

HB 2556 -- Child Initiative Program

Sponsor: Hubbard

This bill establishes the Child Initiative Program within the Department of Economic Development and creates the Child Initiative Fund consisting of moneys appropriated and made available for subsidized part-time employment as part of this program. The program is to provide:

- (1) Information and support to students to consider college and actively prepare for it as early as middle school;
- (2) Subsidized part-time employment; and
- (3) A college savings account for eligible student participants. Eligible students must reside in Missouri, be enrolled in the fifth grade or higher in a public metropolitan school district, and agree to specified program requirements.

The Commissioner of Education must designate a not-for-profit agency to coordinate the solicitation of donations and employment opportunities and to work with school districts to provide program information and support to students through school-related activities and facilities.

When a student begins working as a condition of the program, the employer must deposit 50% of the student's weekly wages into a college savings account established for the student. Entities that do not participate as employers may make monetary donations to the fund. These donations will be divided among the students in proportion to the number of hours worked by each individual student.

Beginning January 1, 2009, the bill authorizes a tax credit equal to 50% of the amount paid to a participating student or 50% of the amount of a donation made by the taxpayer to the program. A taxpayer cannot claim more than \$50,000 per year, and the cumulative amount of tax credits that may be claimed by all taxpayers in any fiscal year cannot exceed \$20 million. The credits may be carried forward four years.

The provisions of the bill will expire December 31 six years from the effective date.