

SENATE SUBSTITUTE
FOR
HOUSE SUBSTITUTE
FOR
HOUSE BILL NO. 297
AN ACT

To repeal sections 166.400, 166.410, 166.415, 166.420, 166.425, 166.435, 166.440, 166.456, 166.502, 172.020, 173.035, 173.1003, 174.450, 174.453, and 209.610, RSMo, and to enact in lieu thereof twenty-one new sections relating to institutions of higher education.

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

Section A. Sections 166.400, 166.410, 166.415, 166.420, 2 166.425, 166.435, 166.440, 166.456, 166.502, 172.020, 173.035, 3 173.1003, 174.450, 174.453, and 209.610, RSMo, are repealed and 4 twenty-one new sections enacted in lieu thereof, to be known as 5 sections 161.625, 166.400, 166.410, 166.415, 166.420, 166.425, 6 166.435, 166.440, 166.456, 166.461, 166.502, 172.020, 173.035, 7 173.280, 173.1003, 173.1352, 174.281, 174.283, 174.450, 8 174.453, and 209.610, to read as follows:

161.625. 1. This section shall be known and may be
2 cited as the "Students' Right to Know Act".

3 2. Beginning on January 1, 2022, to help each high
4 school student make more informed decisions about the
5 student's future and ensure that the student is adequately
6 aware of the cost of four-year college and other alternative
7 career paths, the department of higher education and
8 workforce development shall collect and compile the
9 following information on an annual basis:

10 (1) The most in-demand jobs in the state, including
11 starting salary and education level required for such jobs;

12 (2) The average cost for each public institution of
13 higher education and vocational school in the state;

14 (3) The average monthly student loan payment of all
15 students in attendance at a public institution of higher
16 education or vocational school in the state, for each public
17 institution of higher education or vocational school in the
18 state;

19 (4) The average three-year student loan default rate
20 for each public institution of higher education and
21 vocational school in the state;

22 (5) The average graduation rate for each public
23 institution of higher education and vocational school in the
24 state;

25 (6) The completion rates for apprenticeship programs,
26 high school credential programs, career and technical
27 education programs, and military first-term enlistments;

28 (7) The average starting salary for individuals
29 graduating from each public institution of higher education
30 in the state; and

31 (8) The average starting salary for individuals
32 graduating from each vocational school in the state.

33 3. Each public institution of higher education and
34 vocational school shall report to the department the
35 information listed in subsection 2 of this section that
36 relates to the particular institution. The department shall
37 collect, compile, and add the information on the
38 department's website. On or before October fifteenth of
39 each year, the link and all relevant instruction material
40 shall be distributed to the department of elementary and
41 secondary education for dissemination to public high schools
42 in the state for public distribution to students by school
43 counselors.

44 4. The department may execute a memorandum of
45 understanding with any department, agency, or division for
46 information required to be collected by this section.

47 5. To comply with the requirements of this section,
48 any public institution of higher education, vocational
49 school and the department may use preexisting databases
50 including, but not limited to, the College Scorecard
51 operated by the United States Department of Education and
52 MoJobs.

 166.400. Sections 166.400 to 166.455 shall be known
2 and may be cited as the "Missouri Education [Savings]
3 Program".

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

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

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

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

14 (4) "Eligible educational institution", an
15 [institution of postsecondary education] eligible
16 educational institution as defined in Section [529(e)(5)]
17 529 of the Internal Revenue Code, [and institutions of
18 elementary and secondary education as provided in Sections
19 529(c)(7) and 529(e)(3) of the Internal Revenue Code,] as
20 amended;

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

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

25 (7) "Missouri education [savings] program" or
26 "[savings] program", the program created pursuant to
27 sections 166.400 to 166.455;

28 (8) "Participant", a person who has entered into a
29 participation agreement pursuant to sections 166.400 to
30 166.455 for the advance payment of qualified education
31 expenses on behalf of a beneficiary;

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

35 (10) "Qualified higher education expenses" or
36 "qualified education expenses", the qualified costs of
37 tuition and fees and other expenses for attendance at an
38 eligible educational institution, as defined in Section
39 [529(e)(3)] 529 of the Internal Revenue Code, as amended.

166.415. 1. There is hereby created the "Missouri
2 Education [Savings] Program". The program shall be
3 administered by the Missouri education [savings] program
4 board which shall consist of the Missouri state treasurer
5 who shall serve as chairman, the commissioner of the
6 department of higher education and workforce development,
7 the commissioner of education, the commissioner of the
8 office of administration, the director of the department of
9 economic development, two persons having demonstrable
10 experience and knowledge in the areas of finance or the
11 investment and management of public funds, one of whom is
12 selected by the president pro tem of the senate and one of
13 whom is selected by the speaker of the house of
14 representatives, and one person having demonstrable

15 experience and knowledge in the area of banking or deposit
16 rate determination and placement of depository certificates
17 of deposit or other deposit investments. Such member shall
18 be appointed by the governor with the advice and consent of
19 the senate. The three appointed members shall be appointed
20 to serve for terms of four years from the date of
21 appointment, or until their successors shall have been
22 appointed and shall have qualified. The members of the
23 board shall be subject to the conflict of interest
24 provisions of section 105.452. Any member who violates the
25 conflict of interest provisions shall be removed from the
26 board. In order to establish and administer the [savings]
27 program, the board, in addition to its other powers and
28 authority, shall have the power and authority to:

29 (1) Develop and implement the Missouri education
30 [savings] program and, notwithstanding any provision of
31 sections 166.400 to 166.455 to the contrary, the [savings]
32 programs and services consistent with the purposes and
33 objectives of sections 166.400 to 166.455;

34 (2) Promulgate reasonable rules and regulations and
35 establish policies and procedures to implement sections
36 166.400 to 166.455, to permit the [savings] program to
37 qualify as a "qualified state tuition program" pursuant to
38 Section 529 of the Internal Revenue Code and to ensure the
39 [savings] program's compliance with all applicable laws;

40 (3) Develop and implement educational programs and
41 related informational materials for participants, either
42 directly or through a contractual arrangement with a
43 financial institution for investment services, and their
44 families, including special programs and materials to inform
45 families with young children regarding methods for financing
46 education and training;

