

SECOND REGULAR SESSION

# HOUSE BILL NO. 1484

## 94TH GENERAL ASSEMBLY

---

INTRODUCED BY REPRESENTATIVE MUSCHANY.

Pre-filed December 19, 2007 and copies ordered printed.

D. ADAM CRUMBLISS, Chief Clerk

3966L.01I

---

### AN ACT

To repeal sections 21.800, 21.811, 28.163, 32.117, 57.080, 57.130, 71.970, 99.799, 115.177, 143.171, 165.016, 165.018, 174.020, 197.305, 197.318, 197.366, 208.344, 217.860, 303.400, 303.403, 303.406, 303.409, 303.412, 303.415, 307.367, 313.835, 328.050, 329.028, 329.240, 374.208, 376.671, and 620.515, RSMo, and to enact in lieu thereof thirteen new sections for the sole purpose of repealing expired, sunset, terminated, and ineffective provisions of law.

---

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

Section A. Sections 21.800, 21.811, 28.163, 32.117, 57.080, 57.130, 71.970, 99.799, 115.177, 143.171, 165.016, 165.018, 174.020, 197.305, 197.318, 197.366, 208.344, 217.860, 303.400, 303.403, 303.406, 303.409, 303.412, 303.415, 307.367, 313.835, 328.050, 329.028, 329.240, 374.208, 376.671, and 620.515, RSMo, are repealed and thirteen new sections enacted in lieu thereof, to be known as sections 32.117, 57.080, 115.177, 143.171, 174.020, 197.305, 197.318, 197.366, 313.835, 328.050, 329.028, 329.240, and 620.515, to read as follows:

EXPLANATION: Subsection 7 is ineffective; it applies to fiscal years 1992 and 1993 only.

32.117. 1. Any business firm which engages in the activity of providing a homeless assistance project for low-income persons in the state of Missouri shall receive a tax credit as provided in section 32.115, if the division of community development within the department of economic development annually approves the proposal of the business firm. The proposal shall only be approved if the project is located in a city with a population of four hundred thousand

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.

6 or more inhabitants which is located in more than one county and which serves a mix of rural  
7 and urban counties.

8 2. For purposes of this section "low-income persons" shall mean families or persons with  
9 incomes of fifty percent or less of median income adjusted for family size as allowed by the  
10 Department of Housing and Urban Development (HUD) under section 8.

11 3. The purpose of a homeless assistance project shall be to serve low-income families  
12 or persons who are experiencing economic crisis caused by one or more of the following:

- 13 (1) Loss of employment;
- 14 (2) Medical disability or emergency;
- 15 (3) Loss or delay of some form of public assistance benefits;
- 16 (4) Natural disaster;
- 17 (5) Substantial change in household composition;
- 18 (6) Victimization by criminal activity;
- 19 (7) Illegal action by a landlord;
- 20 (8) Displacement by government or private action; or
- 21 (9) Some other condition which constitutes a hardship.

22 4. The amount of the tax credit shall not exceed fifty-five percent of the value of the  
23 proposal benefits, which shall include one or more of the following types of benefits to  
24 low-income persons in order to be eligible:

- 25 (1) Payment of rent or mortgage for not more than three months during any  
26 twelve-month period;
- 27 (2) Payment to a landlord of a rent deposit or a security deposit for not more than two  
28 months during any twelve-month period;
- 29 (3) Case management services which shall include support services such as child care,  
30 education resource assistance, job resource assistance, counseling, and resource and referral;
- 31 (4) Outreach services to low-income persons to prevent homelessness;
- 32 (5) Transitional housing facilities with support services.

33 5. The homeless assistance program shall give priority to the following types of  
34 low-income families or individuals:

- 35 (1) Families with minor children who are in imminent danger of removal from the family  
36 because of a lack of suitable housing accommodation;
- 37 (2) Single parent household;
- 38 (3) Other households with children;
- 39 (4) Households with a disabled household member or a household member who is at  
40 least sixty-five years of age;
- 41 (5) All other households.

42           6. The organization implementing a homeless assistance program pursuant to this section  
43 shall make annual reports identifying the goal of the program, the number of recipients served,  
44 the type of services rendered, and moneys expended to provide the program. The program report  
45 shall be submitted to the governor, speaker of the house of representatives and the president pro  
46 tem of the senate. These reports shall also be available to the general public upon request.

47           [7. For each of the fiscal years beginning on July 1, 1991, and July 1, 1992, one million  
48 dollars in tax credits may be allowed to be used for the homeless assistance pilot project,  
49 pursuant to this section.]

EXPLANATION: Subsection 2 of this section expired 06-01-05.

          57.080. [1.] Whenever from any cause the office of sheriff becomes vacant, the same  
2 shall be filled by the county commission; if such vacancy happens more than nine months prior  
3 to the time of holding a general election, such county commission shall immediately order a  
4 special election to fill the same, and the person by it appointed shall hold said office until the  
5 person chosen at such election shall be duly qualified; otherwise the person appointed by such  
6 county commission shall hold office until the person chosen at such general election shall be  
7 duly qualified; but while such vacancy continues, any writ or process directed to the said sheriff  
8 and in such sheriff's hands at the time such vacancy occurs, remaining unexecuted, and any writ  
9 or process issued after such vacancy, may be served by any person selected by the plaintiff, the  
10 plaintiff's agent or attorney, at the risk of such plaintiff; and the clerk of any court out of which  
11 such writ or process shall issue shall endorse on such writ or process the authority to such person  
12 to execute and return the same, and shall state on such endorsement that the authority thus given  
13 is "at the request and risk of the plaintiff", and the person so named in said writ or process may  
14 proceed to execute and return said process, as sheriffs are by the law required to do. Such  
15 election shall be held on or before the tenth Tuesday after the vacancy occurs. Upon the  
16 occurrence of such vacancy, it shall be the duty of the presiding commissioner of the county  
17 commission, if such commission be not then in session, to call a special term thereof, and cause  
18 said election to be held.

19           [2. Notwithstanding the provisions of this section to the contrary, if a vacancy occurs in  
20 the office of the sheriff in any county of the first classification with more than seventy-one  
21 thousand three hundred but fewer than seventy-one thousand four hundred inhabitants, the  
22 election to fill such vacancy shall be held on the general municipal election day as provided for  
23 in section 115.121, RSMo. The provisions of this subsection shall expire on June 1, 2005.]

EXPLANATION: The intersectional references at the end of this section are no longer accurate.

115.177. Nothing in this subchapter shall be construed in any way as interfering with or  
2 discontinuing any person's valid registration which is in effect on January 1, 1978, until such  
3 time as the person is required to transfer his registration or to reregister under the provisions of  
4 sections 115.001 to 115.641 [and sections 51.450 and 51.460, RSMo].

EXPLANATION: Subsection 1 of this section is ineffective; it applies to tax years prior to 1994.

143.171. 1. [For all tax years beginning before January 1, 1994, for an individual  
2 taxpayer and for all tax years beginning before September 1, 1993, for a corporate taxpayer, the  
3 taxpayer shall be allowed a deduction for his federal income tax liability under chapter 1 of the  
4 Internal Revenue Code for the same taxable year for which the Missouri return is being filed  
5 after reduction for all credits thereon, except the credit for payments of federal estimated tax, the  
6 credit for the overpayment of any federal tax, and the credits allowed by the Internal Revenue  
7 Code by section 31 (tax withheld on wages), section 27 (tax of foreign country and United States  
8 possessions), and section 34 (tax on certain uses of gasoline, special fuels, and lubricating oils).  
9 2.] For all tax years beginning on or after January 1, 1994, an individual taxpayer shall  
10 be allowed a deduction for his federal income tax liability under chapter 1 of the Internal  
11 Revenue Code for the same taxable year for which the Missouri return is being filed, not to  
12 exceed five thousand dollars on a single taxpayer's return or ten thousand dollars on a combined  
13 return, after reduction for all credits thereon, except the credit for payments of federal estimated  
14 tax, the credit for the overpayment of any federal tax, and the credits allowed by the Internal  
15 Revenue Code by section 31 (tax withheld on wages), section 27 (tax of foreign country and  
16 United States possessions), and section 34 (tax on certain uses of gasoline, special fuels, and  
17 lubricating oils).

18 [3.] 2. For all tax years beginning on or after September 1, 1993, a corporate taxpayer  
19 shall be allowed a deduction for fifty percent of its federal income tax liability under chapter 1  
20 of the Internal Revenue Code for the same taxable year for which the Missouri return is being  
21 filed after reduction for all credits thereon, except the credit for payments of federal estimated  
22 tax, the credit for the overpayment of any federal tax, and the credits allowed by the Internal  
23 Revenue Code by section 31 (tax withheld on wages), section 27 (tax of foreign country and  
24 United States possessions), and section 34 (tax on certain uses of gasoline, special fuels and  
25 lubricating oils).

26 [4.] 3. If a federal income tax liability for a tax year prior to the applicability of sections  
27 143.011 to 143.996 for which he was not previously entitled to a Missouri deduction is later paid  
28 or accrued, he may deduct the federal tax in the later year to the extent it would have been  
29 deductible if paid or accrued in the prior year.

EXPLANATION: Subsection 5 of this section expired 08-28-07.

174.020. 1. Except as provided in subsection 5 of this section, state institutions of higher education governed by sections 174.020 to 174.500 shall be named and known as follows: the institution at Warrensburg, Johnson County, shall hereafter be known as the "Central Missouri State University"; the institution at Cape Girardeau, Cape Girardeau County, shall hereafter be known as the "Southeast Missouri State University"; the institution at Springfield, Greene County, shall hereafter be known as the "Missouri State University"; the institution at Maryville, Nodaway County, shall hereafter be known as the "Northwest Missouri State University"; the institution at St. Joseph, Buchanan County, shall hereafter be known as the "Missouri Western State University"; the institution at Joplin, Jasper County, shall hereafter be known as the "Missouri Southern State University"; and the college in the city of St. Louis shall be known as "Harris-Stowe State University".

2. References in the statutes in this state to such institutions whether denominated colleges or universities in such statutes or whether said institutions are renamed in subsection 1 of this section shall continue to apply to the applicable institution.

3. Any costs incurred with respect to modifications of the names of the state colleges and universities specified in subsection 1 of this section shall not be paid from state funds.

