

HB 2283 -- MISSOURI EMPOWERMENT SCHOLARSHIP ACCOUNTS PROGRAM

SPONSOR: Bahr

This bill establishes the "Missouri Empowerment Scholarship Accounts Program." The program permits educational assistance organizations to collect contributions, for which the donor may claim a tax credit, and use those contributions to finance scholarships to pay tuition, fees, and other educational expenses for qualified students to attend a private, virtual, home, or other qualified school.

An educational assistance organization must be a federally tax-exempt charity registered in Missouri. The bill requires an educational assistance organization to spend 100% of its revenue from interest or investments and 90% of its revenue from contributions on scholarship accounts. Educational assistance organizations must also comply with other specified requirements, including employee background checks and annual audits.

The bill also establishes the "Missouri Empowerment Scholarship Accounts Fund." The fund will be financed by no more than 2% of qualifying contributions and used by the State Treasurer for marketing and administrative expenses.

A parent may establish a Missouri Empowerment Scholarship Account for a qualified student by entering into a written agreement with an educational assistance organization. Under the agreement, the student shall not be enrolled in a school operated by his or her district of residence or a charter school, unless he or she is in state custody. The agreement shall release the district of residence from all obligations to educate the student while the student is enrolled in the program under the agreement.

The student will receive a grant not to exceed the state adequacy target, deposited by the educational assistance organization into the student's scholarship account. The scholarship money may be used to pay for tuition, fees, textbooks, curriculum, and other education expenses specified in the bill.

Beginning in school year 2020-21, the State Treasurer shall conduct or contract for annual audits of Empowerment Scholarship Accounts.

This bill is similar to SB 612 (2018).