47 (4) Enter into agreements with any financial
48 institution, the state or any federal or other agency or
49 entity as required for the operation of the [savings]
50 program pursuant to sections 166.400 to 166.455;

51 (5) Enter into participation agreements with
52 participants;

53 (6) Accept any grants, gifts, legislative
54 appropriations, and other moneys from the state, any unit of
55 federal, state, or local government or any other person,
56 firm, partnership, or corporation for deposit to the account
57 of the [savings] program;

58 (7) Invest the funds received from participants in
59 appropriate investment instruments to achieve long-term
60 total return through a combination of capital appreciation
61 and current income;

62 (8) Make appropriate payments and distributions on
63 behalf of beneficiaries pursuant to participation agreements;

64 (9) Make refunds to participants upon the termination
65 of participation agreements pursuant to the provisions,
66 limitations, and restrictions set forth in sections 166.400
67 to 166.455 and the rules adopted by the board;

68 (10) Make provision for the payment of costs of
69 administration and operation of the [savings] program;

70 (11) Effectuate and carry out all the powers granted
71 by sections 166.400 to 166.455, and have all other powers
72 necessary to carry out and effectuate the purposes,
73 objectives and provisions of sections 166.400 to 166.455
74 pertaining to the [savings] program; and

75 (12) Procure insurance, guarantees or other
76 protections against any loss in connection with the assets
77 or activities of the [savings] program.

78 2. Any member of the board may designate a proxy for
79 that member who will enjoy the full voting privileges of

80 that member for the one meeting so specified by that
81 member. No more than three proxies shall be considered
82 members of the board for the purpose of establishing a
83 quorum.

84 3. Four members of the board shall constitute a
85 quorum. No vacancy in the membership of the board shall
86 impair the right of a quorum to exercise all the rights and
87 perform all the duties of the board. No action shall be
88 taken by the board except upon the affirmative vote of a
89 majority of the members present.

90 4. The board shall meet within the state of Missouri
91 at the time set at a previously scheduled meeting or by the
92 request of any four members of the board. Notice of the
93 meeting shall be delivered to all other trustees in person
94 or by depositing notice in a United States post office in a
95 properly stamped and addressed envelope not less than six
96 days prior to the date fixed for the meeting. The board may
97 meet at any time by unanimous mutual consent. There shall
98 be at least one meeting in each quarter.

99 5. The funds shall be invested only in those
100 investments which a prudent person acting in a like capacity
101 and familiar with these matters would use in the conduct of
102 an enterprise of a like character and with like aims, as
103 provided in section 105.688. For new contracts entered into
104 after August 28, 2012, board members shall study investment
105 plans of other states and contract with or negotiate to
106 provide benefit options the same as or similar to other
107 states' qualified plans for the purpose of offering
108 additional options for members of the plan. The board may
109 delegate to duly appointed investment counselors authority
110 to act in place of the board in the investment and
111 reinvestment of all or part of the moneys and may also
112 delegate to such counselors the authority to act in place of

113 the board in the holding, purchasing, selling, assigning,
114 transferring or disposing of any or all of the securities
115 and investments in which such moneys shall have been
116 invested, as well as the proceeds of such investments and
117 such moneys. Such investment counselors shall be registered
118 as investment advisors with the United States Securities and
119 Exchange Commission. In exercising or delegating its
120 investment powers and authority, members of the board shall
121 exercise ordinary business care and prudence under the facts
122 and circumstances prevailing at the time of the action or
123 decision. No member of the board shall be liable for any
124 action taken or omitted with respect to the exercise of, or
125 delegation of, these powers and authority if such member
126 shall have discharged the duties of [his or her] the
127 member's position in good faith and with that degree of
128 diligence, care and skill which a prudent person acting in a
129 like capacity and familiar with these matters would use in
130 the conduct of an enterprise of a like character and with
131 like aims.

132 6. No investment transaction authorized by the board
133 shall be handled by any company or firm in which a member of
134 the board has a substantial interest, nor shall any member
135 of the board profit directly or indirectly from any such
136 investment.

137 7. No trustee or employee of the [savings] program
138 shall receive any gain or profit from any funds or
139 transaction of the [savings] program. Any trustee, employee
140 or agent of the [savings] program accepting any gratuity or
141 compensation for the purpose of influencing such trustee's,
142 employee's or agent's action with respect to the investment
143 or management of the funds of the [savings] program shall
144 thereby forfeit the office and in addition thereto be
145 subject to the penalties prescribed for bribery.

166.420. 1. The board may enter into [savings]
2 program participation agreements with participants on behalf
3 of beneficiaries pursuant to the provisions of sections
4 166.400 to 166.455, including the following terms and
5 conditions:

6 (1) A participation agreement shall stipulate the
7 terms and conditions of the [savings] program in which the
8 participant makes contributions;

9 (2) A participation agreement shall specify the method
10 for calculating the return on the contribution made by the
11 participant;

12 (3) The execution of a participation agreement by the
13 board shall not guarantee that the beneficiary named in any
14 participation agreement will be admitted to an eligible
15 educational institution, be allowed to continue to attend an
16 eligible educational institution after having been admitted
17 or will graduate from an eligible educational institution;

18 (4) A participation agreement shall clearly and
19 prominently disclose to participants the risk associated
20 with depositing moneys with the board;

21 (5) Participation agreements shall be organized and
22 presented in a way and with language that is easily
23 understandable by the general public; and

24 (6) A participation agreement shall clearly and
25 prominently disclose to participants the existence of any
26 load charge or similar charge assessed against the accounts
27 of the participants for administration or services.

28 2. The board shall establish the maximum amount
29 [which] that may be contributed annually [by a participant]
30 with respect to a beneficiary.

31 3. The board shall establish a total contribution
32 limit for savings accounts established under the [savings]
33 program with respect to a beneficiary to permit the

34 [savings] program to qualify as a "qualified state tuition
35 program" pursuant to Section 529 of the Internal Revenue
36 Code. No contribution may be made to a savings account for
37 a beneficiary if it would cause the balance of all savings
38 accounts of the beneficiary to exceed the total contribution
39 limit established by the board. The board may establish
40 other requirements that it deems appropriate to provide
41 adequate safeguards to prevent contributions on behalf of a
42 beneficiary from exceeding what is necessary to provide for
43 the qualified education expenses of the beneficiary.

