

Under this heading will appear the text of proposed rules and changes. The notice of proposed rulemaking is required to contain an explanation of any new rule or any change in an existing rule and the reasons therefor. This is set out in the Purpose section with each rule. Also required is a citation to the legal authority to make rules. This appears following the text of the rule, after the word "Authority."

Entirely new rules are printed without any special symbology under the heading of the proposed rule. If an existing rule is to be amended or rescinded, it will have a heading of proposed amendment or proposed rescission. Rules which are proposed to be amended will have new matter printed in boldface type and matter to be deleted placed in brackets.

An important function of the *Missouri Register* is to solicit and encourage public participation in the rule-making process. The law provides that for every proposed rule, amendment or rescission there must be a notice that anyone may comment on the proposed action. This comment may take different forms.

If an agency is required by statute to hold a public hearing before making any new rules, then a Notice of Public Hearing will appear following the text of the rule. Hearing dates must be at least thirty (30) days after publication of the notice in the *Missouri Register*. If no hearing is planned or required, the agency must give a Notice to Submit Comments. This allows anyone to file statements in support of or in opposition to the proposed action with the agency within a specified time, no less than thirty (30) days after publication of the notice in the *Missouri Register*.

An agency may hold a public hearing on a rule even though not required by law to hold one. If an agency allows comments to be received following the hearing date, the close of comments date will be used as the beginning day in the ninety (90)-day-count necessary for the filing of the order of rulemaking.

If an agency decides to hold a public hearing after planning not to, it must withdraw the earlier notice and file a new notice of proposed rulemaking and schedule a hearing for a date not less than thirty (30) days from the date of publication of the new notice.

Proposed Amendment Text Reminder:

Boldface text indicates new matter.

[Bracketed text indicates matter being deleted.]

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 150—State Board of Registration for the
Healing Arts
Chapter 2—Licensing of Physicians and Surgeons**

PROPOSED AMENDMENT

4 CSR 150-2.030 Licensing by Reciprocity. The board is proposing to delete the forms that immediately follow this rule in the *Code of State Regulations*.

PURPOSE: This amendment deletes the forms that immediately follow this rule in the Code of State Regulations.

AUTHORITY: section 334.125, RSMo [Supp. 1995] 2000. This version of rule filed Dec. 19, 1975, effective Dec. 29, 1975.

Amended: Filed Jan. 13, 1982, effective April 11, 1982. Amended: Filed Dec. 23, 1988, effective May 1, 1989. Amended: April 15, 1996, effective Nov. 30, 1996. Amended: Filed April 30, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Board of Healing Arts, Tina Steinman, Executive Director, PO Box 4, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 150—State Board of Registration for the
Healing Arts
Chapter 2—Licensing of Physicians and Surgeons**

PROPOSED AMENDMENT

4 CSR 150-2.040 Application Forms. The board is proposing to delete the forms that immediately follow this rule in the *Code of State Regulations*.

PURPOSE: This amendment deletes the forms that immediately follow this rule in the Code of State Regulations.

AUTHORITY: section 334.125, RSMo [Supp. 1995] 2000. Original rule filed Dec. 19, 1975, effective Dec. 29, 1975. Amended: Filed July 3, 1989, effective Dec. 1, 1989. Amended: Filed Jan. 3, 1991, effective June 10, 1991. Amended: Filed April 15, 1996, effective Nov. 30, 1996. Amended: Filed April 30, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Board of Healing Arts, Tina Steinman, Executive Director, PO Box 4, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 150—State Board of Registration for the
Healing Arts
Chapter 2—Licensing of Physicians and Surgeons**

PROPOSED AMENDMENT

4 CSR 150-2.060 Temporary Licenses. The board is proposing to delete the forms that immediately follow this rule in the *Code of State Regulations*.

PURPOSE: This amendment deletes the forms that immediately follow this rule in the Code of State Regulations.

AUTHORITY: section 334.125, RSMo [Supp. 1995] 2000. Original rule filed Dec. 19, 1975, effective Dec. 29, 1975. For intervening history, please consult the Code of State Regulations. Amended: Filed April 30, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Board of Healing Arts, Tina Steinman, Executive Director, PO Box 4, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

Title 4—DEPARTMENT OF ECONOMIC DEVELOPMENT

Division 150—State Board of Registration for the Healing Arts

Chapter 2—Licensing of Physicians and Surgeons

PROPOSED AMENDMENT

4 CSR 150-2.155 Limited License. The board is proposing to delete the forms that immediately follow this rule in the *Code of State Regulations*.

PURPOSE: This amendment deletes the forms that immediately follow this rule in the Code of State Regulations.

AUTHORITY: section 334.112, RSMo [Supp. 1993] 2000. Original rule filed May 3, 1994, effective Sept. 30, 1994. Amended: Filed April 30, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Board of Healing Arts, Tina Steinman, Executive Director, PO Box 4, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

Title 4—DEPARTMENT OF ECONOMIC DEVELOPMENT

Division 150—State Board of Registration for the Healing Arts

Chapter 4—Licensing of Speech-Language Pathologists and Audiologists

PROPOSED AMENDMENT

4 CSR 150-4.010 Applications for Licensure. The board is proposing to delete the forms that immediately follow this rule in the *Code of State Regulations*.

PURPOSE: This amendment deletes the forms that immediately follow this rule in the Code of State Regulations.

AUTHORITY: sections 345.015, 345.030, 345.050, 345.055 and 345.065, RSMo [Supp. 1998] 2000. Original rule filed Dec. 19, 1975, effective Dec. 29, 1975. For intervening history, please consult the Code of State Regulations. Amended: Filed April 30, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Board of Healing Arts, Tina Steinman, Executive Director, PO Box 4, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

Title 4—DEPARTMENT OF ECONOMIC DEVELOPMENT

Division 150—State Board of Registration for the Healing Arts

Chapter 4—Licensing of Speech-Language Pathologists and Audiologists

PROPOSED AMENDMENT

4 CSR 150-4.060 Fees. The board is proposing to add new subsections (1)(E), (2)(D), (3)(C) and (4)(D).

PURPOSE: This amendment allows the board to implement a fee to be paid by the licensee for a returned check.

(1) The following fees are established by the Advisory Commission for Speech-Language Pathologists and Audiologists and are payable in the form of a cashier's check or money order:

(E) Returned Check Fee \$25.00

(2) The following fees apply to speech-language pathology and audiology aides:

(D) Returned Check Fee \$25.00

(3) The following fees apply to speech-language pathology and audiology provisional licensees:

(C) Returned Check Fee \$25.00

(4) The following fees apply to speech-language pathology assistants:

(D) Returned Check Fee \$25.00

AUTHORITY: sections 345.015, 345.022, 345.030, 345.045, 345.051 and 345.055, RSMo 2000. Original rule filed July 1, 1988, effective Oct. 27, 1988. For intervening history, please consult the Code of State Regulations. Amended: Filed April 30, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri State Board of Healing Arts, Attn: Tina Steinman, Executive Director, 3605 Missouri Boulevard, PO Box 4, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 150—State Board of Registration for the
Healing Arts
Chapter 6—Registration of Athletic Trainers**

PROPOSED AMENDMENT

4 CSR 150-6.050 Fees. The board is proposing to add a new subsection (1)(F).

PURPOSE: This amendment allows the board to implement a fee to be paid by the licensee for a returned check.

(1) The following fees are established by the State Board of Registration for the Healing Arts:

(A) Registration With Examination Fee	\$150.00[;]
(B) Registration Fee	\$100.00[;]
(C) Renewal Fee	\$ 50.00[;]
(D) Reinstatement Fee	\$ 10.00[; and]
(E) Endorsement Fee	\$ 25.00[.]
(F) Returned Check Fee	\$25.00

AUTHORITY: sections 334.125 and 334.706.3(2), RSMo [1986] 2000. Emergency rule filed April 5, 1985, effective April 15, 1985, expired Aug. 13, 1985. Original rule filed May 3, 1985, effective Aug. 15, 1985. Amended: Filed Sept. 15, 1988, effective Jan. 1, 1988. Amended: Filed April 30, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri State Board of Healing Arts, Attn: Tina Steinman, Executive Director, 3605 Missouri Boulevard, PO Box 4, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 150—State Board of Registration for the
Healing Arts
Chapter 7—Physician Assistants**

PROPOSED AMENDMENT

4 CSR 150-7.200 Fees. The board is proposing to add a new subsection (1)(G).

PURPOSE: This amendment allows the board to implement a fee to be paid by the licensee for a returned check.