4. When the conditions set forth in section 178.631, RSMo, are met, the technical college located in Osage County, commonly known as the East Campus of Linn Technical College, shall be known as "Linn State Technical College".

[5. The board of governors of the institution at Warrensburg, Johnson County, may alter the name of such institution to "The University of Central Missouri" upon the approval of at least four voting members of the board. Upon such a vote, the board shall provide written notice to the revisor of statutes affirming that the board has approved the alteration. From the date the revisor receives the notice, the institution at Warrensburg, Johnson County, shall be named and known as "The University of Central Missouri". The provisions of this subsection shall expire on August 28, 2007.]

EXPLANATION: Subdivision (7) of this section is ineffective; the definition for "health care facilities" in Section 197.366 became applicable after December 31, 2001.

197.305. As used in sections 197.300 to 197.366, the following terms mean:

(1) "Affected persons", the person proposing the development of a new institutional health service, the public to be served, and health care facilities within the service area in which the proposed new health care service is to be developed;

(2) "Agency", the certificate of need program of the Missouri department of health and senior services;

7           (3) "Capital expenditure", an expenditure by or on behalf of a health care facility which,  
8 under generally accepted accounting principles, is not properly chargeable as an expense of  
9 operation and maintenance;

10           (4) "Certificate of need", a written certificate issued by the committee setting forth the  
11 committee's affirmative finding that a proposed project sufficiently satisfies the criteria  
12 prescribed for such projects by sections 197.300 to 197.366;

13           (5) "Develop", to undertake those activities which on their completion will result in the  
14 offering of a new institutional health service or the incurring of a financial obligation in relation  
15 to the offering of such a service;

16           (6) "Expenditure minimum" shall mean:

17           (a) For beds in existing or proposed health care facilities licensed pursuant to chapter  
18 198, RSMo, and long-term care beds in a hospital as described in subdivision (3) of subsection  
19 1 of section 198.012, RSMo, six hundred thousand dollars in the case of capital expenditures,  
20 or four hundred thousand dollars in the case of major medical equipment, provided, however,  
21 that prior to January 1, 2003, the expenditure minimum for beds in such a facility and long-term  
22 care beds in a hospital described in section 198.012, RSMo, shall be zero, subject to the  
23 provisions of subsection [7] 6 of section 197.318;

24           (b) For beds or equipment in a long-term care hospital meeting the requirements  
25 described in 42 CFR, Section 412.23(e), the expenditure minimum shall be zero; and

26           (c) For health care facilities, new institutional health services or beds not described in  
27 paragraph (a) or (b) of this subdivision one million dollars in the case of capital expenditures,  
28 excluding major medical equipment, and one million dollars in the case of medical equipment;

29           (7) ["Health care facilities", hospitals, health maintenance organizations, tuberculosis  
30 hospitals, psychiatric hospitals, intermediate care facilities, skilled nursing facilities, residential  
31 care facilities and assisted living facilities, kidney disease treatment centers, including  
32 freestanding hemodialysis units, diagnostic imaging centers, radiation therapy centers and  
33 ambulatory surgical facilities, but excluding the private offices of physicians, dentists and other  
34 practitioners of the healing arts, and Christian Science sanatoriums, also known as Christian  
35 Science Nursing facilities listed and certified by the Commission for Accreditation of Christian  
36 Science Nursing Organization/Facilities, Inc., and facilities of not-for-profit corporations in  
37 existence on October 1, 1980, subject either to the provisions and regulations of Section 302 of  
38 the Labor-Management Relations Act, 29 U.S.C. 186 or the Labor-Management Reporting and  
39 Disclosure Act, 29 U.S.C. 401-538, and any residential care facility or assisted living facility  
40 operated by a religious organization qualified pursuant to Section 501(c)(3) of the federal  
41 Internal Revenue Code, as amended, which does not require the expenditure of public funds for  
42 purchase or operation, with a total licensed bed capacity of one hundred beds or fewer;

43           (8)] "Health service area", a geographic region appropriate for the effective planning and  
44 development of health services, determined on the basis of factors including population and the  
45 availability of resources, consisting of a population of not less than five hundred thousand or  
46 more than three million;

47           [(9)] (8) "Major medical equipment", medical equipment used for the provision of  
48 medical and other health services;

49           [(10)] (9) "New institutional health service":

50           (a) The development of a new health care facility costing in excess of the applicable  
51 expenditure minimum;

52           (b) The acquisition, including acquisition by lease, of any health care facility, or major  
53 medical equipment costing in excess of the expenditure minimum;

54           (c) Any capital expenditure by or on behalf of a health care facility in excess of the  
55 expenditure minimum;

56           (d) Predevelopment activities as defined in subdivision [(13)] (12) hereof costing in  
57 excess of one hundred fifty thousand dollars;

58           (e) Any change in licensed bed capacity of a health care facility which increases the total  
59 number of beds by more than ten or more than ten percent of total bed capacity, whichever is  
60 less, over a two-year period;

61           (f) Health services, excluding home health services, which are offered in a health care  
62 facility and which were not offered on a regular basis in such health care facility within the  
63 twelve-month period prior to the time such services would be offered;

64           (g) A reallocation by an existing health care facility of licensed beds among major types  
65 of service or reallocation of licensed beds from one physical facility or site to another by more  
66 than ten beds or more than ten percent of total licensed bed capacity, whichever is less, over a  
67 two-year period;

68           [(11)] (10) "Nonsubstantive projects", projects which do not involve the addition,  
69 replacement, modernization or conversion of beds or the provision of a new health service but  
70 which include a capital expenditure which exceeds the expenditure minimum and are due to an  
71 act of God or a normal consequence of maintaining health care services, facility or equipment;

72           [(12)] (11) "Person", any individual, trust, estate, partnership, corporation, including  
73 associations and joint stock companies, state or political subdivision or instrumentality thereof,  
74 including a municipal corporation;

75           [(13)] (12) "Predevelopment activities", expenditures for architectural designs, plans,  
76 working drawings and specifications, and any arrangement or commitment made for financing;  
77 but excluding submission of an application for a certificate of need.

EXPLANATION: Subsection 3 of this section expired January 1, 2003.

197.318. 1. The provisions of section 197.317 shall not apply to a residential care facility, assisted living facility, intermediate care facility or skilled nursing facility only where the department of social services has first determined that there presently exists a need for additional beds of that classification because the average occupancy of all licensed and available residential care facility, assisted living facility, intermediate care facility and skilled nursing facility beds exceeds ninety percent for at least four consecutive calendar quarters, in a particular county, and within a fifteen-mile radius of the proposed facility, and the facility otherwise appears to qualify for a certificate of need. The department's certification that there is no need for additional beds shall serve as the final determination and decision of the committee. In determining ninety percent occupancy, residential care facility and assisted living facility shall be one separate classification and intermediate care and skilled nursing facilities are another separate classification.

2. The Missouri health facilities review committee may, for any facility certified to it by the department, consider the predominant ethnic or religious composition of the residents to be served by that facility in considering whether to grant a certificate of need.

3. [There shall be no expenditure minimum for facilities, beds, or services referred to in subdivisions (1), (2) and (3) of section 197.317. The provisions of this subsection shall expire January 1, 2003.

4.] As used in this section, the term "licensed and available" means beds which are actually in place and for which a license has been issued.

[5.] 4. The provisions of section 197.317 shall not apply to any facility where at least ninety-five percent of the patients require diets meeting the dietary standards defined by section 196.165, RSMo.

[6.] 5. The committee shall review all letters of intent and applications for long-term care hospital beds meeting the requirements described in 42 CFR, Section 412.23(e) under its criteria and standards for long-term care beds.

[7.] 6. Sections 197.300 to 197.366 shall not be construed to apply to litigation pending in state court on or before April 1, 1996, in which the Missouri health facilities review committee is a defendant in an action concerning the application of sections 197.300 to 197.366 to long-term care hospital beds meeting the requirements described in 42 CFR, Section 412.23(e).

[8.] 7. Notwithstanding any other provision of this chapter to the contrary:

(1) A facility licensed pursuant to chapter 198, RSMo, may increase its licensed bed capacity by:

(a) Submitting a letter of intent to expand to the division of aging and the health facilities review committee;

- 36 (b) Certification from the division of aging that the facility:  
37 a. Has no patient care class I deficiencies within the last eighteen months; and  
38 b. Has maintained a ninety-percent average occupancy rate for the previous six quarters;  
39 (c) Has made an effort to purchase beds for eighteen months following the date the letter  
40 of intent to expand is submitted pursuant to paragraph (a) of this subdivision. For purposes of  
41 this paragraph, an "effort to purchase" means a copy certified by the offeror as an offer to  
42 purchase beds from another licensed facility in the same licensure category; and  
43 (d) If an agreement is reached by the selling and purchasing entities, the health facilities  
44 review committee shall issue a certificate of need for the expansion of the purchaser facility upon  
45 surrender of the seller's license; or  
46 (e) If no agreement is reached by the selling and purchasing entities, the health facilities  
47 review committee shall permit an expansion for:  
48 a. A facility with more than forty beds may expand its licensed bed capacity within the  
49 same licensure category by twenty-five percent or thirty beds, whichever is greater, if that same  
50 licensure category in such facility has experienced an average occupancy of ninety-three percent  
51 or greater over the previous six quarters;  
52 b. A facility with fewer than forty beds may expand its licensed bed capacity within the  
53 same licensure category by twenty-five percent or ten beds, whichever is greater, if that same  
54 licensure category in such facility has experienced an average occupancy of ninety-two percent  
55 or greater over the previous six quarters;  
56 c. A facility adding beds pursuant to subparagraphs a. or b. of this paragraph shall not  
57 expand by more than fifty percent of its then licensed bed capacity in the qualifying licensure  
58 category;  
59 (2) Any beds sold shall, for five years from the date of relicensure by the purchaser,  
60 remain unlicensed and unused for any long-term care service in the selling facility, whether they  
61 do or do not require a license;  
62 (3) The beds purchased shall, for two years from the date of purchase, remain in the bed  
63 inventory attributed to the selling facility and be considered by the department of social services  
64 as licensed and available for purposes of this section;  
65 (4) Any residential care facility licensed pursuant to chapter 198, RSMo, may relocate  
66 any portion of such facility's current licensed beds to any other facility to be licensed within the  
67 same licensure category if both facilities are under the same licensure ownership or control, and  
68 are located within six miles of each other;  
69 (5) A facility licensed pursuant to chapter 198, RSMo, may transfer or sell individual  
70 long-term care licensed beds to facilities qualifying pursuant to paragraphs (a) and (b) of  
71 subdivision (1) of this subsection. Any facility which transfers or sells licensed beds shall not

72 expand its licensed bed capacity in that licensure category for a period of five years from the date  
73 the licensure is relinquished.