44 4. The board shall establish the minimum length of
45 time that contributions and earnings must be held by the
46 [savings] program to qualify pursuant to section 166.435.
47 Any contributions or earnings that are withdrawn or
48 distributed from a savings account prior to the expiration
49 of the minimum length of time, as established by the board,
50 shall be subject to a penalty pursuant to section 166.430.

166.425. All money paid by a participant in connection
2 with participation agreements shall be deposited as received
3 and shall be promptly invested by the board. Contributions
4 and earnings thereon accumulated on behalf of participants
5 in the [savings] program may be used, as provided in the
6 participation agreement, for qualified education expenses.
7 Such contributions and earnings shall not be considered
8 income for purposes of determining a participant's
9 eligibility for financial assistance under any state student
10 aid program.

166.435. 1. Notwithstanding any law to the contrary,
2 the assets of the [savings] program held by the board, the
3 assets of any deposit program authorized in section 166.500,
4 and the assets of any qualified tuition [savings] program
5 established pursuant to Section 529 of the Internal Revenue
6 Code and any income therefrom shall be exempt from all

7 taxation by the state or any of its political subdivisions.
8 Income earned or received from the [savings] program,
9 deposit, or other qualified tuition [savings] programs
10 established under Section 529 of the Internal Revenue Code,
11 or refunds of qualified education expenses received by a
12 beneficiary from an eligible educational institution in
13 connection with withdrawal from enrollment at such
14 institution which are contributed within sixty days of
15 withdrawal to a qualified tuition [savings] program of which
16 such individual is a beneficiary shall not be subject to
17 state income tax imposed pursuant to chapter 143 and shall
18 be eligible for any benefits provided in accordance with
19 Section 529 of the Internal Revenue Code. The exemption
20 from taxation pursuant to this section shall apply only to
21 assets and income maintained, accrued, or expended pursuant
22 to the requirements of the [savings] program established
23 pursuant to sections 166.400 to 166.455, the deposit program
24 established pursuant to sections 166.500 to 166.529, and
25 other qualified tuition [savings] programs established under
26 Section 529 of the Internal Revenue Code, and no exemption
27 shall apply to assets and income expended for any other
28 purposes. Annual contributions made to the [savings]
29 program held by the board, the deposit program, and any
30 qualified tuition [savings] program established under
31 Section 529 of the Internal Revenue Code up to and including
32 eight thousand dollars per [participating] taxpayer, and up
33 to sixteen thousand dollars for married individuals filing a
34 joint tax return, shall be subtracted in determining
35 Missouri adjusted gross income pursuant to section 143.121.

36 2. If any deductible contributions to or earnings from
37 any such program referred to in this section are distributed
38 and not used to pay qualified education expenses, not
39 transferred as allowed by 26 U.S.C. Section 529(c) (3) (C) (i),

40 as amended, and any Internal Revenue Service regulations or
41 guidance issued in relation thereto, or are not held for the
42 minimum length of time established by the appropriate
43 Missouri board, then the amount so distributed shall be
44 included in the Missouri adjusted gross income of the
45 participant, or, if the participant is not living, the
46 beneficiary.

47 3. The provisions of this section shall apply to tax
48 years beginning on or after January 1, 2008, and the
49 provisions of this section with regard to sections 166.500
50 to 166.529 shall apply to tax years beginning on or after
51 January 1, 2004.

166.440. The assets of the [savings] program shall at
2 all times be preserved, invested and expended only for the
3 purposes set forth in this section and in accordance with
4 the participation agreements, and no property rights therein
5 shall exist in favor of the state.

166.456. All personally identifiable information
2 concerning participants and beneficiaries of accounts
3 established within the Missouri education [savings] program
4 pursuant to sections 166.400 to 166.456 shall be
5 confidential, and any disclosure of such information shall
6 be restricted to purposes directly connected with the
7 administration of the program.

166.461. 1. This section shall be known and may be
2 cited as the "Show Me Child Development Account Act".

3 2. As used in this section, the following terms mean:

4 (1) "Eligible educational institution", an institution:

5 (a) Of postsecondary education as defined in 20 U.S.C.

6 Section 1002, as amended; or

7 (b) That offers a program of instruction:

- 8 a. Resulting in the award of a certificate,
9 undergraduate degree, or other industry-recognized
10 credential; and
- 11 b. That has been designated by the coordinating board
12 for higher education as preparing students to enter an area
13 of occupational shortage as determined by the coordinating
14 board;
- 15 (2) "Parent", the parent, legal guardian, custodian,
16 or other person having care and custody over a qualified
17 child;
- 18 (3) "Program", the Missouri children's development
19 account program created in this section;
- 20 (4) "Program fund", the Missouri children's
21 development account program fund created in this section;
- 22 (5) "Qualified child":
- 23 (a) An individual born on or after January 1, 2022,
24 and who is a resident of this state at the time of birth and
25 at the time that the scholarship grant is applied for or
26 received; or
- 27 (b) An adoptee with a valid decree of adoption who was
28 born on or after January 1, 2022, whose adopting parent was
29 a resident of this state at the time the decree of adoption
30 was entered and who is a resident at the time that the
31 scholarship grant is applied for or received;
- 32 (6) "Qualified higher education expenses", the costs
33 of tuition and fees and other expenses for attendance at an
34 eligible educational institution or a rollover to a
35 qualified Missouri achieving a better life experience
36 program;
- 37 (7) "Scholarship grant", an amount not to exceed one
38 hundred dollars provided to the parent of a qualified child
39 for qualified higher education expenses under this section

40 that is deposited in a savings account as provided in
41 subsection 7 of this section.

42 3. There is hereby created the "Missouri Children's
43 Development Account Program". The program shall be
44 administered by the state treasurer as provided in this
45 section.

46 4. Upon receiving a certification of live birth in
47 this state as provided in chapter 193, the department of
48 health and senior services shall notify the state treasurer
49 and transmit any data related to the child that the
50 treasurer deems necessary for the administration of this
51 section to determine whether the child is a qualified
52 child. Such information shall include, but not be limited
53 to, the child's:

- 54 (1) Full name;
- 55 (2) Date of birth;
- 56 (3) Parent's full name; and
- 57 (4) Parent's address.