(1) The following fees are established by the Missouri State Board of Registration for the Healing Arts in conjunction with the director of the Division of Professional Registration:

(F) Temporary Licensure Renewal Fee	\$ 50.00[.]
(G) Returned Check Fee	\$25.00

AUTHORITY: sections 334.125, 334.735, 334.736, 334.738 and 334.743, RSMo [Supp. 1999] 2000. Emergency rule filed Sept. 15, 1992, effective Sept. 25, 1992, expired Jan. 22, 1993. Original rule filed April 2, 1992, effective Dec. 3, 1992. Amended: Filed April 16, 1996, effective Nov. 30, 1996. Amended: Filed July 25, 2000, effective Dec. 30, 2000. Amended: Filed April 30, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri State Board of Healing Arts, Attn: Tina Steinman, Executive Director, 3605 Missouri Boulevard, PO Box 4, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 150—State Board of Registration for the
Healing Arts
Chapter 8—Licensing of Clinical Perfusionists**

PROPOSED AMENDMENT

4 CSR 150-8.060 Fees. The board is proposing to add a new subsection (1)(I).

PURPOSE: This amendment allows the board to implement a fee to be paid by the licensee for a returned check.

(1) The following fees are established by the State Board of Registration for the Healing Arts:

(I) Returned Check Fee	\$25.00
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(2) All fees are nonrefundable.

AUTHORITY: section 324.159, RSMo 2000. Original rule filed Dec. 2, 1998, effective June 30, 1999. Amended: Filed April 13, 2001, effective Oct. 30, 2001. Amended: Filed April 30, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri State Board of Healing Arts, Attn: Tina Steinman, Executive Director, 3605 Missouri Boulevard, PO Box 4, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 9—DEPARTMENT OF MENTAL HEALTH
Division 10—Director, Department of Mental Health
Chapter 1—Organization and Description**

PROPOSED AMENDMENT

9 CSR 10-1.010 General Organization. The department proposes to amend sections (4), (5), and (8), and to remove sections (6) and (9).

PURPOSE: This amendment will update language, clarify responsibilities, note changes in the areas of responsibilities within the department, remove material not descriptive of the organization of the department, and reflect name change from the Office of Departmental Affairs to the Office of Quality Management.

(4) The department service delivery system is divided into the following three (3) divisions as described in other rules of this title: the Division of Alcohol and Drug Abuse, the Division of Comprehensive Psychiatric Services and the Division of Mental Retardation and Development Disabilities.

(A) The Division of Alcohol and Drug Abuse plans and funds prevention, treatment and rehabilitation programs for persons who have alcohol or chemical dependencies. It provides community-based funding for prevention, outpatient, residential and detoxification services. The division also provides technical assistance to agencies and *[operates a certification program that]* sets standards for treatment programs, qualified professionals and alcohol and drug-related educational programs. The division also provides outpatient treatment services to compulsive gamblers and their families. The division's phone number is (573) 751-4942.

(B) *[The Division of Comprehensive Psychiatric Services directly operates eleven (11) facilities that provide services including inpatient treatment, acute care, services for children, forensic services and outpatient services. In addition, private not-for-profit mental health agencies contract with the department to provide services. The division also provides and monitors residential placements for persons with mental illness. Intermediate and long-term inpatient care are provided on a regional basis by the state psychiatric hospitals. Similarly, children and youth inpatient programs are available through state-operated children's hospitals on a regional basis. Residential programs are purchased predominantly through private agencies. The division's phone number is (573) 751-8017.]* The Division of Comprehensive Psychiatric Services has three (3) primary roles in the delivery of public sector psychiatric services. As a direct provider of services, the division operates eleven (11) facilities that provide acute and long-term inpatient psychiatric care of adults and children, inpatient forensic services, and a specialized treatment center for civilly committed sex offenders. In its role as purchaser and regulator, the division contracts with private not-for-profit mental health agencies to provide a comprehensive range of community-based psychiatric services and supports for adults and children. For persons with mental illness who require housing assistance and supports, the division authorizes service delivery through contracts with privately operated residential providers across the state. Standards and outcomes for community-based and residential service delivery as well as financial performance requirements are codified in policies, regulation, rules, and contracts. These accountability requirements are monitored periodically by division and department staff conducting on-site reviews and analysis of financial and service delivery encounters and outcomes.

(C) The Division of Mental Retardation and Developmental Disabilities serves a population that has such developmental disabilities as mental retardation, cerebral palsy, head injury, autism, epilepsy and *[certain learning disabilities.]* **other related dis-**

abilities. Mental retardation must have occurred before age eighteen (18) while all other *[These]* conditions must have been manifested before age twenty-two (22) with the expectation that they will *[continue]* be life-long. To be eligible for services from the division, persons with these disabilities must *[be substantially limited in their ability to function independently]* have substantial functional limitations in two (2) or more of the following areas of major life activities: self-care, communication, learning, decision-making, capacity for independent living, and mobility. This division's primary mission is to *[help improve the lives of]* assist persons with developmental disabilities through programs and services to enable those persons to live independently and productively, given their individual needs and capabilities. The division achieves its mission through a statewide system of seventeen (17) state-operated facilities that provide or purchase specialized services. The eleven (11) regional centers form the framework for the system, backed by six (6) habilitation centers that provide residential care and habilitation services for *[more severely disabled persons]* **people with the most severe disabilities.** The regional centers, the primary points of entry into the system, provide assessment and case management services. The centers also provide oversight for *[community placement facilities, habilitation programs and other services funded or licensed by the department]* and **quality enhancement support for programs/services funded by the division.** *[The division's phone number is (573) 751-4054.]*

(5) The department provides administrative and technical support for the entire department and its divisions through the following units[:].

(A) *[The Office of Administration provides technical and fiscal assistance for a department that operates twenty-eight (28) facilities and a central office that contracts with more than four thousand (4,000) private agencies or individuals that provide services in the community. The office's services include capital improvements and general services, contracts management, reimbursements, dietetic services coordination, budget management and fiscal management. The Office of Administration's phone number is (573) 751-4055;]* The Office of Administration, headed by the department's deputy director for administration, provides a range of administrative and financial services to help the department achieve effective results. The office's services can be divided into the following areas:

1. Fiscal management accounts for all funds, manages expenditures and produces fiscal summaries, analyses, and reports;
2. Capitol improvements/general services provides guidance on construction, maintenance and repair for twenty-seven (27) state-owned facilities, and coordinates leases;
3. Contracts management secures more than four thousand five hundred (4,500) private agencies or individuals to provide services in the community;
4. Reimbursements collects payments from private insurance, Medicaid and Medicare, and private pay for department services;
5. Budget services develops and monitors the annual operating and lease budgets and oversees spending plans;
6. Revenue management maximizes all available revenue streams to effectively manage financial resources; and
7. Dietetic services coordinates services to dietitians in the state facilities and provides department-wide consultation of food management and nutrition.

(B) *[The Office of Departmental Affairs is responsible for department-wide functions in support of department services, division offices and other support offices; coordinating and implementing quality improvement processes to enhance services to clients through survey of programs*

and consultation to agencies; providing technical assistance in and development of major federal and state initiatives; coordinating department implementation of and support for the Americans with Disabilities Act; providing internal and external audits; providing investigations and consulting services to the divisions regarding client deaths and serious injury or risk; and collaborating with national public policy agencies, consumer associations and industry groups to enhance mental health care systems. The Office of Departmental Affairs' phone number is (573) 751-7779;] **The Office of Quality Management is currently responsible for a myriad of department-wide and statewide functions in support of the department director's office, the three (3) direct client care divisions and the other support offices. Those functions serve to coordinate and implement quality improvement processes to enhance division services to clients through the following mechanisms:**

1. Survey, licensure and certification of facilities and treatment programs, including technical assistance;
2. Technical assistance to and staff support of major federal and state initiatives;
3. Internal and external audit services, related to compliance, financial, and performance reviews;
4. Abuse and neglect investigations and associated technical assistance for local investigations;
5. Direction and coordination of continuous quality improvement (CQI) and outcomes evaluation processes, including annual customer satisfaction survey, web-based reporting of results and other departmental outcome/performance based data collection and reporting;
6. Appeals and hearings for administrative due process;
7. Coordination of the department's regulatory and records management processes;
8. Statewide coordination of the department's emergency management response; and
9. Medical/clinical quality assurance and health care policy consultation to the department's management and facility operations.

(C) The Office of Human Resources is responsible for supplying administrative support for employment, [employee] labor relations, recruitment, compensation management and affirmative action. The office maintains and analyzes the staff information system to assist in management decisions. The Office of Human Resources' phone number is (573) 751-4991[;].

(D) The Office of Information Systems is responsible for [the development, operation and coordination of the department's computer information systems. These include clinical systems as well as financial and administrative applications. The Office of Information Systems' phone number is (573) 751-9128; and] identifying and providing information technology and communication solutions for the department. In this role it advises, procures, develops, implements, operates and coordinates computer and communications systems for the department and for the department's facilities. These systems include telephone and data services, clinical and financial information systems, and reporting and decision support functions.

