FIRST REGULAR SESSION

HOUSE BILL NO. 397

98TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE PETERS.

0277L.01I D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 1.310, 21.830, 33.295, 33.850, 42.300, 71.005, 135.575, 135.680, 135.750, 135.900, 135.903, 135.906, 135.909, 143.105, 143.106, 143.107, 143.1007, 143.1008, 161.215, 167.194, 168.700, 173.197, 178.930, 208.178, 208.630, 208.993, 288.131, 301.3031, 303.400, 303.403, 303.406, 303.409, 303.412, 303.415, 338.321, 376.960, 376.961, 376.962, 376.964, 376.965, 376.966, 376.968, 376.970, 376.973, 376.975, 376.978, 376.980, 376.982, 376.984, 376.986, 376.987, 376.989, 376.1192, and 407.485, RSMo, and to enact in lieu thereof five new sections for the sole purpose of repealing expired, sunset, and obsolete statutory provisions, with a penalty provision.

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

Section A. Section 1.310, 21.830, 33.295, 33.850, 42.300, 71.005, 135.575, 135.680, 135.750, 135.900, 135.903, 135.906, 135.909, 143.105, 143.106, 143.107, 143.1007, 143.1008, 161.215, 167.194, 168.700, 173.197, 178.930, 208.178, 208.630, 208.993, 288.131, 301.3031, 303.400, 303.403, 303.406, 303.409, 303.412, 303.415, 338.321, 376.960, 376.961, 376.962, 376.964, 376.965, 376.966, 376.968, 376.970, 376.973, 376.975, 376.978, 376.980, 376.982, 376.984, 376.986, 376.987, 376.989, 376.1192, and 407.485, RSMo, are repealed and five new sections enacted in lieu thereof, to be known as sections 1.310, 42.300, 161.215, 178.930, and 407.485, to read as follows:

1.310. 1. This section shall be known and may be cited as the "Big Government Get Off My Back Act".

2. Any federal mandate compelling the state to enact, enforce, or administer a federal regulatory program shall be subject to authorization through appropriation or statutory enactment.

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.

3. [No user fees imposed by the state of Missouri shall increase for the five-year period beginning on August 28, 2009, unless such fee increase is to implement a federal program administered by the state or is a result of an act of the general assembly. For purposes of this section, "user fee" does not include employer taxes or contributions, assessments to offset the cost of examining insurance or financial institutions, any health-related taxes approved by the Center for Medicare and Medicaid Services, or any professional or occupational licensing fees set by a board of members of that profession or occupation and required by statute to be set at a level not to exceed the cost of administration.

4. For the five-year period beginning on August 28, 2009, any state agency proposing a rule as that term is defined in subdivision (6) of section 536.010, other than any rule promulgated as a result of a federal mandate, or to implement a federal program administered by the state or an act of the general assembly, shall either:

(1) Certify that the rule does not have an adverse impact on small businesses consisting of fewer than fifty full- or part-time employees; or

(2) Certify that the rule is necessary to protect the life, health or safety of the public; or

(3) Exempt any small business consisting of fewer than fifty full- or part-time employees from coverage.

5.] The provisions of this section shall not be construed to prevent or otherwise restrict an agency from promulgating emergency rules pursuant to section 536.025, or from rescinding any existing rule pursuant to section 536.021.

42.300. 1. There is hereby created in the state treasury the "Veterans Commission Capital Improvement Trust Fund" which shall consist of money collected under section 313.835. The state treasurer shall administer the veterans commission capital improvement trust fund, and the moneys in such fund shall be used solely, upon appropriation, by the Missouri veterans commission for:

(1) The construction, maintenance or renovation or equipment needs of veterans' homes in this state;

(2) The construction, maintenance, renovation, equipment needs and operation of veterans' cemeteries in this state;

(3) Fund transfers to Missouri veterans' homes fund established under the provisions of section 42.121, as necessary to maintain solvency of the fund;

(4) Fund transfers to any municipality with a population greater than four hundred thousand and located in part of a county with a population greater than six hundred thousand in this state which has established a fund for the sole purpose of the restoration, renovation and maintenance of a memorial or museum or both dedicated to World War I. Appropriations from the veterans commission capital improvement trust fund to such memorial fund shall be provided

only as a one-time match for other funds devoted to the project and shall not exceed five million dollars. Additional appropriations not to exceed ten million dollars total may be made from the veterans commission capital improvement trust fund as a match to other funds for the new construction or renovation of other facilities dedicated as veterans' memorials in the state. All appropriations for renovation, new construction, reconstruction, and maintenance of veterans' memorials shall be made only for applications received by the Missouri veterans commission prior to July 1, 2004;

(5) The issuance of matching fund grants for veterans' service officer programs to any federally chartered veterans' organization or municipal government agency that is certified by the Veterans Administration to process veteran claims within the Veterans Administration System; provided that such veterans' organization has maintained a veterans' service officer presence within the state of Missouri for the three-year period immediately preceding the issuance of any such grant. A total of one million five hundred thousand dollars in grants shall be made available annually for service officers and joint training and outreach between veterans' service organizations and the Missouri veterans commission with grants being issued in July of each year. Application for the matching grants shall be made through and approved by the Missouri veterans commission based on the requirements established by the commission;

(6) For payment of Missouri National Guard and Missouri veterans commission expenses associated with providing medals, medallions and certificates in recognition of service in the Armed Forces of the United States during World War II, the Korean Conflict, and the Vietnam War under sections 42.170 to 42.226. Any funds remaining from the medals, medallions and certificates shall not be transferred to any other fund and shall only be utilized for the awarding of future medals, medallions, and certificates in recognition of service in the Armed Forces;

(7) Fund transfers totaling ten million dollars to any municipality with a population greater than three hundred fifty thousand inhabitants and located in part in a county with a population greater than six hundred thousand inhabitants and with a charter form of government, for the sole purpose of the construction, restoration, renovation and maintenance of a memorial or museum or both dedicated to World War I; and

(8) The administration of the Missouri veterans commission.

2. Any interest which accrues to the fund shall remain in the fund and shall be used in the same manner as moneys which are transferred to the fund under this section. Notwithstanding the provisions of section 33.080 to the contrary, moneys in the veterans commission capital improvement trust fund at the end of any biennium shall not be transferred to the credit of the general revenue fund.

3. Upon request by the veterans commission, the general assembly may appropriate moneys from the veterans commission capital improvement trust fund to the Missouri National Guard trust fund to support the activities described in section 41.958.

[4. The state auditor shall conduct an audit of all moneys in the veterans commission capital improvement trust fund every year beginning January 1, 2011, and ending on December 31, 2013. The findings of each audit shall be distributed to the general assembly, governor, and lieutenant governor no later than ten business days after the completion of such audit.**]**

161.215. 1. There is hereby created in the state treasury the "Early Childhood Development, Education and Care Fund" which is created to give parents meaningful choices and assistance in choosing the child-care and education arrangements that are appropriate for their family. All interest received on the fund shall be credited to the fund. Notwithstanding the provisions of section 33.080, moneys in the fund at the end of any biennium shall not be transferred to the credit of the general revenue fund. Any moneys deposited in such fund shall be used to support programs that prepare children prior to the age in which they are eligible to enroll in kindergarten under section 160.053 to enter school ready to learn. All moneys deposited in the early childhood development, education and care fund shall be annually appropriated for voluntary early childhood development, education and care programs serving children in every region of the state not yet enrolled in kindergarten. For fiscal year 2013 and each subsequent fiscal year, at least thirty-five million dollars of the funds received from the master settlement agreement, as defined in section 196.1000, shall be deposited in the early childhood development, education and care fund.

2. No less than sixty percent of moneys deposited in the early childhood development, education and care fund shall be appropriated as provided in this subsection to the department of elementary and secondary education and to the department of social services to provide early childhood development, education and care programs through competitive grants to, or contracts with, governmental or private agencies. Eighty percent of such moneys under the provisions of this subsection and additional moneys as appropriated by the general assembly shall be appropriated to the department of elementary and secondary education and twenty percent of such moneys under the provisions of this subsection shall be appropriated to the department of social services. The departments shall provide public notice and information about the grant process to potential applicants:

(1) Grants or contracts may be provided for:

(a) Start-up funds for necessary materials, supplies, equipment and facilities; and

(b) Ongoing costs associated with the implementation of a sliding parental fee schedule based on income;

(2) Grant and contract applications shall, at a minimum, include:

(a) A funding plan which demonstrates funding from a variety of sources including parental fees;

(b) A child development, education and care plan that is appropriate to meet the needs of children;

(c) The identity of any partner agencies or contractual service providers;

(d) Documentation of community input into program development;

(e) Demonstration of financial and programmatic accountability on an annual basis;

(f) Commitment to state licensure within one year of the initial grant, if funding comes from the appropriation to the department of elementary and secondary education and commitment to compliance with the requirements of the department of social services, if funding comes from the department of social services; and

(g) With respect to applications by public schools, the establishment of a parent advisory committee within each public school program;

(3) In awarding grants and contracts under this subdivision, the departments may give preference to programs which:

(a) Are new or expanding programs which increase capacity;

(b) Target geographic areas of high need, namely where the ratio of program slots to children under the age of six in the area is less than the same ratio statewide;

(c) Are programs designed for special needs children;

(d) Are programs that offer services during nontraditional hours and weekends; or

(e) Are programs that serve a high concentration of low-income families.

3. No less than ten percent of moneys deposited in the early childhood development, education and care fund shall be appropriated to the department of social services to provide early childhood development, education and care programs through child development, education and care certificates to families whose income does not exceed one hundred eighty-five percent of the federal poverty level in the manner pursuant to 42 U.S.C. Section 9858c(c)(2)(A) and 42 U.S.C. Section 9858n(2) for the purpose of funding early childhood development, education and care programs as approved by the department of social services. At a minimum, the certificate shall be of a value per child which is commensurate with the per-child payment under paragraph (b) of subdivision (1) of subsection 2 of this section pertaining to the grants or contracts. On February first of each year the department shall certify the total amount of child development, education and care certificates applied for and the unused balance of the funds shall be released to be used for supplementing the competitive grants and contracts program authorized under subsection 2 of this section.

4. No less than ten percent of moneys deposited in the early childhood development, education and care fund shall be appropriated to the department of social services to increase

reimbursements to child-care facilities for low-income children that are accredited by a recognized, early childhood accrediting organization.

5. No less than ten percent of the funds deposited in the early childhood development, education and care fund shall be appropriated to the department of social services to provide assistance to eligible parents whose family income does not exceed one hundred eighty-five percent of the federal poverty level who wish to care for their children under three years of age in the home, to enable such parent to take advantage of early childhood development, education and care programs for such parent's child or children. At a minimum, the certificate shall be of a value per child which is commensurate with the per-child payment under paragraph (b) of subdivision (1) of subsection 2 of this section pertaining to the grants or contracts. The department of social services shall provide assistance to these parents in the effective use of early childhood development, education and care tools and methods.

6. In setting the value of parental certificates under subsection 3 of this section and payments under subsection 5 of this section, the department of social services may increase the value based on the following:

(1) The adult caretaker of the children successfully participates in the parents as teachers program under the provisions of sections 178.691 to 178.699, a training program provided by the department on early childhood development, education and care, the home-based Head Start program as defined in 42 U.S.C. Section 9832 or a similar program approved by the department;

(2) The adult caretaker consents to and clears a child abuse or neglect screening **[**under subdivision (1) of subsection 2 of section 210.152**]**; and

(3) The degree of economic need of the family.

7. The department of elementary and secondary education and the department of social services each shall by rule promulgated under chapter 536 establish guidelines for the implementation of the early childhood development, education and care programs as provided in subsections 2 to 6 of this section.

8. **[**The state auditor shall conduct an audit of all moneys in the early childhood development, education and care fund created in subsection 1 of this section every year beginning January 1, 2011, and ending on December 31, 2013. The findings of each audit shall be distributed to the general assembly no later than ten business days after the completion of such audit.

9.**]** Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly under chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are

subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2010, shall be invalid and void.

178.930. 1. **[**(1) Beginning July 1, 2009, and until June 30, 2010, the department of elementary and secondary education shall pay monthly, out of the funds appropriated to it for that purpose, to each sheltered workshop a sum equal to ninety dollars for each standard workweek (Monday through Friday) of up to and including thirty hours worked during the preceding calendar month. Eighteen dollars shall be paid for each six-hour or longer day worked by a handicapped employee on Saturdays or Sundays. For each handicapped worker employed by a sheltered workshop for less than a thirty-hour week or a six-hour day on Saturdays or Sundays, the workshop shall receive a percentage of the corresponding amount normally paid based on the percentage of time worked by the handicapped employee.

(2) Beginning July 1, 2010, and thereafter,**]** The department of elementary and secondary education shall pay monthly, out of the funds appropriated to it for that purpose, to each sheltered workshop a sum equal to ninety-five dollars for each standard workweek (Monday through Friday) of up to and including thirty hours worked during the preceding calendar month. Nineteen dollars shall be paid for each six-hour or longer day worked by a handicapped employee on Saturdays or Sundays. For each handicapped worker employed by a sheltered workshop for less than a thirty-hour week or a six-hour day on Saturdays or Sundays, the workshop shall receive a percentage of the corresponding amount normally paid based on the percentage of time worked by the handicapped employee.