74 [9.] 8. Any existing licensed and operating health care facility offering long-term care  
75 services may replace one-half of its licensed beds at the same site or a site not more than thirty  
76 miles from its current location if, for at least the most recent four consecutive calendar quarters,  
77 the facility operates only fifty percent of its then licensed capacity with every resident residing  
78 in a private room. In such case:

79 (1) The facility shall report to the division of aging vacant beds as unavailable for  
80 occupancy for at least the most recent four consecutive calendar quarters;

81 (2) The replacement beds shall be built to private room specifications and only used for  
82 single occupancy; and

83 (3) The existing facility and proposed facility shall have the same owner or owners,  
84 regardless of corporate or business structure, and such owner or owners shall stipulate in writing  
85 that the existing facility beds to be replaced will not later be used to provide long-term care  
86 services. If the facility is being operated under a lease, both the lessee and the owner of the  
87 existing facility shall stipulate the same in writing.

88 [10.] 9. Nothing in this section shall prohibit a health care facility licensed pursuant to  
89 chapter 198, RSMo, from being replaced in its entirety within fifteen miles of its existing site so  
90 long as the existing facility and proposed or replacement facility have the same owner or owners  
91 regardless of corporate or business structure and the health care facility being replaced remains  
92 unlicensed and unused for any long-term care services whether they do or do not require a license  
93 from the date of licensure of the replacement facility.

EXPLANATION: This section replaces the definition in Section 197.305.

197.366. The [provisions of subdivision (8) of section 197.305 to the contrary  
2 notwithstanding, after December 31, 2001, the] term "health care facilities" in sections 197.300  
3 to 197.366 shall mean:

4 (1) Facilities licensed under chapter 198, RSMo;

5 (2) Long-term care beds in a hospital as described in subdivision (3) of subsection 1 of  
6 section 198.012, RSMo;

7 (3) Long-term care hospitals or beds in a long-term care hospital meeting the  
8 requirements described in 42 CFR, section 412.23(e); and

9 (4) Construction of a new hospital as defined in chapter 197.

EXPLANATION: The time period requirement for the study required under subparagraph d. of  
paragraph (e) of subdivision (3) of subsection 1 of this section expired in 2002.

313.835. 1. All revenue received by the commission from license fees, penalties, administrative fees, reimbursement by any excursion gambling boat operators for services provided by the commission and admission fees authorized pursuant to the provisions of sections 313.800 to 313.850, except that portion of the admission fee, not to exceed one cent, that may be appropriated to the compulsive gamblers fund as provided in section 313.820, shall be deposited in the state treasury to the credit of the "Gaming Commission Fund" which is hereby created for the sole purpose of funding the administrative costs of the commission, subject to appropriation. Moneys deposited into this fund shall not be considered proceeds of gambling operations. Moneys deposited into the gaming commission fund shall be considered state funds pursuant to article IV, section 15 of the Missouri Constitution. All interest received on the gaming commission fund shall be credited to the gaming commission fund. In each fiscal year, total revenues to the gaming commission fund for the preceding fiscal year shall be compared to total expenditures and transfers from the gaming commission fund for the preceding fiscal year. The remaining net proceeds in the gaming commission fund shall be distributed in the following manner:

(1) The first five hundred thousand dollars shall be appropriated on a per capita basis to cities and counties that match the state portion and have demonstrated a need for funding community neighborhood organization programs for the homeless and to deter gang-related violence and crimes;

(2) The remaining net proceeds in the gaming commission fund for fiscal year 1998 and prior years shall be transferred to the "Veterans' Commission Capital Improvement Trust Fund", as hereby created in the state treasury. The state treasurer shall administer the veterans' commission capital improvement trust fund, and the moneys in such fund shall be used solely, upon appropriation, by the Missouri veterans' commission for:

(a) The construction, maintenance or renovation or equipment needs of veterans' homes in this state;

(b) The construction, maintenance, renovation, equipment needs and operation of veterans' cemeteries in this state;

(c) Fund transfers to Missouri veterans' homes fund established pursuant to the provisions of section 42.121, RSMo, as necessary to maintain solvency of the fund;

(d) Fund transfers to any municipality with a population greater than four hundred thousand and located in part of a county with a population greater than six hundred thousand in this state which has established a fund for the sole purpose of the restoration, renovation and maintenance of a memorial or museum or both dedicated to World War I. Appropriations from the veterans' commission capital improvement trust fund to such memorial fund shall be provided only as a one-time match for other funds devoted to the project and shall not exceed

37 five million dollars. Additional appropriations not to exceed ten million dollars total may be  
38 made from the veterans' commission capital improvement trust fund as a match to other funds  
39 for the new construction or renovation of other facilities dedicated as veterans' memorials in the  
40 state. All appropriations for renovation, new construction, reconstruction, and maintenance of  
41 veterans' memorials shall be made only for applications received by the Missouri veterans'  
42 commission prior to July 1, 2004;

43 (e) The issuance of matching fund grants for veterans' service officer programs to any  
44 federally chartered veterans' organization or municipal government agency that is certified by  
45 the Veterans Administration to process veteran claims within the Veterans Administration  
46 System; provided that such veterans' organization has maintained a veterans' service officer  
47 presence within the state of Missouri for the three-year period immediately preceding the  
48 issuance of any such grant. A total of one million dollars in grants shall be made available  
49 annually with grants being issued in July of each year. Application for the matching grants shall  
50 be made through and approved by the Missouri veterans' commission based on the requirements  
51 established by the commission;

52 (f) For payment of Missouri national guard and Missouri veterans' commission expenses  
53 associated with providing medals, medallions and certificates in recognition of service in the  
54 armed forces of the United States during World War II and the Korean Conflict pursuant to  
55 sections 42.170 to 42.206, RSMo. Any funds remaining from the medals, medallions and  
56 certificates shall not be transferred to any other fund and shall only be utilized for the awarding  
57 of future medals, medallions, and certificates in recognition of service in the armed forces; and

58 (g) Fund transfers totaling ten million dollars to any municipality with a population  
59 greater than three hundred fifty thousand inhabitants and located in part in a county with a  
60 population greater than six hundred thousand inhabitants and with a charter form of government,  
61 for the sole purpose of the construction, restoration, renovation and maintenance of a memorial  
62 or museum or both dedicated to World War I.

63

64 Any interest which accrues to the fund shall remain in the fund and shall be used in the same  
65 manner as moneys which are transferred to the fund pursuant to this section. Notwithstanding  
66 the provisions of section 33.080, RSMo, to the contrary, moneys in the veterans' commission  
67 capital improvement trust fund at the end of any biennium shall not be transferred to the credit  
68 of the general revenue fund;

69 (3) The remaining net proceeds in the gaming commission fund for fiscal year 1999 and  
70 each fiscal year thereafter shall be distributed as follows:

71 (a) The first four and one-half million dollar portion shall be transferred to the access  
72 Missouri financial assistance fund, established pursuant to the provisions of sections 173.1101

73 to 173.1107, RSMo, and additional moneys as annually appropriated by the general assembly  
74 shall be appropriated to such fund;

75 (b) The second three million dollar portion shall be transferred to the veterans'  
76 commission capital improvement trust fund;

77 (c) The third three million dollar portion shall be transferred to the Missouri national  
78 guard trust fund created in section 41.214, RSMo;

79 (d) Subject to appropriations, one hundred percent of remaining net proceeds in the  
80 gaming commission fund except as provided in paragraph (l) of this subdivision, and after the  
81 appropriations made pursuant to the provisions of paragraphs (a), (b), and (c) of this subdivision,  
82 shall be transferred to the "Early Childhood Development, Education and Care Fund" which is  
83 hereby created to give parents meaningful choices and assistance in choosing the child-care and  
84 education arrangements that are appropriate for their family. All interest received on the fund  
85 shall be credited to the fund. Notwithstanding the provisions of section 33.080, RSMo, moneys  
86 in the fund at the end of any biennium shall not be transferred to the credit of the general revenue  
87 fund. Any moneys deposited in such fund shall be used to support programs that prepare  
88 children prior to the age in which they are eligible to enroll in kindergarten, pursuant to section  
89 160.053, RSMo, to enter school ready to learn. All moneys deposited in the early childhood  
90 development, education and care fund shall be annually appropriated for voluntary, early  
91 childhood development, education and care programs serving children in every region of the  
92 state not yet enrolled in kindergarten;

93 (e) No less than sixty percent of moneys deposited in the early childhood development,  
94 education and care fund shall be appropriated as provided in this paragraph to the department of  
95 elementary and secondary education and to the department of social services to provide early  
96 childhood development, education and care programs through competitive grants to, or contracts  
97 with, governmental or private agencies. Eighty percent of such moneys pursuant to the  
98 provisions of this paragraph and additional moneys as appropriated by the general assembly shall  
99 be appropriated to the department of elementary and secondary education and twenty percent of  
100 such moneys pursuant to the provisions of this paragraph shall be appropriated to the department  
101 of social services. The departments shall provide public notice and information about the grant  
102 process to potential applicants:

103 a. Grants or contracts may be provided for:

104 (i) Start-up funds for necessary materials, supplies, equipment and facilities; and

105 (ii) Ongoing costs associated with the implementation of a sliding parental fee schedule  
106 based on income;

107 b. Grant and contract applications shall, at a minimum, include:

108 (i) A funding plan which demonstrates funding from a variety of sources including  
109 parental fees;

110 (ii) A child development, education and care plan that is appropriate to meet the needs  
111 of children;

112 (iii) The identity of any partner agencies or contractual service providers;

113 (iv) Documentation of community input into program development;

114 (v) Demonstration of financial and programmatic accountability on an annual basis;

115 (vi) Commitment to state licensure within one year of the initial grant, if funding comes  
116 from the appropriation to the department of elementary and secondary education and  
117 commitment to compliance with the requirements of the department of social services, if funding  
118 comes from the department of social services; and