58 5. (1) Upon receiving notification of a live birth
59 and determining whether the child is a qualified child under
60 this section, the state treasurer shall notify the parent of
61 each qualified child about the program. The notification
62 shall include an explanation of the program and the
63 opportunity for the parent to exclude the qualified child
64 from the program. Any qualified child who is not excluded
65 by the parent shall be deemed to be enrolled in the program.

66 (2) For any information obtained from the department
67 of health and senior services under this section, the state
68 treasurer shall be subject to the same disclosure
69 restrictions and confidentiality requirements that apply to
70 the department. Any information obtained directly by the
71 treasurer under this section shall be confidential, shall

72 not be deemed a public record, and shall not be subject to
73 the provisions of chapter 610.

74 6. (1) There is hereby created in the state treasury
75 the "Missouri Children's Development Account Program Fund",
76 which shall receive deposits, make disbursements, and be
77 administered in compliance with the provisions of this
78 section.

79 (2) Subject to appropriation and the availability of
80 moneys in the program fund, moneys in the program fund shall
81 be used to provide scholarship grants and to pay for
82 personal service, equipment, and other expenses of the
83 treasurer related to the administration of this section.
84 Nothing in this section shall be construed to prevent the
85 general assembly from making appropriations to the program
86 fund from other permissible sources.

87 (3) Notwithstanding any other provisions of law to the
88 contrary, moneys shall be deposited in the program fund and
89 administered in accordance with the following provisions:

90 (a) On a daily basis, the state treasurer shall
91 apportion any interest or other increment derived from the
92 investment of funds in an amount proportionate to the
93 average daily balance of funds in the state treasury. The
94 treasurer shall use a method in accordance with generally
95 accepted accounting principles in apportioning and
96 distributing that interest or increment. After satisfying
97 the requirements of section 30.605 and prior to distributing
98 that interest or increment, the treasurer shall deduct the
99 costs incurred by the treasurer in administering this
100 section in proportion to the average daily balance of the
101 amounts deposited to each fund in the state treasury. The
102 treasurer shall then deposit the identified portion of the
103 daily interest receipts in the program fund. All other
104 remaining interest received on the investment of state funds

105 shall be allocated and deposited to funds in the state
106 treasury as required by law;

107 (b) The total costs for scholarship grants, personal
108 service, equipment, and other expenses of the treasurer
109 related to this section, exclusive of any personal service,
110 equipment, and other expenses attributable to positions
111 wholly dedicated to the functions described in chapter 447,
112 and any banking fees and other banking-related costs, shall
113 not exceed thirty-five basis points, or thirty-five-
114 hundredths of one percent, of the total of the average daily
115 fund balance of funds in the state treasury.

116 (4) Notwithstanding the provisions of section 33.080
117 to the contrary, moneys in the program fund shall not lapse
118 to the general revenue fund at the end of the biennium.

119 (5) The provisions of this section shall not apply to
120 the state road fund created in section 226.220, the motor
121 fuel tax fund created in section 142.345, the state highways
122 and transportation department fund created in section
123 226.200, the state transportation fund created in section
124 226.225, or the state road bond fund created in Article IV,
125 Section 30(b) of the Constitution of Missouri.

126 7. (1) The state treasurer shall establish a separate
127 savings account under sections 166.400 to 166.456, or
128 through another means determined by the state treasurer, for
129 each qualified child and shall deposit scholarship grants in
130 such separate savings accounts or in a master account to be
131 allocated to such separate accounts.

132 (2) Any separate savings account established under
133 this subsection shall be exempt for purposes of determining
134 eligibility for public assistance, provided that the federal
135 rules for such programs permit such an exemption.

136 (3) Any amount in any separate savings account
137 established under this subsection that is unused for

138 qualified higher education expenses and remains in such
139 savings account when the qualified child becomes thirty
140 years of age shall revert to the program fund.

141 (4) The state treasurer may receive contributions from
142 any person or legal entity to the account on behalf of and
143 make grants to eligible children to pay for qualified higher
144 education expenses.

145 8. The state treasurer may promulgate all necessary
146 rules and regulations for the administration of this
147 section. Any rule or portion of a rule, as that term is
148 defined in section 536.010, that is created under the
149 authority delegated in this section shall become effective
150 only if it complies with and is subject to all of the
151 provisions of chapter 536 and, if applicable, section
152 536.028. This section and chapter 536 are nonseverable, and
153 if any of the powers vested with the general assembly
154 pursuant to chapter 536 to review, to delay the effective
155 date, or to disapprove and annul a rule are subsequently
156 held unconstitutional, then the grant of rulemaking
157 authority and any rule proposed or adopted after August 28,
158 2021, shall be invalid and void.

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

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

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

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

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

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

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

21 (7) "Missouri higher education deposit program" or
22 "deposit program", the program created pursuant to sections
23 166.500 to 166.529;

24 (8) "Participant", a person who has entered into a
25 participation agreement pursuant to sections 166.500 to
26 166.529 for the advance payment of qualified higher
27 education expenses on behalf of a beneficiary;

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

31 (10) "Qualified higher education expenses", the
32 qualified costs of tuition and fees and other expenses for
33 attendance at an eligible educational institution, as
34 defined in Section 529(e) (3) of the Internal Revenue Code of
35 1986, as amended.

172.020. Pursuant to Sections 9(a) and 9(b) of Article
2 IX of the Missouri Constitution, the state university is
3 hereby incorporated and created as a body politic and shall
4 be known by the name of "The Curators of the University of
5 Missouri", and by that name shall have perpetual succession,
6 power to sue and be sued, complain and defend in all courts;
7 to make and use a common seal, and to alter the same at
8 pleasure; to take, purchase and to sell, convey and
9 otherwise dispose of lands and chattels, except that the