2. The department shall accept, as prima facie proof of payment due to a sheltered workshop, information as designated by the department, either in paper or electronic format. A statement signed by the president, secretary, and manager of the sheltered workshop, setting forth the dates worked and the number of hours worked each day by each handicapped person employed by that sheltered workshop during the preceding calendar month, together with any other information required by the rules or regulations of the department, shall be maintained at the workshop location.

3. There is hereby created in the state treasury the "Sheltered Workshop Per Diem Revolving Fund" which shall be administered by the commissioner of the department of elementary and secondary education. All moneys appropriated pursuant to subsection 1 of this section shall be deposited in the fund and expended as described in subsection 1 of this section.

4. The balance of the sheltered workshop per diem revolving fund shall not exceed five hundred thousand dollars at the end of each fiscal year and shall be exempt from the provisions of section 33.080 relating to the transfer of unexpended balances to the general revenue fund. Any unexpended balance in the sheltered workshop per diem revolving fund at the end of each

fiscal year exceeding five hundred thousand dollars shall be deposited in the general revenue fund.

407.485. 1. It shall be an unfair business practice in violation of section 407.020 for a for-profit entity or natural person to collect unwanted household items via a public receptacle and resell the deposited items for profit unless the deposited item receptacle prominently displays a statement in bold letters at least two inches high and two inches wide stating: "DEPOSITED ITEMS ARE NOT FOR CHARITABLE ORGANIZATIONS AND WILL BE RESOLD FOR PROFIT. DEPOSITED ITEMS ARE NOT TAX DEDUCTIBLE.".

2. It shall be an unfair business practice in violation of section 407.020 for a for-profit entity or natural person to collect donations of unwanted household items via a public receptacle and resell the donated items where some or all of the proceeds from the sale are directly given to a not-for-profit entity unless the donation receptacle prominently displays a statement in bold letters at least two inches high and two inches wide stating: "DONATIONS TO THE FOR-PROFIT COMPANY: (name of the company) ARE SOLD FOR PROFIT AND (% of proceeds donated to the not-for-profit) % OF ALL PROCEEDS ARE DONATED TO (name of the nonprofit beneficiary organization's name).".

3. It shall be an unfair business practice in violation of section 407.020 for a for-profit entity or natural person to collect donations of unwanted household items via a public receptacle and resell the donated items, where such for-profit entity is paid a flat fee, not contingent upon the proceeds generated by the sale of the collected goods, and one hundred percent of the proceeds from the sale of the items are given directly to the not-for-profit, unless the donation receptacle prominently displays a statement in bold letters at least two inches high and two inches wide stating: "THIS DONATION RECEPTACLE IS OPERATED BY THE FOR-PROFIT ENTITY: (name of the for-profit/individual) ON BEHALF OF (name of the nonprofit beneficiary organization's name).".

4. It shall be an unfair business practice in violation of section 407.020 for a not-for-profit entity to collect donations of unwanted household items via a public receptacle and resell the donated items unless the donation receptacle prominently displays a statement in bold letters at least two inches high and two inches wide stating: "THIS RECEPTACLE IS OWNED AND OPERATED BY THE NOT-FOR-PROFIT ENTITY: (name of the not-for-profit/charity) AND (% of proceeds donated to the not-for-profit) % OF THE PROCEEDS FROM THE SALE OF ANY DONATIONS SHALL BE USED FOR THE CHARITABLE MISSION OF (charity name/charitable cause).".

5. The term "bold letters" as used in **[**subsections 1, 2, and 3 of**]** this section shall mean a primary color on a white background so as to be clearly visible to the public.

6. Nothing in this section shall apply to paper, glass, or aluminum products that are donated for the purpose of being recycled in the manufacture of other products.

7. All receptacles described in this section shall conspicuously display the name, address, and telephone number of the owner and operator of the receptacle. The owner or operator of the receptacle shall maintain permission to place the receptacle on the property from the property owner or his or her agent where the receptacle is located. Such permission shall be in writing and clearly identify the owner of the receptacle and property owner or his or her agent in addition to the nature of the collections and where proceeds will be accrued. Failure to secure such permission shall constitute an unfair business practice in addition to any other statutory conditions. Unless otherwise agreed upon in writing, the property owner or his or her agent may remove the receptacle. Any charges incurred in such removal shall be the responsibility of the owner of the receptacle. Unless the receptacle owner pays such charges within thirty calendar days of the sending of a written certified letter from the property owner stating his or her intent to remove the receptacle, the receptacle owner shall relinquish any right to the receptacle. If the receptacle does not conspicuously display the name, address, and telephone number of the owner and operator of the receptacle, the receptacle shall be considered abandoned property and may be destroyed or permanently possessed by the property owner or their agent.

[8. Any owner and operator of a receptacle that does not display the address of the owner and operator, but does display the website of the owner and operator, shall make the address easily accessible on such website for the property owner to send the letter specified in subsection 7 of this section. The provisions of this subsection shall expire on September 1, 2014.**]**

[21.830. 1. There is hereby established a joint committee of the general assembly, which shall be known as the "Joint Committee on Missouri's Energy Future", which shall be composed of five members of the senate, with no more than three members of one party, and five members of the house of representatives, with no more than three members of one party. The senate members of the committee shall be appointed by the president pro tem of the senate and the house members by the speaker of the house of representatives. The committee shall select either a chairperson or co-chairpersons, one of whom shall be a member of the senate and one a member of the house of representatives. A majority of the members shall constitute a quorum. Meetings of the committee may be called at such time and place as the chairperson or chairpersons designate.

2. The committee shall examine Missouri's present and future energy needs to determine the best strategy to ensure a plentiful, affordable and clean supply of electricity that will meet the needs of the people and businesses of Missouri for the next twenty-five years and ensure that Missourians continue to benefit from low rates for residential, commercial, and industrial energy consumers.

3. The joint committee may hold hearings as it deems advisable and may obtain any input or information necessary to fulfill its obligations. The committee may make reasonable requests for staff assistance from the research and appropriations staffs of the house and senate and the committee on legislative research, as well as the department of economic development, department of natural resources, and the public service commission.

4. The joint committee shall prepare a final report, together with its recommendations for any legislative action deemed necessary, for submission to the general assembly by December 31, 2009, at which time the joint committee shall be dissolved.

5. Members of the committee shall receive no compensation but may be reimbursed for reasonable and necessary expenses associated with the performance of their official duties.**]**

[33.295. 1. There is hereby established the "Rebuild Damaged Infrastructure Program" to provide funding for the reconstruction, replacement, or renovation of, or repair to, any infrastructure damaged by a presidentially declared natural disaster, including, but not limited to, the physical components of interrelated systems providing essential commodities and services to the public which includes transportation, communication, sewage, water, and electric systems as well as public elementary and secondary school buildings.

2. There is hereby created in the state treasury the "Rebuild Damaged Infrastructure Fund", which shall consist of money appropriated or collected under this section. Any amount to be transferred to the fund on July 1, 2013, pursuant to subsection 2 of section 33.080 and subsection 2 of section 360.045, in excess of fifteen million dollars shall instead be transferred to the state general revenue fund. The state treasurer shall be custodian of the fund and may approve disbursements from the fund in accordance with sections 30.170 and 30.180. Upon appropriation, money in the fund shall be used solely for the purposes of this section. Any moneys remaining in the fund at the end of the biennium shall revert to the credit of the general revenue fund. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

3. No money in the fund shall be expended for the reconstruction, replacement, or renovation of, or repair to, any infrastructure damaged by a presidentially declared natural disaster when such reconstruction, replacement, renovation, or repair is eligible for funding by the United States Department of Housing and Urban Development through a 2013 supplemental disaster allocation of community development block grant funds.

4. The provisions of this section shall expire on June 30, 2014.**]**

[33.850. 1. The committee on legislative research shall organize a subcommittee, which shall be known as the "Joint Subcommittee on Recovery

Accountability and Transparency", to coordinate and conduct oversight of covered funds to prevent fraud, waste, and abuse.

2. The subcommittee shall consist of the following eight members:

(1) One-half of the members appointed by the chairperson from the house which he or she represents, two of whom shall be from the majority party and two of whom shall be from the minority party; and

(2) One-half of the members appointed by the vice chairperson from the house which he or she represents, two of whom shall be from the majority party and two of whom shall be from the minority party.

3. The appointment of the senate and house members shall continue during the member's term of office as a member of the general assembly or until a successor has been appointed to fill the member's place when his or her term of office as a member of the general assembly has expired.

4. The subcommittee shall coordinate and conduct oversight of covered funds in order to prevent fraud, waste, and abuse, including:

(1) Reviewing whether the reporting of contracts and grants using covered funds meets applicable standards and specifies the purpose of the contract or grant and measures of performance;

(2) Reviewing whether competition requirements applicable to contracts and grants using covered funds have been satisfied;

(3) Reviewing covered funds to determine whether wasteful spending, poor contract or grant management, or other abuses are occurring and referring matters it considers appropriate for investigation to the attorney general or the agency that disbursed the covered funds;

(4) Receiving regular reports from the commissioner of the office of administration, or his or her designee, concerning covered funds; and

(5) Reviewing the number of jobs created using these funds.

5. The subcommittee shall submit annual reports to the governor and general assembly, including the senate appropriations committee and house budget committee, that summarize the findings of the subcommittee with regard to its duties in subsection 4 of this section. All reports submitted under this subsection shall be made publicly available and posted on the governor's website, the general assembly website, and each state agency website. Any portion of a report submitted under this subsection may be redacted when made publicly available, if that portion would disclose information that is not subject to disclosure under chapter 610, or any other provision of state law.

6. (1) The subcommittee shall make recommendations to agencies on measures to prevent fraud, waste, and abuse relating to covered funds.

(2) Not later than thirty days after receipt of a recommendation under subdivision (1) of this subsection, an agency shall submit a report to the governor and general assembly, including the senate appropriations committee and house budget committee, and the subcommittee that states:

(a) Whether the agency agrees or disagrees with the recommendations; and

(b) Any actions the agency will take to implement the recommendations.

7. The subcommittee may:

(1) Review audits from the state auditor and conduct reviews relating to covered funds; and

(2) Receive regular testimony from the state auditor relating to audits of covered funds.

8. (1) Not later than thirty days after the date on which all initial members of the subcommittee have been appointed, the subcommittee shall hold its first meeting. Thereafter, the subcommittee shall meet at the call of the chairperson of the subcommittee.

(2) A majority of the members of the subcommittee shall constitute a quorum, but a lesser number of members may hold hearings.

9. The subcommittee may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the subcommittee considers advisable to carry out the provisions of this section. Each agency of this state shall cooperate with any request of the subcommittee to provide such information as the subcommittee deems necessary to carry out the provisions of this section. Upon request of the subcommittee, the head of each agency shall furnish such information to the subcommittee. The head of each agency shall make all officers and employees of that agency available to provide testimony to the subcommittee and committee personnel.

10. Subject to appropriations, the subcommittee may enter into contracts with public agencies and with private persons to enable the subcommittee to discharge its duties under the provisions of this section, including contracts and other arrangements for studies, analyses, and other services.

11. The members of the subcommittee shall serve without compensation, but may be reimbursed for reasonable and necessary expenses incurred in the performance of their official duties.

12. As used in this section, the term "covered fund" shall mean any moneys received by the state or any political subdivision under the American Recovery and Reinvestment Act of 2009, as enacted by the 111th United States Congress.

13. This section shall expire March 1, 2013.**]**

[71.005. No person shall be a candidate for municipal office unless such person complies with the provisions of section 115.346 regarding payment of municipal taxes or user fees.**]**

[135.575. 1. As used in this section, the following terms mean: (1) "Missouri health care access fund", the fund created in section 191.1056; (2)

"Tax credit", a credit against the tax otherwise due under chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265; (3) "Taxpayer", any individual subject to the tax imposed in chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265.

2. The provisions of this section shall be subject to section 33.282. For all taxable years beginning on or after January 1, 2007, a taxpayer shall be allowed a tax credit for donations in excess of one hundred dollars made to the Missouri health care access fund. The tax credit shall be subject to annual approval by the senate appropriations committee and the house budget committee. The tax credit amount shall be equal to one-half of the total donation made, but shall not exceed twenty-five thousand dollars per taxpayer claiming the credit. If the amount of the tax credit issued exceeds the amount of the taxpayer's state tax liability for the tax year for which the credit is claimed, the difference shall not be refundable but may be carried forward to any of the taxpayer's next four taxable years. No tax credit granted under this section shall be transferred, sold, or assigned. The cumulative amount of tax credits which may be issued under this section in any one fiscal year shall not exceed one million dollars.