119 (vii) With respect to applications by public schools, the establishment of a parent  
120 advisory committee within each public school program;

121 c. In awarding grants and contracts pursuant to this paragraph, the departments may give  
122 preference to programs which:

123 (i) Are new or expanding programs which increase capacity;

124 (ii) Target geographic areas of high need, namely where the ratio of program slots to  
125 children under the age of six in the area is less than the same ratio statewide;

126 (iii) Are programs designed for special needs children;

127 (iv) Are programs that offer services during nontraditional hours and weekends; or

128 (v) Are programs that serve a high concentration of low-income families;

129 [d. Beginning on August 28, 1998, the department of elementary and secondary  
130 education and the department of social services shall initiate and conduct a four-year study to  
131 evaluate the impact of early childhood development, education and care in this state. The study  
132 shall consist of an evaluation of children eligible for moneys pursuant to this paragraph,  
133 including an evaluation of the early childhood development, education and care of those children  
134 participating in such program and those not participating in the program over a four-year period.  
135 At the conclusion of the study, the department of elementary and secondary education and the  
136 department of social services shall, within ninety days of conclusion of the study, submit a report  
137 to the general assembly and the governor, with an analysis of the study required pursuant to this  
138 subparagraph, all data collected, findings, and other information relevant to early childhood  
139 development, education and care;]

140 (f) No less than ten percent of moneys deposited in the early childhood development,  
141 education and care fund shall be appropriated to the department of social services to provide  
142 early childhood development, education and care programs through child development,  
143 education and care certificates to families whose income does not exceed one hundred

144 eighty-five percent of the federal poverty level in the manner pursuant to 42 U.S.C.  
145 9858c(c)(2)(A) and 42 U.S.C. 9858n(2) for the purpose of funding early childhood development,  
146 education and care programs as approved by the department of social services. At a minimum,  
147 the certificate shall be of a value per child which is commensurate with the per child payment  
148 under item (ii) of subparagraph a. of paragraph (e) of this subdivision pertaining to the grants or  
149 contracts. On February first of each year the department shall certify the total amount of child  
150 development, education and care certificates applied for and the unused balance of the funds  
151 shall be released to be used for supplementing the competitive grants and contracts program  
152 authorized pursuant to paragraph (e) of this subdivision;

153 (g) No less than ten percent of moneys deposited in the early childhood development,  
154 education and care fund shall be appropriated to the department of social services to increase  
155 reimbursements to child-care facilities for low-income children that are accredited by a  
156 recognized, early childhood accrediting organization;

157 (h) No less than ten percent of the funds deposited in the early childhood development,  
158 education and care fund shall be appropriated to the department of social services to provide  
159 assistance to eligible parents whose family income does not exceed one hundred eighty-five  
160 percent of the federal poverty level who wish to care for their children under three years of age  
161 in the home, to enable such parent to take advantage of early childhood development, education  
162 and care programs for such parent's child or children. At a minimum, the certificate shall be of  
163 a value per child which is commensurate with the per child payment under item (ii) of  
164 subparagraph a. of paragraph (e) of this subdivision pertaining to the grants or contracts. The  
165 department of social services shall provide assistance to these parents in the effective use of early  
166 childhood development, education and care tools and methods;

167 (i) In setting the value of parental certificates under paragraph (f) of this subdivision and  
168 payments under paragraph (h) of this subdivision, the department of social services may increase  
169 the value based on the following:

170 a. The adult caretaker of the children successfully participates in the parents as teachers  
171 program pursuant to the provisions of sections 178.691 to 178.699, RSMo, a training program  
172 provided by the department on early childhood development, education and care, the home-based  
173 Head Start program as defined in 42 U.S.C. 9832 or a similar program approved by the  
174 department;

175 b. The adult caretaker consents to and clears a child abuse or neglect screening pursuant  
176 to subdivision (1) of subsection 2 of section 210.152, RSMo; and

177 c. The degree of economic need of the family;

178 (j) The department of elementary and secondary education and the department of social  
179 services each shall by rule promulgated pursuant to chapter 536, RSMo, establish guidelines for

180 the implementation of the early childhood development, education and care programs as  
181 provided in paragraphs (e) through (i) of this subdivision;

182 (k) Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that  
183 is promulgated under the authority delegated in paragraph (j) of this subdivision shall become  
184 effective only if the agency has fully complied with all of the requirements of chapter 536,  
185 RSMo, including but not limited to, section 536.028, RSMo, if applicable, after August 28, 1998.  
186 All rulemaking authority delegated prior to August 28, 1998, is of no force and effect and  
187 repealed as of August 28, 1998, however, nothing in this section shall be interpreted to repeal  
188 or affect the validity of any rule adopted or promulgated prior to August 28, 1998. If the  
189 provisions of section 536.028, RSMo, apply, the provisions of this section are nonseverable and  
190 if any of the powers vested with the general assembly pursuant to section 536.028, RSMo, to  
191 review, to delay the effective date, or to disapprove and annul a rule or portion of a rule are held  
192 unconstitutional or invalid, the purported grant of rulemaking authority and any rule so proposed  
193 and contained in the order of rulemaking shall be invalid and void, except that nothing in this  
194 act shall affect the validity of any rule adopted and promulgated prior to August 28, 1998;

195 (l) When the remaining net proceeds, as such term is used pursuant to paragraph (d) of  
196 this subdivision, in the gaming commission fund annually exceeds twenty-eight million dollars:  
197 one-half million dollars of such proceeds shall be transferred annually, subject to appropriation,  
198 to the access Missouri financial assistance fund, established pursuant to the provisions of  
199 sections 173.1101 to 173.1107, RSMo; three million dollars of such proceeds shall be transferred  
200 annually, subject to appropriation, to the veterans' commission capital improvement trust fund;  
201 and one million dollars of such proceeds shall be transferred annually, subject to appropriation,  
202 to the Missouri national guard trust fund created in section 41.214, RSMo.

203 2. Upon request by the veterans' commission, the general assembly may appropriate  
204 moneys from the veterans' commission capital improvements trust fund to the Missouri national  
205 guard trust fund to support the activities described in section 41.958, RSMo.

EXPLANATION: The fund created in this section was abolished by Section 329.028 in 2005.

328.050. [1.] Each member of the board shall receive as compensation an amount set  
2 by the board not to exceed fifty dollars for each day devoted to the affairs of the board, and shall  
3 be entitled to reimbursement of his expenses necessarily incurred in the discharge of his official  
4 duties. [All money payable under this chapter shall be collected by the division of professional  
5 registration in the department of economic development which shall transmit them to the  
6 department of revenue for deposit in the state treasury to the credit of a "Board of Barbers Fund".  
7 Warrants shall be drawn upon the treasurer out of this fund only for the payment of the salaries,  
8 office and other necessary expenses of the board. A detailed statement of the expenses incurred

9 by the board, approved by the secretary-treasurer of the board, shall be filed with the  
10 commissioner of administration before warrants are drawn for their payment.

11 2. The provisions of section 33.080, RSMo, to the contrary notwithstanding, money in  
12 this fund shall not be transferred and placed to the credit of general revenue until the amount in  
13 the fund at the end of the biennium exceeds two times the amount of the appropriation from the  
14 board's funds for the preceding fiscal year or, if the board requires by rule permit renewal less  
15 frequently than yearly, then three times the appropriation from the board's funds for the preceding  
16 fiscal year. The amount, if any, in the fund which shall lapse is that amount in the fund which  
17 exceeds the appropriate multiple of the appropriations from the board's funds for the preceding  
18 fiscal year.]

EXPLANATION: The requirement in subsection 3 for the transfer of moneys from abolished funds has occurred.

329.028. 1. There is hereby created in the state treasury a fund to be known as the  
2 "Board of Cosmetology and Barber Examiners Fund", which shall consist of all moneys collected  
3 by the board. All fees provided for in this chapter and chapter 328, RSMo, shall be payable to  
4 the director of the division of professional registration in the department of economic  
5 development, who shall keep a record of the account showing the total payments received and  
6 shall immediately thereafter transmit them to the department of revenue for deposit in the state  
7 treasury to the credit of the board of cosmetology and barber examiners fund. All the salaries  
8 and expenses for the operation of the board shall be appropriated and paid from such fund.

9 2. The provisions of section 33.080, RSMo, to the contrary notwithstanding, money in  
10 this fund shall not be transferred and placed to the credit of general revenue until the amount in  
11 the fund at the end of the biennium exceeds two times the amount of the appropriation from the  
12 board's funds for the preceding fiscal year or, if the board requires by rule license renewal less  
13 frequently than yearly, then three times the appropriation from the board's funds for the preceding  
14 fiscal year. The amount, if any, in the fund which shall lapse is that amount in the fund which  
15 exceeds the appropriate multiple of the appropriations from the board's funds for the preceding  
16 fiscal year.

17 [3. Upon appointment by the governor and confirmation by the senate of the board, all  
18 moneys deposited in the board of barbers fund created in section 328.050, RSMo, and the state  
19 board of cosmetology fund created in section 329.240, shall be transferred to the board of  
20 cosmetology and barber examiners fund created in subsection 1 of this section. The board of  
21 barbers fund and the state board of cosmetology fund shall be abolished when all moneys are  
22 transferred to the board of cosmetology and barber examiners fund.]

EXPLANATION: The fund in this section was abolished by Section 329.028 in 2005.

329.240. [1.] All fees provided for in this chapter shall be payable to the director of the  
2 division of professional registration in the department of economic development who shall keep  
3 a record of the account showing the total payments received and shall immediately thereafter  
4 transmit them [to the department of revenue for deposit in the state treasury to the credit of a  
5 fund to be known as the "State Board of Cosmetology Fund". All the salaries and expenses for  
6 the operation of the board shall be appropriated and paid from such fund.

7 2. The provisions of section 33.080, RSMo, to the contrary notwithstanding, money in  
8 this fund shall not be transferred and placed to the credit of general revenue until the amount in  
9 the fund at the end of the biennium exceeds two times the amount of the appropriation from the  
10 board's funds for the preceding fiscal year or, if the board requires by rule permit renewal less  
11 frequently than yearly, then three times the appropriation from the board's funds for the preceding  
12 fiscal year. The amount, if any, in the fund which shall lapse is that amount in the fund which  
13 exceeds the appropriate multiple of the appropriations from the board's funds for the preceding  
14 fiscal year].