(F) The Office of Consumer Affairs provides consumer and family views in policy making, aids in access to services, and ensures that client rights are protected. The phone number of the Office of Consumer Affairs is (573) 751-8093, the number of the client rights monitor is (573) 751-8088, with both accessed through the department at 1-800-364-9687.

[[6] The Professional Review Committee was created by law in 1980 to review, report and make recommendations to the department director on any research involving people served by the department. This committee consists of

ten (10) members, appointed by the director to represent the fields of medicine, pharmacology, behavioral sciences, biomedical science, philosophy of science, and bioethics.]

[[7]](6) [As set out in section 630.050, RSMo, the department shall promulgate rules by filing them with the secretary of state prescribing policies or standards which affect charging, funding and licensing procedures of residential facilities, day programs and specialized services available to the public. The department shall adopt department-wide operating regulations concerning only its internal management. Each facility shall adopt policies concerning only its internal management. The rules and policies are available at the department central office or residential facilities for public inspection and review.] In accordance with various authorizing statutes, the department shall promulgate rules by filing them with the secretary of state prescribing policies or standards which affect costs of service, quality assurance for providers and external business associates, contracts and funding for purchased services, and other relevant requirements associated with federal law. The department shall also adopt department-wide operating regulations concerning its internal management. Each facility shall adopt policies that are directly relevant only to its own operations. Rules are available at the department central office for public inspection and review, as well as online at the department's website <http://www.modmh.state.mo.us/homeinfo/deptregs.html>.

[[8]](7) [Pursuant to section 610.023, RSMo, the director has appointed the executive I in the Office of Departmental Affairs as the custodian responsible for the maintenance of the Department of Mental Health's records. The executive I is located at the offices of the Department of Mental Health, 1706 East Elm Street, P.O. Box 687, Jefferson City, MO 65102. Further information regarding the release of information on any meeting, record or vote is available from the executive I. The executive I shall also provide information on charges for furnishing copies of records, timelines for producing records and assistance for persons with disabilities, for example, large print or Braille materials.] A records custodian, appointed by the department director, is responsible for the maintenance of the department's records. Procedures for the release of information on any meeting, record or vote is available from the records custodian directly, located at the Department of Mental Health, 1706 East Elm Street, PO Box 687, Jefferson City, MO 65102. Requests may also be made online from the department's website <http://www.modmh.state.mo.us/homeinfo/records/>. The records custodian shall also provide information on charges for record copying, timelines for producing records and assistance for persons with disabilities, for example, large print or Braille materials.

[[9] The public may obtain information or make submissions or requests from and to the director of the Department of Mental Health, 1706 East Elm Street, P.O. Box 687, Jefferson City, MO 65102. Phone (573) 751-4122. Business hours are from 8:00 a.m. to 5:00 p.m. Monday through Friday.]

AUTHORITY: sections 536.023 [RSMo 1994] and 630.050, RSMo [(Cum. Supp. 1996)] 2000. Original rule filed April 8, 1976, effective July 12, 1976. Rescinded and readopted: Filed April 14, 1981, effective Aug. 17, 1981. Amended: Filed May 25, 1995, effective Nov. 30, 1995. Amended: Filed July 1, 1997, effective Dec. 30, 1997. Amended: Filed April 17, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Mental Health, Attn: Richard Overmann, Program Coordinator, Office of Quality Management, PO Box 687, Jefferson City, MO 65102. Comments may also be sent by e-mail to regulation@mail.dmh.state.mo.us. To be considered comments must be in writing and must be received within thirty (30) days after publication in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 45—Missouri Gaming Commission
Chapter 3—Records**

PROPOSED AMENDMENT

11 CSR 45-3.010 Commission Records. The commission is amending section (1).

PURPOSE: This amendment allows commission records to be maintained in any commission office in the state.

(1) All records of the commission shall be maintained by the custodian of records at [its office] one (1) or more of the commission's offices in Jefferson City, [Missouri.] St. Louis, Kansas City or the commission's office at each gaming facility.

AUTHORITY: sections 313.004, 313.805 and 313.847, RSMo 2000. Emergency rule filed Sept. 1, 1993, effective Sept. 20, 1993, expired Jan. 17, 1994. Emergency rule filed Jan. 5, 1994, effective Jan. 18, 1994, expired Jan. 30, 1994. Original rule filed Sept. 1, 1993, effective Jan. 31, 1994. Amended: Filed June 25, 1996, effective Feb. 28, 1997. Amended: Filed May 3, 2001, effective Dec. 30, 2001. Amended: Filed April 29, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support or in opposition to this proposed amendment with the Missouri Gaming Commission, PO Box 1847, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. A public hearing is scheduled for 10:00 a.m., July 9, 2002, in the Missouri Gaming Commission Hearing Room, 3417 Knipp Drive, Jefferson City, Missouri.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 1—Administration**

PROPOSED RESCISSION

11 CSR 75-1.010 General Organization. The Peace Officer Standards and Training Commission of the Department of Public

Safety was authorized to make all reasonable rules pertaining to the establishment of minimum standards for the training and certification of bailiffs assigned to courts of a political subdivision, peace officers and reserve officers of any public law enforcement agency in Missouri, to make reasonable rules pertaining to the establishment of minimum criteria for the certification of instructors and training centers and is further authorized to administer the POST Fund in accordance with Chapter 590, RSMo. This rule provided for the organization, administration and methods of operation of a program of certification for bailiffs, public peace and reserve officers, chief executive officers, instructors and training centers.

PURPOSE: This rule is being rescinded because various text changes were numerous and the Department of Public Safety believes that it is more efficient to rescind the rule than to amend it. A new rule to replace this rescinded rule is being filed simultaneously.

AUTHORITY: sections 590.110, RSMo 1994 and 590.115, RSMo Supp. 1996. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the Code of State Regulations. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 1—Administration**

PROPOSED RULE

11 CSR 75-1.010 General Organization

PURPOSE: This rule provides for the organization, administration, and methods of operation of the Peace Officer Standards and Training (POST) Program and the division of responsibilities between the POST Commission and the Director of the Department of Public Safety.

(1) Chapter 590, RSMo divides responsibility for peace officer standards and training between the Director of the Department of Public Safety and the POST Commission.

(A) The Director is responsible for the following:

1. Establishing a classification system for peace officer licenses.
2. Establishing minimum age, citizenship, and general education requirements for peace officers.
3. Adopting or developing a Missouri Peace Officer License Exam (MPOLE).
4. Providing for the licensing of peace officers possessing credentials from other states or jurisdictions.
5. Establishing a procedure to obtain a peace officer license.

6. Licensing and regulating peace officers.
7. Licensing and regulating continuing education providers.
8. Licensing and regulating training instructors and training centers.
9. Establishing minimum standards for admittance into a basic training course.
10. Promulgating rules pursuant to Chapter 590, RSMo.

(B) The POST Commission is responsible for the following:

1. Establishing minimum standards for the basic training of peace officers.
2. Establishing a procedure for the relicensing of peace officers whose licenses have expired.
3. Setting the minimum number of hours of basic training for peace officers.
4. Providing for the recognition of basic training received at law enforcement training centers of other states, the military, the federal government, and territories of the United States.
5. Establishing requirements for the continuing education of peace officers.
6. Administering the Peace Officer Standards and Training Fund.
7. Guiding and advising the Director concerning peace officer standards and training.

(2) The Director has established a POST Program within the Office of the Director to assist in the implementation of Chapter 590, RSMo. The POST Program shall:

(A) Provide administrative support to the POST Commission; and

(B) Serve as an agent and representative of the Director designated to carry out responsibilities relating to peace officer standards and training pursuant to section 590.010(2), RSMo.

(3) Members of the public may obtain information from, and may communicate with, the POST Program and the POST Commission as follows:

(A) General information and forms are available via the Internet.

(B) The POST Program will respond to inquiries made by telephone, postal mail, or electronic mail.

(C) All official communication to the POST Program or POST Commission shall be in written form.

1. All applications made pursuant to these rules shall be delivered to the POST Program in person or by postal mail.

2. Other correspondence to the POST Program or POST Commission may be delivered by postal mail, electronic mail, or, with prior approval, by fax.

(D) The contact information for inquiries and correspondence pursuant to this rule shall be as follows:

1. Internet: <http://www.dps.state.mo.us/post>.
2. Postal mail: POST Program, PO Box 749, Jefferson City, MO 65102.
3. Telephone: (573) 751-4905.
4. Fax: (573) 751-5399.
5. Electronic mail: POST@dps.state.mo.us.

AUTHORITY: section 590.110, RSMo Supp. 2001. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the Code of State Regulations. Rescinded and readopted: Filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 2—Definitions**

PROPOSED RESCISSION

11 CSR 75-2.010 Definitions. This rule defined the terms used in the rules, which pertain to the operation of the Peace Officer Standards and Training.