3. The department of revenue may promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void.

4. Pursuant to section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall automatically sunset six years after August 28, 2007, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset twelve years after the effective date of the reauthorization of this section; and

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset.**]**

[135.680. 1. As used in this section, the following terms shall mean:

(1) "Adjusted purchase price", the product of:

(a) The amount paid to the issuer of a qualified equity investment for such qualified equity investment; and

(b) The following fraction:

a. The numerator shall be the dollar amount of qualified low-income community investments held by the issuer in this state as of the credit allowance date during the applicable tax year; and

b. The denominator shall be the total dollar amount of qualified low-income community investments held by the issuer in all states as of the credit allowance date during the applicable tax year;

c. For purposes of calculating the amount of qualified low-income community investments held by an issuer, an investment shall be considered held by an issuer even if the investment has been sold or repaid; provided that the issuer reinvests an amount equal to the capital returned to or recovered by the issuer from the original investment, exclusive of any profits realized, in another qualified low-income community investment within twelve months of the receipt of such capital. An issuer shall not be required to reinvest capital returned from qualified low-income community investments after the sixth anniversary of the issuance of the qualified equity investment, the proceeds of which were used to make the qualified low-income community investment, and the qualified low-income community investment shall be considered held by the issuer through the seventh anniversary of the qualified equity investment's issuance;

(2) "Applicable percentage", zero percent for each of the first two credit allowance dates, seven percent for the third credit allowance date, and eight percent for the next four credit allowance dates;

(3) "Credit allowance date", with respect to any qualified equity investment:

(a) The date on which such investment is initially made; and

(b) Each of the six anniversary dates of such date thereafter;

(4) "Long-term debt security", any debt instrument issued by a qualified community development entity, at par value or a premium, with an original maturity date of at least seven years from the date of its issuance, with no acceleration of repayment, amortization, or prepayment features prior to its original maturity date, and with no distribution, payment, or interest features related to the profitability of the qualified community development entity or the performance of the qualified community development entity's investment portfolio. The foregoing shall in no way limit the holder's ability to accelerate payments on the debt instrument in situations where the issuer has defaulted on covenants designed to ensure compliance with this section or Section 45D of the Internal Revenue Code of 1986, as amended;

(5) "Qualified active low-income community business", the meaning given such term in Section 45D of the Internal Revenue Code of 1986, as amended; provided that any business that derives or projects to derive fifteen percent or more of its annual revenue from the rental or sale of real estate shall not be considered to be a qualified active low-income community business;

(6) "Qualified community development entity", the meaning given such term in Section 45D of the Internal Revenue Code of 1986, as amended; provided

that such entity has entered into an allocation agreement with the Community Development Financial Institutions Fund of the U.S. Treasury Department with respect to credits authorized by Section 45D of the Internal Revenue Code of 1986, as amended, which includes the state of Missouri within the service area set forth in such allocation agreement;

(7) "Qualified equity investment", any equity investment in, or long-term debt security issued by, a qualified community development entity that:

(a) Is acquired after September 4, 2007, at its original issuance solely in exchange for cash;

(b) Has at least eighty-five percent of its cash purchase price used by the issuer to make qualified low-income community investments; and

(c) Is designated by the issuer as a qualified equity investment under this subdivision and is certified by the department of economic development as not exceeding the limitation contained in subsection 2 of this section. This term shall include any qualified equity investment that does not meet the provisions of paragraph (a) of this subdivision if such investment was a qualified equity investment in the hands of a prior holder;

(8) "Qualified low-income community investment", any capital or equity investment in, or loan to, any qualified active low-income community business. With respect to any one qualified active low-income community business, the maximum amount of qualified low-income community investments made in such business, on a collective basis with all of its affiliates, that may be used from the calculation of any numerator described in subparagraph a. of paragraph (b) of subdivision (1) of this subsection shall be ten million dollars whether issued to one or several qualified community development entities;

(9) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding withholding tax imposed in sections 143.191 to 143.265, or otherwise due under section 375.916 or chapter 147, 148, or 153;

(10) "Taxpayer", any individual or entity subject to the tax imposed in chapter 143, excluding withholding tax imposed in sections 143.191 to 143.265, or the tax imposed in section 375.916 or chapter 147, 148, or 153.

2. A taxpayer that makes a qualified equity investment earns a vested right to tax credits under this section. On each credit allowance date of such qualified equity investment the taxpayer, or subsequent holder of the qualified equity investment, shall be entitled to a tax credit during the taxable year including such credit allowance date. The tax credit amount shall be equal to the applicable percentage of the adjusted purchase price paid to the issuer of such qualified equity investment. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state tax liability for the tax year for which the tax credit is claimed. No tax credit claimed under this section shall be refundable or transferable. Tax credits earned by a partnership, limited liability company, S-corporation, or other pass-through entity may be allocated to the partners, members, or shareholders of such entity for their direct use in

accordance with the provisions of any agreement among such partners, members, or shareholders. Any amount of tax credit that the taxpayer is prohibited by this section from claiming in a taxable year may be carried forward to any of the taxpayer's five subsequent taxable years. The department of economic development shall limit the monetary amount of qualified equity investments permitted under this section to a level necessary to limit tax credit utilization at no more than twenty-five million dollars of tax credits in any fiscal year. Such limitation on qualified equity investments shall be based on the anticipated utilization of credits without regard to the potential for taxpayers to carry forward tax credits to later tax years.

3. The issuer of the qualified equity investment shall certify to the department of economic development the anticipated dollar amount of such investments to be made in this state during the first twelve-month period following the initial credit allowance date. If on the second credit allowance date, the actual dollar amount of such investments is different than the amount estimated, the department of economic development shall adjust the credits arising on the second allowance date to account for such difference.

4. The department of economic development shall recapture the tax credit allowed under this section with respect to such qualified equity investment under this section if:

(1) Any amount of the federal tax credit available with respect to a qualified equity investment that is eligible for a tax credit under this section is recaptured under Section 45D of the Internal Revenue Code of 1986, as amended; or

(2) The issuer redeems or makes principal repayment with respect to a qualified equity investment prior to the seventh anniversary of the issuance of such qualified equity investment. Any tax credit that is subject to recapture shall be recaptured from the taxpayer that claimed the tax credit on a return.

5. The department of economic development shall promulgate rules to implement the provisions of this section, including recapture provisions on a scaled proportional basis, and to administer the allocation of tax credits issued for qualified equity investments, which shall be conducted on a first-come, first-serve basis. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after September 4, 2007, shall be invalid and void.

6. For fiscal years following fiscal year 2010, qualified equity investments shall not be made under this section unless reauthorization is made

pursuant to this subsection. For all fiscal years following fiscal year 2010, unless the general assembly adopts a concurrent resolution granting authority to the department of economic development to approve qualified equity investments for the Missouri new markets development program and clearly describing the amount of tax credits available for the next fiscal year, or otherwise complies with the provisions of this subsection, no qualified equity investments may be permitted to be made under this section. The amount of available tax credits contained in such a resolution shall not exceed the limitation provided under subsection 2 of this section. In any year in which the provisions of this section shall sunset pursuant to subsection 7 of this section, reauthorization shall be made by general law and not by concurrent resolution. Nothing in this subsection shall preclude a taxpayer who makes a qualified equity investment prior to the expiration of authority to make qualified equity investments from claiming tax credits relating to such qualified equity investment for each applicable credit allowance date.

7. Under section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall automatically sunset six years after September 4, 2007, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset twelve years after the effective date of the reauthorization of this section; and

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset. However, nothing in this subsection shall preclude a taxpayer who makes a qualified equity investment prior to sunset of this section under the provisions of section 23.253 from claiming tax credits relating to such qualified equity investment for each credit allowance date.**]**

[135.750. 1. As used in this section, the following terms mean:

(1) "Highly compensated individual", any individual who receives compensation in excess of one million dollars in connection with a single qualified film production project;

(2) "Qualified film production project", any film, video, commercial, or television production, as approved by the department of economic development and the office of the Missouri film commission, that is under thirty minutes in length with an expected in-state expenditure budget in excess of fifty thousand dollars, or that is over thirty minutes in length with an expected in-state expenditure budget in excess of one hundred thousand dollars. Regardless of the production costs, "qualified film production project" shall not include any:

(a) News or current events programming;

(b) Talk show;

(c) Production produced primarily for industrial, corporate, or institutional purposes, and for internal use;

(d) Sports event or sports program;

(e) Gala presentation or awards show;

(f) Infomercial or any production that directly solicits funds;

(g) Political ad;

(h) Production that is considered obscene, as defined in section 573.010;

(3) "Qualifying expenses", the sum of the total amount spent in this state for the following by a production company in connection with a qualified film production project:

(a) Goods and services leased or purchased by the production company. For goods with a purchase price of twenty-five thousand dollars or more, the amount included in qualifying expenses shall be the purchase price less the fair market value of the goods at the time the production is completed;

(b) Compensation and wages paid by the production company on which the production company remitted withholding payments to the department of revenue under chapter 143. For purposes of this section, compensation and wages shall not include any amounts paid to a highly compensated individual;

(4) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or otherwise due under chapter 148;

(5) "Taxpayer", any individual, partnership, or corporation as described in section 143.441, 143.471, or section 148.370 that is subject to the tax imposed in chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or the tax imposed in chapter 148 or any charitable organization which is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143.

2. For all taxable years beginning on or after January 1, 1999, but ending on or before December 31, 2007, a taxpayer shall be granted a tax credit for up to fifty percent of the amount of investment in production or production-related activities in any film production project with an expected in-state expenditure budget in excess of three hundred thousand dollars. For all taxable years beginning on or after January 1, 2008, a taxpayer shall be allowed a tax credit for up to thirty-five percent of the amount of qualifying expenses in a qualified film production project. Each film production company shall be limited to one qualified film production project per year. Activities qualifying a taxpayer for the tax credit pursuant to this subsection shall be approved by the office of the Missouri film commission and the department of economic development.

3. Taxpayers shall apply for the film production tax credit by submitting an application to the department of economic development, on a form provided by the department. As part of the application, the expected in-state expenditures of the qualified film production project shall be documented. In addition, the

application shall include an economic impact statement, showing the economic impact from the activities of the film production project. Such economic impact statement shall indicate the impact on the region of the state in which the film production or production-related activities are located and on the state as a whole.

4. For all taxable years ending on or before December 31, 2007, tax credits certified pursuant to subsection 2 of this section shall not exceed one million dollars per taxpayer per year, and shall not exceed a total for all tax credits certified of one million five hundred thousand dollars per year. For all taxable years beginning on or after January 1, 2008, tax credits certified under subsection 1 of this section shall not exceed a total for all tax credits certified of four million five hundred thousand dollars per year. Taxpayers may carry forward unused credits for up to five tax periods, provided all such credits shall be claimed within ten tax periods following the tax period in which the film production or production-related activities for which the credits are certified by the department occurred.

5. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign, exchange, convey or otherwise transfer tax credits allowed in subsection 2 of this section. The taxpayer acquiring the tax credits may use the acquired credits to offset the tax liabilities otherwise imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or chapter 148. Unused acquired credits may be carried forward for up to five tax periods, provided all such credits shall be claimed within ten tax periods following the tax period in which the film production or production-related activities for which the credits are certified by the department occurred.

6. Under section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall automatically sunset six years after November 28, 2007, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset twelve years after the effective date of the reauthorization of this section; and

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset.**]**

[135.900. As used in sections 135.900 to 135.906, the following terms mean:

(1) "Department", the department of economic development;

(2) "Director", the director of the department of economic development;

(3) "Earned income", all income not derived from retirement accounts, pensions, or transfer payments;

(4) "New business facility", the same meaning as such term is defined in section 135.100; except that the term "lease" as used therein shall not include the leasing of property defined in paragraph (d) of subdivision (6) of this section;

(5) "Population", all residents living in an area who are not enrolled in any course at a college or university in the area;

(6) "Revenue-producing enterprise":

(a) Manufacturing activities classified as SICs 20 through 39;

(b) Agricultural activities classified as SIC 025;

(c) Rail transportation terminal activities classified as SIC 4013;

(d) Renting or leasing of residential property to low- and moderate-income persons as defined in 42 U.S.C.A. 5302(a)-(20);

(e) Motor freight transportation terminal activities classified as SIC 4231;

(f) Public warehousing and storage activities classified as SICs 422 and 423 except SIC 4221, miniwarehouse warehousing and warehousing self-storage;

(g) Water transportation terminal activities classified as SIC 4491;

(h) Airports, flying fields, and airport terminal services classified as SIC 4581;

(i) Wholesale trade activities classified as SICs 50 and 51;

(j) Insurance carriers activities classified as SICs 631, 632, and 633;

(k) Research and development activities classified as SIC 873, except 8733;

(l) Farm implement dealer activities classified as SIC 5999;

(m) Employment agency activities classified as SIC 7361;

(n) Computer programming, data processing, and other computer-related activities classified as SIC 737;

(o) Health service activities classified as SICs 801, 802, 803, 804, 806, 807, 8092, and 8093;

(p) Interexchange telecommunications service as defined in section 386.020 or training activities conducted by an interexchange telecommunications company as defined in section 386.020;

(q) Recycling activities classified as SIC 5093;

(r) Banking activities classified as SICs 602 and 603;

(s) Office activities as defined in section 135.100, notwithstanding SIC classification;

(t) Mining activities classified as SICs 10 through 14;

(u) The administrative management of any of the foregoing activities; or

(v) Any combination of any of the foregoing activities;

(7) "SIC", the standard industrial classification as such classifications are defined in the 1987 edition of the standard industrial classification manual as prepared by the executive office of the president, office of management and budget; (8) "Transfer payments", payments made under Medicaid, Medicare, Social Security, child support or custody agreements, and separation agreements.**]**

[135.903. 1. To qualify as a rural empowerment zone, an area shall meet all the following criteria:

(1) The area is one of pervasive poverty, unemployment, and general distress;

(2) At least sixty-five percent of the population has earned income below eighty percent of the median income of all residents within the state according to the United States Census Bureau's American Community Survey, based on the most recent of five-year period estimate data in which the final year of the estimate ends in either zero or five or other appropriate source as approved by the director;

(3) The population of the area is at least four hundred but not more than three thousand five hundred at the time of designation as a rural empowerment zone;

(4) The level of unemployment of persons, according to the most recent data available from the division of employment security or from the United States Bureau of Census and approved by the director, within the area exceeds one and one-half times the average rate of unemployment for the state of Missouri over the previous twelve months, or the percentage of area residents employed on a full-time basis is less than fifty percent of the statewide percentage of residents employed on a full-time basis;

(5) The area is situated more than ten miles from any existing rural empowerment zone;

(6) The area is situated in a county of the third classification without a township form of government and with more than eight thousand nine hundred twenty-five but less than nine thousand twenty-five inhabitants; and

(7) The area is not situated in an existing enterprise zone.