EXPLANATION: Subsection 5 of this section is ineffective by its own provisions; the report was due for submission no later than January 1, 2007.

620.515. 1. This section shall be known and may be cited as the "Guard at Home"  
2 program whose purpose is to:

3 (1) Assist the spouse of an active duty national guard or reserve component service  
4 member reservist to address immediate needs and employment in an attempt to keep the family  
5 from falling into poverty while the primary income earner is on active duty; and

6 (2) Assist returning national guard troops with finding work in situations where an  
7 individual needs to rebuild business clientele or where an individual's job has been eliminated  
8 while such individual was deployed.

9 2. Subject to appropriation, the department of economic development shall enter into a  
10 contract with qualified providers through local workforce investment boards to provide the guard  
11 at home program. The department shall develop the criteria of the contract based on the  
12 following criteria:

13 (1) Eligible participants in the program shall be those families where:

14 (a) The primary income earner was called to active duty in defense of the United States  
15 for a period of more than four months;

16 (b) The family's primary income is no longer available;

17 (c) The family is experiencing significant hardship due to financial burdens; and

18 (d) The family has no outside resources available to assist with such hardships;

19 (2) Services that may be provided to the family will be aimed at ameliorating the  
20 immediate crisis and providing a path for economic stability while the primary income is not  
21 available due to the active military commitment. Services may include, but not be limited to the  
22 following:

23 (a) Financial assistance to families facing financial crisis from overdue bills due to  
24 reduced income after the deployment of a spouse;

25 (b) Help paying day care costs to pursue training and or employment;

26 (c) Help covering the costs of transportation to training and or employment;

27 (d) Vocational evaluation and vocational counseling to help the individual choose a  
28 visible employment goal;

29 (e) Vocational training to acquire or upgrade skills needed to be marketable in the  
30 workforce;

31 (f) Paid internships and subsidized employment to train on the job; and

32 (g) Job placement assistance for those who don't require skills training;

33 (3) The department shall ensure the eligible providers are:

34 (a) Community-based not-for-profit agencies which have significant experience in job  
35 training, placement, and social services;

36 (b) Providers with extensive experience providing such services to veterans and  
37 implementing contracts with veteran organizations such as the department of veteran affairs;

38 (c) Providers which have attained the distinction of being accredited through a national  
39 accreditation body for training and or human services;

40 (d) Providers which are able to provide a twenty percent match to the program either  
41 through indirect or direct expenditures; and

42 (e) Providers with experience in the regions targeted for the program.

43 3. The department shall structure the contract such that payment will be based on  
44 delivering the services described in this section as well as performance to guarantee the greatest  
45 possible effectiveness of the program.

46 4. Because of the important nature of this program to the health and welfare of  
47 Missourians, this section shall become effective on July 1, 2006. The department shall make  
48 every reasonable effort to ensure that the guard at home program is serving families by August  
49 1, 2006.

50 [5. The department shall prepare a report on the operations and progress of the program  
51 to be delivered to the speaker of the house of representatives and the president pro tem of the  
52 senate no later than January 1, 2007.]

EXPLANATION: This section expired 12-31-07.

[21.800. 1. There is established a joint committee of the general assembly to be known as the "Joint Committee on Terrorism, Bioterrorism, and Homeland Security" to be composed of seven members of the senate and seven members of the house of representatives. The senate members of the joint committee shall be appointed by the president pro tem and minority floor leader of the senate and the house members shall be appointed by the speaker and minority floor leader of the house of representatives. The appointment of each member shall continue during the member's term of office as a member of the general assembly or until a successor has been appointed to fill the member's place when his or her term of office as a member of the general assembly has expired. No party shall be represented by more than four members from the house of representatives nor more than four members from the senate. A majority of the committee shall constitute a quorum, but the concurrence of a majority of the members shall be required for the determination of any matter within the committee's duties.

2. The joint committee shall:

(1) Make a continuing study and analysis of all state government terrorism, bioterrorism, and homeland security efforts;

(2) Devise a standard reporting system to obtain data on each state government agency that will provide information on each agency's terrorism and bioterrorism preparedness, and homeland security status at least biennially;

(3) Determine from its study and analysis the need for changes in statutory law; and

(4) Make any other recommendation to the general assembly necessary to provide adequate terrorism and bioterrorism protections, and homeland security to the citizens of the state of Missouri.

3. The joint committee shall meet within thirty days after its creation and organize by selecting a chairperson and a vice chairperson, one of whom shall be a member of the senate and the other a member of the house of representatives. The chairperson shall alternate between members of the house and senate every two years after the committee's organization.

4. The committee shall meet at least quarterly. The committee may meet at locations other than Jefferson City when the committee deems it necessary.

5. The committee shall be staffed by legislative personnel as is deemed necessary to assist the committee in the performance of its duties.

6. The members of the committee shall serve without compensation but shall be entitled to reimbursement for actual and necessary expenses incurred in the performance of their official duties.

7. It shall be the duty of the committee to compile a full report of its activities for submission to the general assembly. The report shall be submitted not later than the fifteenth of January of each year in which the general assembly convenes in regular session and shall include any recommendations which the committee may have for legislative action as well as any recommendations for

44 administrative or procedural changes in the internal management or organization  
45 of state or local government agencies and departments. Copies of the report  
46 containing such recommendations shall be sent to the appropriate directors of  
47 state or local government agencies or departments included in the report.  
48 8. The provisions of this section shall expire on December 31, 2007.]

EXPLANATION: The final report required in this section was due on June 30, 2006.

2 [21.811. 1. The joint committee on tax policy, as established in section  
21.810, shall review and analyze the local property tax assessment practices of  
3 this state. The committee shall make recommendations to the general assembly  
4 regarding its findings with regard to the state's assessment practices. The  
5 committee shall submit a preliminary report to the general assembly by January  
6 1, 2006, and a final report by June 30, 2006.  
7 2. The committee shall report to the state tax commission any concerns  
8 it finds regarding the state's assessment practices as outlined under chapter 137,  
9 RSMo. The state tax commission shall ensure that all counties are accurately  
10 assessed, as provided by statute.]

EXPLANATION: This section is ineffective by its own provisions; it was passed in 1994 and provides for a one-time increase.

2 [28.163. The secretary of state may, by administrative rule, provide for  
a one-time increase not to exceed the amounts specified in sections 347.740,  
3 RSMo, 351.127, RSMo, 355.023, RSMo, 356.233, RSMo, 359.653, RSMo,  
4 400.9-508, RSMo, and 417.018, RSMo.]

EXPLANATION: This section expired 07-01-07.

2 [57.130. 1. The sheriffs of the several counties shall collect and account  
for all the fines, penalties, forfeitures and other sums of money, by whatever  
3 name designated, accruing to the state or any county by virtue of any order,  
4 judgment or decree of a court of record, provided that by court rule provision may  
5 be made for a court clerk to collect fines, penalties, forfeitures and other sums of  
6 money accruing to the state by virtue of any order, judgment or decree of the  
7 court.  
8 2. The provisions of this section shall expire and be of no force and effect  
9 on and after July 1, 2007.]

EXPLANATION: This section expired 08-28-07.

2 [71.970. 1. Municipalities may own and operate cable television  
facilities on a nondiscriminatory, competitively neutral basis, and at a price which  
3 covers costs, including imputed costs that the political subdivision would incur  
4 if it were a for-profit business. No municipality may own or operate cable

5 television facilities and services unless approved by a vote of the people. This  
6 section shall apply only to municipalities that acquire or construct cable  
7 television facilities and services after August 28, 2002.

8 2. The public service commission shall annually study the economic  
9 impact of the provisions of this section and prepare and submit a report to the  
10 general assembly by December thirty-first of each year.

11 3. The provisions of this section shall terminate on August 28, 2007.]

EXPLANATION: This section expired 01-01-08.

2 [99.799. 1. The joint committee on tax policy shall conduct a study of  
3 the feasibility of creating a program to allow municipalities within the state to  
4 engage in tax increment finance-like projects with optional tax abatement in any  
5 area of such municipality regardless of the existence of blight. The committee  
6 shall report its findings to the general assembly no later than December 31, 2007.

2. The provisions of this section shall expire on January 1, 2008.]

EXPLANATION: This section expired 06-30-07.

2 [165.016. 1. A school district shall expend as a percentage of current  
3 operating cost, for tuition, teacher retirement and compensation of certificated  
4 staff, a percentage that is for the 1994-95 and 1995-96 school years no less than  
5 three percentage points less than the base school year certificated salary  
6 percentage and for the 1996-97 school year, no less than two percentage points  
7 less than the base school year certificated salary percentage. A school district  
8 may exclude transportation and school safety and security expenditures from the  
9 current operating cost calculation of the base year and the year or years for which  
10 the compliance percentage is calculated. The base school year certificated salary  
11 percentage shall be the two-year average percentage of the 1991-92 and 1992-93  
12 school years except as otherwise established by the state board under subsection  
13 4 of this section; except that, for any school district experiencing, over a period  
14 of three consecutive years, an average yearly increase in average daily attendance  
15 of at least three percent, the base school year certificated salary percentage may  
16 be the two-year average percentage of the last two years of such period of three  
17 consecutive years, at the discretion of the school district.

18 2. Beginning with the 1997-98 school year, a school district shall:

19 (1) Expend, as a percentage of current operating cost, as determined in  
20 subsection 1 of this section, for tuition, teacher retirement and compensation of  
21 certificated staff, a percentage that is no less than two percentage points less than  
22 the base school year certificated salary percentage; or

23 (2) For any year in which no payment of a penalty is required for the  
24 district under subsection 6 of this section, have an unrestricted fund balance in  
25 the combined incidental and teachers' funds on June thirtieth which is equal to or  
less than ten percent of the combined expenditures for the year from those funds.

3. Beginning with the 1999-00 school year:

(1) As used in this subsection, "fiscal instructional ratio of efficiency" or "FIRE" means the quotient of the sum of the district's current operating costs, which for this section shall mean all expenditures for instruction and support services, excluding capital outlay and debt service expenditures less the revenue from federal categorical sources, food service, student activities, and payments from other districts, for all kindergarten through grade twelve direct instructional and direct pupil support service functions plus the costs of improvement of instruction and the cost of purchased services and supplies for operation of the facilities housing those programs, and excluding student activities, divided by the sum of the district's current operating cost, as defined in this subdivision, for kindergarten through grade twelve, plus all tuition revenue received from other districts minus all noncapital transportation and school safety and security costs;

(2) A school district shall show compliance with this section in school year 1998-99 and thereafter by the method described in subsections 1 and 2 of this section, or by maintaining or increasing its fiscal instructional ratio of efficiency compared to its FIRE for the 1997-98 base year.