PURPOSE: This rule is being rescinded and readopted because various text changes were numerous and the Department of Public Safety believes that it is more efficient to rescind the rule than to amend it. A new rule to replace this rescinded rule is being filed simultaneously.

AUTHORITY: section 590.120, RSMo Supp. 1999. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the Code of State Regulations. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 2—Definitions**

PROPOSED RULE

11 CSR 75-2.010 Definitions

PURPOSE: This rule identifies definitions used in the Peace Officer Standards and Training Program.

(1) For the purposes of 11 CSR 75:

(A) The definitions set forth in section 590.010, RSMo shall apply; and

(B) The term “high school diploma or its equivalent” shall mean any of the following:

1. A high school diploma from an attendance-based, accredited high school;
2. A General Education Diploma (GED);

3. Valid admission by an accredited college or university or substantial evidence of eligibility for admission by an accredited college or university; or

4. Passage of the United States Military Armed Services Vocational Aptitude Battery Exam. In addition to passing the exam, the applicant must obtain a score on the exam that would qualify them for a position as a military peace officer.

AUTHORITY: section 590.120, RSMo Supp. 2001. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the Code of State Regulations. Rescinded and readopted: Filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 3—Certification of Bailiffs, Peace Officers,
and Reserve Officers**

PROPOSED RESCISSION

11 CSR 75-3.010 Certification. This rule defined and illustrated the types of certification and other awards for bailiffs, peace and reserve officers and the procedures for obtaining certification.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: section 590.135, RSMo Supp. 1998. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. Rescinded and readopted: Filed April 12, 1989, effective June 29, 1989. Emergency rescission and rule filed June 15, 1994, effective Aug. 28, 1994, expired Dec. 25, 1994. Rescinded and readopted: Filed June 2, 1994, effective Nov. 30, 1994. Amended: Filed Nov. 15, 1999, effective May 30, 2000. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 3—Certification of Bailiffs, Peace Officers,
and Reserve Officers**

PROPOSED RESCISSION

11 CSR 75-3.020 Eligibility for Certification. This rule defined who is eligible for certification.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.105, 590.110, 590.130 and 590.150, RSMo 2000. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the Code of State Regulations. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 3—Certification of Bailiffs, Peace Officers,
and Reserve Officers**

PROPOSED RESCISSION

11 CSR 75-3.030 Requirements for and Terms of Certification. This rule defined the requirements for certification upon completion of basic or other training and the terms for maintenance of certification.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.120 and 590.135, RSMo Supp. 1999. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the Code of State Regulations. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public

Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 3—Certification of Bailiffs, Peace Officers,
and Reserve Officers

PROPOSED RESCISSION

11 CSR 75-3.040 Law Enforcement Experience. This rule defined how previous law enforcement experience may be considered in the certification process.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.110, 590.130, 590.135 and 590.150, RSMo 1994. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the *Code of State Regulations*. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 3—Certification of Bailiffs, Peace Officers,
and Reserve Officers

PROPOSED RESCISSION

11 CSR 75-3.050 Waivers for Equivalent Training and/or Experience. This rule set forth what is considered equivalent training in the certification procedure.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: section 590.110, RSMo 1994. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the *Code of State Regulations*. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 3—Certification of Bailiffs, Peace Officers,
and Reserve Officers

PROPOSED RESCISSION

11 CSR 75-3.060 Bailiff, Peace Officer, and Reserve Officer Certification. This rule set forth the process of certification as a bailiff, peace officer or reserve officer.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.110, RSMo 1994, and 590.115 and 590.120, RSMo Supp. 1998. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the *Code of State Regulations*. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 3—Certification of Bailiffs, Peace Officers,
and Reserve Officers

PROPOSED RESCISSION

11 CSR 75-3.070 Request for Individual Qualification Evaluation—Procedures. This rule defined the process for individual review of qualifications for certification eligibility purposes as a bailiff, peace officer, or reserve officer.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.110, RSMo 1994 and 590.120, RSMo Supp. 1998. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the **Code of State Regulations**. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 3—Certification of Bailiffs, Peace Officers,
and Reserve Officers**

PROPOSED RESCISSION

11 CSR 75-3.080 Suspension and Revocation of the Certification of a Bailiff, Peace Officer, or Reserve Officer. This rule defined the terms, the process and the administration of the suspension or revocation of bailiff, peace officer, and reserve officer certification.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: section 590.120, RSMo Supp. 1998. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the **Code of State Regulations**. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 4—Certification of Instructors**

PROPOSED RESCISSION

11 CSR 75-4.010 Types of Instructor Certification and Limitations of Instructors. This rule defined and described types

of and requirements for a certified instructor, basic qualifications and limitations imposed upon instructors and criteria for evaluating certified instructors.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.123 and 590.135(2), RSMo Supp. 1997. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the **Code of State Regulations**. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 4—Certification of Instructors**

PROPOSED RESCISSION

11 CSR 75-4.020 Application Procedures for Instructor Certification. This rule defined the process for applying for certification as an instructor.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.110, RSMo 1994, 590.120 and 590.135, RSMo Supp. 1997. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the **Code of State Regulations**. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 4—Certification of Instructors**

PROPOSED RESCISSION

11 CSR 75-4.030 Instructor Certification Procedures. This rule described how the Peace Officer Standards and Training Program processed the instructor applications for certification.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: section 590.135, RSMo Supp. 1997. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the Code of State Regulations. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 4—Certification of Instructors**

PROPOSED RESCISSION

11 CSR 75-4.040 Evaluation of Instructors. This rule described the requirements for evaluation of certified instructors.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: section 590.120, RSMo Supp. 1997. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the Code of State Regulations. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publica-

tion of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 4—Certification of Instructors**

PROPOSED RESCISSION

11 CSR 75-4.050 Decertification of Instructors and Appeals Program. This rule defined the procedure for decertification of instructors and the appeals process to be used in disputed cases.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: section 590.120, RSMo Supp. 1997. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the Code of State Regulations. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 5—Certification of Training Centers**

PROPOSED RESCISSION

11 CSR 75-5.010 Initial Establishment of Training Centers to be Certified. This rule defined the general provisions regarding the establishment and management of licensed basic training centers.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.120 and 590.135, RSMo Supp. 1993. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the Code of State Regulations. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 5—Certification of Training Centers**

PROPOSED RESCISSION

11 CSR 75-5.020 Training Facility Directors or Coordinators. This rule defined the responsibilities of a training center director or coordinator.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.120 and 590.135, RSMo 1994. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the Code of State Regulations. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 5—Certification of Training Centers**

PROPOSED RESCISSION

11 CSR 75-5.030 Application for Initial Probationary and Continuing Certification of Training Centers. This rule defined the procedure and rules for the initial certification and renewal of certification of training centers.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.120 and 590.135, RSMo Supp. 1993. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the Code of State Regulations. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 5—Certification of Basic Training Centers**

PROPOSED RESCISSION

11 CSR 75-5.040 Minimum Requirements and Procedures for Training Centers. This rule defined the minimum requirements and procedures of training centers and the process to be followed in the issuance and revocation of training center certification.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.120 and 590.135, RSMo Supp. 1999. This was previously filed as 11 CSR 75-5.050. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the Code of State Regulations. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 6—Minimum Standards for Training**

PROPOSED RESCISSION

11 CSR 75-6.010 Minimum Requirements for Peace Officer and Reserve Officer. This rule enumerated the minimum number of hours of training required to qualify as a certified peace or reserve officer and sets forth the requirements for successful completion of training for peace officers, reserve officers and St. Louis City deputy sheriffs.

PURPOSE: This rule is being rescinded because the rule is no longer applicable to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.110 and 590.120, RSMo 1994. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the Code of State Regulations. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 6—Minimum Standards for Training**

PROPOSED RESCISSION

11 CSR 75-6.020 Requirements for Trainee Attendance and Performance. This rule defined the attendance and performance requirements of trainees for the successful completion of the required basic training course for certified peace officers and certified reserve officers.

PURPOSE: This rule is being rescinded because the rule is no longer applicable to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: section 590.120, RSMo 1994. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the Code of State Regulations. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 6—Minimum Standards for Training**

PROPOSED RESCISSION

11 CSR 75-6.030 Procedures for Certifying Basic Training Courses. This rule defined the procedures for the certification of

courses presented in the basic training program for the certification of peace officers.

PURPOSE: This rule is being rescinded because the rule is no longer applicable to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: section 590.120, RSMo 1994. Original rule filed Aug. 12, 1980, effective Nov. 13, 1980. For intervening history, please consult the Code of State Regulations. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 7—Peace Officer Standards and Training
Commission Administration**

PROPOSED RESCISSION

11 CSR 75-7.010 General Organization and Administration. This rule defined the authority of the POST Commission to formulate definitions, rules for the administration of peace officer standards and training in Missouri, established the minimum number of hours of training and core curriculum to guide and advise the director concerning his/her duties and authorized to administer the Peace Officer Standards and Training Fund as outlined in the Act.