10 curators shall not have the power [to subdivide, sell or
11 convey title to any land contained within a university
12 campus or] to subdivide, sell or convey title to any portion
13 of any parcel of land containing in excess of twenty-five
14 hundred contiguous acres unless such transaction is approved
15 by the general assembly by passage of a concurrent
16 resolution signed by the governor. The curators shall not
17 sell, trade or otherwise convey or permit the severance of
18 timber, minerals or other natural resources, unless the
19 curators comply with bidding procedures established by rule
20 that mandate notice of the transaction be provided in a
21 manner reasonably calculated to apprise prospective
22 purchasers. Such rule or rules must at a minimum require at
23 least one notice of the transaction be published in a
24 newspaper of general circulation where the resources are
25 located. The curators may act as trustee in all cases in
26 which there be a gift of property or property left by will
27 to the university or for its benefit or for the benefit of
28 students of the university; to condemn an appropriate real
29 estate or other property, or any interest therein, for any
30 public purpose within the scope of its organization, in the
31 same manner and with like effect as is provided in chapter
32 523 relating to the appropriation and valuation of lands
33 taken for telegraph, telephone, gravel and plank or railroad
34 purposes; provided, that if the curators so elect, no
35 assessment of damages or compensation under this law shall
36 be payable and no execution shall issue before the
37 expiration of sixty days after the adjournment of the next
38 regular session of the legislature held after such
39 assessment is made, but the same shall bear interest at the
40 rate of six percent per annum from its date until paid; and
41 provided further, that the curators may, at any time, elect
42 to abandon the proposed appropriation of property by an

43 instrument of writing to that effect, to be filed with the
44 clerk of the court and entered on the minutes of the court,
45 and as to so much as is thus abandoned, the assessment of
46 damages or compensation shall be void.

173.035. 1. The department of higher education and
2 workforce development shall develop, maintain, and operate a
3 website containing information of public [and private]
4 institutions of higher education and vocational schools in
5 this state directing students to resources including, but
6 not limited to, academic programs, financial aid, [and] how
7 academic course credit may be transferred from one
8 institution of higher education to another, and information
9 reported under section 161.625. The department may post
10 information from a private institution of higher education
11 if the private institution desires to report information as
12 provided in this section or the department is authorized by
13 any other state law to post the private institution's
14 information on the website. The information on the website
15 shall be made available to the public and shall be
16 accessible from various devices including, but not limited
17 to, computers, tablets, and other electronic communication
18 devices.

19 2. [Inclusion of institution information on the
20 website is voluntary, and institutions of higher education
21 may elect to have institutional information included on the
22 website by notifying the department of higher education and
23 workforce development] Public institutions of higher
24 education and vocational schools shall, and private
25 institutions of higher education may, report all information
26 listed in this section and any other information required by
27 the department for posting on the website.

28 3. The department of higher education and workforce
29 development may promulgate all necessary rules and

30 regulations for the administration of this section. Any
31 rule or portion of a rule, as that term is defined in
32 section 536.010, that is created under the authority
33 delegated in this section shall become effective only if it
34 complies with and is subject to all of the provisions of
35 chapter 536 and, if applicable, section 536.028. This
36 section and chapter 536 are nonseverable, and if any of the
37 powers vested with the general assembly pursuant to chapter
38 536 to review, to delay the effective date, or to disapprove
39 and annul a rule are subsequently held unconstitutional,
40 then the grant of rulemaking authority and any rule proposed
41 or adopted after August 28, 2016, shall be invalid and void.

173.280. 1. As used in this section, the following
2 terms mean:

3 (1) "Postsecondary educational institution", any
4 campus of a public or private institution of higher
5 education in this state that is subject to the coordinating
6 board for higher education under section 173.005;

7 (2) "Student athlete", an individual who participates
8 or has participated in an intercollegiate sport for a
9 postsecondary educational institution. "Student athlete"
10 shall not be construed to apply to an individual's
11 participation in a college intramural sport or in a
12 professional sport outside of intercollegiate athletics;

13 (3) "Third party", any individual or entity, including
14 any athlete agent, other than a postsecondary educational
15 institution, athletic conference, or athletic association.

16 2. (1) No postsecondary educational institution shall
17 uphold any rule, requirement, standard, or other limitation
18 that prevents a student of that institution from fully
19 participating in intercollegiate athletics without penalty
20 and earning compensation as a result of the use of the
21 student's name, image, likeness rights, or athletic

22 reputation. A student athlete earning compensation from the
23 use of a student's name, image, likeness rights, or athletic
24 reputation shall not affect such student athlete's grant-in-
25 aid or stipend eligibility, amount, duration, or renewal.

26 (2) No postsecondary educational institution shall
27 interfere with or prevent a student from fully participating
28 in intercollegiate athletics or obtaining professional
29 representation in relation to contracts or legal matters,
30 including, but not limited to, representation provided by
31 athlete agents, financial advisors, or legal representation
32 provided by attorneys.

33 3. A grant-in-aid or stipend from the postsecondary
34 educational institution in which a student is enrolled shall
35 not be construed to be compensation for use of the student's
36 name, image, likeness rights, or athletic reputation for
37 purposes of this section, and no grant-in-aid or stipend
38 shall be revoked or reduced as a result of a student earning
39 compensation under this section.

40 4. (1) No student athlete shall enter into an
41 apparel, equipment, or beverage contract providing
42 compensation to the athlete for use of the athlete's name,
43 image, likeness rights, or athletic reputation if the
44 contract requires the athlete to display a sponsor's
45 apparel, equipment, or beverage or otherwise advertise for
46 the sponsor during official team activities if such
47 provisions are in conflict with a provision of the
48 postsecondary institution's current licenses or contracts.

49 (2) Except with the prior written consent of the
50 student athlete's postsecondary educational institution, a
51 student athlete shall not enter into a contract for
52 compensation for the use of such student athlete's name,
53 image, likeness rights, or athletic reputation, if such
54 institution determines that a term of the contract conflicts

55 with a term of a contract to which such institution is a
56 party.

57 (3) Before any contract for compensation for the use
58 of a student athlete's name, image, likeness rights, or
59 athletic reputation, is executed, and before any
60 compensation is provided to the student athlete in advance
61 of a contract, the student athlete shall disclose that
62 contract to his or her postsecondary educational institution
63 in a manner prescribed by such institution.

64 (4) A postsecondary educational institution or any
65 officer, director, or employee of such institution or entity
66 shall not compensate or cause compensation to be directed to
67 a student athlete, prospective student athlete, or the
68 family of such individuals for the use of such student
69 athlete or prospective student athlete's name, image,
70 likeness rights, or athletic reputation.

71 5. No contract of a postsecondary educational
72 institution's athletic program shall prevent a student
73 athlete from receiving compensation for using the student
74 athlete's name, image, likeness rights, or athletic
75 reputation for a commercial purpose when the athlete is not
76 engaged in official mandatory team activities that are
77 recorded in writing and can be made publicly available upon
78 request.