4. (1) The state board of education may exempt a school district from the requirements of this section upon receiving a request for an exemption by a school district. The request shall show the reason or reasons for the noncompliance, and the exemption shall apply for only one school year. Requests for exemptions under this subdivision may be resubmitted in succeeding years.

(2) A school district may request of the state board a one-time, permanent revision of the base school year certificated salary percentage. The request shall show the reason or reasons for the revision.

5. Any school district requesting an exemption or revision under subsection 4 of this section must notify the certified staff of the district in writing of the district's intent. Prior to granting an exemption or revision, the state board shall consider comments from certified staff of the district. The state board decision shall be final.

6. Any school district which is determined by the department to be in violation of the requirements of subsection 1 or 2 of this section, or both, shall compensate the building-level administrative staff and nonadministrative certificated staff during the year following the notice of violation by an additional amount which is equal to one hundred ten percent of the amount necessary to bring the district into compliance with this section for the year of violation. In any year in which a penalty is paid, the district shall pay the penalty specified in this subsection in addition to the amount required under this section for the current school year.

7. Any additional transfers from the teachers' or incidental fund to the capital projects fund beyond the transfers authorized by state law and state board policy in effect on January 1, 1996, shall be considered expenditures from the

69 teachers' or incidental fund for the purpose of determining compliance with the  
70 provisions of subsections 1, 2 and 3 of this section.

71 8. The provisions of this section shall not apply to any district wherein  
72 the local effort is greater than its weighted average daily attendance multiplied  
73 by the state adequacy target multiplied by the dollar value modifier under section  
74 163.031, RSMo.

75 9. The provisions of subsections 1 to 8 of this section shall not apply to  
76 any district that has unrestricted fund balances in the combined incidental and  
77 teacher funds on June thirtieth of the preceding year which are equal to or less  
78 than seventeen percent of the combined expenditure for the preceding year from  
79 these funds in any year in which state funds distributed pursuant to subsections  
80 1 and 2 of section 163.031, RSMo, are no more than ninety-six percent of such  
81 state funds distributed in fiscal year 2002.

82 10. The provisions of subsections 1 to 8 of this section shall not apply to  
83 any district which meets the following criteria:

84 (1) With ten percent or more of its assessed valuation that is owned by  
85 one person or corporation as commercial or personal property who is delinquent  
86 in a property tax payment;

87 (2) With unrestricted fund balances in the combined incidental and  
88 teacher funds on June thirtieth of the preceding year which are equal to or less  
89 than one-half of the local property tax revenue for the previous year; and

90 (3) In any year in which state funds distributed pursuant to subsections  
91 1 and 2 of section 163.031, RSMo, are no more than ninety-six percent of such  
92 state funds distributed in fiscal year 2002.

93 11. The provisions of this section shall terminate on June 30, 2007.]

EXPLANATION: This section expired on 07-01-07.

2 [165.018. 1. Any school district shall be permitted to make a one-time  
3 additional transfer from the incidental fund to the capital projects fund in an  
4 amount not to exceed forty percent of that district's June 30, 2006, incidental fund  
5 if such school district meets one of the following qualifications:

6 (1) Has an average daily attendance between nine hundred forty and one  
7 thousand forty during the 2004-2005 school year, located at least partially in a  
8 county of the third classification with a township form of government and with  
9 more than twenty-nine thousand seven hundred but fewer than twenty-nine  
10 thousand eight hundred inhabitants and which entirely encompasses a city of the  
11 fourth classification with more than one thousand one hundred but fewer than one  
12 thousand two hundred inhabitants; or

13 (2) Has an average daily attendance between six hundred and six hundred  
14 thirty during the 2004-2005 school year, located at least partially in any county  
15 of the second classification with more than fifty-five thousand six hundred but  
fewer than fifty-five thousand seven hundred inhabitants; or

- 16 (3) Has an average daily attendance between four hundred sixty and four  
17 hundred ninety during the 2004-2005 school year, located at least partially in any  
18 county of the third classification without a township form of government and  
19 with more than twenty-three thousand two hundred fifty but fewer than  
20 twenty-three thousand three hundred fifty inhabitants; or  
21 (4) Has an average daily attendance between one thousand four hundred  
22 and one thousand five hundred during the 2004-2005 school year and is located  
23 entirely within a county of the third classification without a township form of  
24 government and with more than twenty thousand but fewer than twenty thousand  
25 one hundred inhabitants.  
26 2. The provisions of this section shall terminate on July 1, 2007.]

EXPLANATION: This section expired on 12-31-07.

- 2 [208.344. 1. By December 1, 2002, and annually thereafter, the division  
3 of family services shall submit a report to the governor, the president pro tempore  
4 of the senate, and the speaker of the house of representatives regarding the  
5 progress of welfare reform in Missouri. The report shall include, but not be  
6 limited to, current statistics and recommendations regarding:  
7 (1) Individuals who have successfully left welfare and employment of  
8 such individuals;  
9 (2) Individuals who remain on or have returned to welfare; and  
10 (3) Benefits of welfare reform realized by families, employers, and the  
11 state.  
2. The provisions of this section shall expire on December 31, 2007.]

EXPLANATION: This section expired 05-31-07.

- 2 [217.860. 1. There is hereby created within the department of corrections  
3 a "Task Force on Alternative Sentencing". The primary duty of the task force is  
4 to develop a statewide plan for alternative sentencing programs. The plan shall  
5 include, but not be limited to, the following:  
6 (1) Public-private partnerships;  
7 (2) Job training;  
8 (3) Job placement;  
9 (4) Conflict resolution treatment; and  
10 (5) Alcohol and drug rehabilitation.  
11 2. In developing this statewide plan the task force shall at a minimum  
12 acquire and review the following information:  
13 (1) The cost per year to incarcerate one offender;  
14 (2) The cost of the proposed alternative sentencing program or programs  
15 per year;  
(3) The recidivism rate for different types of offenses; and

16 (4) Information and research to assist the task force in determining which  
17 classes of offenders should be targeted in alternative sentencing programs.

18 3. The task force created in this section shall be comprised of the  
19 following members or their designees from the entity represented:

- 20 (1) The director;  
21 (2) The director of the division of probation and parole;  
22 (3) Two probation and parole officers or supervisors, who shall be  
23 appointed by the director of the division of probation and parole;  
24 (4) One member of the department of economic development's workforce  
25 development office who shall be appointed by the director of the department of  
26 economic development;

27 (5) Two circuit or associate circuit judges who shall be appointed by the  
28 governor;

29 (6) Two chief executive officers of two different private businesses that  
30 employ a minimum of twenty employees each who shall be appointed by the  
31 governor;

32 (7) Two prosecuting attorneys who shall be appointed by the governor;

33 (8) Two members of the house of representatives, one of whom shall be  
34 appointed by the speaker of the house and one of whom shall be appointed by the  
35 house minority leader; and

36 (9) Two members of the senate, one of whom shall be appointed by the  
37 president pro tem of the senate and one of whom shall be appointed by the senate  
38 minority leader.

39 4. The task force shall meet at least quarterly and shall submit its  
40 recommendations and statewide plan for an alternative sentencing program or  
41 programs to the governor, to the general assembly, and to the director by  
42 December 31, 2006.

43 5. Members of the task force shall receive no additional compensation  
44 but shall be eligible for reimbursement for mileage directly related to the  
45 performance of task force duties.

46 6. The provisions of this section terminate on May 31, 2007.]

EXPLANATION: This section is ineffective by its own provisions; the fund was officially abolished on September 1, 2007.

2 [307.367. Prior to September 1, 2007, but no earlier than August 1, 2007,  
3 all moneys held in the Missouri air pollution control fund established under  
4 section 307.366 shall be transferred, as deemed necessary by the state treasurer  
5 and commissioner of administration, to the Missouri air emission reduction fund  
6 established in section 643.350, RSMo, to be used for the purposes of  
7 administering and enforcing the provisions of sections 643.300 to 643.355,  
8 RSMo. Prior to such date, any of the moneys in the Missouri air pollution  
9 control fund that are needed to pay any outstanding debt of the Missouri air  
pollution control fund, as determined by the state treasurer, shall be exempted

10 from the provisions of this section. The Missouri air pollution control fund shall  
11 be officially abolished on September 1, 2007.]

EXPLANATION: This section expired 06-30-07.

2 [303.400. The provisions of sections 303.400 to 303.415 shall be known  
as the "Motorist Insurance Identification Database Act".]

EXPLANATION: This section expired 06-30-07.

2 [303.403. As used in sections 303.400 to 303.415, the following terms  
mean:  
3 (1) "Database", the motorist insurance identification database;  
4 (2) "Department", the department of revenue;  
5 (3) "Designated agent", the party with which the department contracts to  
6 implement the motorist insurance identification database;  
7 (4) "Program", the motorist insurance identification database program.]

EXPLANATION: This section expired 06-30-07.

2 [303.406. 1. The "Motorist Insurance Identification Database" is hereby  
3 created for the purpose of establishing a database to use to verify compliance  
4 with the motor vehicle financial responsibility requirements of this chapter. The  
5 program shall be administered by the department and shall receive funding from  
6 the "Motorist Insurance Identification Database Fund", which is hereby created  
7 in the state treasury. Effective July 1, 2002, the state treasurer shall credit to and  
8 deposit in the motorist insurance identification database fund six percent of the  
9 net general revenue portion received from collections of the insurance premiums  
tax levied and collected pursuant to sections 148.310 to 148.461, RSMo.

10 2. To implement the program, the department may by July 1, 2002,  
11 contract with a designated agent which shall monitor compliance with the motor  
12 vehicle financial responsibility requirements of this chapter, except that the  
13 program shall not be implemented to notify owners of registered motor vehicles  
14 until the department certifies that the accuracy rate of the program exceeds  
15 ninety-five percent in correctly identifying owners of registered motor vehicles  
16 as having maintained or failed to maintain financial responsibility. After the  
17 department has entered into a contract with a designated agent, the department  
18 shall convene a working group for the purpose of facilitating the implementation  
19 of the program.