PURPOSE: This rule is being rescinded because duties of the POST Commission are clearly defined in statute and the Department of Public Safety believes the rule should be rescinded.

AUTHORITY: section 590.120, RSMo Supp. 1993. Original rule filed April 12, 1989, effective June 29, 1989. For intervening history, please consult the Code of State Regulations. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 8—Minimum Standards for Training
Applicable to any Sheriff's Department of any City Not
Within a County**

PROPOSED RESCISSION

11 CSR 75-8.010 Minimum Requirements for St. Louis City Deputy Sheriffs' Training. This rule defined and illustrated the types of certification and other awards for the St. Louis City Deputy Sheriffs' Department.

PURPOSE: This rule is being rescinded because this section is no longer applicable and the Department of Public Safety believes that it should be rescinded.

AUTHORITY: section 590.105, RSMo Supp. 1993. Emergency rule filed Aug. 30, 1991, effective Sept. 9, 1991, expired Jan. 6, 1992. Original rule filed Aug. 30, 1991, effective Jan. 13, 1992. For intervening history, please consult the Code of State Regulations. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 8—Minimum Standards for Training
Applicable to any Sheriff's Department of any City Not
Within a County**

PROPOSED RESCISSION

11 CSR 75-8.020 Requirements for Trainee Attendance and Performance. This rule defined the attendance and performance requirements of trainees for the successful completion of the required basic training course for St. Louis City deputy sheriff's.

PURPOSE: This rule is being rescinded because this section is no longer applicable and the Department of Public Safety believes that it should be rescinded.

AUTHORITY: section 590.105, RSMo Supp. 1993. Emergency rule filed Aug. 30, 1991, effective Sept. 6, 1991, expired Jan. 6, 1992. Original rule filed Aug. 30, 1991, effective Jan. 13, 1992. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 8—Minimum Standards for Training
Applicable to any Sheriff's Department of any City Not
Within a County**

PROPOSED RESCISSION

11 CSR 75-8.030 Requirements for and Terms of Recognition of Completion of Training. This rule defined the requirements for recognition upon completion of basic training and the terms for maintenance of recognition of completion.

PURPOSE: This rule is being rescinded because this section no longer is applicable and the Department of Public Safety believes that it should be rescinded.

AUTHORITY: section 590.105, RSMo Supp. 1993. Emergency rule filed Aug. 30, 1991, effective Sept. 6, 1991, expired Jan. 6, 1992. Original rule filed Aug. 30, 1991, effective Jan. 13, 1992. Emergency rescission and rule filed June 15, 1994, effective Aug. 28, 1994, expired Dec. 25, 1994. Rescinded and readopted: Filed June 2, 1994, effective Nov. 30, 1994. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 9—Minimum Standards for Training
Applicable to any Bailiff in the State of Missouri**

PROPOSED RESCISSION

11 CSR 75-9.010 Minimum Requirements for Bailiffs. This rule established the minimum training requirements for bailiffs.

PURPOSE: This rule is being rescinded because this section is no longer applicable to the Peace Officer Standards and Training Program.

AUTHORITY: sections 590.105 and 590.120, RSMo 1994. Emergency rule filed June 15, 1994, effective Aug. 28, 1994, expired Dec. 25, 1994. Original rule filed June 2, 1994, effective

Nov. 30, 1994. Amended: Filed Aug. 11, 1995, effective March 30, 1996. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 9—Minimum Standards for Training
Applicable to any Bailiff in the State of Missouri**

PROPOSED RESCISSION

11 CSR 75-9.020 Requirements for Trainee Attendance and Performance. This rule defined the attendance and performance requirements of trainees for the successful completion of the required basic training course for bailiffs.

PURPOSE: This rule is being rescinded because this section is no longer applicable to the Peace Officer Standards and Training Program.

AUTHORITY: sections 590.105 and 590.120, RSMo 1994. Emergency rule filed June 15, 1994, effective Aug. 28, 1994, expired Dec. 25, 1994. Original rule filed June 2, 1994, effective Nov. 30, 1994. Amended: Filed Aug. 11, 1995, effective March 30, 1996. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 9—Minimum Standards for Training
Applicable to any Bailiff in the State of Missouri**

PROPOSED RESCISSION

11 CSR 75-9.030 Requirements for and Terms of Recognition of Completion of Training. This rule defined the requirements for

recognition upon completion of basic training and the terms for maintenance of recognition of completion.

PURPOSE: This rule is being rescinded because this section is no longer applicable to the Peace Officer Standards and Training Program.

AUTHORITY: sections 590.105 and 590.120, RSMo Supp. 1993. Emergency rule filed June 15, 1994, effective Aug. 28, 1994, expired Dec. 25, 1994. Original rule filed June 2, 1994, effective Nov. 30, 1994. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 10—Peace Officer Standards and Training
Commission Fund**

PROPOSED RESCISSION

11 CSR 75-10.010 General Organization of Peace Officer Standards and Training (POST) Commission Fund. This rule established a training fund to be administered by the Peace Officer Standards and Training Commission. The fund provided for the cost of training that met the continuing law enforcement training requirements for peace officers and training of other law enforcement personnel as determined by the Peace Officer Standards and Training Commission.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.120, RSMo Supp. 1998, 590.140, RSMo Supp. 1999 and 590.178, RSMo 1994. Emergency rule filed June 15, 1994, effective Aug. 28, 1994, expired Dec. 25, 1994. Original rule filed June 2, 1994, effective Nov. 30, 1994. Amended: Filed Nov. 15, 1999, effective May 30, 2000. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 10—Peace Officer Standards and Training
Commission Fund**

PROPOSED RESCISSION

11 CSR 75-10.020 Source of Funds—Terms and Conditions. This rule specified where the money is to be sent in accordance with section 488.5336, RSMo.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.120, RSMo Supp. 1998, 590.140, RSMo Supp. 1999 and 590.178, RSMo 1994. Emergency rule filed June 15, 1994, effective Aug. 28, 1994, expired Dec. 25, 1994. Original rule filed June 2, 1994, effective Nov. 30, 1994. Amended: Filed Nov. 15, 1999, effective May 30, 2000. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 10—Peace Officer Standards and Training
Commission Fund**

PROPOSED RESCISSION

11 CSR 75-10.030 Eligible Applicants. This rule defined who is eligible for reimbursement from the Peace Officer Standards and Training Commission Fund.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.120, RSMo Supp. 1998, 590.140, RSMo Supp. 1999 and 590.178, RSMo 1994. Emergency rule filed June 15, 1994, effective Aug. 28, 1994, expired Dec. 25, 1994. Original rule filed June 2, 1994, effective Nov. 30, 1994. Amended: Filed Aug. 11, 1995, effective March 30, 1996. Amended: Filed Nov. 15, 1999, effective May 30, 2000. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 10—Peace Officer Standards and Training
Commission Fund**

PROPOSED RESCISSION

11 CSR 75-10.040 Eligible Training. This rule defined what training may be paid for by the Peace Officer Standards and Training Commission Fund.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.120, RSMo Supp. 1998, 590.140, RSMo Supp. 1999 and 590.178, RSMo 1994. Emergency rule filed June 15, 1994, effective Aug. 28, 1994, expired Dec. 25, 1994. Original rule filed June 2, 1994, effective Nov. 30, 1994. Amended: Filed Nov. 15, 1999, effective May 30, 2000. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 10—Peace Officer Standards and Training
Commission Fund**

PROPOSED RESCISSION

11 CSR 75-10.050 Ineligible Training. This rule defined what training the Peace Officer Standards and Training Commission Fund shall not be used for.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.120, RSMo Supp. 1998, 590.140, RSMo Supp. 1999, and 590.178, RSMo 1994. Emergency rule filed June 15, 1994, effective Aug. 28, 1994, expired Dec. 25, 1994. Original rule filed June 2, 1994, effective Nov. 30, 1994. Amended: Filed Nov. 15, 1999, effective May 30, 2000. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 10—Peace Officer Standards and Training
Commission Fund**

PROPOSED RESCISSION

11 CSR 75-10.060 Eligible Cost Items. This rule defined cost items that may be paid for by the Peace Officer Standards and Training Commission Fund.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.120, RSMo Supp. 1998, 590.140, RSMo Supp. 1999 and 590.178, RSMo 1994. Emergency rule filed June 15, 1994, effective Aug. 28, 1994, expired Dec. 25, 1994. Original rule filed June 2, 1994, effective Nov. 30, 1994. Amended: Filed Nov. 15, 1999, effective May 30, 2000. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 10—Peace Officer Standards and Training
Commission Fund**

