

FIRST REGULAR SESSION

HOUSE BILL NO. 51

101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE UNSICKER.

0296H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 166.410 and 166.502, RSMo, and to enact in lieu thereof two new sections relating to education savings program expenses.

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

Section A. Sections 166.410 and 166.502, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 166.410 and 166.502, to read as follows:

166.410. ~~Definitions.~~ As used in sections 166.400 to 166.455, except where the context clearly requires another interpretation, the following terms mean:

(1) "Beneficiary", any individual designated by a participation agreement to benefit from payments for qualified education expenses at an eligible educational institution;

(2) "Benefits", the payment of qualified education expenses on behalf of a beneficiary from a savings account during the beneficiary's attendance at an eligible educational institution;

(3) "Board", the Missouri education savings program board established in section 166.415;

(4) "Eligible educational institution", an institution of postsecondary education as defined in Section 529(e)(5) of the Internal Revenue Code, and institutions of elementary and secondary education as provided in Sections 529(c)(7) and 529(e)(3) of the Internal Revenue Code, as amended;

(5) "Financial institution", a bank, insurance company or registered investment company;

(6) "Internal Revenue Code", the Internal Revenue Code of 1986, as amended;

(7) "Missouri education savings program" or "savings program", the program created pursuant to sections 166.400 to 166.455;

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.

17 (8) "Participant", a person who has entered into a participation agreement pursuant to
18 sections 166.400 to 166.455 for the advance payment of qualified education expenses on behalf
19 of a beneficiary;

20 (9) "Participation agreement", an agreement between a participant and the board pursuant
21 to and conforming with the requirements of sections 166.400 to 166.455; and

22 (10) "Qualified higher education expenses" or "qualified education expenses", the
23 qualified costs of tuition and fees and other expenses for attendance at an eligible educational
24 institution, as defined in Section 529(e)(3) of the Internal Revenue Code, as amended.
25 **"Qualified higher education expenses" and "qualified education expenses" shall be**
26 **construed to apply to the amounts not exceeding ten thousand dollars that are paid as**
27 **principal or interest on any qualified education loan incurred by the beneficiary or a**
28 **sibling of the beneficiary to pay for the costs of attendance at an institution of**
29 **postsecondary education. As used in this subdivision, the terms "qualified education loan"**
30 **and "sibling" shall have the same meanings as such terms are described in Section**
31 **302(b)(1) of the federal Setting Every Community Up for Retirement Act of 2019 (Pub. L.**
32 **116-94) (26 U.S.C. Section 529).**

166.502. As used in sections 166.500 to 166.529, except where the context clearly
2 requires another interpretation, the following terms mean:

3 (1) "Beneficiary", any individual designated by a participation agreement to benefit from
4 payments for qualified higher education expenses at an eligible educational institution;

5 (2) "Benefits", the payment of qualified higher education expenses on behalf of a
6 beneficiary from a deposit account during the beneficiary's attendance at an eligible educational
7 institution;

8 (3) "Board", the Missouri education savings program board established in section
9 166.415;

10 (4) "Eligible educational institution", an institution of postsecondary education as
11 defined in Section 529(e)(5) of the Internal Revenue Code;

12 (5) "Financial institution", a depository institution and any intermediary that brokers
13 certificates of deposits;

14 (6) "Internal Revenue Code", the Internal Revenue Code of 1986, as amended;

15 (7) "Missouri higher education deposit program" or "deposit program", the program
16 created pursuant to sections 166.500 to 166.529;

17 (8) "Participant", a person who has entered into a participation agreement pursuant to
18 sections 166.500 to 166.529 for the advance payment of qualified higher education expenses on
19 behalf of a beneficiary;

20 (9) "Participation agreement", an agreement between a participant and the board pursuant
21 to and conforming with the requirements of sections 166.500 to 166.529;

22 (10) "Qualified higher education expenses", the qualified costs of tuition and fees and
23 other expenses for attendance at an eligible educational institution, as defined in Section
24 529(e)(3) of the Internal Revenue Code of 1986, as amended. **"Qualified higher education**
25 **expenses" shall be construed to apply to the amounts not exceeding ten thousand dollars**
26 **that are paid as principal or interest on any qualified education loan incurred by the**
27 **beneficiary or a sibling of the beneficiary to pay for the costs of attendance at an institution**
28 **of postsecondary education. As used in this subdivision, the terms "qualified education**
29 **loan" and "sibling" shall have the same meanings as such terms are described in Section**
30 **302(b)(1) of the federal Setting Every Community Up for Retirement Act of 2019 (Pub. L.**
31 **116-94) (26 U.S.C. Section 529).**

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