20 3. The designated agent, using its own computer network, shall, no later  
21 than December 31, 2002, develop, deliver and maintain a computer database with  
22 information provided by:

23 (1) Insurers, pursuant to sections 303.400 to 303.415; except that, any  
24 person who qualifies as self-insured pursuant to this chapter, or provides proof  
25 of insurance to the director pursuant to the provisions of section 303.160, shall

not be required to provide information to the designated agent, but the state shall supply these records to the designated agent for inclusion in the database; and

(2) The department, which shall provide the designated agent with the name, date of birth and address of all persons in its computer database, and the make, year and vehicle identification number of all registered motor vehicles.

4. The department shall establish guidelines for the designated agent's development of the computer database so the database can be easily accessed by state and local law enforcement agencies within procedures already established, and shall not require additional computer keystrokes or other additional procedures by dispatch or law enforcement personnel. Once the database is operational, the designated agent shall, at least monthly, update the database with information provided by insurers and the department, and compare then-current motor vehicle registrations against the database.

5. Information provided to the designated agent by insurers and the department for inclusion in the database established pursuant to this section is the property of the insurer or the department, as the case may be, and is not subject to disclosure pursuant to chapter 610, RSMo. Such information may not be disclosed except as follows:

(1) The designated agent shall verify a person's insurance coverage upon request by any state or local government agency investigating, litigating or enforcing such person's compliance with the motor vehicle financial responsibility requirements of this chapter;

(2) The department shall disclose whether an individual is maintaining the required insurance coverage upon request of the following individuals and agencies only:

- (a) The individual;
- (b) The parent or legal guardian of an individual if the individual is an unemancipated minor;
- (c) The legal guardian of the individual if the individual is legally incapacitated;
- (d) Any person who has power of attorney from the individual;
- (e) Any person who submits a notarized release from the individual that is dated no more than ninety days before the request is made;
- (f) Any person claiming loss or injury in a motor vehicle accident in which the individual is involved;
- (g) The office of the state auditor, for the purpose of conducting any audit authorized by law.

6. Any person or agency who knowingly discloses information from the database for any purpose, or to a person, other than those authorized in this section is guilty of a class A misdemeanor. The state shall not be liable to any person for gathering, managing or using information in the database pursuant to this section. The designated agent shall not be liable to any person for performing its duties pursuant to this section unless and to the extent such agent

69 commits a willful and wanton act or omission or is negligent. The designated  
70 agent shall be liable to any insurer damaged by the designated agent's negligent  
71 failure to protect the confidentiality of the information and data disclosed by the  
72 insurer to the designated agent. The designated agent shall provide to this state  
73 an errors and omissions insurance policy covering such agent in an appropriate  
74 amount. No insurer shall be liable to any person for performing its duties  
75 pursuant to this section unless and to the extent the insurer commits a willful and  
76 wanton act of omission.

77 7. The department shall review the operation and performance of the  
78 motorist insurance identification database program to determine whether the  
79 number of uninsured motorists has declined during the first three years following  
80 implementation and shall submit a report of its findings to the general assembly  
81 no later than January fifteenth of the year following the third complete year of  
82 implementation. The department shall make copies of its report available to each  
83 member of the general assembly.

84 8. This section shall not supersede other actions or penalties that may be  
85 taken or imposed for violation of the motor vehicle financial responsibility  
86 requirements of this chapter.

87 9. The working group as provided for in subsection 2 of this section shall  
88 consist of representatives from the insurance industry, department of insurance,  
89 department of public safety and the department of revenue. The director of  
90 revenue, after consultation with the working group, shall promulgate any rules  
91 and regulations necessary to administer and enforce this section. No rule or  
92 portion of a rule promulgated pursuant to the authority of this section shall  
93 become effective unless it has been promulgated pursuant to the provisions of  
94 chapter 536, RSMo.]

EXPLANATION: This section expired 06-30-07.

2 [303.409. 1. If the motorist insurance identification database indicates  
3 the owner of a registered motor vehicle has, regardless of the owner's operation  
4 of such motor vehicle, failed to maintain the financial responsibility required in  
5 section 303.025 for two consecutive months, the designated agent shall on behalf  
6 of the director inform the owner that the director will suspend the owner's vehicle  
7 registration if the owner does not present proof of insurance as prescribed by the  
8 director within thirty days from the date of mailing. The designated agent shall  
9 not select owners of fleet or rental vehicles or vehicles that are insured pursuant  
10 to a commercial line policy for notification to determine motor vehicle liability  
11 coverage. The director may prescribe rules and regulations necessary for the  
12 implementation of this subsection. The notice issued to the vehicle owner by the  
13 designated agent shall be sent to the last known address shown on the  
14 department's records. The notice is deemed received three days after mailing.  
15 The notice of suspension shall clearly specify the reason and statutory grounds  
for the suspension and the effective date of the suspension, the right of the person

16 to request a hearing, the procedure for requesting a hearing and the date by which  
17 that request for a hearing must be made. The suspension shall become effective  
18 thirty days after the subject person is deemed to have received the notice of  
19 suspension by first class mail as provided in section 303.041. If the request for  
20 a hearing is received prior to the effective date of the suspension, the effective  
21 date of the suspension will be stayed until a final order is issued following the  
22 hearing; however, any delay in the hearing which is caused or requested by the  
23 subject person or counsel representing that person without good cause shown  
24 shall not result in a stay of the suspension during the period of delay.

25 2. Neither the fact that, subsequent to the date of verification, the owner  
26 acquired the required liability insurance policy nor the fact that the owner  
27 terminated ownership of the motor vehicle shall have any bearing upon the  
28 director's decision to suspend. The suspension shall remain in force until  
29 termination despite the renewal of registration or acquisition of a new registration  
30 for the motor vehicle. The suspension shall also apply to any motor vehicle to  
31 which the owner transfers the registration.

32 3. Upon receipt of notification from the designated agent, the director  
33 shall suspend the owner's vehicle registration effective immediately. The  
34 suspension period shall be as follows:

35 (1) If the person's record shows no prior violation, the director shall  
36 terminate the suspension upon payment of a reinstatement fee of twenty dollars  
37 and submission of proof of insurance, as prescribed by the director;

38 (2) If the person's record shows one prior violation for failure to maintain  
39 financial responsibility within the immediately preceding two years, the director  
40 shall terminate the suspension ninety days after its effective date upon payment  
41 of a reinstatement fee of two hundred dollars and submission of proof of  
42 insurance, as prescribed by the director;

43 (3) If the person's record shows two or more prior violations for failure  
44 to maintain financial responsibility, the period of suspension shall terminate one  
45 year after its effective date upon payment of a reinstatement fee of four hundred  
46 dollars and submission of proof of insurance, as prescribed by the director.

47 4. In the event that proof of insurance as prescribed by the director has  
48 not been filed with the department of revenue in accordance with this chapter  
49 prior to the end of the period of suspension provided in this section, such period  
50 of suspension shall be extended until such proof of insurance has been filed. In  
51 no event shall filing proof of insurance reduce any period of suspension. If proof  
52 of insurance is not maintained during the three-year period following the  
53 reinstatement or termination of the suspension, the director shall again suspend  
54 the license and motor vehicle registration until proof of insurance is filed or the  
55 three-year period has elapsed. In no event shall filing proof of insurance reduce  
56 any period of suspension.

57 5. Notwithstanding the provisions of subsection 1 of this section, the  
58 director shall not suspend the registration or registrations of any owner who

59 establishes to the satisfaction of the director that the owner's motor vehicle was  
60 inoperable or being stored and not operated on the date proof of financial  
61 responsibility is required by the director.]

EXPLANATION: This section expired 06-30-07.

2 [303.412. 1. Beginning March 1, 2003, before the seventh working date  
3 of each calendar month, all licensed insurance companies in this state shall  
4 provide to the designated agent a record of all policies in effect on the last day of  
5 the preceding month. This subsection shall not prohibit more frequent reporting.  
6 2. The record pursuant to subsection 1 of this section shall include the  
7 following:  
8 (1) The name, date of birth, driver's license number and address of each  
9 insured;  
10 (2) The make, year and vehicle identification number of each insured  
11 motor vehicle;  
12 (3) The policy number and effective date of the policy.  
13 3. The department of revenue shall notify the department of insurance of  
14 any insurer who violates any provisions of this act. The department of insurance  
15 may, against any insurer who fails to comply with this section, assess a fine not  
16 greater than one thousand dollars per day of noncompliance. The department of  
17 revenue may assess a fine not greater than one thousand dollars per day against  
18 the designated agent for failure to complete the project by the dates designated  
19 in sections 303.400 to 303.415 unless the delay is deemed beyond the control of  
20 the designated agent or the designated agent provides acceptable proof that such  
21 a noncompliance was inadvertent, accidental or the result of excusable neglect.  
22 The department of insurance shall excuse the fine against any insurer if an  
23 assessed insurer provides acceptable proof that such insurer's noncompliance was  
inadvertent, accidental or the result of excusable neglect.]

EXPLANATION: This section expired 06-30-07.

2 [303.415. 1. Sections 303.400 and 303.403 shall become effective on  
3 July 1, 2002, and shall expire on June 30, 2007.  
4 2. The enactment of section 303.025, and the repeal and reenactment of  
5 sections 303.406, 303.409, 303.412 and 303.415 shall become effective July 1,  
2002 and sections 303.406, 303.409 and 303.412 shall expire on June 30, 2007.]

EXPLANATION: The study required in this section was due January 1, 2008.

2 [374.208. The director shall study and recommend to the general  
3 assembly changes to avoid unnecessary duplication of market conduct activities  
4 and to implement uniform processes and procedures for market analysis and  
market conduct examinations which will more effectively utilize resources to

5 protect insurance consumers. The study shall be completed and  
6 recommendations provided by January 1, 2008.]

EXPLANATION: This section expired 07-01-06.

