

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 733
95TH GENERAL ASSEMBLY

3902L.06C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 173.250, 173.1104, 173.1105, and 173.1108, RSMo, and to enact in lieu thereof four new sections relating to higher education student financial assistance, with an emergency clause for a certain section.

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

Section A. Sections 173.250, 173.1104, 173.1105, and 173.1108, RSMo, are repealed
2 and four new sections enacted in lieu thereof, to be known as sections 173.250, 173.1104,
3 173.1105, and 173.1108, to read as follows:

173.250. 1. There is hereby established a "Higher Education Academic Scholarship
2 Program" and any moneys appropriated by the general assembly for this program shall be used
3 to provide scholarships for Missouri citizens to attend a Missouri college or university of their
4 choice pursuant to the provisions of this section.

5 2. The definitions of terms set forth in section [173.205] **173.1102** shall be applicable
6 to such terms as used in this section. [The term "academic scholarship" means an amount of
7 money paid by the state of Missouri to a qualified college or university student who has
8 demonstrated superior academic achievement pursuant to the provisions of this section.] **In**
9 **addition, the following definitions shall apply:**

10 (1) **"Academic scholarship", an amount of money paid by the state of Missouri to**
11 **a student pursuant to the provisions of this section;**

12 (2) **"ACT", the American College Testing program examination;**

13 (3) **"Approved institution", an approved public or approved private institution as**
14 **defined in section 173.1102;**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

15 (4) "Eligible student", an individual who meets the criteria set forth in section
16 173.1104, excluding the requirements of financial need and undergraduate status and, in
17 addition, meets the following requirements:

18 (a) Has achieved a qualifying score on the ACT or SAT;

19 (b) Is a Missouri resident who has completed secondary coursework through
20 graduation from high school or the virtual public school established in section 161.670,
21 receipt of a general education development (GED) diploma, completion of a program of
22 study through homeschooling or any other program of academic instruction that satisfies
23 the compulsory attendance requirement under section 167.031; and

24 (c) Is enrolled full-time or accepted for full-time enrollment as a postsecondary
25 student at an approved institution during the academic year immediately following the
26 completion of his or her secondary coursework;

27 (5) "Missouri test-takers", all Missouri high school seniors who take the ACT or
28 the SAT;

29 (6) "Qualifying score", a composite score on the ACT or the SAT achieved in an
30 eligible student's high school sophomore, junior, or senior year, that is in the top five
31 percent of Missouri test-takers, as established at the beginning of an eligible student's final
32 year of secondary coursework;

33 (7) "Recipient", an eligible or renewal student who receives an academic
34 scholarship pursuant to this section;

35 (8) "Renewal student", an eligible student who remains in compliance with the
36 provisions of section 173.1104, maintains continuous enrollment, and makes satisfactory
37 academic degree progress; and

38 (9) "SAT", the Scholastic Aptitude Test.

39 3. The coordinating board for higher education shall be the administrative agency for the
40 implementation of the program established by this section, and shall:

41 (1) Promulgate reasonable rules and regulations for the exercise of its functions and the
42 effectuation of the purposes of this section, including regulations for granting scholarship
43 deferments;

44 (2) Prescribe the form and the time and method of awarding academic scholarships, and
45 shall supervise the processing thereof; and

46 (3) Select qualified recipients to receive academic scholarships, make such awards of
47 academic scholarships to qualified recipients and determine the manner and method of payment
48 to the recipient.

49 4. [A student shall be eligible for initial or renewed academic scholarship if he or she is
50 in compliance with the eligibility requirements set forth in section 173.215 excluding the

51 requirement of financial need and undergraduate status, and in addition meets the following
52 requirements:

53 (1) Initial academic scholarships shall be offered in the academic year immediately
54 following graduation from high school to Missouri high school seniors whose composite scores
55 on the American College Testing Program (ACT) or the Scholastic Aptitude Test (SAT) of the
56 College Board are in the top five percent of all Missouri students taking those tests during the
57 school year in which the scholarship recipients graduate from high school. In the freshman year
58 of college, scholarship recipients are required to maintain status as a full-time student;

59 (2) Academic scholarships are renewable if the recipient remains in compliance with the
60 applicable provisions of section 173.215 and the recipient makes satisfactory academic degree
61 progress as a full-time student.