PROPOSED RESCISSION

11 CSR 75-10.070 Ineligible Cost Items. This rule defined cost items that shall not be paid for by the Peace Officer Standards and Training Commission Fund.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.120 and 590.140, RSMo Supp. 1998 and 590.178, RSMo 1994. Emergency rule filed June 15, 1994, effective Aug. 28, 1994, expired Dec. 25, 1994. Original rule filed June 2, 1994, effective Nov. 30, 1994. Amended: Filed July 1, 1999, effective Dec. 30, 1999. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 10—Peace Officer Standards and Training
Commission Fund**

PROPOSED RESCISSION

11 CSR 75-10.080 Budget Year. This rule defines the budget year of the Peace Officer Standards and Training Commission Fund.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.120, 590.140 and 590.178, RSMo Supp. 1993. Emergency rule filed June 15, 1994, effective Aug. 28, 1994, expired Dec. 25, 1994. Original rule filed June 2, 1994, effective Nov. 30, 1994. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 10—Peace Officer Standards and Training
Commission Fund**

PROPOSED RESCISSION

11 CSR 75-10.100 Distribution of POST Funds. This rule defined the procedure to be followed in dispersing the POST Fund back to participating agencies.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.120, RSMo Supp. 1998 and 590.140, RSMo Supp. 1999 and 590.178, RSMo 1994. Emergency rule filed June 15, 1994, effective Aug. 28, 1994, expired Dec. 25, 1994. Original rule filed June 2, 1994, effective Nov. 30, 1994. For intervening history, please consult the Code of State Regulations. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 11—Continuing Education Requirements**

PROPOSED RESCISSION

11 CSR 75-11.010 Minimum Requirements for Peace Officers and Reserve Officers and Chief Executive Officers. This rule enumerated the minimum number of hours of continuing education required to maintain a valid peace officer license. It set forth the requirements for successful completion of the continuing education requirement for peace officers. The commission has determined that a program of continuing education is necessary to promote and ensure professional competence.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.115 and 590.140, RSMo Supp. 1999. Original rule filed Aug. 15, 1995, effective March 30, 1996. Amended: Filed Dec. 3, 1996, effective June 30, 1997. Amended: Filed Aug. 2, 2000, effective Feb. 28, 2001. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 11—Continuing Education Requirements**

PROPOSED RESCISSION

11 CSR 75-11.020 Requirements for Trainee Attendance and Performance. This rule defined the attendance and performance requirements of officers for the successful completion of the mandatory continuing education course of peace officers.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.115 and 590.140, RSMo Supp. 1999. Original rule filed Aug. 15, 1995, effective March 30, 1996. Amended: Filed Dec. 3, 1996, effective June 30, 1997. Amended: Filed Aug. 2, 2000, effective Feb. 28, 2001. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 11—Continuing Education Requirements**

PROPOSED RESCISSION

11 CSR 75-11.030 Requirements for and Terms of Recognition of Completion of Training. This rule defined the requirements for recognition upon completion of continuing education and the terms for maintenance of recognition of completion.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.115 and 590.140, RSMo Supp. 1999. Original rule filed Aug. 15, 1995, effective March 30, 1996. Amended: Filed Dec. 3, 1996, effective June 30, 1997. Amended: Filed Aug. 2, 2000, effective Feb. 28, 2001. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with

Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 11—Continuing Education Requirements**

PROPOSED RESCISSION

11 CSR 75-11.035 Recognition of Out-of-State Continuing Education Training. This rule defined the requirements for recognition of out-of-state continuing education training and the process to determine which states will be recognized.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: section 590.115, RSMo Supp. 1999. Original rule filed Feb. 9, 2000, effective Aug. 30, 2000. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 11—Continuing Education Requirements**

PROPOSED RESCISSION

11 CSR 75-11.050 Requirements for the Inactive or Unemployed Peace Officer. This rule defined how a licensed peace officer can keep their license valid during the five (5) years they are not employed and not commissioned by a law enforcement agency.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.117, RSMo 1994 and 590.140, RSMo Supp. 1996. Original rule filed Aug. 15, 1995, effective March 30, 1996. Amended: Filed Dec. 3, 1996, effective June 30, 1997. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 11—Continuing Education Requirements**

PROPOSED RESCISSION

11 CSR 75-11.060 Application for Initial Probationary and Continuing POST Commission Approval of Continuing Education Providers. This rule defined the procedure and rules for the initial approval and renewal of continuing education provider licenses.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: section 590.115, RSMo Supp. 1999. Original rule filed Aug. 15, 1995, effective March 30, 1996. Amended: Filed Feb. 9, 2000, effective Aug. 30, 2000. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 11—Continuing Education Requirements**

PROPOSED RESCISSION

11 CSR 75-11.070 Procedures for Continuing Education Course Providers. This rule defined the documentation requirements for licensure as an approved provider of continuing education, and those entities that want to get an individual course approved.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.115 and 590.140, RSMo Supp. 1999. Original rule filed Aug. 15, 1995, effective March 30, 1996. For intervening history, please consult the Code of State Regulations. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 11—Continuing Education Requirements**

PROPOSED RESCISSION

11 CSR 75-11.080 Minimum Requirements, Procedures, and Documentation Required for a POST Mandated In-Service Training Course. This rule defined the minimum procedures and documentation requirements for POST mandated in-service training courses used by a law enforcement agency to meet the continuing education mandate for maintaining a license as a peace officer.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: section 590.115, RSMo Supp. 1997. Original rule filed Aug. 15, 1995, effective March 30, 1996. Amended: Filed Sept. 10, 1997, effective March 30, 1998. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 12—Alternative Methods of Training Delivery**

PROPOSED RESCISSION

11 CSR 75-12.010 Minimum Requirements for Computer-Based Continuing Education Delivery Systems. This rule set out

the minimum requirements for a training course delivered via a computer.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.115 and 590.140, RSMo Supp. 1998. Original rule filed June 4, 1999, effective Dec. 30, 1999. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 12—Alternative Methods of Training Delivery**

PROPOSED RESCISSION

11 CSR 75-12.020 Procedures for POST Approved Providers Using Computer-Based Training as an Alternative Method of Training Delivery. This rule defined the documentation requirements and procedures for licensed approved providers of continuing education, law enforcement agencies, and others who chose to present training through the use of technology as the primary delivery medium.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.115 and 590.140, RSMo Supp. 1998. Original rule filed June 4, 1999, effective Dec. 30, 1999. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 12—Alternative Methods of Training Delivery**

PROPOSED RESCISSION

11 CSR 75-12.030 Procedures for Missouri Law Enforcement Agencies Using Computer-Based Training as an Alternative Method of Training Delivery. This rule defined the documentation requirements and procedures for Missouri law enforcement agencies who chose to present training through the use of technology as the primary delivery medium.

PURPOSE: This rule is being rescinded because of statutory changes to the Peace Officer Standards and Training (POST) Program.

AUTHORITY: sections 590.115 and 590.140, RSMo Supp. 1998. Original rule filed June 4, 1999, effective Dec. 30, 1999. Rescinded: Filed May 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 13—Peace Officer Licenses**

PROPOSED RULE

11 CSR 75-13.010 Classification of Peace Officer Licenses

PURPOSE: This rule identifies the classifications of licenses for peace officers.

(1) Every peace officer license shall be classified according to the type of commission for which it is valid:

(A) Class A. Valid for any commission, except commission with the Missouri State Highway Patrol, the Missouri State Water Patrol, and the Missouri Conservation Commission.

(B) Class A-HP. Valid for any commission.

(C) Class A-WP. Valid only for commission by the Missouri State Water Patrol.

(D) Class A-CC. Valid only for commission by the Missouri Conservation Commission.

(E) Class B. Valid for any commission, except commission by a first class county with a charter form of government, a political subdivision located within a first class county with a charter form of government, a city not within a county, the Missouri State Highway Patrol, the Missouri State Water Patrol, or the Missouri Conservation Commission.

(F) Class C. Valid only for commission within a third class county pursuant to section 590.040.1(4), RSMo and only for the particular commission held by the licensee on July 1, 2002, or a

commission that the director has determined to be similar pursuant to section 590.040.2, RSMo.

(G) Class R.

1. Valid only for commission as a reserve peace officer with police powers limited by the commissioning authority as follows: while on duty the officer shall be under the direct supervision of a commissioned officer who holds a valid class A, B, or C license; while off duty the officer shall have no police power and shall not carry a concealed weapon; and the officer shall have no police power outside the commissioning political subdivision.

2. As used in this rule, "direct supervision" means supervision in which the supervising officer: monitors the supervised officer, including by two-way radio or radio scanner; is available for voice communication with the supervised officer; and is able to respond and assist the supervised officer in a timely manner.

3. A class R license shall not be valid for any commission by a first class county with a charter form of government, a political subdivision located within a first class county with a charter form of government, a city not within a county, the Missouri State Highway Patrol, the Missouri State Water Patrol, or the Missouri Conservation Commission.

(H) Class S. Valid only pursuant to section 590.030.6, RSMo for the continuing licensure of a person holding and exercising a law enforcement commission requiring a peace officer license.