2. The governing body of any county in which an area may be designated a rural empowerment zone shall submit to the department an application showing that the area complies with the requirements of subsection 1 of this section. The department shall declare the area a rural empowerment zone if upon investigation the department finds that the area meets the requirements of subsection 1 of this section. If the area is found not to meet the requirements, the governing body shall have the opportunity to submit another application for designation as a rural empowerment zone and the department shall designate the area a rural empowerment zone if upon investigation the department finds that the area meets the requirements of subsection 1 of this section.

3. There shall be no more than two rural empowerment zones as created under sections 135.900 to 135.906 in existence at any time.**]**

[135.906. All of the Missouri taxable income attributed to a new business facility in a rural empowerment zone which is earned by a taxpayer establishing and operating a new business facility located within a rural empowerment zone shall be exempt from taxation under chapter 143 if such new business facility is

responsible for the creation of ten new full-time jobs in the zone within one year from the date on which the tax abatement begins. All of the Missouri taxable income attributed to a revenue-producing enterprise in a rural empowerment zone which is earned by a taxpayer operating a revenue-producing enterprise located within a rural empowerment zone and employing nineteen or fewer full-time employees shall be exempt from taxation under chapter 143 if such revenue-producing enterprise is responsible for the creation of five new full-time jobs in the zone within one year from the date on which the tax abatement begins. All of the Missouri taxable income attributed to a revenue-producing enterprise in a rural empowerment zone which is earned by a taxpayer operating a revenue-producing enterprise located within a rural empowerment zone and employing twenty or more full-time employees shall be exempt from taxation under chapter 143 if such revenue-producing enterprise is responsible for the creation of a number of new full-time jobs in the zone equal to twenty-five percent of the number of full-time employees employed by the revenue-producing enterprise on the date on which tax abatement begins within one year from the date on which the tax abatement begins.**]**

[135.909. The provisions of sections 135.900 to 135.906 shall expire on August 28, 2014.**]**

[143.105. Notwithstanding the provisions of section 143.071, to the contrary, a tax is hereby imposed upon the Missouri taxable income of corporations in an amount equal to five percent of Missouri taxable income.**]**

[143.106. 1. Notwithstanding the provisions of section 143.171, to the contrary, a taxpayer shall be allowed a deduction for his federal income tax liability under chapter 1 of the Internal Revenue Code for the same taxable year for which the Missouri return is being filed after reduction for all credits thereon, except the credit for payments of federal estimated tax, the credit for the overpayment of any federal tax, and the credits allowed by the Internal Revenue Code by section 31 (tax withheld on wages), section 27 (tax of foreign country and United States possessions), and section 34 (tax on certain uses of gasoline, special fuels, and lubricating oils).

2. If a federal income tax liability for a tax year prior to the applicability of sections 143.011 to 143.996 for which he was not previously entitled to a Missouri deduction is later paid or accrued, he may deduct the federal tax in the later year to the extent it would have been deductible if paid or accrued in the prior year.**]**

[143.107. 1. Sections 143.105 and 143.106 shall become effective only if the question prescribed in subsection 2 of this section is submitted to a

statewide vote and a majority of the qualified voters voting on the issue approve such question, and not otherwise.

2. If the supreme court of Missouri does not affirm in whole or in part the decision in the case of COMMITTEE FOR EDUCATION EQUALITY, et al., v. STATE OF MISSOURI, et al., No. CV 190-1371CC, and LEE'S SUMMIT SCHOOL DISTRICT R-VII, et al., v. STATE OF MISSOURI, et al., No. CV 190-510CC, a statewide election shall be held on the first regularly scheduled statewide election date after such a ruling at which an election can be held pursuant to chapter 115. At such election the qualified voters of this state shall vote on the question of whether the taxes prescribed in sections 143.105 and 143.106 shall be applied to all taxable years beginning on or after the date of such election and not otherwise. If the voters approve such question, sections 160.500 to 160.538, sections 160.545 and 160.550, sections 161.099 and 161.610, sections 162.203 and 162.1010, section 163.023, sections 166.275 and 166.300, section 170.254, section 173.750, and sections 178.585 and 178.698 shall expire thirty days after certification of the results of the election.**]**

[143.1007. 1. For all tax years beginning on or after January 1, 2006, each individual or corporation entitled to a tax refund in an amount sufficient to make an irrevocable designation under this section may designate that any amount, on a single or a combined return, of the refund due be credited to the Missouri public health services fund established in section 192.900. The director of revenue shall establish a method that allows the contribution designations authorized by this section to be indicated on the first page of each income tax return form provided by this state. The method may allow for a separate instruction list for the tax return that lists each authorized contribution designation. If any individual or corporation which is not entitled to a tax refund in an amount sufficient to make a designation under this section wishes to make a contribution to the fund, such individual or corporation may, by separate check, draft, or other negotiable instrument, send in with the payment of taxes, or may send in separately, that amount, clearly designated for the fund, and the department of revenue shall forward such amount to the state treasurer for deposit to the designated fund as provided in this section.

2. The director of revenue shall transfer at least monthly all contributions designated by individuals under this section to the state treasurer for deposit to the designated fund.

3. The director of revenue shall transfer at least monthly all contributions designated by corporations under this section, less one percent of the amount in the fund at the time of the transfer for the cost of collection and handling by the department of revenue, to be deposited in the state's general revenue fund, to the state treasurer for deposit to the designated fund.

4. A contribution designated under this section shall only be transferred and deposited in the designated fund after all other claims against the refund from which such contribution is to be made have been satisfied.

5. The moneys transferred and deposited under this section shall be administered by the department of health and senior services, and shall be used solely for the following purposes:

(1) To provide information on cervical cancer, early detection, testing, and prevention to the public and health care providers in this state;

(2) To collect statistical information on cervical cancer, including but not limited to age, ethnicity, region, and socioeconomic status of women in this state; and

(3) To provide services and funding for early detection, testing, and prevention of cervical cancer.

6. Not more than twenty percent of the moneys collected under this section shall be used for the costs of administering this section. Not more than thirty percent of the moneys collected under this section shall be used for the purposes listed in subdivision (1) of subsection 5 of this section. Not more than fifty percent of the moneys collected under this section shall be used for the purposes listed in subdivision (3) of subsection 5 of this section.

7. The directors of revenue and the department of health and senior services are authorized to promulgate rules and regulations necessary to administer and enforce this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2006, shall be invalid and void.

8. The director of the department of health and senior services shall determine no later than January 31, 2010, whether moneys sufficient to carry out the provisions of this section have been transferred and deposited under this section. Upon a determination that insufficient moneys have been transferred and deposited under this section, this section shall expire on February 1, 2010, and any moneys remaining in the fund established in this section shall be used solely for existing cancer programs administered by the department of health and senior services. The director shall notify the revisor of statutes upon such determination that this section has expired.**]**

[143.1008. 1. In each taxable year beginning on or after January 1, 2008, each individual or corporation entitled to a tax refund in an amount sufficient to make a designation under this section may designate that one dollar or any

amount in excess of one dollar on a single return, and two dollars or any amount in excess of two dollars on a combined return, of the refund due be credited to the after-school retreat reading and assessment grant program fund. The contribution designation authorized by this section shall be clearly and unambiguously printed on the first page of each income tax return form provided by this state. If any individual or corporation that is not entitled to a tax refund in an amount sufficient to make a designation under this section wishes to make a contribution to the after-school retreat reading and assessment grant program fund, such individual or corporation may, by separate check, draft, or other negotiable instrument, send in with the payment of taxes, or may send in separately, that amount, clearly designated for the after-school retreat reading and assessment grant program fund, the individual or corporation wishes to contribute. The department of revenue shall deposit such amount to the after-school retreat reading and assessment grant program fund as provided in subsection 2 of this section.

2. The director of revenue shall deposit at least monthly all contributions designated by individuals under this section to the state treasurer for deposit to the after-school retreat reading and assessment grant program fund. The fund shall be administered by the department of elementary and secondary education with moneys in the fund distributed as provided under section 167.680.

3. The director of revenue shall deposit at least monthly all contributions designated by the corporations under this section, less an amount sufficient to cover the cost of collection, handling, and administration by the department of revenue during fiscal year 2008, to the after-school retreat reading and assessment grant program fund.

4. A contribution designated under this section shall only be deposited in the after-school retreat reading and assessment grant program fund after all other claims against the refund from which such contribution is to be made have been satisfied.

5. Moneys deposited in the after-school retreat reading and assessment grant program fund shall be distributed by the department of elementary and secondary education in accordance with the provisions of this section and section 167.680.

6. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

7. Pursuant to section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall automatically sunset six years after August 28, 2007, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset twelve years after the effective date of the reauthorization of this section; and

(3) This section shall terminate on December thirty-first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset.**]**

[167.194. 1. Beginning July 1, 2008, every child enrolling in kindergarten or first grade in a public elementary school in this state shall receive one comprehensive vision examination performed by a state licensed optometrist or physician. Evidence of the examination shall be submitted to the school no later than January first of the first year in which the student is enrolled at the school, provided that the evidence submitted in no way violates any provisions of Public Law 104-191, 42 U.S.C. 201, et seq, Health Insurance Portability and Accountability Act of 1996.

2. The state board of education, in conjunction with the department of health and senior services, shall promulgate rules establishing the criteria for meeting the requirements of subsection 1 of this section, which may include, but are not limited to, forms or other proof of such examination, or other rules as are necessary for the enforcement of this section. The form or other proof of such examination shall include but not be limited to identifying the result of the examinations performed under subsection 4 of this section, the cost for the examination, the examiner's qualifications, and method of payment through either:

(1) Insurance;

(2) The state Medicaid program;

(3) Complimentary; or

(4) Other form of payment.

3. The department of elementary and secondary education, in conjunction with the department of health and senior services, shall compile and maintain a list of sources to which children who may need vision examinations or children who have been found to need further examination or vision correction may be referred for treatment on a free or reduced-cost basis. The sources may include individuals, and federal, state, local government, and private programs. The department of elementary and secondary education shall ensure that the superintendent of schools, the principal of each elementary school, the school nurse or other person responsible for school health services, and the parent organization for each district elementary school receives an updated copy of the list each year prior to school opening. Professional and service organizations concerned with vision health may assist in gathering and disseminating the information, at the direction of the department of elementary and secondary education.

4. For purposes of this section, the following comprehensive vision examinations shall include but not be limited to:

(1) Complete case history;

(2) Visual acuity at distance (aided and unaided);

(3) External examination and internal examination (ophthalmoscopic examination);

(4) Subjective refraction to best visual acuity.

5. Findings from the evidence of examination shall be provided to the department of health and senior services and kept by the optometrist or physician for a period of seven years.

6. In the event that a parent or legal guardian of a child subject to this section shall submit to the appropriate school administrator a written request that the child be excused from taking a vision examination as provided in this section, that child shall be so excused.

7. Pursuant to section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall automatically sunset on June 30, 2012, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset eight years after the effective date of the reauthorization of this section; and

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset.**]**

[168.700. 1. This act shall be known, and may be cited, as the "Missouri Teaching Fellows Program".

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

(1) "Department", the Missouri department of higher education;

(2) "Eligible applicant", a high school senior who:

(a) Is a United States citizen;

(b) Has a cumulative grade point average ranking in the top ten percentile in their graduating class and scores in the top twenty percentile on either the ACT or SAT assessment; or has a cumulative grade point average ranking in the top twenty percentile in their graduating class and scores in the top ten percentile of the ACT or SAT assessment;

(c) Upon graduation from high school, attends a Missouri higher education institution and attains a teaching certificate and either a bachelors or graduate degree with a cumulative grade point average of at least three-point zero on a four-point scale or equivalent;

(d) Signs an agreement with the department in which the applicant agrees to engage in qualified employment upon graduation from a higher education institution for five years; and

(e) Upon graduation from the higher education institution, engages in qualified employment;

(3) "Qualified employment", employment as a teacher in a school located in a school district that is not classified as accredited by the state board of

education at the time the eligible applicant signs their first contract to teach in such district. Preference in choosing schools to receive participating teachers shall be given to schools in such school districts with a higher-than-the-state-average of students eligible to receive a reduced lunch price under the National School Act, 42 U.S.C. Section 1751, et seq., as amended;

(4) "Teacher", any employee of a school district, regularly required to be certified under laws relating to the certification of teachers, except superintendents and assistant superintendents but including certified teachers who teach at the prekindergarten level within a prekindergarten program in which no fees are charged to parents or guardians.