79 6. (1) Postsecondary educational institutions that
80 enter into commercial agreements that directly or indirectly
81 require the use of a student athlete's name, image,
82 likeness, or athletic reputation shall conduct a financial
83 development program once per year for their athletes.

84 (2) The financial development program shall not
85 include any marketing, advertising, referral, or
86 solicitation by providers of financial products or services.

87 (3) Postsecondary educational institutions shall help
88 distribute informational materials for such programs as
89 needed.

90 (4) Postsecondary educational institutions shall
91 inform their athletes of such program meetings and provide
92 appropriate meeting space.

93 7. Student athlete representation shall be by
94 attorneys or agents licensed by this state.

95 8. (1) Any student athlete may bring a civil action
96 against third parties that violate this section for
97 appropriate injunctive relief or actual damages, or both.
98 Such action shall be brought in the county where the
99 violation occurred, or is about to occur, and the court
100 shall award damages and court costs to a prevailing
101 plaintiff.

102 (2) Student athletes bringing an action under this
103 section shall not be deprived of any protections provided
104 under law with respect to a controversy that arises and
105 shall have the right to adjudicate claims that arise under
106 this section.

107 9. No legal settlement shall conflict with the
108 provisions of this section.

109 10. This section shall apply only to agreements or
110 contracts entered into, modified, or renewed on or after
111 August 28, 2021. Such agreements or contracts include, but
112 are not limited to, the national letter of intent, an
113 athlete's financial aid agreement, commercial contracts in
114 the athlete group licensing market, and athletic conference
115 or athletic association rules or bylaws.

173.1003. 1. Beginning with the 2008-09 academic
2 year, each approved public institution, as such term is
3 defined in section 173.1102, shall submit its percentage
4 change in the amount of tuition from the current academic

5 year compared to the upcoming academic year to the
6 coordinating board for higher education by July first
7 preceding such academic year.

8 2. For institutions whose tuition is greater than the
9 average tuition, the percentage change in tuition shall not
10 exceed the percentage change of the consumer price index
11 plus a percentage of not more than five percent that would
12 produce an increase in net tuition revenue no greater than
13 the dollar amount by which the state operating support was
14 reduced for the prior fiscal year, if applicable.

15 3. For institutions whose tuition is less than the
16 average tuition, the dollar increase in tuition shall not
17 exceed the product of the percentage change of the consumer
18 price index times the average tuition, plus a percentage of
19 not more than five percent that would produce an increase in
20 net tuition revenue no greater than the dollar amount by
21 which the state operating support was reduced for the prior
22 fiscal year, if applicable.

23 4. If a tuition increase exceeds the limits set forth
24 in subsection 2 or 3 of this section, then the institution
25 shall be subject to the provisions of subsection 5 of this
26 section.

27 5. Any institution that exceeds the limits set forth
28 in subsection 2 or 3 of this section shall remit to the
29 board an amount equal to five percent of its current year
30 state operating support amount which shall be deposited into
31 the general revenue fund unless the institution appeals,
32 within thirty days of such notice, to the commissioner of
33 higher education for a waiver of this provision. The
34 commissioner, after meeting with appropriate representatives
35 of the institution, shall determine whether the
36 institution's waiver request is sufficiently warranted, in
37 which case no fund remission shall occur. In making this

38 determination, the factors considered by the commissioner
39 shall include but not be limited to the relationship between
40 state appropriations and the consumer price index and any
41 extraordinary circumstances. If the commissioner determines
42 that an institution's tuition percent increase is not
43 sufficiently warranted and declines the waiver request, the
44 commissioner shall recommend to the full coordinating board
45 that the institution shall remit an amount up to five
46 percent of its current year state operating appropriation to
47 the board, which shall deposit the amount into the general
48 revenue fund. The coordinating board shall have the
49 authority to make a binding and final decision, by means of
50 a majority vote, regarding the matter.

51 6. The provisions of subsections 2 to 5 of this
52 section shall not apply to any community college unless any
53 such community college's tuition for any Missouri resident
54 is greater than or equal to the average tuition. If the
55 provisions of subsections 2 to 5 of this section apply to a
56 community college, subsections 2 to 5 of this section shall
57 only apply to out-of-district Missouri resident tuition.

58 7. For purposes of this section, the term "average
59 tuition" shall be the sum of the tuition amounts for the
60 previous academic year for each approved public institution
61 that is not excluded under subsection 6 of this section,
62 divided by the number of such institutions. The term
63 "consumer price index" shall mean the Consumer Price Index
64 for All Urban Consumers (CPI-U), 1982-1984 = 100, not
65 seasonally adjusted, as defined and officially recorded by
66 the United States Department of Labor, or its successor
67 agency, from January first of the current year compared to
68 January first of the preceding year. The term "state
69 appropriation" shall mean the state operating appropriation
70 for the prior year per full-time equivalent student for the

71 prior year compared to state operating appropriation for the
72 current year per full-time equivalent student for the prior
73 year. The term "tuition" shall mean the amount of tuition
74 and required fees, excluding any fee established by the
75 student body of the institution, charged to a Missouri
76 resident undergraduate enrolled in fifteen credit hours at
77 the institution. The term "state operating support" shall
78 mean the funding actually disbursed from state operating
79 appropriations to approved public institutions and shall not
80 include appropriations or disbursement for special
81 initiatives or specific program additions or expansions.
82 The term "net tuition revenue" shall mean the net amount of
83 resident undergraduate tuition and required fees reduced by
84 institutional aid only. "Institutional aid" includes all
85 aid awarded to the student by the student's institution of
86 higher education only from such institution's funds.
87 Institutional aid does not include the following: Pell
88 Grants; state awards such as the Missouri higher education
89 academic scholarship program, the A+ schools program, and
90 the access Missouri financial aid program; foundation
91 scholarships; third-party scholarships; employee and
92 dependent fee waivers; and student loans.

93 8. Nothing in this section shall be construed to usurp
94 or preclude the ability of the governing board of an
95 institution of higher education to establish tuition or
96 required fee rates.