62 5. A student who is enrolled or has been accepted for enrollment as a postsecondary
63 student at an approved private or public institution beginning with the fall 1987, term and who
64 meets the other eligibility requirements for an academic scholarship shall, within the limits of
65 the funds appropriated and made available, be offered an academic scholarship in the amount of
66 two thousand dollars for each eligible student whose composite scores on the American College
67 Testing Program (ACT) or the Scholastic Aptitude Test (SAT) of the College Board are in the
68 top three percent of all Missouri students taking those tests during the school year in which the
69 scholarship recipients graduate from high school for each fiscal year prior to fiscal year 2011,
70 and, subject to appropriations, three thousand dollars for fiscal year 2011 and every fiscal year
71 thereafter, and one thousand dollars for fiscal year 2011 and every fiscal year thereafter for each
72 eligible student whose composite scores on the American College Testing Program (ACT) or the
73 Scholastic Aptitude Test (SAT) of the College Board are between the top five and three percent
74 of all Missouri students taking those tests during the school year in which the scholarship
75 recipients graduate from high school, for the first academic year of study, which scholarship shall
76 be renewable in the amount of two thousand dollars for each eligible student whose composite
77 scores on the American College Testing Program (ACT) or the Scholastic Aptitude Test (SAT)
78 of the College Board are in the top three percent of all Missouri students taking those tests during
79 the school year in which the scholarship recipients graduate from high school for each fiscal year
80 prior to fiscal year 2011, and, subject to appropriations, three thousand dollars for fiscal year
81 2011 and every fiscal year thereafter, and one thousand dollars for fiscal year 2011 and every
82 fiscal year thereafter for each eligible student whose composite scores on the American College
83 Testing Program (ACT) or the Scholastic Aptitude Test (SAT) of the College Board are between
84 the top five and three percent of all Missouri students taking those tests during the school year
85 in which the scholarship recipients graduate from high school, annually for the second, third and
86 fourth academic years or as long as the recipient is in compliance with the applicable eligibility

87 requirements set forth in section 173.215, provided those years of study are continuous and the
88 student continues to meet eligibility requirements for the scholarship; provided, however, if a
89 recipient ceases all attendance at an approved public or private institution for the purpose of
90 providing service to a nonprofit organization, a state or federal government agency or any branch
91 of the armed forces of the United States, the recipient shall be eligible for a renewal scholarship
92 upon return to any approved public or private institution, provided the recipient:

93 (1) Returns to full-time status within twenty-seven months;

94 (2) Provides verification in compliance with coordinating board for higher education
95 rules that the service to the nonprofit organization was satisfactorily completed and was not
96 compensated other than for expenses or that the service to the state or federal governmental
97 agency or branch of the armed forces of the United States was satisfactorily completed; and

98 (3) Meets all other requirements established for eligibility to receive a renewal
99 scholarship.

100 **6.] Eligible students shall be offered academic scholarships in the following**
101 **amounts and in the following order of priority, within the limits of the funds appropriated**
102 **and made available:**

103 (1) **Each eligible student with a qualifying score in the top three percent of all**
104 **Missouri test-takers shall be offered an academic scholarship of up to three thousand**
105 **dollars per year. All students in the top three percent shall receive awards of three**
106 **thousand dollars before any student in the top fourth and fifth percentiles receives any**
107 **award.**

108 (2) **Provided sufficient funds are appropriated, each eligible student with a**
109 **qualifying score in the top fourth and fifth percentiles shall be offered an academic**
110 **scholarship of up to one thousand dollars per year.**

111 **5. Eligible students may renew academic scholarships for their second, third, and**
112 **fourth years of postsecondary education, or as long as the recipient is in compliance with**
113 **the criteria to be a renewal student.**

114 **6. If an eligible student is unable to enroll during the first academic year or a**
115 **renewal student ceases attendance at an approved institution for the purpose of providing**
116 **service to a nonprofit organization, a state or federal government agency, or any branch**
117 **of the armed forces of the United States, such student shall be offered an academic**
118 **scholarship upon enrollment in any approved institution after the completion of their**
119 **service, if the student meets all other requirements for an initial or renewal award and if**
120 **the following criteria are met:**

121 (1) **For an eligible student who cannot attend an approved institution as a result of**
122 **service to a non-profit organization or the state or federal government, the student returns**

123 to full-time status within twenty-seven months and provides verification to the
124 coordinating board for higher education that the service to the nonprofit organization was
125 satisfactorily completed and was not compensated other than for expenses, or that the
126 service to the state or federal government was satisfactorily completed; or

127 (2) For an eligible student who cannot attend an approved institution as a result of
128 military service in the armed forces of the United States, the student returns to full-time
129 status within six months after the eligible student first ceases service to the armed forces
130 and provides verification to the coordinating board for higher education that the military
131 service was satisfactorily completed.