3. Within the limits of amounts appropriated therefor, the department shall, upon proper verification to the department by an eligible applicant and the school district in which the applicant is engaged in qualified employment, enter into a one-year contract with eligible applicants to repay the interest and principal on the educational loans of the applicants or provide a stipend to the applicant as provided in subsection 4 of this section. The department may enter into subsequent one-year contracts with eligible applicants, not to total more than five such contracts. The fifth one-year contract shall provide for a stipend to such applicants as provided in subsection 4 of this section. If the school district becomes accredited at any time during which the eligible applicant is teaching at a school under a contract entered into pursuant to this section, nothing in this section shall preclude the department and the eligible applicant from entering into subsequent contracts to teach within the school district. An eligible applicant who does not enter into a contract with the department under the provisions of this subsection shall not be eligible for repayment of educational loans or a stipend under the provisions of subsection 4 of this section.

4. At the conclusion of each of the first four academic years that an eligible applicant engages in qualified employment, up to one-fourth of the eligible applicant's educational loans, not to exceed five thousand dollars per year, shall be repaid under terms provided in the contract. For applicants without any educational loans, the applicant may receive a stipend of up to five thousand dollars at the conclusion of each of the first four academic years that the eligible applicant engages in qualified employment. At the conclusion of the fifth academic year that an eligible applicant engages in qualified employment, a stipend in an amount equal to one thousand dollars shall be granted to the eligible applicant. The maximum of five thousand dollars per year and the stipend of one thousand dollars shall be adjusted annually by the same percentage as the increase in the general price level as measured by the Consumer Price Index for All Urban Consumers for the United States, or its successor index, as defined and officially recorded by the United States Department of Labor or its successor agency. The amount of any repayment of educational loans or the issuance of a stipend under this subsection shall not exceed the actual cost of tuition, required

fees, and room and board for the eligible applicant at the institution of higher education from which the eligible applicant graduated.

5. The department shall maintain a Missouri teaching fellows program coordinator position, the main responsibility of which shall be the identification, recruitment, and selection of potential students meeting the requirements of paragraph (b) of subdivision (2) of subsection 2 of this section. In selecting potential students, the coordinator shall give preference to applicants that represent a variety of racial backgrounds in order to ensure a diverse group of eligible applicants.

6. The department shall promulgate rules to enforce the provisions of this section, including, but not limited to, applicant eligibility, selection criteria, and the content of loan repayment contracts. If the number of applicants exceeds the revenues available for loan repayment or stipends, priority shall be to those applicants with the highest high school grade-point average and highest scores on the ACT or SAT assessments.

7. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void.

8. There is hereby created in the state treasury the "Missouri Teaching Fellows Program Fund". The state treasurer shall be custodian of the fund and may approve disbursements from the fund in accordance with sections 30.170 and 30.180. Private donations, federal grants, and other funds provided for the implementation of this section shall be placed in the Missouri teaching fellows program fund. Upon appropriation, money in the fund shall be used solely for the repayment of loans and the payment of stipends under the provisions of this section. Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general revenue fund. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

9. Subject to appropriations, the general assembly shall include an amount necessary to properly fund this section, not to exceed one million dollars in any fiscal year. The maximum of one million dollars in any fiscal year shall be adjusted annually by the same percentage as the increase in the general price level as measured by the Consumer Price Index for All Urban Consumers for the United States, or its successor index, as defined and officially recorded by the United States Department of Labor or its successor agency.**]**

[173.197. Sections 173.197 to 173.199 shall be known and may be cited as the "Higher Education Scholarship Program". The general assembly hereby finds and declares that Missouri citizens should be encouraged to pursue academic disciplines necessary for the future economic well-being of this state to maintain competitiveness in a global economy; therefore, the purpose of sections 173.197 to 173.199 is to increase the number of students pursuing and receiving undergraduate degrees in mathematics, science, and foreign languages, and to increase the number of students pursuing and receiving graduate degrees in mathematics, science, engineering and foreign languages, by offering scholarships and fellowships as incentives to pursue such disciplines.**]**

[208.178. 1. On or after July 1, 1995, the department of social services may make available for purchase a policy of health insurance coverage through the Medicaid program. Premiums for such a policy shall be charged based upon actuarially sound principles to pay the full cost of insuring persons under the provisions of this section. The full cost shall include both administrative costs and payments for services. Coverage under a policy or policies made available for purchase by the department of social services shall include coverage of all or some of the services listed in section 208.152 as determined by the director of the department of social services. Such a policy may be sold to a person who is otherwise uninsured and who is:

(1) A surviving spouse eligible for coverage under sections 376.891 to 376.894, who is determined under rules and regulations of the department of social services to be unable to afford continuation of coverage under that section;

(2) An adult over twenty-one years of age who is not pregnant and who resides in a household with an income which does not exceed one hundred eighty-five percent of the federal poverty level for the applicable family size. Net taxable income shall be used to determine that portion of income of a self-employed person; or

(3) A dependent of an insured person who resides in a household with an income which does not exceed one hundred eighty-five percent of the federal poverty level for the applicable family size.

2. Any policy of health insurance sold pursuant to the provisions of this section shall conform to requirements governing group health insurance under chapters 375, 376, and 379.

3. The department of social services shall establish policies governing the issuance of health insurance policies pursuant to the provisions of this section by rules and regulations developed in consultation with the department of insurance, financial institutions and professional registration.

4. Under section 23.253 of the Missouri sunset act:

(1) The provisions of the program authorized under this section shall automatically sunset one year after August 28, 2012, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset one year after the effective date of the reauthorization of this section; and

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset.**]**

[208.630. The coordinating council on special transportation created in section 208.275 shall, in cooperation with the department of social services, coordinate existing transportation reports for Missouri's elderly and persons with disabilities. Such reports shall be compiled as one comprehensive plan to meet the special transportation needs of the elderly and persons with disabilities. The plan shall contain a strategy for implementation and recommendations for funding. The plan shall be delivered to the governor, the president pro tem of the senate, and the speaker of the house of representatives by September 1, 1995.**]**

[208.993. 1. The president pro tempore of the senate and the speaker of the house of representatives may jointly establish a committee to be known as the "Joint Committee on Medicaid Transformation".

2. The committee may study the following:

(1) Development of methods to prevent fraud and abuse in the MO HealthNet system;

(2) Advice on more efficient and cost-effective ways to provide coverage for MO HealthNet participants;

(3) An evaluation of how coverage for MO HealthNet participants can resemble that of commercially available health plans while complying with federal Medicaid requirements;

(4) Possibilities for promoting healthy behavior by encouraging patients to take ownership of their health care and seek early preventative care;

(5) Advice on the best manner in which to provide incentives, including a shared risk and savings to health plans and providers to encourage cost-effective delivery of care; and

(6) Ways that individuals who currently receive medical care coverage through the MO HealthNet program can transition to obtaining their health coverage through the private sector.

3. If established, the joint committee shall be composed of twelve members. Six members shall be from the senate, with four members appointed by the president pro tempore of the senate, and two members of the minority party appointed by the president pro tempore of the senate with the advice of the minority leader of the senate. Six members shall be from the house of representatives, with four members appointed by the speaker of the house of representatives, and two members of the minority party appointed by the speaker

of the house of representatives with the advice of the minority leader of the house of representatives.

4. The provisions of this section shall expire on January 1, 2014.**]**

[288.131. 1. For calendar years 2009, 2010, and 2011, each employer that is liable for contributions under this chapter, except employers with a contribution rate equal to zero, shall pay an annual unemployment automation surcharge in an amount equal to five one-hundredths of one percent of such employer's total taxable wages for the twelve-month period ending the preceding June thirtieth. However, the division may reduce the foregoing percentage to ensure that the total amount of surcharge due from all employers under this subsection shall not exceed thirteen million dollars annually. Each employer liable to pay such surcharge shall be notified of the amount due under this subsection by March thirty-first of each year and such amount shall be considered delinquent thirty days thereafter. Delinquent unemployment automation surcharge amounts may be collected in the manner provided under sections 288.160 and 288.170. All moneys collected under this subsection shall be deposited in the unemployment automation fund established in section 288.132.

2. For calendar years 2009, 2010, and 2011, the otherwise applicable unemployment contribution rate of each employer liable for contributions under this chapter shall be reduced by five one-hundredths of one percent, except such contribution rate shall not be less than zero.**]**

[301.3031. 1. Whenever a vehicle owner pursuant to this chapter makes an application for a military license plate, the director of revenue shall notify the applicant that the applicant may make a voluntary contribution of ten dollars to the World War II memorial trust fund established pursuant to this section. The director shall transfer all contributions collected to the state treasurer for credit to and deposit in the trust fund. Beginning August 28, 2013, the director of revenue shall no longer collect the contribution authorized by this section.

2. There is established in the state treasury the "World War II Memorial Trust Fund". The state treasurer shall credit to and deposit in the World War II memorial trust fund all amounts received pursuant to this section, and any other amounts which may be received from grants, gifts, bequests, the federal government, or other sources granted or given for purposes of this section.

3. The Missouri veterans' commission shall administer the trust fund. The trust fund shall be used to participate in the funding of the National World War II Memorial to be located at a site dedicated on November 11, 1995, on the National Mall in Washington, D.C.

4. The state treasurer shall invest moneys in the trust fund in the same manner as surplus state funds are invested pursuant to section 30.260. All earnings resulting from the investment of moneys in the trust fund shall be credited to the trust fund. The general assembly may appropriate moneys

annually from the trust fund to the department of revenue to offset costs incurred for collecting and transferring contributions pursuant to subsection 1 of this section. The provisions of section 33.080 requiring all unexpended balances remaining in various state funds to be transferred and placed to the credit of the ordinary revenue fund of this state at the end of each biennium shall not apply to the trust fund.**]**

[303.400. The provisions of sections 303.400 to 303.415 shall be known as the "Motorist Insurance Identification Database Act".**]**

[303.403. As used in sections 303.400 to 303.415, the following terms mean:

(1) "Database", the motorist insurance identification database;

(2) "Department", the department of revenue;

(3) "Designated agent", the party with which the department contracts to implement the motorist insurance identification database;

(4) "Program", the motorist insurance identification database program.**]**

[303.406. 1. The "Motorist Insurance Identification Database" is hereby created for the purpose of establishing a database to use to verify compliance with the motor vehicle financial responsibility requirements of this chapter. The program shall be administered by the department and shall receive funding from the "Motorist Insurance Identification Database Fund", which is hereby created in the state treasury. Effective July 1, 2002, the state treasurer shall credit to and deposit in the motorist insurance identification database fund six percent of the net general revenue portion received from collections of the insurance premiums tax levied and collected pursuant to sections 148.310 to 148.461.

2. To implement the program, the department may by July 1, 2002, contract with a designated agent which shall monitor compliance with the motor vehicle financial responsibility requirements of this chapter, except that the program shall not be implemented to notify owners of registered motor vehicles until the department certifies that the accuracy rate of the program exceeds ninety-five percent in correctly identifying owners of registered motor vehicles as having maintained or failed to maintain financial responsibility. After the department has entered into a contract with a designated agent, the department shall convene a working group for the purpose of facilitating the implementation of the program.

3. The designated agent, using its own computer network, shall, no later than December 31, 2002, develop, deliver and maintain a computer database with information provided by:

(1) Insurers, pursuant to sections 303.400 to 303.415; except that, any person who qualifies as self-insured pursuant to this chapter, or provides proof of insurance to the director pursuant to the provisions of section 303.160, shall

not be required to provide information to the designated agent, but the state shall supply these records to the designated agent for inclusion in the database; and

(2) The department, which shall provide the designated agent with the name, date of birth and address of all persons in its computer database, and the make, year and vehicle identification number of all registered motor vehicles.

4. The department shall establish guidelines for the designated agent's development of the computer database so the database can be easily accessed by state and local law enforcement agencies within procedures already established, and shall not require additional computer keystrokes or other additional procedures by dispatch or law enforcement personnel. Once the database is operational, the designated agent shall, at least monthly, update the database with information provided by insurers and the department, and compare then-current motor vehicle registrations against the database.

5. Information provided to the designated agent by insurers and the department for inclusion in the database established pursuant to this section is the property of the insurer or the department, as the case may be, and is not subject to disclosure pursuant to chapter 610. Such information may not be disclosed except as follows:

(1) The designated agent shall verify a person's insurance coverage upon request by any state or local government agency investigating, litigating or enforcing such person's compliance with the motor vehicle financial responsibility requirements of this chapter;

(2) The department shall disclose whether an individual is maintaining the required insurance coverage upon request of the following individuals and agencies only:

(a) The individual;

(b) The parent or legal guardian of an individual if the individual is an unemancipated minor;

(c) The legal guardian of the individual if the individual is legally incapacitated;

(d) Any person who has power of attorney from the individual;

(e) Any person who submits a notarized release from the individual that is dated no more than ninety days before the request is made;

(f) Any person claiming loss or injury in a motor vehicle accident in which the individual is involved;

(g) The office of the state auditor, for the purpose of conducting any audit authorized by law.

6. Any person or agency who knowingly discloses information from the database for any purpose, or to a person, other than those authorized in this section is guilty of a class A misdemeanor. The state shall not be liable to any person for gathering, managing or using information in the database pursuant to this section. The designated agent shall not be liable to any person for performing its duties pursuant to this section unless and to the extent such agent

commits a willful and wanton act or omission or is negligent. The designated agent shall be liable to any insurer damaged by the designated agent's negligent failure to protect the confidentiality of the information and data disclosed by the insurer to the designated agent. The designated agent shall provide to this state an errors and omissions insurance policy covering such agent in an appropriate amount. No insurer shall be liable to any person for performing its duties pursuant to this section unless and to the extent the insurer commits a willful and wanton act of omission.

