

SECOND REGULAR SESSION

# HOUSE BILL NO. 2905

102ND GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE SHIELDS.

5094H.011

DANA RADEMAN MILLER, Chief Clerk

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## AN ACT

To amend chapter 173, RSMo, by adding thereto one new section relating to funding for higher education.

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

Section A. Chapter 173, RSMo, is amended by adding thereto one new section, to be known as section 173.1541, to read as follows:

**173.1541. 1. The Missouri department of higher education and workforce development, in consultation with public institutions of higher education in this state and an interim house of representatives committee on higher education funding appointed by the speaker of the house of representatives, shall:**

**(1) Develop a funding model for public institutions of higher education that:**

**(a) Provides a level of stable, sustainable resources that allow public institutions of higher education in this state to serve students well and fulfill such institutions' missions;**

**(b) Is based on the 2023 study commissioned by the Missouri department of higher education and workforce development and is developed in cooperation with public institutions of higher education in this state and the Missouri department of higher education and workforce development using data, mechanics, and calculations that are as simple and easy to understand as practicable;**

**(c) Includes a process for the allocation of the core appropriations to public four-year institutions of higher education; public community colleges, as that term is defined in section 163.191; and State Technical College of Missouri;**

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           **(d) Uses a cost-based approach to funding that recognizes each institution's**  
18 **instructional mission and that incorporates accountability and an outcomes-based**  
19 **focus; and**

20           **(e) Includes a performance component that is designed to enhance improvement**  
21 **in student success and efficient operations;**

22           **(2) Establish a plan for testing and implementing the funding model described in**  
23 **this section, which plan shall be approved by the coordinating board for higher**  
24 **education and submitted to the governor and the general assembly before January 1,**  
25 **2025;**

26           **(3) Evaluate the effectiveness of the funding model test and submit a report to**  
27 **the governor, the speaker of the house of representatives, and the president pro tempore**  
28 **of the senate before November 1, 2025; and**

29           **(4) Present the funding model to the coordinating board for higher education for**  
30 **final approval before January 1, 2026.**

31           **2. Such funding model shall not become effective unless approved by the general**  
32 **assembly by concurrent resolution.**

33           **3. For the 2027-28 fiscal year and all subsequent fiscal years, the appropriation**  
34 **of state funding to public four-year institutions of higher education; public community**  
35 **colleges, as that term is defined in section 163.191; and State Technical College of**  
36 **Missouri shall be in accordance with such funding model approved by the general**  
37 **assembly.**

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