for the present payment of the costs of new jobs training programs, a community college district may borrow money and issue and sell certificates payable from a sufficient portion of the future receipts of payments authorized by the agreement including disbursements from the Missouri community college job training program to the special fund established by the district for each project. The total amount of outstanding certificates sold by all junior college districts shall not exceed twenty million dollars, unless an increased amount is authorized in writing by a majority of members of the Missouri job training joint legislative oversight committee. The certificates shall be marketed through financial institutions authorized to do business in Missouri. The receipts shall be pledged to the payment of principal of and interest on the certificates. Certificates may be sold at public sale or at private sale at par, premium, or discount of not less than ninety-five percent of the par value thereof, at the discretion of the board of trustees, and may bear interest at such rate or rates as the board of trustees shall determine, notwithstanding the provisions of section 108.170, RSMo, to the contrary. However, chapter 176, RSMo, does not apply to the issuance of these certificates.

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.

15 Certificates may be issued with respect to a single project or multiple projects and may contain  
16 terms or conditions as the board of trustees may provide by resolution authorizing the issuance  
17 of the certificates.

18 2. Certificates issued to refund other certificates may be sold at public sale or at private  
19 sale as provided in this section with the proceeds from the sale to be used for the payment of the  
20 certificates being refunded. The refunding certificates may be exchanged in payment and  
21 discharge of the certificates being refunded, in installments at different times or an entire issue  
22 or series at one time. Refunding certificates may be sold or exchanged at any time on, before,  
23 or after the maturity of the outstanding certificates to be refunded. They may be issued for the  
24 purpose of refunding a like, greater, or lesser principal amount of certificates and may bear a  
25 higher, lower, or equivalent rate of interest than the certificates being renewed or refunded.

26 3. Before certificates are issued, the board of trustees shall publish once a notice of its  
27 intention to issue the certificates, stating the amount, the purpose, and the project or projects for  
28 which the certificates are to be issued. A person may, within fifteen days after the publication  
29 of the notice, by action in the circuit court of a county in the district, appeal the decision of the  
30 board of trustees to issue the certificates. The action of the board of trustees in determining to  
31 issue the certificates is final and conclusive unless the circuit court finds that the board of  
32 trustees has exceeded its legal authority. An action shall not be brought which questions the  
33 legality of the certificates, the power of the board of trustees to issue the certificates, the  
34 effectiveness of any proceedings relating to the authorization of the project, or the authorization  
35 and issuance of the certificates from and after fifteen days from the publication of the notice of  
36 intention to issue.

37 4. The board of trustees shall determine if revenues provided in the agreement are  
38 sufficient to secure the faithful performance of obligations in the agreement.

39 5. Certificates issued under this section shall not be deemed to be an indebtedness of the  
40 state or the community college district or of any other political subdivision of the state and the  
41 principal and interest on such certificates shall be payable only from the sources provided in  
42 subdivision (1) of section 178.893 which are pledged in the agreement.

43 6. The department of economic development shall coordinate the new jobs training  
44 program, and may promulgate rules that districts will use in developing projects with new and  
45 expanding industrial new jobs training proposals which shall include rules providing for the  
46 coordination of such proposals with the service delivery areas established in the state to  
47 administer federal funds pursuant to the federal Job Training Partnership Act. No rule or portion  
48 of a rule promulgated under the authority of sections 178.892 to 178.896 shall become effective  
49 unless it has been promulgated pursuant to the provisions of chapter 536, RSMo. All rulemaking  
50 authority delegated prior to June 27, 1997, is of no force and effect and repealed; however,

51 nothing in this section shall be interpreted to repeal or affect the validity of any rule filed or  
52 adopted prior to June 27, 1997, if such rule complied with the provisions of chapter 536, RSMo.  
53 The provisions of this section and chapter 536, RSMo, are nonseverable and if any of the powers  
54 vested with the general assembly pursuant to chapter 536, RSMo, including the ability to review,  
55 to delay the effective date, or to disapprove and annul a rule or portion of a rule, are subsequently  
56 held unconstitutional, then the purported grant of rulemaking authority and any rule so proposed  
57 and contained in the order of rulemaking shall be invalid and void.

58 7. No community college district may sell certificates as described in this section after  
59 July 1, [2008] **2018**.

178.896. 1. There is hereby established within the state treasury a special fund, to be  
2 known as the "Missouri Community College Job Training Program Fund", to be administered  
3 by the division of job development and training. The department of revenue shall credit to the  
4 community college job training program fund, as received, all new jobs credit from withholding  
5 remitted by employers pursuant to section 178.894. The fund shall also consist of any gifts,  
6 contributions, grants or bequests received from federal, private or other sources. The general  
7 assembly, however, shall not provide for any transfer of general revenue funds into the  
8 community college job training program fund. Moneys in the Missouri community college job  
9 training program fund shall be disbursed to the division of job development and training pursuant  
10 to regular appropriations by the general assembly. The division shall disburse such appropriated  
11 funds in a timely manner into the special funds established by community college districts for  
12 projects, which funds shall be used to pay program costs, including the principal of, premium,  
13 if any, and interest on certificates issued by the district to finance or refinance, in whole or in  
14 part, a project. Such disbursements by the division of job development and training shall be  
15 made to the special fund for each project in the same proportion as the new jobs credit from  
16 withholding remitted by the employer participating in such project bears to the total new jobs  
17 credit from withholding remitted by all employers participating in projects during the period for  
18 which the disbursement is made. Moneys for new jobs training programs established under the  
19 provisions of sections 178.892 to 178.896 shall be obtained from appropriations made by the  
20 general assembly from the Missouri community college job training program fund. All moneys  
21 remaining in the Missouri community college job training program fund at the end of any fiscal  
22 year shall not lapse to the general revenue fund, as provided in section 33.080, RSMo, but shall  
23 remain in the Missouri community college job training program fund.

24 2. The department of revenue shall develop such forms as are necessary to demonstrate  
25 accurately each employer's new jobs credit from withholding paid into the Missouri community  
26 college job training program fund. The new jobs credit from withholding shall be accounted as  
27 separate from the normal withholding tax paid to the department of revenue by the employer.

28 Reimbursements made by all employers to the Missouri community college job training program  
29 fund shall be no less than all allocations made by the division of job development and training  
30 to all community college districts for all projects. The employer shall remit the amount of the  
31 new job credit to the department of revenue in the same manner as provided in sections 143.191  
32 to 143.265, RSMo.

33 3. Sections 178.892 to 178.896 shall expire July 1, [2018] **2028**.

✓