2 [376.671. 1. This section shall not apply to any reinsurance, group  
3 annuity purchased under a retirement plan or plan of deferred compensation  
4 established or maintained by an employer (including a partnership or sole  
5 proprietorship) or by an employee organization, or by both, other than a plan  
6 providing individual retirement accounts or individual retirement annuities under  
7 Section 408 of the Internal Revenue Code, as now or hereafter amended,  
8 premium deposit fund, variable annuity, investment annuity, immediate annuity,  
9 any deferred annuity contract after annuity payments have commenced, or  
10 reversionary annuity, nor to any contract which shall be delivered outside this  
11 state through an agent or other representative of the company issuing the contract.

12 2. In the case of contracts issued on or after the operative date of this  
13 section as defined in subsection 11 of this section, no contract of annuity, except  
14 as stated in subsection 1 of this section, shall be delivered or issued for delivery  
15 in this state unless it contains in substance the following provisions, or  
16 corresponding provisions which in the opinion of the director are at least as  
17 favorable to the contractholder, upon cessation of payment of considerations  
18 under the contract:

19 (1) That upon cessation of payment of considerations under a contract,  
20 the company will grant a paid-up annuity benefit on a plan stipulated in the  
21 contract of such value as is specified in subsections 4, 5, 6, 7, and 9 of this  
22 section;

23 (2) If a contract provides for a lump sum settlement at maturity, or at any  
24 other time, that upon surrender of the contract at or prior to the commencement  
25 of any annuity payments, the company will pay in lieu of any paid-up annuity  
26 benefit a cash surrender benefit of such amount as is specified in subsections 4,  
27 5, 7, and 9 of this section. The company shall reserve the right to defer the  
28 payment of such cash surrender benefit for a period of six months after demand  
29 therefor with surrender of the contract;

30 (3) A statement of the mortality table, if any, and interest rates used in  
31 calculating any minimum paid-up annuity, cash surrender or death benefits that  
32 are guaranteed under the contract, together with sufficient information to  
33 determine the amounts of such benefits;

34 (4) A statement that any paid-up annuity, cash surrender or death benefits  
35 that may be available under the contract are not less than the minimum benefits  
36 required by any statute of the state in which the contract is delivered and an  
37 explanation of the manner in which such benefits are altered by the existence of  
38 any additional amounts credited by the company to the contract, any indebtedness  
39 to the company on the contract or any prior withdrawals from or partial  
surrenders of the contract.

Notwithstanding the requirements of this section, any deferred annuity contract may provide that if no considerations have been received under a contract for a period of two full years and the portion of the paid-up annuity benefit at maturity on the plan stipulated in the contract arising from considerations paid prior to such period would be less than twenty dollars monthly, the company may at its option terminate such contract by payment in cash of the then present value of such portion of the paid-up annuity benefit, calculated on the basis of the mortality table, if any, and interest rate specified in the contract for determining the paid-up annuity benefit, and by such payment shall be relieved of any further obligation under such contract.

3. The minimum values as specified in subsections 4, 5, 6, 7, and 9 of this section of any paid-up annuity, cash surrender or death benefits available under an annuity contract shall be based upon minimum nonforfeiture amounts as defined in this section.

(1) With respect to contracts providing for flexible considerations, the minimum nonforfeiture amount at any time at or prior to the commencement of any annuity payment shall be equal to an accumulation up to such time at a rate of interest of three percent per annum of percentages of the net considerations (as hereinafter defined) paid prior to such time, decreased by the sum of:

(a) Any prior withdrawals from or partial surrenders of the contract accumulated at a rate of interest of three percent per annum; and

(b) The amount of any indebtedness to the company on the contract, including interest due and accrued and increased by any existing additional amounts credited by the company to the contract. The net considerations for a given contract year used to define the minimum nonforfeiture amount shall be an amount not less than zero and shall be equal to the corresponding gross considerations credited to the contract during that contract year less an annual contract charge of thirty dollars and less a collection charge of one dollar and twenty-five cents per consideration credited to the contract during that contract year. The percentages of net considerations shall be sixty-five percent of the net consideration for the first contract year and eighty-seven and one-half percent of the net considerations for the second and later contract years. Notwithstanding the provisions of the preceding sentence, the percentage shall be sixty-five percent of the portion of the total net consideration for any renewal contract year which exceeds by not more than two times the sum of those portions of the net considerations in all prior contract years for which the percentage was sixty-five percent;

(2) With respect to contracts providing for fixed scheduled considerations, minimum nonforfeiture amounts shall be calculated on the assumption that considerations are paid annually in advance and shall be defined as for contracts with flexible considerations which are paid annually with two exceptions:

82 (a) The portion of the net consideration for the first contract year to be  
83 accumulated shall be the sum of sixty-five percent of the net consideration for the  
84 first contract year plus twenty-two and one-half percent of the excess of the net  
85 consideration for the first contract year over the lesser of the net considerations  
86 for the second and third contract years;

87 (b) The annual contract charge shall be the lesser of thirty dollars or ten  
88 percent of the gross annual consideration;

89 (3) With respect to contracts providing for a single consideration,  
90 minimum nonforfeiture amounts shall be defined as for contracts with flexible  
91 considerations except that the percentage of net consideration used to determine  
92 the minimum nonforfeiture amount shall be equal to ninety percent, and the net  
93 consideration shall be the gross consideration less a contract charge of  
94 seventy-five dollars;

95 (4) Notwithstanding any other provision of this subsection, for any  
96 contract issued on or after July 1, 2002, and before July 1, 2006, the interest rate  
97 at which net considerations, prior withdrawals, and partial surrenders shall be  
98 accumulated, for the purpose of determining minimum nonforfeiture amounts,  
99 shall be one and one-half percent per annum.

100 4. Any paid-up annuity benefit available under a contract shall be such  
101 that its present value on the date annuity payments are to commence is at least  
102 equal to the minimum nonforfeiture amount on that date. Such present value  
103 shall be computed using the mortality table, if any, and the interest rate specified  
104 in the contract for determining the minimum paid-up annuity benefits guaranteed  
105 in the contract.

106 5. For contracts which provide cash surrender benefits, such cash  
107 surrender benefits available prior to maturity shall not be less than the present  
108 value as of the date of surrender of that portion of the maturity value of the  
109 paid-up annuity benefit which would be provided under the contract at maturity  
110 arising from considerations paid prior to the time of cash surrender reduced by  
111 the amount appropriate to reflect any prior withdrawals from or partial surrenders  
112 of the contract, such present value being calculated on the basis of an interest rate  
113 not more than one percent higher than the interest rate specified in the contract  
114 for accumulating the net considerations to determine such maturity value,  
115 decreased by the amount of any indebtedness to the company on the contract,  
116 including interest due and accrued, and increased by any existing additional  
117 amounts credited by the company to the contract. In no event shall any cash  
118 surrender benefit be less than the minimum nonforfeiture amount at that time.  
119 The death benefit under such contracts shall be at least equal to the cash  
120 surrender benefit.

121 6. For contracts which do not provide cash surrender benefits, the present  
122 value of any paid-up annuity benefit available as a nonforfeiture option at any  
123 time prior to maturity shall not be less than the present value of that portion of the  
124 maturity value of the paid-up annuity benefit provided under the contract arising

125 from considerations paid prior to the time the contract is surrendered in exchange  
126 for, or changed to, a deferred paid-up annuity, such present value being calculated  
127 for the period prior to the maturity date on the basis of the interest rate specified  
128 in the contract for accumulating the net considerations to determine such maturity  
129 value, and increased by any existing additional amounts credited by the company  
130 to the contract. For contracts which do not provide any death benefits prior to the  
131 commencement of any annuity payments, such present values shall be calculated  
132 on the basis of such interest rate and the mortality table specified in the contract  
133 for determining the maturity value of the paid-up annuity benefit. However, in  
134 no event shall the present value of a paid-up annuity benefit be less than the  
135 minimum nonforfeiture amount at that time.

136 7. For the purpose of determining the benefits calculated under  
137 subsections 5 and 6 of this section, in the case of annuity contracts under which  
138 an election may be made to have annuity payments commence at optional  
139 maturity date, the maturity date shall be deemed to be the latest date for which  
140 election shall be permitted by the contract, but shall not be deemed to be later  
141 than the anniversary of the contract next following the annuitant's seventieth  
142 birthday or the tenth anniversary of the contract, whichever is later.

143 8. Any contract which does not provide cash surrender benefits or does  
144 not provide death benefits at least equal to the minimum nonforfeiture amount  
145 prior to the commencement of any annuity payments shall include a statement in  
146 a prominent place in the contract that such benefits are not provided.

147 9. Any paid-up annuity, cash surrender or death benefits available at any  
148 time, other than on the contract anniversary under any contract with fixed  
149 scheduled considerations, shall be calculated with allowance for the lapse of time  
150 and the payment of any scheduled considerations beyond the beginning of the  
151 contract year in which cessation of payment of considerations under the contract  
152 occurs.

153 10. For any contract which provides, within the same contract by rider  
154 or supplemental contract provision, both annuity benefits and life insurance  
155 benefits that are in excess of the greater of cash surrender benefits or a return of  
156 the gross considerations with interest, the minimum nonforfeiture benefits shall  
157 be equal to the sum of the minimum nonforfeiture benefits for the annuity portion  
158 and the minimum nonforfeiture benefits, if any, for the life insurance portion  
159 computed as if each portion were a separate contract. Notwithstanding the  
160 provisions of subsections 4, 5, 6, 7, and 9 of this section, additional benefits  
161 payable in the event of total and permanent disability, as reversionary annuity or  
162 deferred reversionary annuity benefits, or as other policy benefits additional to  
163 life insurance, endowment and annuity benefits, and considerations for all such  
164 additional benefits, shall be disregarded in ascertaining the minimum  
165 nonforfeiture amounts, paid-up annuity, cash surrender and death benefits that  
166 may be required by this section. The inclusion of such additional benefits shall  
167 not be required in any paid-up benefits, unless such additional benefits separately

168 would require minimum nonforfeiture amounts, paid-up annuity, cash surrender  
169 and death benefits.

170 11. After September 28, 1979, any company may file with the director  
171 a written notice of its election to comply with the provisions of this section after  
172 a specified date before September 28, 1981. After the filing of such notice, then  
173 upon such specified date, which shall be the operative date of this section for  
174 such company, this section shall become operative with respect to annuity  
175 contracts thereafter issued by such company. If a company makes no such  
176 election, the operative date of this section for such company shall be September  
177 28, 1981.

178 12. The provisions of this section shall expire on July 1, 2006.]

✓