132 7. A recipient of an academic scholarship awarded under this section may transfer from
133 one approved [Missouri public or private] institution to another without losing eligibility for the
134 academic scholarship.

135 8. If a recipient of [the] an academic scholarship at any time withdraws from an
136 approved [private or public] institution so that under the rules and regulations of that institution
137 he or she is entitled to a refund of any tuition, fees or other charges, the institution shall pay the
138 portion of the refund attributable to the academic scholarship for that term to the coordinating
139 board for higher education.

140 [7.] 9. Other provisions of this section to the contrary notwithstanding, if [a recipient]
141 an eligible student has been awarded an initial academic scholarship pursuant to the provisions
142 of this section but is unable to [use the scholarship] attend an approved institution during the
143 first academic year because of illness, disability, pregnancy or other medical need or if a
144 [recipient] renewal student ceases all attendance at an approved [public or private] institution
145 because of illness, disability, pregnancy or other medical need, the recipient shall be eligible for
146 an initial or renewal academic scholarship upon enrollment in or return to any approved [public
147 or private] institution, provided the recipient:

148 (1) Enrolls in or returns to full-time status within twenty-seven months;

149 (2) Provides verification in compliance with coordinating board for higher education
150 rules of sufficient medical evidence documenting an illness, disability, pregnancy or other
151 medical need of such person to require that that person will not be able to use the [initial or
152 renewal] academic scholarship during the time period for which it was originally offered; and

153 (3) Meets all other requirements established for eligibility to receive an [initial or a
154 renewal] academic scholarship.

173.1104. 1. An applicant shall be eligible for initial or renewed financial assistance
2 only if, at the time of application and throughout the period during which the applicant is
3 receiving such assistance, the applicant:

4 (1) Is a citizen or a permanent resident of the United States;

5 (2) Is a resident of the state of Missouri, as determined by reference to standards
6 promulgated by the coordinating board;

7 (3) Is enrolled, or has been accepted for enrollment, as a full-time undergraduate student
8 in an approved private or public institution; and

9 (4) Is not enrolled or does not intend to use the award to enroll in a course of study
10 leading to a degree in theology or divinity.

11 2. If an applicant is found guilty of or pleads guilty to any criminal offense during the
12 period of time in which the applicant is receiving financial assistance, such applicant shall not
13 be eligible for renewal of such assistance, provided such offense would disqualify the applicant
14 from receiving federal student aid under Title IV of the Higher Education Act of 1965, as
15 amended.

16 3. Financial assistance shall be allotted for one academic year, but a recipient shall be
17 eligible for renewed assistance until he or she has obtained a baccalaureate degree, provided such
18 financial assistance shall not exceed a total of ten semesters or fifteen quarters or their
19 equivalent. Standards of eligibility for renewed assistance shall be the same as for an initial
20 award of financial assistance, except that for renewal[, an applicant shall demonstrate a
21 grade-point average of two and five-tenths on a four-point scale, or the equivalent on another
22 scale] **for the program established under sections 173.1101 to 173.1107, beginning with the**
23 **2010-2011 academic year an applicant with less than sixty semester hours shall maintain**
24 **satisfactory academic progress as defined by the institution of attendance but no less than**
25 **two on a four-point scale; and an applicant with sixty or more semester hours shall**
26 **demonstrate a grade-point average of at least two and five-tenths on a four-point scale, or**
27 **the equivalent on another scale. The addition of students eligible for an award resulting**
28 **from the change in grade point average as set out in this subsection shall be accommodated**
29 **by refiguring award amounts under section 173.1105 within the limits of the amount**
30 **appropriated annually.**

31 4. This subsection shall be construed as the successor to section 173.215 for purposes
32 of eligibility requirements of other financial assistance programs that refer to section 173.215.
33 **Standards of eligibility for renewed assistance for programs other than that established**
34 **under sections 173.1101 to 173.1107 shall be the same as for an initial award of financial**
35 **assistance, except that for renewal an applicant shall demonstrate a grade-point average**
36 **of at least two and five-tenths on a four-point scale, or the equivalent on another scale.**

