

FIRST REGULAR SESSION

# HOUSE BILL NO. 744

## 99TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE BRATTIN.

1435H.011

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To repeal section 163.191, RSMo, and to enact in lieu thereof two new sections relating to baccalaureate degree offerings at community colleges.

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

Section A. Section 163.191, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 163.191 and 173.1425, to read as follows:

163.191. 1. As used in this section, the following terms shall mean:

(1) "Community college", an institution of higher education deriving financial resources from local, state, and federal sources, and providing postsecondary education primarily for persons above the twelfth grade age level, including courses in:

(a) Liberal arts and sciences, including general education;

(b) Occupational, vocational-technical; and

(c) A variety of educational community services.

Community college course offerings lead to the granting of certificates, diplomas, ~~[or]~~ associate degrees, ~~[but do not include]~~ and baccalaureate ~~[or higher]~~ degrees **when baccalaureate degree problems are approved by the coordinating board for higher education as provided under section 173.1425;**

(2) "Operating costs", all costs attributable to current operations, including all direct costs of instruction, instructors' and counselors' compensation, administrative costs, all normal operating costs and all similar noncapital expenditures during any year, excluding costs of construction of facilities and the purchase of equipment, furniture, and other capital items authorized and funded in accordance with subsection 6 of this section. Operating costs shall be

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.

18 computed in accordance with accounting methods and procedures to be specified by the  
19 department of higher education;

20 (3) "Year", from July first to June thirtieth of the following year.

21 2. Each year public community colleges in the aggregate shall be eligible to receive from  
22 state funds, if state funds are available and appropriated, an amount up to but not more than fifty  
23 percent of the state community colleges' planned operating costs as determined by the department  
24 of higher education. The department of higher education shall review all institutional budget  
25 requests and prepare appropriation recommendations annually for the community colleges under  
26 the supervision of the department. The department's budget request shall include a  
27 recommended level of funding.

28 3. (1) Except as provided in subdivision (2) of this subsection, distribution of  
29 appropriated funds to community college districts shall be in accordance with the community  
30 college resource allocation model. This model shall be developed and revised as appropriate  
31 cooperatively by the community colleges and the department of higher education. The  
32 department of higher education shall recommend the model to the coordinating board for higher  
33 education for their approval. The core funding level for each community college shall initially  
34 be established at an amount agreed upon by the community colleges and the department of higher  
35 education. This amount will be adjusted annually for inflation, limited growth, and program  
36 improvements in accordance with the resource allocation model starting with fiscal year 1993.

37 (2) Unless the general assembly chooses to otherwise appropriate state funding,  
38 beginning in fiscal year 2016, at least ninety percent of any increase in core funding over the  
39 appropriated amount for the previous fiscal year shall be distributed in accordance with the  
40 achievement of performance-funding measures under section 173.1006.

41 4. The department of higher education shall be responsible for evaluating the  
42 effectiveness of the resource allocation model and shall submit a report to the governor, the joint  
43 committee on education, the speaker of the house of representatives and president pro tempore  
44 of the senate by October 31, 2019, and every four years thereafter.

45 5. The department of higher education shall request new and separate state aid funds for  
46 any new community college district for its first six years of operation. The request for the new  
47 district shall be based upon the same level of funding being provided to the existing districts, and  
48 should be sufficient to provide for the growth required to reach a mature enrollment level.

49 6. In addition to state funds received for operating purposes, each community college  
50 district shall be eligible to receive an annual appropriation, exclusive of any capital  
51 appropriations, for the cost of maintenance and repair of facilities and grounds, including surface  
52 parking areas, and purchases of equipment and furniture. Such funds shall not exceed in any year  
53 an amount equal to ten percent of the state appropriations, exclusive of any capital

54 appropriations, to community college districts for operating purposes during the most recently  
55 completed fiscal year. The department of higher education may include in its annual  
56 appropriations request the necessary funds to implement the provisions of this subsection and  
57 when appropriated shall distribute the funds to each community college district as appropriated.  
58 The department of higher education appropriations request shall be for specific maintenance,  
59 repair, and equipment projects at specific community college districts, shall be in an amount of  
60 fifty percent of the cost of a given project as determined by the coordinating board and shall be  
61 only for projects which have been approved by the coordinating board through a process of  
62 application, evaluation, and approval as established by the coordinating board. The coordinating  
63 board, as part of its process of application, evaluation, and approval, shall require the community  
64 college district to provide proof that the fifty-percent share of funding to be defrayed by the  
65 district is either on hand or committed for maintenance, repair, and equipment projects. Only  
66 salaries or portions of salaries paid which are directly related to approved projects may be used  
67 as a part of the fifty-percent share of funding.