7. The department shall review the operation and performance of the motorist insurance identification database program to determine whether the number of uninsured motorists has declined during the first three years following implementation and shall submit a report of its findings to the general assembly no later than January fifteenth of the year following the third complete year of implementation. The department shall make copies of its report available to each member of the general assembly.

8. This section shall not supersede other actions or penalties that may be taken or imposed for violation of the motor vehicle financial responsibility requirements of this chapter.

9. The working group as provided for in subsection 2 of this section shall consist of representatives from the insurance industry, department of insurance, financial institutions and professional registration, department of public safety and the department of revenue. The director of revenue, after consultation with the working group, shall promulgate any rules and regulations necessary to administer and enforce this section. No rule or portion of a rule promulgated pursuant to the authority of this section shall become effective unless it has been promulgated pursuant to the provisions of chapter 536.**]**

[303.409. 1. If the motorist insurance identification database indicates the owner of a registered motor vehicle has, regardless of the owner's operation of such motor vehicle, failed to maintain the financial responsibility required in section 303.025 for two consecutive months, the designated agent shall on behalf of the director inform the owner that the director will suspend the owner's vehicle registration if the owner does not present proof of insurance as prescribed by the director within thirty days from the date of mailing. The designated agent shall not select owners of fleet or rental vehicles or vehicles that are insured pursuant to a commercial line policy for notification to determine motor vehicle liability coverage. The director may prescribe rules and regulations necessary for the implementation of this subsection. The notice issued to the vehicle owner by the designated agent shall be sent to the last known address shown on the department's records. The notice is deemed received three days after mailing. The notice of suspension shall clearly specify the reason and statutory grounds for the suspension and the effective date of the suspension, the right of the person to request a hearing, the procedure for requesting a hearing and the date by which

that request for a hearing must be made. The suspension shall become effective thirty days after the subject person is deemed to have received the notice of suspension by first class mail as provided in section 303.041. If the request for a hearing is received prior to the effective date of the suspension, the effective date of the suspension will be stayed until a final order is issued following the hearing; however, any delay in the hearing which is caused or requested by the subject person or counsel representing that person without good cause shown shall not result in a stay of the suspension during the period of delay.

2. Neither the fact that, subsequent to the date of verification, the owner acquired the required liability insurance policy nor the fact that the owner terminated ownership of the motor vehicle shall have any bearing upon the director's decision to suspend. The suspension shall remain in force until termination despite the renewal of registration or acquisition of a new registration for the motor vehicle. The suspension shall also apply to any motor vehicle to which the owner transfers the registration.

3. Upon receipt of notification from the designated agent, the director shall suspend the owner's vehicle registration effective immediately. The suspension period shall be as follows:

(1) If the person's record shows no prior violation, the director shall terminate the suspension upon payment of a reinstatement fee of twenty dollars and submission of proof of insurance, as prescribed by the director;

(2) If the person's record shows one prior violation for failure to maintain financial responsibility within the immediately preceding two years, the director shall terminate the suspension ninety days after its effective date upon payment of a reinstatement fee of two hundred dollars and submission of proof of insurance, as prescribed by the director;

(3) If the person's record shows two or more prior violations for failure to maintain financial responsibility, the period of suspension shall terminate one year after its effective date upon payment of a reinstatement fee of four hundred dollars and submission of proof of insurance, as prescribed by the director.

4. In the event that proof of insurance as prescribed by the director has not been filed with the department of revenue in accordance with this chapter prior to the end of the period of suspension provided in this section, such period of suspension shall be extended until such proof of insurance has been filed. In no event shall filing proof of insurance reduce any period of suspension. If proof of insurance is not maintained during the three-year period following the reinstatement or termination of the suspension, the director shall again suspend the license and motor vehicle registration until proof of insurance is filed or the three-year period has elapsed. In no event shall filing proof of insurance reduce any period of suspension.

5. Notwithstanding the provisions of subsection 1 of this section, the director shall not suspend the registration or registrations of any owner who establishes to the satisfaction of the director that the owner's motor vehicle was

inoperable or being stored and not operated on the date proof of financial responsibility is required by the director.**]**

[303.412. 1. Beginning March 1, 2003, before the seventh working date of each calendar month, all licensed insurance companies in this state shall provide to the designated agent a record of all policies in effect on the last day of the preceding month. This subsection shall not prohibit more frequent reporting.

2. The record pursuant to subsection 1 of this section shall include the following:

(1) The name, date of birth, driver's license number and address of each insured;

(2) The make, year and vehicle identification number of each insured motor vehicle;

(3) The policy number and effective date of the policy.

3. The department of revenue shall notify the department of insurance, financial institutions and professional registration of any insurer who violates any provisions of this act. The department of insurance, financial institutions and professional registration may, against any insurer who fails to comply with this section, assess a fine not greater than one thousand dollars per day of noncompliance. The department of revenue may assess a fine not greater than one thousand dollars per day against the designated agent for failure to complete the project by the dates designated in sections 303.400 to 303.415 unless the delay is deemed beyond the control of the designated agent or the designated agent provides acceptable proof that such a noncompliance was inadvertent, accidental or the result of excusable neglect.

The department of insurance, financial institutions and professional registration shall excuse the fine against any insurer if an assessed insurer provides acceptable proof that such insurer's noncompliance was inadvertent, accidental or the result of excusable neglect.**]**

[303.415. 1. Sections 303.400 and 303.403 shall become effective on July 1, 2002, and shall expire on June 30, 2007.

2. The enactment of section 303.025, and the repeal and reenactment of sections 303.406, 303.409, 303.412 and 303.415 shall become effective July 1, 2002 and sections 303.406, 303.409 and 303.412 shall expire on June 30, 2007.**]**

[338.321. 1. The "Missouri Oral Chemotherapy Parity Interim Committee" is hereby created to study the disparity in patient co-payments between orally and intravenously administered chemotherapies, the reasons for the disparity, and the patient benefits in establishing co-payment parity between oral and infused chemotherapy agents. The committee shall consider information on the costs or actuarial analysis associated with the delivery of patient oncology treatments.

2. The Missouri oral chemotherapy parity interim committee shall consist of the following members:

(1) Two members of the senate, appointed by the president pro tempore of the senate;

(2) Two members of the house of representatives, appointed by the speaker of the house of representatives;

(3) One member who is an oncologist or physician with expertise in the practice of oncology licensed in this state under chapter 334;

(4) One member who is an oncology nurse licensed in this state under chapter 335;

(5) One member who is a representative of a Missouri pharmacy benefit management company;

(6) One member from an organization representing licensed pharmacists in this state;

(7) One member from the business community representing businesses on health insurance issues;

(8) One member from an organization representing the leading research-based pharmaceutical and biotechnology companies;

(9) One patient advocate;

(10) One member from the organization representing a majority of hospitals in this state;

(11) One member from a health carrier as such term is defined under section 376.1350;

(12) One member from the organization representing a majority of health carriers in this state, as such term is defined under section 376.1350;

(13) One member from the American Cancer Society; and

(14) One member from an organization representing generic pharmaceutical drug manufacturers.

3. All members, except for the members from the general assembly, shall be appointed by the governor no later than September 1, 2013. The department of insurance, financial institutions and professional registration shall provide assistance to the committee.

4. No later than January 1, 2014, the committee shall submit a report to the governor, the speaker of the house of representatives, the president pro tempore of the senate, and the appropriate legislative committee of the general assembly regarding the results of the study and any legislative recommendations.**]**

[376.960. As used in sections 376.960 to 376.989, the following terms mean:

(1) "Benefit plan", the coverages to be offered by the pool to eligible persons pursuant to the provisions of section 376.986;

(2) "Board", the board of directors of the pool;

(3) "Church plan", a plan as defined in Section 3(33) of the Employee Retirement Income Security Act of 1974, as amended;

(4) "Creditable coverage", with respect to an individual:

(a) Coverage of the individual provided under any of the following:

a. A group health plan;

b. Health insurance coverage;

c. Part A or Part B of Title XVIII of the Social Security Act;

d. Title XIX of the Social Security Act, other than coverage consisting solely of benefits under Section 1928;

e. Chapter 55 of Title 10, United States Code;

f. A medical care program of the Indian Health Service or of a tribal organization;

g. A state health benefits risk pool;

h. A health plan offered under Chapter 89 of Title 5, United States Code;

i. A public health plan as defined in federal regulations; or

j. A health benefit plan under Section 5(e) of the Peace Corps Act, 22 U.S.C. 2504(e);

(b) Creditable coverage does not include coverage consisting solely of excepted benefits;

(5) "Department", the Missouri department of insurance, financial institutions and professional registration;

(6) "Dependent", a resident spouse or resident unmarried child under the age of nineteen years, a child who is a student under the age of twenty-five years and who is financially dependent upon the parent, or a child of any age who is disabled and dependent upon the parent;

(7) "Director", the director of the Missouri department of insurance, financial institutions and professional registration;

(8) "Excepted benefits":

(a) Coverage only for accident, including accidental death and dismemberment, insurance;

(b) Coverage only for disability income insurance;

(c) Coverage issued as a supplement to liability insurance;

(d) Liability insurance, including general liability insurance and automobile liability insurance;

(e) Workers' compensation or similar insurance;

(f) Automobile medical payment insurance;

(g) Credit-only insurance;

(h) Coverage for on-site medical clinics;

(i) Other similar insurance coverage, as approved by the director, under which benefits for medical care are secondary or incidental to other insurance benefits;

(j) If provided under a separate policy, certificate or contract of insurance, any of the following:

a. Limited scope dental or vision benefits;

b. Benefits for long-term care, nursing home care, home health care, community-based care, or any combination thereof;

c. Other similar, limited benefits as specified by the director;

(k) If provided under a separate policy, certificate or contract of insurance, any of the following:

a. Coverage only for a specified disease or illness;

b. Hospital indemnity or other fixed indemnity insurance;

(l) If offered as a separate policy, certificate or contract of insurance, any of the following:

a. Medicare supplemental coverage (as defined under Section 1882(g)(1) of the Social Security Act);

b. Coverage supplemental to the coverage provided under Chapter 55 of Title 10, United States Code;

c. Similar supplemental coverage provided to coverage under a group health plan;

(9) "Federally defined eligible individual", an individual:

(a) For whom, as of the date on which the individual seeks coverage through the pool, the aggregate of the periods of creditable coverage as defined in this section is eighteen or more months and whose most recent prior creditable coverage was under a group health plan, governmental plan, church plan, or health insurance coverage offered in connection with any such plan;

(b) Who is not eligible for coverage under a group health plan, Part A or Part B of Title XVIII of the Social Security Act, or state plan under Title XIX of such act or any successor program, and who does not have other health insurance coverage;

(c) With respect to whom the most recent coverage within the period of aggregate creditable coverage was not terminated because of nonpayment of premiums or fraud;

(d) Who, if offered the option of continuation coverage under COBRA continuation provision or under a similar state program, both elected and exhausted the continuation coverage;

(10) "Governmental plan", a plan as defined in Section 3(32) of the Employee Retirement Income Security Act of 1974 and any federal governmental plan;

(11) "Group health plan", an employee welfare benefit plan as defined in Section 3(1) of the Employee Retirement Income Security Act of 1974 and Public Law 104-191 to the extent that the plan provides medical care and including items and services paid for as medical care to employees or their dependents as defined under the terms of the plan directly or through insurance, reimbursement or otherwise, but not including excepted benefits;

(12) "Health insurance", any hospital and medical expense incurred policy, nonprofit health care service for benefits other than through an insurer,

nonprofit health care service plan contract, health maintenance organization subscriber contract, preferred provider arrangement or contract, or any other similar contract or agreement for the provisions of health care benefits. The term "health insurance" does not include accident, fixed indemnity, limited benefit or credit insurance, coverage issued as a supplement to liability insurance, insurance arising out of a workers' compensation or similar law, automobile medical-payment insurance, or insurance under which benefits are payable with or without regard to fault and which is statutorily required to be contained in any liability insurance policy or equivalent self-insurance;

(13) "Health maintenance organization", any person which undertakes to provide or arrange for basic and supplemental health care services to enrollees on a prepaid basis, or which meets the requirements of section 1301 of the United States Public Health Service Act;

(14) "Hospital", a place devoted primarily to the maintenance and operation of facilities for the diagnosis, treatment or care for not less than twenty-four hours in any week of three or more nonrelated individuals suffering from illness, disease, injury, deformity or other abnormal physical condition; or a place devoted primarily to provide medical or nursing care for three or more nonrelated individuals for not less than twenty-four hours in any week. The term "hospital" does not include convalescent, nursing, shelter or boarding homes, as defined in chapter 198;

(15) "Insurance arrangement", any plan, program, contract or other arrangement under which one or more employers, unions or other organizations provide to their employees or members, either directly or indirectly through a trust or third party administration, health care services or benefits other than through an insurer;

(16) "Insured", any individual resident of this state who is eligible to receive benefits from any insurer or insurance arrangement, as defined in this section;

(17) "Insurer", any insurance company authorized to transact health insurance business in this state, any nonprofit health care service plan act, or any health maintenance organization;

(18) "Medical care", amounts paid for:

(a) The diagnosis, care, mitigation, treatment, or prevention of disease, or amounts paid for the purpose of affecting any structure or function of the body;

(b) Transportation primarily for and essential to medical care referred to in paragraph (a) of this subdivision; and

(c) Insurance covering medical care referred to in paragraphs (a) and (b) of this subdivision;

(19) "Medicare", coverage under both part A and part B of Title XVIII of the Social Security Act, 42 U.S.C. 1395 et seq., as amended;

(20) "Member", all insurers and insurance arrangements participating in the pool;

(21) "Physician", physicians and surgeons licensed under chapter 334 or by state board of healing arts in the state of Missouri;

(22) "Plan of operation", the plan of operation of the pool, including articles, bylaws and operating rules, adopted by the board pursuant to the provisions of sections 376.961, 376.962 and 376.964;

(23) "Pool", the state health insurance pool created in sections 376.961, 376.962 and 376.964;

(24) "Resident", an individual who has been legally domiciled in this state for a period of at least thirty days, except that for a federally defined eligible individual, there shall not be a thirty-day requirement;

(25) "Significant break in coverage", a period of sixty-three consecutive days during all of which the individual does not have any creditable coverage, except that neither a waiting period nor an affiliation period is taken into account in determining a significant break in coverage;

(26) "Trade act eligible individual", an individual who is eligible for the federal health coverage tax credit under the Trade Act of 2002, Public Law 107-210.**]**

[376.961. 1. There is hereby created a nonprofit entity to be known as the "Missouri Health Insurance Pool". All insurers issuing health insurance in this state and insurance arrangements providing health plan benefits in this state shall be members of the pool.