97 9. Subsections 2 to 6 shall not apply to any approved
98 public institution, as such term is defined in section
99 173.1102, or to any community college in any academic year
100 beginning on or after July 1, 2022.

101 10. When an approved public institution, as such term
102 is defined in section 173.1102, utilizes differentiated
103 tuition, the public institution shall notify the department

104 of higher education and workforce development of the
105 institution's decision and shall, at the point of
106 implementation, no longer utilize required course fees.
107 Course fees may still be utilized by any public institution
108 until such decision is formally announced to the department
109 and implemented.

173.1352. 1. As used in this section, the following
2 terms mean:

3 (1) "Advanced placement examination", any examination
4 administered through the College Board's Advanced Placement
5 Program (AP);

6 (2) "Board", the coordinating board for higher
7 education created in section 173.005;

8 (3) "Institution", any in-state public community
9 college, college, or university that offers postsecondary
10 freshman-level courses, except for any statewide institution
11 of liberal arts and sciences as described in section 174.600.

12 2. (1) Each institution shall adopt and implement a
13 policy to grant undergraduate course credit to entering
14 freshman students for each advanced placement examination
15 upon which such student achieves a score of three or higher.

16 (2) In the policy, the institution shall:

17 (a) Establish the institution's conditions for
18 granting course credit; and

19 (b) Based on the correlations identified under
20 subsection 4 of this section, identify the specific course
21 credit or other academic requirements of the institution,
22 including the number of semester credit hours or other
23 course credit, that the institution will grant to a student
24 who achieves required scores on advanced placement
25 examinations.

26 3. On request of an applicant for admission as an
27 entering freshman, and based on information provided by the

28 applicant, an institution shall determine and notify the
29 applicant regarding:

30 (1) The amount and type of any course credit that
31 would be granted to the applicant under the policy; and

32 (2) Any other academic requirement that the applicant
33 would satisfy under the policy.

34 4. The board, in consultation with the department of
35 elementary and secondary education, shall identify
36 correlations between the subject matter and content of
37 courses offered by each institution and the subject matter
38 and content of courses and examinations in the advanced
39 placement program, and shall make that information available
40 to the public on the board's website.

174.281. Southeast Missouri State University is hereby
2 designated and shall hereafter be operated as an institution
3 with a statewide mission in the visual and performing arts,
4 computer science, and cybersecurity.

174.283. Northwest Missouri State University is hereby
2 designated and shall hereafter be operated as an institution
3 with a statewide mission in educator preparation, emergency
4 and disaster management, and profession-based learning.

174.450. 1. Except as provided in [subsection 2 and
2 subsection 6] subsections 2, 6, and 7 of this section, the
3 governing board of the University of Central Missouri,
4 Missouri State University, Missouri Southern State
5 University, Missouri Western State University, and of each
6 other public institution of higher education which, through
7 the procedures established in subdivision (8) or (9) of
8 section 173.030, is charged with a statewide mission shall
9 be a board of governors consisting of eight members,
10 composed of seven voting members and one nonvoting member as
11 provided in sections 174.453 and 174.455, who shall be
12 appointed by the governor of Missouri, by and with the

13 advice and consent of the senate. No person shall be
14 appointed a voting member who is not a citizen of the United
15 States and who has not been a resident of the state of
16 Missouri for at least two years immediately prior to such
17 appointment. Not more than four voting members shall belong
18 to any one political party. The appointed members of the
19 board of regents serving on the date of the statutory
20 mission change shall become members of the board of
21 governors on the effective date of the statutory mission
22 change and serve until the expiration of the terms for which
23 [they] such members were appointed. The board of regents of
24 any such institution shall be abolished on the effective
25 date of the statutory mission change, as prescribed in
26 subdivision (8) or (9) of section 173.030.

27 2. The governing board of Missouri State University, a
28 public institution of higher education charged with a
29 statewide mission in public affairs, shall be a board of
30 governors of ten members, composed of nine voting members
31 and one nonvoting member, who shall be appointed by the
32 governor, by and with the advice and consent of the senate.
33 The nonvoting member shall be a student selected in the same
34 manner as prescribed in section 174.055. At least one but
35 no more than two voting members shall be appointed to the
36 board from each congressional district, and every member of
37 the board shall be a citizen of the United States, and a
38 resident of this state for at least two years prior to [his
39 or her] the member's appointment. No more than five voting
40 members shall belong to any one political party. The term
41 of office of the governors shall be six years, except as
42 provided in this subsection. The term of office for those
43 appointed hereafter shall end January first in years ending
44 in an odd number. [For the six voting members' terms that

45 expired in 2011, the successors shall be appointed in the
46 following manner:

47 (1) Of the five voting members' terms that expired on
48 August 28, 2011, one successor member shall be appointed, or
49 the existing member shall be reappointed, to a term that
50 shall expire on January 1, 2013;

51 (2) Of the five voting members' terms that expired on
52 August 28, 2011, two successor members shall be appointed,
53 or the existing members shall be reappointed, to terms that
54 shall expire on January 1, 2015;

55 (3) Of the five voting members' terms that expired on
56 August 28, 2011, two successor members shall be appointed,
57 or the existing members shall be reappointed, to a term that
58 shall expire on January 1, 2017; and

59 (4) For the voting member's term that expired on
60 January 1, 2011, the successor member shall be appointed, or
61 the existing member shall be reappointed, to a term that
62 shall expire on January 1, 2017.

63 Notwithstanding any provision of law to the contrary,
64 nothing in this section relating to a change in the
65 composition and configuration of congressional districts in
66 this state shall prohibit a member who is serving a term on
67 August 28, 2011, from completing his or her term.]

68 3. If a voting member of the board of governors of
69 Missouri State University is found by unanimous vote of the
70 other governors to have moved such governor's residence from
71 the district from which such governor was appointed, then
72 the office of such governor shall be forfeited and
73 considered vacant.

74 4. Should the total number of Missouri congressional
75 districts be altered, all members of the board of governors
76 of Missouri State University shall be allowed to serve the

77 remainder of the term for which [they] such members were
78 appointed.

79 5. Should the boundaries of any congressional
80 districts be altered in a manner that displaces a member of
81 the board of governors of Missouri State University from the
82 congressional district from which the member was appointed,
83 the member shall be allowed to serve the remainder of the
84 term for which the member was appointed.