(2) If a change in county classification or form of government changes the class of license required in a county, any peace officer validly commissioned in the county on the date of the change shall be deemed to be validly licensed so long as the officer remains in the same commission. If an officer commissioned pursuant to this exception transfers to a new commission, then the officer shall lose the benefit of this exception.

AUTHORITY: sections 590.020.2, 590.030.6, and 590.040.2, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 13—Peace Officer Licenses**

PROPOSED RULE

11 CSR 75-13.020 Procedure to Obtain New Peace Officer License

PURPOSE: This rule identifies the procedure to obtain a new peace officer license.

(1) In order to be eligible to apply for a peace officer license, an applicant must satisfy the following general qualifications. The applicant shall be:

(A) Twenty-one (21) years of age or older;

(B) A United States citizen; and

(C) The holder of a valid high school diploma or its equivalent, as defined by 11 CSR 75-2.010.

(2) There shall be no residency requirement to receive or hold a peace officer license.

(3) An applicant must demonstrate qualification for a particular class of peace officer license by one (1) of the following methods:

(A) Graduation from a basic training course certified for a particular class of license pursuant to 11 CSR 75-14.040;

(B) Graduation from a federal, military, or out-of-state basic training course recognized by the Director pursuant to 11 CSR 75-13.070 as qualifying the trainee for particular class of license; or

(C) Qualification for a particular class of license on the Veteran Peace Officer Point Scale pursuant to 11 CSR 75-13.060.

(4) An applicant must apply for a peace officer license within five (5) years after graduating from a basic training course in order to use the training to qualify under subsection (3)(A) or (3)(B) of this rule. An applicant whose basic training is more than five (5) years old must qualify on the Veteran Peace Officer Point Scale pursuant to subsection (3)(C) of this rule.

(5) An applicant shall submit to the Director:

(A) A peace officer license application; and

(B) Two (2) fingerprint cards for state and federal criminal history background checks, for which the Director may charge a cost-equivalent fee.

(6) The Director shall examine the qualifications of each applicant and determine whether the applicant has met all requirements for licensing, including the requirements of section 590.100, RSMo. The Director may investigate or request additional information from an applicant pursuant to section 590.110.1, RSMo.

(7) The Director shall grant the appropriate license or deny the applicant's request to be licensed. An applicant aggrieved by the decision of the Director may appeal pursuant to section 590.100.3, RSMo.

AUTHORITY: sections 590.030.2 and 590.030.4, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program**

Chapter 13—Peace Officer Licenses

PROPOSED RULE

**11 CSR 75-13.030 Procedure to Upgrade Peace Officer License
Classification**

PURPOSE: This rule identifies the procedure to upgrade a peace officer license.

(1) A peace officer may qualify to upgrade the officer's license from its current class to a new class in any of three (3) ways:

(A) Graduation from a basic training recruit course certified to qualify a trainee for the new class pursuant to 11 CSR 75-14.040;

(B) Graduation from a basic training upgrade course certified to qualify a trainee for an upgrade from the current class to the new class pursuant to 11 CSR 75-14.040 and completion of the entire mandatory curriculum for the new class; or

(C) Qualification for the new class on the Veteran Peace Officer Point Scale pursuant to 11 CSR 75-14.060.

(2) An applicant shall submit to the Director a peace officer license upgrade application.

(3) An applicant must achieve a qualifying score on the Missouri Peace Officer License Exam (MPOLE) within one hundred twenty (120) days of application.

(4) The Director shall examine the qualifications of each applicant and determine whether the applicant has met all requirements for a license upgrade. The Director may investigate or request additional information from an applicant pursuant to section 590.110.1, RSMo.

(5) The Director shall grant the appropriate license reclassification or deny the applicant's request. An applicant aggrieved by the decision of the Director may appeal pursuant to section 590.100.3, RSMo.

AUTHORITY: section 590.030.4, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 13—Peace Officer Licenses**

PROPOSED RULE

**11 CSR 75-13.040 Relicensing of Expired Peace Officer
Licenses**

PURPOSE: This rule identifies the process to reissue an expired license.

(1) A person whose peace officer license has expired pursuant to section 590.030.6, RSMo, for failure to hold a commission as a peace officer for a period of five (5) consecutive years may apply to the Director to obtain a new peace officer license pursuant to 11 CSR 75-13.020. An application for relicensing shall be treated the same as an application for a new license.

(2) The Director may suspend the time period for automatic expiration of a peace officer license pursuant to section 590.030.6, RSMo, for the period of time that a licensee is on official leave for a state or federal military leave of absence.

AUTHORITY: section 590.030.6, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 13—Peace Officer Licenses**

PROPOSED RULE

11 CSR 75-13.050 Missouri Peace Officer License Exam

PURPOSE: This rule establishes the Missouri Peace Officer License Exam.

(1) The Director shall adopt or develop a Missouri Peace Officer License Exam (MPOLE).

(2) No person shall take the MPOLE unless the person is eligible to apply for, and has applied for, a peace officer license. An applicant for a class R license shall not take the MPOLE.

(3) No person shall take the MPOLE after being disqualified by the Director pursuant to 11 CSR 75-13.020(5).

(4) The qualifying score on the MPOLE shall be seventy percent (70%) correct. The Director shall determine whether a person taking the MPOLE has achieved the qualifying score.

(5) A person who fails the MPOLE may retake the MPOLE as follows:

- (A) Within thirty (30) days after notification of initial failure;
- (B) Within thirty (30) days after notification of a second failure;
- (C) After a third failure, the person may either:

- 1. Wait one (1) year after notification of failure and then take the MPOLE as if for the first time; or
- 2. Attend and graduate from a basic training course and then take the MPOLE as if for the first time.

(6) The Director shall have plenary authority over the MPOLE. Any determination made by the Director pursuant to this rule shall be subject to review only pursuant to section 536.150, RSMo.

AUTHORITY: section 590.030.2, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 13—Peace Officer Licenses**

PROPOSED RULE

11 CSR 75-13.060 Veteran Peace Officer Point Scale

PURPOSE: This rule identifies the process for qualifying for a peace officer license on the veteran peace officer point scale.

(1) The Veteran Peace Officer Point Scale is a method for determining the license class for which a veteran peace officer is qualified when applying for a new license pursuant to 11 CSR 75-13.020, a license upgrade pursuant to 11 CSR 75-13.030, or relicensing pursuant to 11 CSR 75-13.040.

(2) In order to be eligible to qualify on the scale, an applicant must be a graduate of a basic training course of at least one hundred twenty (120) hours.

(3) The holder of a class R license is not eligible to qualify on the scale.

(4) An applicant shall request to qualify on the veteran peace officer point scale on an application for a new peace officer license pursuant to 11 CSR 75-13.020(4)(A) or on an application for a peace officer license upgrade pursuant to 11 CSR 75-13.030(1)(C).

(5) The Director shall score each applicant according to the following point system.

(A) For basic training:

- 1. 120 to 179 hours, 1 point;
- 2. 180 to 299 hours, 3 points;
- 3. 300 to 469 hours, 5 points;
- 4. 470 to 599, 8 points;
- 5. 600 hours or more, 14 points.

(B) For years of experience as an active, commissioned peace officer:

- 1. One to three years, 2 points;
- 2. Three to four years, 3 points;
- 3. Four to five years, 4 points;
- 4. Five to ten years, 5 points;
- 5. Ten to fifteen years, 6 points;
- 6. Fifteen to twenty years, 7 points;
- 7. Twenty or more years, 8 points.

(C) For an accredited degree (score only the highest degree attained):

- 1. Associate degree, 1 point;
- 2. Bachelors degree, 2 points;
- 3. Masters degree, 3 points;
- 4. Doctorate degree, 4 points.

(D) For continuing law enforcement education:

- 1. Average of sixteen to thirty-two hours per year of commissioned service, 1 point;
- 2. Average of thirty-two or more hours per year of commissioned service, 2 points.

(C) For a graduate of the Federal Bureau of Investigation (FBI) National Academy or single equivalent training course equal to the FBI National Academy: 1 point for each 100 contact hours of training.

(6) The Director shall recognize the applicant's qualification on the following scale:

- (A) Ten through fifteen total points, class B license;
- (B) Sixteen or more total points, class A license.

(7) An applicant aggrieved by the decision of the Director may appeal pursuant to section 590.100.3, RSMo.

AUTHORITY: section 590.030.3, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training Program
Chapter 13—Peace Officer Licenses**

PROPOSED RULE

11 CSR 75-13.070 Recognition of Federal, Military, and Out-of-State Basic Training

PURPOSE: This rule identifies the procedure to obtain recognition of federal, military, or out-of-state basic training.

(1) In order to be eligible to qualify for a new peace officer license based upon basic training not certified by the Director pursuant to 11 CSR 75-14.040, an applicant must be a graduate of a basic law enforcement training course at a law enforcement training center located in another state or a territory of the United States or conducted by the military or the federal government.

