

SECOND REGULAR SESSION

# HOUSE BILL NO. 1522

## 91ST GENERAL ASSEMBLY

---

INTRODUCED BY REPRESENTATIVES BEARDEN AND LUETKENHAUS (Co-sponsors).

Read 1<sup>st</sup> time January 17, 2002, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

3753L.011

---

### AN ACT

To amend chapter 173, RSMo, by adding thereto two new sections relating to higher education funding.

---

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

Section A. Chapter 173, RSMo, is amended by adding thereto two new sections, to be  
2 known as sections 173.840 and 173.845, to read as follows:

**173.840. 1. There is hereby established the "Challenge Scholarship Program" to  
2 be administered by the coordinating board for higher education. As used in this section,  
3 the following words and terms shall mean:**

4       (1) "Challenge scholarship", an amount of money paid by the state of Missouri to  
5 eligible institutions of postsecondary education for postsecondary education expenses, as  
6 calculated by the coordinating board for higher education pursuant to this section, for  
7 eligible students who have enrolled in and completed credit hours in an eligible institution  
8 of postsecondary education pursuant to the provisions of this section;

9       (2) "Credit hour", the standard academic measurement of attendance based on a  
10 semester term, or its equivalent, in trimester, quarter or clock hour terms;

11       (3) "Eligible institution of postsecondary education", any approved public or  
12 private postsecondary education institution, as defined in section 173.205, or any other  
13 Missouri private institution that:

14       (a) Is required by statute to be certified to operate by the coordinating board for  
15 higher education;

16       (b) Is institutionally accredited by a United States Department of Education  
17 recognized accrediting commission;

18       (c) Has operated continuously in the state of Missouri for at least five years;

- 19           (d) Has no more than fifty percent of its students in correspondence programs;  
20           (e) Offers a two-year certificate or an associate or higher degree program;  
21           (f) Has at least one articulation agreement relating to a degree program with  
22 another institution approved by the coordinating board for higher education; and  
23           (g) Is approved for participation in the challenge scholarship program by the  
24 coordinating board for higher education;
- 25           (4) "Eligible student", an individual who is enrolled in an eligible institution of  
26 postsecondary education and has been in compliance with the eligibility requirements set  
27 forth in subsection 1 of section 173.215, throughout the period for which the challenge  
28 scholarship is being claimed, excluding the requirements of full-time enrollment and  
29 financial need, and in addition, meets the following requirements:
- 30           (a) Has received a high school diploma, general educational development certificate  
31 (GED) or equivalent;  
32           (b) Is enrolled in and has maintained satisfactory academic progress in a program  
33 leading to a certificate, or an associate or baccalaureate degree;  
34           (c) Has yet to complete sixty credit hours, or equivalent, of postsecondary course  
35 credit earned after the date of receipt of a high school diploma or a GED certificate or the  
36 equivalent;  
37           (d) Does not have a delinquent debt with an institution of higher education  
38 exceeding the amount of the challenge scholarship; and  
39           (e) Is not a person currently confined in any federal or state correctional facility,  
40 jail or confined under the jurisdiction of the department of corrections in any other state;
- 41           (5) "Resident of the state of Missouri", a resident of this state as determined under  
42 standards promulgated pursuant to section 173.005.
- 43           2. (1) Within the amount appropriated for the program, the coordinating board  
44 for higher education shall establish a procedure for the payment of the challenge  
45 scholarship to any eligible institution of postsecondary education for the cost of tuition,  
46 books and fees for any eligible student.
- 47           (2) No student may claim, or have claimed on the student's behalf, a challenge  
48 scholarship for postsecondary credit hours earned after that student has successfully  
49 completed sixty credit hours or equivalent of postsecondary work after the date of receipt  
50 of a high school diploma or a GED certificate or equivalent.
- 51           (3) Students who participate in the A+ schools program, as defined in section  
52 160.545, RSMo, shall not be considered eligible to receive a challenge scholarship.
- 53           3. Every eligible institution of postsecondary education shall furnish to each eligible  
54 student enrolled at such institution who is a resident of Missouri, a written statement

55 showing the credit hours completed by that student for the calendar year and other such  
56 information as the coordinating board for higher education shall prescribe. This form  
57 shall be furnished to each eligible student on or before January thirty-first of the  
58 succeeding year.

59       **4. Challenge scholarships may only be awarded for the calendar years beginning**  
60 **on or after January 1, 2003.**

61       **5. The coordinating board for higher education shall prescribe such rules and**  
62 **regulations as are necessary to carry out the provisions of this section.**

63       **6. No challenge scholarship may be sold or assigned to a third party.**

64       **7. This section shall only apply to credit hours accrued after January 1, 2003.**

173.845. 1. Any appropriation increases to higher education institutions shall be  
2 solely based on that institution's enrollment of full-time students, plus the full-time  
3 equivalent of part-time students, plus adjustments tied to the cumulative consumer price  
4 index.

5       **2. Unless the challenge scholarship and A+ schools programs are fully funded by**  
6 **the general assembly in any fiscal year, there will be no increase in appropriations to public**  
7 **higher education, except for adjustments tied to the cumulative consumer price index.**