68 7. School districts offering two-year college courses pursuant to section 178.370 on  
69 October 31, 1961, shall receive state aid pursuant to subsection 2, subdivision (1) of subsection  
70 3, and subsection 6 of this section if all scholastic standards established pursuant to sections  
71 178.770 to 178.890 are met.

72 8. In order to make postsecondary educational opportunities available to Missouri  
73 residents who do not reside in an existing community college district, community colleges  
74 organized pursuant to section 178.370 or sections 178.770 to 178.890 shall be authorized  
75 pursuant to the funding provisions of this section to offer courses and programs outside the  
76 community college district with prior approval by the coordinating board for higher education.  
77 The classes conducted outside the district shall be self-sustaining except that the coordinating  
78 board shall promulgate rules to reimburse selected out-of-district instruction only where prior  
79 need has been established in geographical areas designated by the coordinating board for higher  
80 education. Funding for such off-campus instruction shall be included in the appropriation  
81 recommendations, shall be determined by the general assembly and shall continue, within the  
82 amounts appropriated therefor, unless the general assembly disapproves the action by concurrent  
83 resolution.

84 9. When distributing state aid authorized for community colleges, the state treasurer may,  
85 in any year if requested by a community college, disregard the provision in section 30.180  
86 requiring the state treasurer to convert the warrant requesting payment into a check or draft and  
87 wire transfer the amount to be distributed to the community college directly to the community  
88 college's designated deposit for credit to the community college's account.

173.1425. 1. Notwithstanding any other provision of law, the coordinating board for higher education may authorize community colleges, as defined in section 163.191, to offer baccalaureate degree programs under this section. Offering a baccalaureate degree program under this section does not otherwise alter the role and mission of any community college.

2. The coordinating board may authorize baccalaureate degree programs at one or more community colleges that have demonstrated a workforce need.

3. Any baccalaureate program offered under this section is subject to the continuing approval of the coordinating board for higher education.

4. In determining what baccalaureate programs are to be offered, the coordinating board shall:

(1) Apply the same criteria and standards the coordinating board uses to approve baccalaureate degree programs at public four-year institutions of higher education; and

(2) Consider the following factors:

(a) The workforce need for the degree programs in the region served by the community college;

(b) How those degree programs would complement the other programs and course offerings of the community college and whether the associate degree program offered by the community college in the same field has been successful;

(c) Whether those degree programs would unnecessarily duplicate the degree programs offered by other institutions of higher education or whether a partnership with other institutions of higher education is possible; and

(d) The ability of the community college to support the program with student enrollment and the adequacy of the community college's facilities, faculty, administration, libraries, and other resources.

5. Except as provided in subsection 6 of this section, in its recommendations to the legislature relating to state funding for public community colleges, the coordinating board shall recommend that a public community college receive substantially the same state support for community college level and baccalaureate degree level courses offered under this section as that provided to a general public four-year institution of higher education for substantially similar courses. In determining the contact hours attributable to students enrolled in a community college or baccalaureate level course offered under this section used to determine a public community colleges proportionate share of state appropriations, the coordinating board shall weigh those contact hours as necessary to provide the community college the appropriate level of state support to the extent state funds for those courses are included in the appropriations. The provisions of this subsection do not

37 prohibit the legislature from directly appropriating state funds to support community  
38 college level and baccalaureate level courses offered under this section.

39         **6. For the first two years in which a degree program created under this section is**  
40 **offered, the degree program may be funded solely by a public community college's**  
41 **proportionate share of state appropriations, local funds, and private sources. This**  
42 **subsection does not require the legislature to appropriate state funds to support a degree**  
43 **program created under this section for the first two years in which the degree program is**  
44 **offered. For the third, fourth, and fifth years in which a program created under this**  
45 **section is offered, state appropriations for the degree program may not provide more than**  
46 **fifty percent of the total amount of funds required to support the degree program.**

47         **7. Each biennium, each public community college offering a baccalaureate degree**  
48 **program under this section shall conduct a review of each baccalaureate program offered**  
49 **and prepare a report on the operation, quality, and effectiveness of those degree programs.**  
50 **A copy of the report shall be delivered to the coordinating board in the form and at the**  
51 **time determined by the coordinating board.**

52         **8. The department of higher education shall adopt rules as necessary for the**  
53 **administration of this section. Any rule or portion of a rule, as that term is defined in**  
54 **section 536.010, that is created under the authority delegated in this section shall become**  
55 **effective only if it complies with and is subject to all of the provisions of chapter 536 and,**  
56 **if applicable, section 536.028. This section and chapter 536 are nonseverable, and if any**  
57 **of the powers vested with the general assembly pursuant to chapter 536 to review, to delay**  
58 **the effective date, or to disapprove and annul a rule are subsequently held**  
59 **unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted**  
60 **after August 28, 2017, shall be invalid and void.**

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