173.1105. 1. [Beginning with the 2007-08 academic year,] An applicant who is an
2 undergraduate postsecondary student at an approved private or public institution and who meets
3 the other eligibility criteria shall be eligible for financial assistance, with a minimum and
4 maximum award amount as follows:

5 (1) **For academic years 2010-2011, 2011-2012, 2012-2013, and 2013-2014:**

6 (a) One thousand dollars maximum and three hundred dollars minimum for students
7 attending institutions classified as part of the public two-year sector;

8 [(2)] (b) Two thousand one hundred fifty dollars maximum and one thousand dollars
9 minimum for students attending institutions classified as part of the public four-year sector,
10 including Linn State Technical College; and

11 [(3)] (c) Four thousand six hundred dollars maximum and two thousand dollars
12 minimum for students attending approved private institutions.

13 (2) **For the 2014-2015 academic year and subsequent years:**

14 (a) **One thousand three hundred dollars maximum and three hundred dollars**
15 **minimum for students attending institutions classified as part of the public two-year sector;**
16 **and**

17 (b) **Two thousand eight hundred fifty dollars maximum and one thousand five**
18 **hundred dollars minimum for students attending institutions classified as part of the public**
19 **four-year sector, including Linn State Technical College, or approved private institutions.**

20 2. All students with an expected family contribution of twelve thousand dollars or less
21 shall receive at least the minimum award amount for his or her institution. Maximum award
22 amounts for an eligible student with an expected family contribution above seven thousand
23 dollars shall be reduced by ten percent of the maximum expected family contribution for his or
24 her increment group. Any award amount shall be reduced by the amount of a student's
25 [reimbursement pursuant to section 160.545, RSMo] **payment from the A+ schools program**
26 **or any successor program to it.** For purposes of this subsection, the term "increment group"
27 shall mean a group organized by expected family contribution in five hundred dollar increments
28 into which all eligible students shall be placed.

29 3. If appropriated funds are insufficient to fund the program as described, the maximum
30 award shall be reduced across all sectors by the percentage of the shortfall. If appropriated funds
31 exceed the amount necessary to fund the program, the additional funds shall be used to increase
32 the number of recipients by raising the cutoff for the expected family contribution rather than by
33 increasing the size of the award.

34 4. Every three years, beginning with academic year 2009-10, the award amount may be
35 adjusted to increase no more than the Consumer Price Index for All Urban Consumers (CPI-U),
36 1982-1984 = 100, not seasonally adjusted, as defined and officially recorded by the United States
37 Department of Labor, or its successor agency, for the previous academic year. The coordinating
38 board shall prepare a report prior to the legislative session for use of the general assembly and
39 the governor in determining budget requests which shall include the amount of funds necessary
40 to maintain full funding of the program based on the baseline established for the program upon

41 the [passage] **effective date** of sections 173.1101 to 173.1107. Any increase in the award
42 amount shall not become effective unless an increase in the amount of money appropriated to
43 the program necessary to cover the increase in award amount is passed by the general assembly.

173.1108. [Under section 23.253, RSMo, of the Missouri sunset act:

2 (1) The provisions of the new program authorized under sections 173.1101 to 173.1107
3 shall automatically sunset six years after August 28, 2007, unless reauthorized by an act of the
4 general assembly; and

5 (2) If such program is reauthorized, the program authorized under sections 173.1101 to
6 173.1107 shall automatically sunset twelve years after the effective date of the reauthorization
7 of sections 173.1101 to 173.1107; and

8 (3) Sections 173.1101 to 173.1107 shall terminate on September first of the calendar
9 year immediately following the calendar year in which the program authorized under sections
10 173.1101 to 173.1107 is sunset] **Section 23.253 of the Missouri sunset act shall not apply to**
11 **the provisions of sections 173.1101 to 173.1107.**

Section B. Because immediate action is necessary to synchronize the requirements of
2 section 173.1104 of section A of this act with the school calendar and state fiscal year, the repeal
3 and reenactment of section 173.1104 of section A of this act is deemed necessary for the
4 immediate preservation of the public health, welfare, peace, and safety, and is hereby declared
5 to be an emergency act within the meaning of the constitution, and the repeal and reenactment
6 of section 173.1104 of section A of this act shall be in full force and effect upon its passage and
7 approval.

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