85 6. The governing board of Missouri Southern State
86 University shall be a board of governors consisting of nine
87 members, composed of eight voting members and one nonvoting
88 member as provided in sections 174.453 and 174.455, who
89 shall be appointed by the governor of Missouri, by and with
90 the advice and consent of the senate. No person shall be
91 appointed a voting member who is not a citizen of the United
92 States and who has not been a resident of the state of
93 Missouri for at least two years immediately prior to such
94 appointment. Not more than four voting members shall belong
95 to any one political party.

96 7. The governing board of Northwest Missouri State
97 University shall be a board of regents as provided in
98 section 174.332.

174.453. 1. Except as provided in section 174.450 and
2 in subsection 6 of this section, the board of governors
3 shall be appointed as follows:

4 (1) Five voting members shall be selected from the
5 counties comprising the institution's historic statutory
6 service region as described in section 174.010, except that
7 no more than two members shall be appointed from any one
8 county with a population of less than two hundred thousand
9 inhabitants;

10 (2) Two voting members shall be selected from any of
11 the counties in the state which are outside of the
12 institution's historic service region; and

13 (3) One nonvoting member who is a student shall be
14 selected in the same manner as prescribed in section 174.055.

15 2. The term of service of the governors shall be as
16 follows:

17 (1) The voting members shall be appointed for terms of
18 six years; and

19 (2) The nonvoting student member shall serve a two-
20 year term.

21 3. Members of any board of governors selected pursuant
22 to this section and in office on May 13, 1999, shall serve
23 the remainder of their unexpired terms.

24 4. Notwithstanding the provisions of subsection 1 of
25 this section, the board of governors of Missouri Southern
26 State University shall be appointed as follows:

27 (1) Six voting members shall be selected from any of
28 the following counties: Barton, Jasper, Newton, McDonald,
29 Dade, Lawrence, and Barry provided that no more than three
30 of these six members shall be appointed from any one county;

31 (2) Two voting members shall be selected from any of
32 the counties in the state which are outside of the counties
33 articulated in subdivision (1) of this subsection;

34 (3) One nonvoting member who is a student shall be
35 selected in the same manner as prescribed in section
36 174.055; and

37 (4) The provisions of subdivisions (1) and (2) of this
38 subsection shall only apply to board members first appointed
39 after August 28, 2004.

40 5. Notwithstanding the provisions of subsection 1 of
41 this section, the board of governors of Missouri Western

42 State University shall be composed of eight members
43 appointed as follows:

44 (1) Five voting members shall be selected from any of
45 the following counties: Buchanan, Platte, Clinton, Andrew,
46 and DeKalb [provided that no more than three of these five
47 members shall be appointed from any one county];

48 (2) [Two voting members shall be selected from any of
49 the counties in the state which are outside of the counties
50 articulated in subdivision (1) of this subsection;

51 (3)] One nonvoting member who is a student shall be
52 selected in the same manner as prescribed in section
53 174.055; and

54 [(4)] (3) The provisions of subdivisions (1) and (2)
55 of this subsection shall only apply to board members first
56 appointed after August 28, 2005.

57 6. (1) Notwithstanding the provisions of subsection 1
58 of this section to the contrary, the board of governors of
59 Southeast Missouri State University shall be appointed as
60 follows:

61 (a) Two voting members shall be selected from any of
62 the following counties: Butler, Dunklin, Mississippi, New
63 Madrid, Pemiscot, Scott, or Stoddard;

64 (b) Two voting members shall be selected from any of
65 the following counties: Bollinger, Cape Girardeau, Madison,
66 Perry, Ste. Genevieve, or St. Francois;

67 (c) Two voting members shall be selected from any of
68 the following counties or areas: Franklin, Jefferson,
69 Lincoln, St. Charles, St. Louis, St. Louis City, or Warren;

70 (d) One voting member shall be selected from one of
71 the counties in the state; and

72 (e) One nonvoting member who is a student shall be
73 selected in the same manner as provided in section 174.055.

74 (2) The provisions of paragraphs (a) to (c) of
75 subdivision (1) of this subsection shall only apply to board
76 members first appointed after August 28, 2021.

 209.610. 1. The board may enter into ABLE program
2 participation agreements with participants on behalf of
3 designated beneficiaries pursuant to the provisions of
4 sections 209.600 to 209.645, including the following terms
5 and conditions:

6 (1) A participation agreement shall stipulate the
7 terms and conditions of the ABLE program in which the
8 participant makes contributions;

9 (2) A participation agreement shall specify the method
10 for calculating the return on the contribution made by the
11 participant;

12 (3) A participation agreement shall clearly and
13 prominently disclose to participants the risk associated
14 with depositing moneys with the board;

15 (4) Participation agreements shall be organized and
16 presented in a way and with language that is easily
17 understandable by the general public; and

18 (5) A participation agreement shall clearly and
19 prominently disclose to participants the existence of any
20 load charge or similar charge assessed against the accounts
21 of the participants for administration or services.

22 2. The board shall establish the maximum amount of
23 contributions which may be made annually to an ABLE account,
24 which shall be the same as the amount allowed by 26 U.S.C.
25 Section 529A of the Internal Revenue Code of 1986, as
26 amended.

27 3. The board shall establish a total contribution
28 limit for savings accounts established under the ABLE
29 program with respect to a designated beneficiary which shall
30 in no event be less than the amount established as the

31 contribution limit by the Missouri education [savings]
32 program board for qualified tuition [savings] programs
33 established under sections 166.400 to 166.450. No
34 contribution shall be made to an ABLE account for a
35 designated beneficiary if it would cause the balance of the
36 ABLE account of the designated beneficiary to exceed the
37 total contribution limit established by the board. The
38 board may establish other requirements that it deems
39 appropriate to provide adequate safeguards to prevent
40 contributions on behalf of a designated beneficiary from
41 exceeding what is necessary to provide for the qualified
42 disability expenses of the designated beneficiary.

43 4. The board shall establish the minimum length of
44 time that contributions and earnings must be held by the
45 ABLE program to qualify as tax exempt pursuant to section
46 209.625. Any contributions or earnings that are withdrawn
47 or distributed from an ABLE account prior to the expiration
48 of the minimum length of time, as established by the board,
49 shall be subject to a penalty pursuant to section 209.620.