2. Beginning January 1, 2007, the board of directors shall consist of the director of the department of insurance, financial institutions and professional registration or the director's designee, and eight members appointed by the director. Of the initial eight members appointed, three shall serve a three-year term, three shall serve a two-year term, and two shall serve a one-year term. All subsequent appointments to the board shall be for three-year terms. Members of the board shall have a background and experience in health insurance plans or health maintenance organization plans, in health care finance, or as a health care provider or a member of the general public; except that, the director shall not be required to appoint members from each of the categories listed. The director may reappoint members of the board. The director shall fill vacancies on the board in the same manner as appointments are made at the expiration of a member's term and may remove any member of the board for neglect of duty, misfeasance, malfeasance, or nonfeasance in office.

3. Beginning August 28, 2007, the board of directors shall consist of fourteen members. The board shall consist of the director and the eight members described in subsection 2 of this section and shall consist of the following additional five members:

(1) One member from a hospital located in Missouri, appointed by the governor, with the advice and consent of the senate;

(2) Two members of the senate, with one member from the majority party appointed by the president pro tem of the senate and one member of the minority party appointed by the president pro tem of the senate with the concurrence of the minority floor leader of the senate; and

(3) Two members of the house of representatives, with one member from the majority party appointed by the speaker of the house of representatives and one member of the minority party appointed by the speaker of the house of representatives with the concurrence of the minority floor leader of the house of representatives.

4. The members appointed under subsection 3 of this section shall serve in an ex officio capacity. The terms of the members of the board of directors appointed under subsection 3 of this section shall expire on December 31, 2009. On such date, the membership of the board shall revert back to nine members as provided for in subsection 2 of this section.

5. Beginning on August 28, 2013, the board of directors, on behalf of the pool, the executive director, and any other employees of the pool, shall have the authority to provide assistance or resources to any department, agency, public official, employee, or agent of the federal government for the specific purpose of transitioning individuals enrolled in the pool to coverage outside of the pool beginning on or before January 1, 2014. Such authority does not extend to authorizing the pool to implement, establish, create, administer, or otherwise operate a state-based exchange.**]**

[376.962. 1. The board of directors on behalf of the pool shall submit to the director a plan of operation for the pool and any amendments thereto necessary or suitable to assure the fair, reasonable and equitable administration of the pool. After notice and hearing, the director shall approve the plan of operation, provided it is determined to be suitable to assure the fair, reasonable and equitable administration of the pool, and it provides for the sharing of pool gains or losses on an equitable proportionate basis. The plan of operation shall become effective upon approval in writing by the director consistent with the date on which the coverage under sections 376.960 to 376.989 becomes available. If the pool fails to submit a suitable plan of operation within one hundred eighty days after the appointment of the board of directors, or at any time thereafter fails to submit suitable amendments to the plan, the director shall, after notice and hearing, adopt and promulgate such reasonable rules as are necessary or advisable to effectuate the provisions of this section. Such rules shall continue in force until modified by the director or superseded by a plan submitted by the pool and approved by the director.

2. In its plan, the board of directors of the pool shall:

(1) Establish procedures for the handling and accounting of assets and moneys of the pool;

(2) Select an administering insurer or third-party administrator in accordance with section 376.968;

(3) Establish procedures for filling vacancies on the board of directors; and

(4) Establish procedures for the collection of assessments from all members to provide for claims paid under the plan and for administrative expenses incurred or estimated to be incurred during the period for which the assessment is made. The level of payments shall be established by the board pursuant to the provisions of section 376.973. Assessment shall occur at the end of each calendar year and shall be due and payable within thirty days of receipt of the assessment notice.

3. On or before September 1, 2013, the board shall submit the amendments to the plan of operation as are necessary or suitable to ensure a reasonable transition period to allow for the termination of issuance of policies by the pool.

4. The amendments to the plan of operation submitted by the board shall include all of the requirements outlined in subsection 2 of this section and shall address the transition of individuals covered under the pool to alternative health insurance coverage as it is available after January 1, 2014. The plan of operation shall also address procedures for finalizing the financial matters of the pool, including assessments, claims expenses, and other matters identified in subsection 2 of this section.

5. The director shall review the plan of operation submitted under subsection 3 of this section and shall promulgate rules to effectuate the transitional plan of operation. Such rules shall be effective no later than October 1, 2013. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2013, shall be invalid and void.**]**

[376.964. The board of directors and administering insurers of the pool shall have the general powers and authority granted under the laws of this state to insurance companies licensed to transact health insurance as defined in section 376.960, and, in addition thereto, the specific authority to:

(1) Enter into contracts as are necessary or proper to carry out the provisions and purposes of sections 376.960 to 376.989, including the authority, with the approval of the director, to enter into contracts with similar pools of other states for the joint performance of common administrative functions, or

with persons or other organizations for the performance of administrative functions;

(2) Sue or be sued, including taking any legal actions necessary or proper for recovery of any assessments for, on behalf of, or against pool members;

(3) Take such legal actions as necessary to avoid the payment of improper claims against the pool or the coverage provided by or through the pool;

(4) Establish appropriate rates, rate schedules, rate adjustments, expense allowances, agents' referral fees, claim reserve formulas and any other actuarial function appropriate to the operation of the pool. Rates shall not be unreasonable in relation to the coverage provided, the risk experience and expenses of providing the coverage. Rates and rate schedules may be adjusted for appropriate risk factors such as age and area variation in claim costs and shall take into consideration appropriate risk factors in accordance with established actuarial and underwriting practices;

(5) Assess members of the pool in accordance with the provisions of this section, and to make advance interim assessments as may be reasonable and necessary for the organizational and interim operating expenses. Any such interim assessments are to be credited as offsets against any regular assessments due following the close of the fiscal year;

(6) Prior to January 1, 2014, issue policies of insurance in accordance with the requirements of sections 376.960 to 376.989. In no event shall new policies of insurance be issued on or after January 1, 2014;

(7) Appoint, from among members, appropriate legal, actuarial and other committees as necessary to provide technical assistance in the operation of the pool, policy or other contract design, and any other function within the authority of the pool;

(8) Establish rules, conditions and procedures for reinsuring risks of pool members desiring to issue pool plan coverages in their own name. Such reinsurance facility shall not subject the pool to any of the capital or surplus requirements, if any, otherwise applicable to reinsurers;

(9) Negotiate rates of reimbursement with health care providers on behalf of the association and its members;

(10) Administer separate accounts to separate federally defined eligible individuals and trade act eligible individuals who qualify for plan coverage from the other eligible individuals entitled to pool coverage and apportion the costs of administration among such separate accounts.**]**

[376.965. No member of the board of directors of the Missouri health insurance pool shall be civilly liable, either jointly or separately, as a result of any act, omission or decision in performance of his duties as specifically required by sections 376.960 to 376.989. Such immunity shall not attach for any intentional or reckless act affecting the property or rights of any person.**]**

[376.966. 1. No employee shall involuntarily lose his or her group coverage by decision of his or her employer on the grounds that such employee may subsequently enroll in the pool. The department shall have authority to promulgate rules and regulations to enforce this subsection.

2. Prior to January 1, 2014, the following individual persons shall be eligible for coverage under the pool if they are and continue to be residents of this state:

(1) An individual person who provides evidence of the following:

(a) A notice of rejection or refusal to issue substantially similar health insurance for health reasons by at least two insurers; or

(b) A refusal by an insurer to issue health insurance except at a rate exceeding the plan rate for substantially similar health insurance;

(2) A federally defined eligible individual who has not experienced a significant break in coverage;

(3) A trade act eligible individual;

(4) Each resident dependent of a person who is eligible for plan coverage;

(5) Any person, regardless of age, that can be claimed as a dependent of a trade act eligible individual on such trade act eligible individual's tax filing;

(6) Any person whose health insurance coverage is involuntarily terminated for any reason other than nonpayment of premium or fraud, and who is not otherwise ineligible under subdivision (4) of subsection 3 of this section. If application for pool coverage is made not later than sixty-three days after the involuntary termination, the effective date of the coverage shall be the date of termination of the previous coverage;

(7) Any person whose premiums for health insurance coverage have increased above the rate established by the board under paragraph (a) of subdivision (1) of subsection 3 of this section;

(8) Any person currently insured who would have qualified as a federally defined eligible individual or a trade act eligible individual between the effective date of the federal Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the effective date of this act.

3. The following individual persons shall not be eligible for coverage under the pool:

(1) Persons who have, on the date of issue of coverage by the pool, or obtain coverage under health insurance or an insurance arrangement substantially similar to or more comprehensive than a plan policy, or would be eligible to have coverage if the person elected to obtain it, except that:

(a) This exclusion shall not apply to a person who has such coverage but whose premiums have increased to one hundred fifty percent to two hundred percent of rates established by the board as applicable for individual standard risks;

(b) A person may maintain other coverage for the period of time the person is satisfying any preexisting condition waiting period under a pool policy; and

(c) A person may maintain plan coverage for the period of time the person is satisfying a preexisting condition waiting period under another health insurance policy intended to replace the pool policy;

(2) Any person who is at the time of pool application receiving health care benefits under section 208.151;

(3) Any person having terminated coverage in the pool unless twelve months have elapsed since such termination, unless such person is a federally defined eligible individual;

(4) Any person on whose behalf the pool has paid out one million dollars in benefits;

(5) Inmates or residents of public institutions, unless such person is a federally defined eligible individual, and persons eligible for public programs;

(6) Any person whose medical condition which precludes other insurance coverage is directly due to alcohol or drug abuse or self-inflicted injury, unless such person is a federally defined eligible individual or a trade act eligible individual;

(7) Any person who is eligible for Medicare coverage.

4. Any person who ceases to meet the eligibility requirements of this section may be terminated at the end of such person's policy period.

5. If an insurer issues one or more of the following or takes any other action based wholly or partially on medical underwriting considerations which is likely to render any person eligible for pool coverage, the insurer shall notify all persons affected of the existence of the pool, as well as the eligibility requirements and methods of applying for pool coverage:

(1) A notice of rejection or cancellation of coverage;

(2) A notice of reduction or limitation of coverage, including restrictive riders, if the effect of the reduction or limitation is to substantially reduce coverage compared to the coverage available to a person considered a standard risk for the type of coverage provided by the plan.

6. Coverage under the pool shall expire on January 1, 2014.**]**

[376.968. The board shall select an insurer, insurers, or third-party administrators through a competitive bidding process to administer the pool. The board shall evaluate bids submitted based on criteria established by the board which shall include:

(1) The insurer's proven ability to handle individual accident and health insurance;

(2) The efficiency of the insurer's claim-paying procedures;

(3) An estimate of total charges for administering the plan;

(4) The insurer's ability to administer the pool in a cost-efficient manner.**]**

[376.970. 1. The administering insurer shall serve for a period of three years subject to removal for cause. At least one year prior to the expiration of each three-year period of service by an administering insurer, the board shall invite all insurers, including the current administering insurer, to submit bids to serve as the administering insurer for the succeeding three-year period. Selection of the administering insurer for the succeeding period shall be made at least six months prior to the end of the current three-year period.

2. The administering insurer shall:

(1) Perform all eligibility and administrative claim-payment functions relating to the pool;

(2) Establish a premium billing procedure for collection of premium from insured persons. Billings shall be made on a period basis as determined by the board;

(3) Perform all necessary functions to assure timely payment of benefits to covered persons under the pool including:

(a) Making available information relating to the proper manner of submitting a claim for benefits to the pool and distributing forms upon which submission shall be made;

(b) Evaluating the eligibility of each claim for payment by the pool;

(4) Submit regular reports to the board regarding the operation of the pool. The frequency, content and form of the report shall be determined by the board;

(5) Following the close of each calendar year, determine net written and earned premiums, the expense of administration, and the paid and incurred losses for the year and report this information to the board and the department on a form prescribed by the director;

(6) Be paid as provided in the plan of operation for its expenses incurred in the performance of its services.

