

SS SCS HCS HB 417 -- ENCOURAGING INDIVIDUALS TO OBTAIN EMPLOYMENT-RELATED SKILLS

EMPLOYMENT QUALIFICATIONS FOR CERTAIN STATE EMPLOYEES (Section 105.1600)

This bill specifies that state agencies can not deny an applicant for hiring consideration solely on the basis that the applicant doesn't have a postsecondary degree. State agencies are required to determine the baseline requirements for applicants, but may not include a postsecondary degree as a baseline requirement.

The provisions do not apply to positions with a state agency where a clear demonstration is made that the duties require a postsecondary degree, as described in the bill; where the position requires a professional or occupational license; and any position as a director with a state agency.

The Department of Labor and Industrial Relations has the authority to enforce the provisions of the bill, and applicants who believe they were eliminated from a hiring consideration solely based upon lack of a postsecondary degree may appeal the decision to the Labor and Industrial Relations Commission (LIRC). If the appeal is substantiated, the LIRC shall require the state agency to reopen the hiring process, modify the job posting, or take necessary action to achieve compliance.

INTERN AND APPRENTICE RECRUITMENT ACT (Section 135.457)

This bill establishes the "Intern and Apprentice Recruitment Act". For all tax years beginning on or after January 1, 2024, the bill authorizes an income tax credit for taxpayers who hire an intern or apprentice, as such terms are specified in the bill. The tax credit shall be equal to \$1,500 for each intern or apprentice hired at a pay rate equal to or greater than the minimum wage, provided that the number of interns and apprentices employed during the tax year exceeds the average number of interns and apprentices employed by the taxpayer for the previous three years, that the interns and apprentices work a certain number of hours, as described in the bill, and further provided that the apprentices comply with all federal requirements of a qualified apprenticeship.

A taxpayer can not claim a tax credit that exceeds \$9,000 in a tax year, and the cumulative amount of the authorized tax credits shall not exceed \$1 million per tax year.

Tax credits authorized by the bill shall not be refundable or carried forward to any subsequent tax year, and shall not be transferred, assigned, sold, or otherwise conveyed. A taxpayer

shall apply for the tax credit to the Department of Economic Development and shall include information on participation in a qualified apprenticeship program or a copy of the official transcript for an intern being claimed, as applicable.

The provisions of this section sunset on December 31, 2029.

ADULT HIGH SCHOOLS (Sections 160.2705 to 160.2725)

This bill modifies provisions relating to adult high schools.

Currently, the Department of Elementary and Secondary Education is required to authorize the operation of four adult high schools across the state. This bill transfers such authority to the Department of Social Services (DSS) which is authorized to operate a fifth adult high school to be located in a county with more than 700,000 but fewer than 800,000 inhabitants, or a contiguous county, which upon enactment is Jackson County or an adjacent county.

The bill requires DSS to administer funding to the adult high schools subject to appropriations. For the existing adult high schools, DSS shall maintain authorization for the nonprofit organizations to operate the high school, provided that no more than one organization may be authorized to operate an adult high school in each of the current four locations. An organization may establish satellite campuses for any adult high school it is authorized to operate.

By January 1, 2024, DSS shall select a Missouri-based nonprofit organization to operate the high school, provided the organization demonstrates the ability to commit at least \$500,000, rather than the current \$2 million, for the necessary infrastructure to establish the school.

Each nonprofit organization must submit an annual report to DSS in addition to other entities.

STUDENT-ATHLETE COMPENSATION (Section 173.280)

This bill includes a definition of "institutional marketing associate". The bill defines a "unique identifier" for marketing or promotional purposes used by a postsecondary educational institution or third party, as those terms are currently defined. Some examples of unique identifiers are logo, emblem, motto, special symbol, and design. Postsecondary educational institutions and third parties shall develop and adopt a policy and process for granting a student athlete a license to use such institution's or third party's unique identifier when earning or attempting to earn

compensation from the use of such student athlete's name, image, likeness rights, or athletic reputation (NIL).

A postsecondary educational institution or third party may charge a fee for a license to use the unique identifier, and may impose requirements that the student athlete refrain from using the unique identifier in a manner determined by the institution as detailed in the bill. If a private postsecondary educational institution retains the student athlete's contract, the institution is required to consider the contract terms to be student governed by the Family Education Rights and Privacy Act. The contract is regarded as a closed record under Chapter 610. No compensation for a student athlete's NIL can be conditioned on the student athlete's athletic performance, but it may be conditioned on attendance. A nonprofit shall have the right to compensate a student athlete for the commercial use of the student athlete's NIL. Institutional marketing associates have the right to compensate a student athlete for the commercial use of the student athlete's NIL as explained in the bill.

A postsecondary educational institution must offer at least two workshops per calendar year that include topics such as life skills, time management and entrepreneurship. The workshops are subject to requirements and standards as described in the bill, and the workshops shall not be identical in each academic year.

An athletic association, conference, or other organization with authority over varsity intercollegiate athletics shall not prevent or penalize a student athlete from receiving compensation for the commercial use of such student athlete's NIL, or prevent a postsecondary educational institution from participating in varsity intercollegiate athletics as a result of a student athlete's receipt of compensation for the use of the student athlete's NIL, or entertain a complaint or open an investigation or take adverse action for activities protected under the bill. A student athlete has the right to obtain professional representation through an attorney licensed in the state of Missouri to secure compensation for NIL without penalty. Any student athlete may bring a civil action against third parties for interfering with the student athlete's earning of compensation for use of NIL. The bill does not affect the rights of student athletes under Title IX of the Education Amendments of 1971 (20 U.S.C. Section 1681 et seq).

