

SECOND REGULAR SESSION

HOUSE BILL NO. 2577

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BANDERMAN.

5900H.011

JOSEPH ENGLER, Chief Clerk

AN ACT

To repeal section 163.191, RSMo, and to enact in lieu thereof one new section relating to community college degree programs.

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

Section A. Section 163.191, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 163.191, to read as follows:

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

(1) "Community college"[]:

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

~~(b)~~ b. Occupational, vocational-technical; and

~~(c)~~ c. A variety of educational community services.

(b) a. Community college course offerings shall generally lead to the granting of certificates, diplomas, or associate degrees, and may include baccalaureate degrees only when authorized by the coordinating board for higher education in circumstances where:

(i) **There exists a persistent workforce shortage in occupations requiring a baccalaureate degree;**

(ii) The level of education required in a field for accreditation or licensure increases to the baccalaureate degree level; or[]

(iii) In the case of applied bachelor's degrees, the level of education required for employment in a field increases to that level, and when doing so would not unnecessarily

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 duplicate an existing program~~]; collaboration with a university is not feasible or the approach~~
19 ~~is not a viable means of meeting the needs of students and employers,]~~ and the institution has
20 the academic and financial capacity to offer the program in a high-quality manner.

21 **b.** Quality for such baccalaureate degree programs shall be evaluated at least in part
22 by the delivery of upper-level coursework or competencies, and defined by accreditation or
23 compliance with the Higher Learning Commission standards for bachelor's degrees;

24 (2) "Operating costs", all costs attributable to current operations, including all direct
25 costs of instruction, instructors' and counselors' compensation, administrative costs, all
26 normal operating costs and all similar noncapital expenditures during any year, excluding
27 costs of construction of facilities and the purchase of equipment, furniture, and other capital
28 items authorized and funded in accordance with subsection 6 of this section. Operating costs
29 shall be computed in accordance with accounting methods and procedures to be specified by
30 the department of higher education and workforce development;

31 (3) **"Workforce shortage", a determination by the Missouri economic research**
32 **and information center (MERIC) that there are more job vacancies in the labor market**
33 **than available workers in a specified industry;**

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

35 2. Each year public community colleges in the aggregate shall be eligible to receive
36 from state funds, if state funds are available and appropriated, an amount up to but not more
37 than fifty percent of the state community colleges' planned operating costs as determined by
38 the department of higher education and workforce development. The department of higher
39 education and workforce development shall review all institutional budget requests and
40 prepare appropriation recommendations annually for the community colleges under the
41 supervision of the department. The department's budget request shall include a recommended
42 level of funding.

43 3. (1) Except as provided in subdivision (2) of this subsection, distribution of
44 appropriated funds to community college districts shall be in accordance with the community
45 college resource allocation model. This model shall be developed and revised as appropriate
46 cooperatively by the community colleges and the department of higher education and
47 workforce development. The department of higher education and workforce development
48 shall recommend the model to the coordinating board for higher education for their approval.
49 The core funding level for each community college shall initially be established at an amount
50 agreed upon by the community colleges and the department of higher education and
51 workforce development. This amount will be adjusted annually for inflation, limited growth,
52 and program improvements in accordance with the resource allocation model starting with
53 fiscal year 1993.

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

58 4. The department of higher education and workforce development shall be
59 responsible for evaluating the effectiveness of the resource allocation model and shall submit
60 a report to the governor, the joint committee on education, the speaker of the house of
61 representatives and president pro tempore of the senate by October 31, 2019, and every four
62 years thereafter.

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

68 6. In addition to state funds received for operating purposes, each community college
69 district shall be eligible to receive an annual appropriation, exclusive of any capital
70 appropriations, for the cost of maintenance and repair of facilities and grounds, including
71 surface parking areas, and purchases of equipment and furniture. Such funds shall not exceed
72 in any year an amount equal to ten percent of the state appropriations, exclusive of any capital
73 appropriations, to community college districts for operating purposes during the most recently
74 completed fiscal year. The department of higher education and workforce development may
75 include in its annual appropriations request the necessary funds to implement the provisions
76 of this subsection and when appropriated shall distribute the funds to each community college
77 district as appropriated. The department of higher education and workforce development
78 appropriations request shall be for specific maintenance, repair, and equipment projects at
79 specific community college districts, shall be in an amount of fifty percent of the cost of a
80 given project as determined by the coordinating board and shall be only for projects which
81 have been approved by the coordinating board through a process of application, evaluation,
82 and approval as established by the coordinating board. The coordinating board, as part of its
83 process of application, evaluation, and approval, shall require the community college district
84 to provide proof that the fifty-percent share of funding to be defrayed by the district is either
85 on hand or committed for maintenance, repair, and equipment projects. Only salaries or
86 portions of salaries paid which are directly related to approved projects may be used as a part
87 of the fifty-percent share of funding.

88 7. School districts offering two-year college courses pursuant to section 178.370 on
89 October 31, 1961, shall receive state aid pursuant to subsection 2, subdivision (1) of

90 subsection 3, and subsection 6 of this section if all scholastic standards established pursuant
91 to sections 178.770 to 178.890 are met.

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

104 9. When distributing state aid authorized for community colleges, the state treasurer
105 may, in any year if requested by a community college, disregard the provision in section
106 30.180 requiring the state treasurer to convert the warrant requesting payment into a check or
107 draft and wire transfer the amount to be distributed to the community college directly to the
108 community college's designated deposit for credit to the community college's account.

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