3. On or before September 1, 2013, the board shall invite all insurers and third-party administrators, including the current administering insurer, to submit bids to serve as the administering insurer or third-party administrator for the pool. Selection of the administering insurer or third-party administrator shall be made prior to January 1, 2014.

4. Beginning January 1, 2014, the administering insurer or third-party administrator shall:

(1) Submit to the board and director a detailed plan outlining the winding down of operations of the pool. The plan shall be submitted no later than January 31, 2014, and shall be updated quarterly thereafter;

(2) Perform all administrative claim-payment functions relating to the pool;

(3) Perform all necessary functions to assure timely payment of benefits to covered persons under the pool including:

(a) Making available information relating to the proper manner of submitting a claim for benefits to the pool and distributing forms upon which submission shall be made;

(b) Evaluating the eligibility of each claim for payment by the pool;

(4) Submit regular reports to the board regarding the operation of the pool. The frequency, content and form of the report shall be determined by the board;

(5) Following the close of each calendar year, determine the expense of administration, and the paid and incurred losses for the year, and report such information to the board and department on a form prescribed by the director;

(6) Be paid as provided in the plan of operation for its expenses incurred in the performance of its services.**]**

[376.973. 1. Following the close of each fiscal year, the pool administrator shall determine the net premiums (premiums less administrative expense allowances), the pool expenses of administration and the incurred losses for the year, taking into account investment income and other appropriate gains and losses. Health insurance premiums and benefits paid by an insurance arrangement that are less than an amount determined by the board to justify the cost of collection shall not be considered for purposes of determining assessments. The total cost of pool operation shall be the amount by which all program expenses, including pool expenses of administration, incurred losses for the year, and other appropriate losses exceeds all program revenues, including net premiums, investment income, and other appropriate gains.

2. Each insurer's assessment shall be determined by multiplying the total cost of pool operation by a fraction, the numerator of which equals that insurer's premium and subscriber contract charges for health insurance written in the state during the preceding calendar year and the denominator of which equals the total of all premiums, subscriber contract charges written in the state and one hundred ten percent of all claims paid by insurance arrangements in the state during the preceding calendar year; provided, however, that the assessment for each health maintenance organization shall be determined through the application of an equitable formula based upon the value of services provided in the preceding calendar year.

3. Each insurance arrangement's assessment shall be determined by multiplying the total cost of pool operation calculated under subsection 1 of this section by a fraction, the numerator of which equals one hundred ten percent of the benefits paid by that insurance arrangement on behalf of insureds in this state during the preceding calendar year and the denominator of which equals the total of all premiums, subscriber contract charges and one hundred ten percent of all benefits paid by insurance arrangements made on behalf of insureds in this state during the preceding calendar year. Insurance arrangements shall report to the

board claims payments made in this state on an annual basis on a form prescribed by the director.

4. If assessments exceed actual losses and administrative expenses of the pool, the excess shall be held at interest and used by the board to offset future losses or to reduce pool premiums. As used in this subsection, "future losses" include reserves for incurred but not paid claims.

5. Assessments shall continue until such a time as the executive director of the pool provides notice to the board and director that all claims have been paid.

6. Any assessment funds remaining at the time the executive director provides notice that all claims have been paid shall be deposited in the state general revenue fund.**]**

[376.975. Each member's proportion of participation in the pool shall be determined annually by the board based on annual statements and other reports deemed necessary by the board and filed by the member with it. Any deficit incurred by the pool shall be recouped by assessments apportioned as provided in subsections 1, 2, and 3 of section 376.973 by the board among members. The amount of assessments incurred by each member of the pool shall be allowed as an offset against certain taxes, and shall be subject to certain limitations, as follows: Each pool member subject to chapter 148 may deduct from premium taxes payable for any calendar year to the state any and all assessments paid for the same year pursuant to sections 376.960 to 376.989. All assessments, for a fiscal year, shall not exceed the net premium tax due and payable by such member in the previous year. If the assessment exceeds any premium tax due or payable in such year, the excess shall be a credit or offset carried forward against any premium tax due or payable in succeeding years until the excess is exhausted.**]**

[376.978. The director of revenue shall determine the difference between the amount of money the state treasurer, pursuant to sections 148.350 and 148.380, is required to credit to the county foreign insurance tax fund under the provisions of sections 376.960 to 376.989 and the amount of money the state treasurer, pursuant to sections 148.350 and 148.380, would be required to credit to the county foreign insurance tax fund if sections 376.960 to 376.989 were not law. If the director determines that sections 376.960 to 376.989 reduce the amount of money that will be credited to the county foreign insurance tax fund, then the director shall inform the state treasurer of such amount and, notwithstanding sections 148.350 and 148.380, the state treasurer shall reimburse the county foreign insurance tax fund in an amount equal to such difference by reducing by the same amount the portion that would otherwise be credited to the general revenue fund.**]**

[376.980. Each pool member exempt from chapter 148 shall be allowed to offset against any sales or use tax on purchases due, paid, or payable in the calendar year in which such assessments are made. Further, such assessment, for any fiscal year, shall not exceed one percent of nongroup premium income, exclusive of Medicare supplement programs, received in the previous year. If the assessment exceeds the part of any sales tax or use tax due or payable in such year, the excess shall be a credit or offset carried forward against the part of any sales tax or use tax due or payable in succeeding years until the excess is exhausted. The director of revenue, in consultation with the board, shall promulgate and enforce reasonable rules and regulations and prescribe forms for the administration and enforcement of this law.**]**

[376.982. No rule or portion of a rule promulgated under the authority of this chapter shall become effective unless it has been promulgated pursuant to the provisions of section 536.024.**]**

[376.984. The board may abate or defer, in whole or in part, the assessment of a member if, in the opinion of the board, payment of the assessment would endanger the ability of the member to fulfill its contractual obligations. In the event an assessment against a member is abated or deferred in whole or in part, the amount by which such assessment is abated or deferred may be assessed against the other members in a manner consistent with the basis for assessment set forth in subsections 1, 2, and 3 of section 376.973. The member receiving such abatement or deferment shall remain liable to the pool for the deficiency for four years.**]**

[376.986. 1. The pool shall offer major medical expense coverage to every person eligible for coverage under section 376.966. The coverage to be issued by the pool and its schedule of benefits, exclusions and other limitations, shall be established by the board with the advice and recommendations of the pool members, and such plan of pool coverage shall be submitted to the director for approval. The pool shall also offer coverage for drugs and supplies requiring a medical prescription and coverage for patient education services, to be provided at the direction of a physician, encompassing the provision of information, therapy, programs, or other services on an inpatient or outpatient basis, designed to restrict, control, or otherwise cause remission of the covered condition, illness or defect.

2. In establishing the pool coverage the board shall take into consideration the levels of health insurance provided in this state and medical economic factors as may be deemed appropriate, and shall promulgate benefit levels, deductibles, coinsurance factors, exclusions and limitations determined to be generally reflective of and commensurate with health insurance provided through a representative number of insurers in this state.

3. The pool shall establish premium rates for pool coverage as provided in subsection 4 of this section. Separate schedules of premium rates based on age, sex and geographical location may apply for individual risks. Premium rates and schedules shall be submitted to the director for approval prior to use.

4. The pool, with the assistance of the director, shall determine the standard risk rate by considering the premium rates charged by other insurers offering health insurance coverage to individuals. The standard risk rate shall be established using reasonable actuarial techniques and shall reflect anticipated experience and expenses for such coverage. Initial rates for pool coverage shall not be less than one hundred twenty-five percent of rates established as applicable for individual standard risks. Subject to the limits provided in this subsection, subsequent rates shall be established to provide fully for the expected costs of claims including recovery of prior losses, expenses of operation, investment income of claim reserves, and any other cost factors subject to the limitations described herein. In no event shall pool rates exceed the following:

(1) For federally defined eligible individuals and trade act eligible individuals, rates shall be equal to the percent of rates applicable to individual standard risks actuarially determined to be sufficient to recover the sum of the cost of benefits paid under the pool for federally defined and trade act eligible individuals plus the proportion of the pool's administrative expense applicable to federally defined and trade act eligible individuals enrolled for pool coverage, provided that such rates shall not exceed one hundred fifty percent of rates applicable to individual standard risks; and

(2) For all other individuals covered under the pool, one hundred fifty percent of rates applicable to individual standard risks.

5. Pool coverage established pursuant to this section shall provide an appropriate high and low deductible to be selected by the pool applicant. The deductibles and coinsurance factors may be adjusted annually in accordance with the medical component of the consumer price index.

6. Pool coverage shall exclude charges or expenses incurred during the first twelve months following the effective date of coverage as to any condition for which medical advice, care or treatment was recommended or received as to such condition during the six-month period immediately preceding the effective date of coverage. Such preexisting condition exclusions shall be waived to the extent to which similar exclusions, if any, have been satisfied under any prior health insurance coverage which was involuntarily terminated, if application for pool coverage is made not later than sixty-three days following such involuntary termination and, in such case, coverage in the pool shall be effective from the date on which such prior coverage was terminated.

7. No preexisting condition exclusion shall be applied to the following:

(1) A federally defined eligible individual who has not experienced a significant gap in coverage; or

(2) A trade act eligible individual who maintained creditable health insurance coverage for an aggregate period of three months prior to loss of employment and who has not experienced a significant gap in coverage since that time.

8. Benefits otherwise payable under pool coverage shall be reduced by all amounts paid or payable through any other health insurance, or insurance arrangement, and by all hospital and medical expense benefits paid or payable under any workers' compensation coverage, automobile medical payment or liability insurance whether provided on the basis of fault or nonfault, and by any hospital or medical benefits paid or payable under or provided pursuant to any state or federal law or program except Medicaid. The insurer or the pool shall have a cause of action against an eligible person for the recovery of the amount of benefits paid which are not for covered expenses. Benefits due from the pool may be reduced or refused as a setoff against any amount recoverable under this subsection.

9. Medical expenses shall include expenses for comparable benefits for those who rely solely on spiritual means through prayer for healing.**]**

[376.987. 1. The board shall offer to all eligible persons for pool coverage under section 376.966 the option of receiving health insurance coverage through a high-deductible health plan and the establishment of a health savings account. In order for a qualified individual to obtain a high-deductible health plan through the pool, such individual shall present evidence, in a manner prescribed by regulation, to the board that he or she has established a health savings account in compliance with 26 U.S.C. Section 223, and any amendments and regulations promulgated thereto.

2. As used in this section, the term "health savings account" shall have the same meaning ascribed to it as in 26 U.S.C. Section 223(d), as amended. The term "high-deductible health plan" shall mean a policy or contract of health insurance or health care plan that meets the criteria established in 26 U.S.C. Section 223(c)(2), as amended, and any regulations promulgated thereunder.

3. The board is authorized to promulgate rules and regulations for the administration and implementation of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void.**]**

[376.989. Neither the participation in the pool as members, the establishment of rates, forms or procedures, nor any other joint or collective action required or permitted by the provisions of sections 376.960 to 376.989 shall be the basis of any legal action, criminal or civil liability or penalty against the pool, the pool administrator, the board or any of its members, or pool employees, contractors, or consultants, or any of its members.**]**

[376.1192. 1. As used in this section, "health benefit plan" and "health carrier" shall have the same meaning as such terms are defined in section 376.1350.

2. Beginning September 1, 2013, the oversight division of the joint committee on legislative research shall perform an actuarial analysis of the cost impact to health carriers, insureds with a health benefit plan, and other private and public payers if state mandates were enacted to provide health benefit plan coverage for the following:

(1) Orally administered anticancer medication that is used to kill or slow the growth of cancerous cells charged at the same co-payment, deductible, or coinsurance amount as intravenously administered or injected cancer medication that is provided, regardless of formulation or benefit category determination by the health carrier administering the health benefit plan;

(2) Diagnosis and treatment of eating disorders that include anorexia nervosa, bulimia, binge eating, eating disorders nonspecified, and any other severe eating disorders contained in the most recent version of the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association. The actuarial analysis shall assume the following are included in health benefit plan coverage:

(a) Residential treatment for eating disorders, if such treatment is medically necessary in accordance with the Practice Guidelines for the Treatment of Patients with Eating Disorders, as most recently published by the American Psychiatric Association; and

(b) Access to medical treatment that provides coverage for integrated care and treatment as recommended by medical and mental health care professionals, including but not limited to psychological services, nutrition counseling, physical therapy, dietician services, medical monitoring, and psychiatric monitoring.

3. By December 31, 2013, the director of the oversight division of the joint committee on legislative research shall submit a report of the actuarial findings prescribed by this section to the speaker of the house of representatives, the president pro tempore of the senate, and the chairpersons of the house of representatives committee on health insurance and the senate small business, insurance and industry committee, or the committees having jurisdiction over health insurance issues if the preceding committees no longer exist.

4. For the purposes of this section, the actuarial analysis of health benefit plan coverage shall assume that such coverage:

(1) Shall not be subject to any greater deductible or co-payment than other health care services provided by the health benefit plan; and

(2) Shall not apply to a supplemental insurance policy, including a life care contract, accident-only policy, specified disease policy, hospital policy providing a fixed daily benefit only, Medicare supplement policy, long-term care policy, short-term major medical policies of six months' or less duration, or any other supplemental policy.

5. The cost for each actuarial analysis shall not exceed thirty thousand dollars and the oversight division of the joint committee on legislative research may utilize any actuary contracted to perform services for the Missouri consolidated health care plan to perform the analysis required under this section.

6. The provisions of this section shall expire on December 31, 2013.**]**

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