The bill expands the opportunity to earn or attempt to earn compensation for NIL to any high school student who competes on an interscholastic athletic team sponsored by a public school, or a private school whose students compete against a public school's students, and has signed a letter of intent with a postsecondary educational institution in the state. The bill prohibits a high

school athlete earning or attempting to earn compensation from affecting the student's eligibility to continue to participate in athletics at a high school level.

MEDICAL RESIDENCY GRANT PROGRAM (Section 191.592)

This bill establishes a medical residency grant program to award grants, subject to appropriation, for eligible entities for the purpose of establishing and funding new general primary care and psychiatry medical residency positions and continuing the funding of the new positions for the duration of the residency. Funding shall be available for three or four years for certain residency positions. The Department of Health and Senior Services (DHSS) shall establish criteria for the grants as described in the bill and report on the program to the General Assembly.

This bill creates the "Medical Residency Grant Program Fund", which shall consist of moneys appropriated by the General Assembly, all funds returned from entities unable to fill their residency positions, and any gifts, contributions, grants, or bequests received from federal, private, or other sources.

This provision has an emergency clause.

This provision expires on January 1, 2038.

NURSING EDUCATION INCENTIVES (Sections 335.200 to 335.257)

This bill modifies the Professional and Practical Nursing Education Incentive Program. Currently, grant awards made under the Program are limited to \$150,000. The bill repeals that limit. Additionally, the State Board of Nursing is required to collect, at the time of any license application or license renewal application, a Nursing Education Incentive Program surcharge from each person licensed or relicensed as a nurse. Such surcharge shall be \$1 for practical nurses and \$5 for registered professional nurses. Furthermore, the bill modifies the definition of "eligible institution of higher education" to include an approved virtual institution that offers a nursing education program.

The bill repeals the Nursing Student Loan Program and the Nursing Student Loan Repayment Program.

LARGE ANIMAL VETERINARY MEDICINE LOAN REPAYMENT PROGRAM (Sections 340.341 to 340.387)

This bill modifies provisions relating to the Large Animal Veterinary Medicine Loan Repayment Program.

As specified in the bill, the Missouri Department of Agriculture shall not grant repayment for more than 12 veterinarians each year, instead of six.

The bill renames the "Dr. Merrill Townley Large Animal Veterinary Student Loan Program" to the "Dr. Merrill Townley and Dr. Dan Brown Large Animal Veterinary Student Loan Program".

The bill expands the sources of funding for the Program to include any private grant, gift, donation, device, or bequest of moneys, funds, real or personal property, or other assets. A qualified applicant may receive financial assistance under the Program up to \$30,000 for each academic year, instead of \$20,000, provided that the cumulative total shall not exceed \$120,000 per qualified applicant, instead of \$80,000.

The bill provides that up to 12, instead of six, qualified applicants per academic year may be awarded loans under the Program. The Department may increase the number of qualified applicants above 12 that may be awarded such loans per academic year if the amount of any additional moneys received from private contributions or other assets deposited in the Veterinary Student Loan Payment Fund allows the full funding of such increase in the number of applicants.

Finally, the bill specifies that, for each year of qualified employment that each individual contracts to serve in an area of defined need, the Department shall forgive up to \$30,000 with accrued interest, instead of \$20,000.

UPSKILL CREDENTIALS (Section 620.2500)

This bill allows the Department of Economic Development (DED) to disburse grants to qualifying employers for each employee or prospective employee who obtains upskill credentials, as defined in the bill. "Public body" is defined to exclude hospitals in Section 197.020, long-term care facilities licensed under Chapter 198 or public hospitals under Chapter 205.

This bill creates the "Upskill Credential Training Fund" which consists of moneys appropriated by the General Assembly not to exceed \$6 million per fiscal year.

No qualifying employer shall receive more than \$30,000 in any fiscal year. In order to receive such grants a qualifying employer is required to submit an application to DED as provided in the bill. Applications are evaluated on a competitive basis using the following criteria:

(1) The pledged average wage increase that employees or prospective employees will realize after obtaining an upskill credential in relation to the cost of obtaining the credential;

(2) The level of economic distress to the qualifying employer's region and the balance of awards made to the various regions of the state; and

(3) The contribution made by the qualifying employer toward the cost of obtaining the upskill credential.

At the close of each application period, to be determined by DED, applications will be evaluated and preliminary awards for reimbursement may be made.

In making preliminary awards of reimbursement, the DED shall reserve 33 1/3% to award exclusively to qualifying employers with at least one but not more than 50 employees; and 33 1/3% to award exclusively to qualifying employers with at least 51 but no more than 200 employees. Any amount that is reserved and not awarded by March 1st of the fiscal year may be issued to any qualifying employer eligible for an award.

Upon being given a preliminary award for reimbursement, each qualifying employer must sponsor a current or prospective employee to obtain an upskill credential within 12 months of the preliminary award. Employees may not commence the process of obtaining the credential until after a preliminary award has been made. Upon obtaining a credential, the employer shall submit proof of the same to DED along with proof that the individual who has completed the training is a Missouri resident with a verifiable Missouri address.

The bill prohibits qualifying employers from receiving funds under this bill for an employee's upskill credential if:

(1) The qualifying employer is receiving funds under the Missouri One Start Program for the same upskill credential; or

(2) The employee is receiving a Fast Track Workforce Incentive Grant for the same upskill credential.

The provisions of the Upskill Credential Program shall automatically sunset six years after the effective date of the bill.