(2) An applicant shall request recognition of federal, military, or out-of-state training on an application for a new peace officer license pursuant to 11 CSR 75-13.020(5)(A).

(3) The Director shall determine with regard to each applicant:
(A) Whether the applicant's basic training curriculum was comparable to basic training certified by the Director pursuant to 11 CSR 75-14.040;

(B) Whether the applicant was trained in substantial compliance with the minimum basic training standards established pursuant to 11 CSR 75-14.050; and

(C) Which class of license the applicant is qualified to receive.

(4) The Director shall recognize the applicant's qualification for a particular class of peace officer license or shall deny the applicant's request. An applicant aggrieved by the decision of the Director may appeal pursuant to section 590.100.3, RSMo.

(5) The Director may enter into a standing reciprocity agreement with any state that regulates the basic training of peace officers.

AUTHORITY: section 590.040.1(5), RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training Program
Chapter 13—Peace Officer Licenses**

PROPOSED RULE

11 CSR 75-13.080 Adjustment of Peace Officer License Classification

PURPOSE: This rule authorizes the adjustment of peace officer license classifications to prevent inadvertent change in status or validity due to the adoption of new rules.

(1) The Director may take any administrative action necessary to prevent a change in the status or validity of any existing peace officer license due to the implementation of the peace officer license classification system pursuant to 11 CSR 75-13.010, including the reclassification or restriction of any license.

AUTHORITY: section 590.020.2, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training Program
Chapter 13—Peace Officer Licenses**

PROPOSED RULE

11 CSR 75-13.090 Cause to Discipline Peace Officer Licensee

PURPOSE: This rule identifies the causes of discipline on a peace officer licensee.

(1) Whenever during the investigation of any cause to discipline a peace officer license the Director issues a subpoena pursuant to section 590.110.1, RSMo, the Director shall notify the officer of the investigation.

(2) As used in section 590.080.1, RSMo:

(A) The phrase has “committed any criminal act” includes a person who has pleaded guilty to, been found guilty of, or been convicted of any criminal offense.

(B) The phrase “moral turpitude” means the wrongful quality shared by acts of fraud, theft, bribery, illegal drug use, sexual misconduct, and other similar acts, as defined by the common law of Missouri.

(C) “Reckless disregard” means a conscious disregard of a substantial risk that circumstances exist or that a result will follow, and such failure constitutes a gross deviation from the standard of care that a reasonable peace officer would exercise in the situation.

(3) Pursuant to section 590.080.1(6), RSMo, the Director shall have cause to discipline any peace officer licensee who:

(A) Fails to comply with an investigative subpoena lawfully issued by the Director pursuant to section 590.010, RSMo;

(B) Makes unauthorized use of the Missouri Peace Officer License Exam (MPOLE) or any basic training testing materials;

(C) Has pleaded guilty to, been found guilty of, or been convicted of a criminal offense, whether or not a sentence has been imposed.

(4) As used in section 590.090.1(3), RSMo, “clear and present danger” means a grave and immediate danger and not merely a probable danger.

(5) Voluntary surrender pursuant to section 590.080.5, RSMo, shall be permanent.

(6) Any peace officer license issued by fraud, misrepresentation, or mistake to a person not qualified to receive such license shall be subject to recall by the Director. The Director’s determination to recall a license shall be subject to review only pursuant to section 536.150, RSMo.

(7) When the Director has knowledge of cause to discipline a peace officer license pursuant to section 590.080, RSMo, or this rule, the Director may in lieu of discipline issue a letter of reprimand to the officer and deliver a copy to the officer’s agency or commissioning authority. A letter of reprimand shall not affect the status of a peace officer’s license.

AUTHORITY: section 590.080.1(6), RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 13—Peace Officer Licenses**

PROPOSED RULE

11 CSR 75-13.100 Notification of Change in Commission Status

PURPOSE: This rule identifies the form which is to be submitted for a notification of change in commission status of a peace officer.

(1) Within thirty (30) days after any licensed peace officer departs employment or otherwise ceases to be commissioned, the chief executive officer of the commissioning law enforcement agency shall submit to the Director a Missouri Peace/Reserve Officer Commissioning/Employment Record.

AUTHORITY: sections 590.070.1 and 590.070.2, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 14—Basic Training Centers**

PROPOSED RULE

11 CSR 75-14.010 Procedure to Obtain a Basic Training Center License

PURPOSE: This rule identifies the procedure to obtain a basic training center license.

(1) An applicant for a basic training center license shall submit to the Director a completed basic training center license application. The Director may investigate or request additional information from an applicant pursuant to section 590.110.1, RSMo.

(2) The Peace Officer Standards and Training (POST) Commission shall make a preliminary determination of the applicant’s qualifications and the state’s need for an additional licensed basic training center. The POST Commission may consider any relevant factor, including the applicant’s history, facilities and equipment, academic qualifications, financial qualifications, the geographical area to be served, the agencies to be served, the estimated number of annual graduates, letters of support, and the projected impact on existing licensed basic training centers.

(3) If the applicant receives preliminary approval from the POST Commission, the Director shall:

- (A) Conduct a site visit;
- (B) Review the applicant's policies and procedures, including attendance and instructor evaluation policies;
- (C) Review the applicant's proposed courses, including training objectives, lesson plans, source documents, and instructor qualifications;
- (D) Review the applicant's advisory board; and
- (E) Report the findings to the POST Commission.

(4) Upon receipt of the Director's report, the POST Commission may invite the applicant to appear before the Commission.

(5) The POST Commission shall make a final recommendation to the Director whether to license the applicant.

(6) The Director shall consider the recommendation of the POST Commission and shall grant the basic training center license or deny the applicant's request. An applicant aggrieved by the decision of the Director may appeal pursuant to section 590.060.2, RSMo.

(7) All new basic training center licenses shall be issued for an initial period of one (1) year. During this initial period, the Director shall conduct a programmatic audit of the training center and present the findings to the POST Commission for review. The POST Commission shall make a recommendation to the Director whether to renew the license. The Director shall consider the recommendation of the POST Commission and may:

- (A) Renew the license for an additional period of one (1) year subject to further audit and review by the POST Commission;
- (B) Grant a three (3)-year license to the applicant; or
- (C) Refuse to renew the license, in which case the applicant may appeal pursuant to section 590.060.2, RSMo.

(8) The procedure to renew a three (3)-year license shall be as follows:

- (A) One hundred twenty (120) days before expiration of the license the applicant shall submit to the Director a basic training center license renewal application.
- (B) The Director may conduct a programmatic audit of the training center.
- (C) The POST Commission shall review the applicant's qualifications for renewal and make a recommendation to the Director whether to renew the applicant's license.
- (D) The Director shall grant renewal of the applicant's license or deny the applicant's request, which shall cause the license to expire.

(9) An applicant aggrieved by a decision of the Director pursuant to this rule may appeal pursuant to section 590.060.2, RSMo.

AUTHORITY: section 590.060.2, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 14—Basic Training Centers**

PROPOSED RULE

11 CSR 75-14.020 Minimum Requirements for Basic Training Centers

PURPOSE: This rule identifies minimum requirements for a basic training center.

(1) A basic training center shall:

- (A) Be under the management and operational control of a full-time, salaried training center director and shall designate to the Director the name, mailing address, and telephone number of the training center director;
- (B) During its initial one (1) and three (3)-year licensing periods pursuant to 11 CSR 75-14.010(7), shall have an advisory board consisting of at least five (5) individuals with a law enforcement background;
- (C) Operate pursuant to written policies and procedures;
- (D) Deliver basic training courses on a regular basis;
- (E) Notify the Director within thirty (30) days upon the dismissal, suspension, or other discipline of the training center director or any instructor;
- (F) Maintain facilities and equipment adequate to deliver safe and effective basic training; and
- (G) Deliver all training in a manner that is safe, effective, and in strict compliance with these rules; and
- (H) Retain complete records on each basic training course for a period of seventy-five (75) years following completion of the course, including:
 1. The designation of the course pursuant to 11 CSR 75-14.040(2)(A);
 2. The lesson plans used to teach the course;
 3. The class schedule, including the date, time, and instructor for all training, both mandatory and supplemental;
 4. With respect to each objective designated pursuant to 11 CSR 75-14.050(3)(B)2. to be taught only by a specialist instructor with a valid, current third-party or secondary license, a copy of the appropriate third-party or secondary license;
 5. With respect to each trainee: name, Social Security number, date of birth, attendance record, all grades, and final course score.

(2) The Director may on a regular or irregular basis require all basic training center directors to attend meetings called by the Director. With prior approval of the Director, a training center director may appoint a designated representative to attend any such meeting.

(3) Each basic training center shall submit to a programmatic audit by the Director at least once every three (3) years.

(4) All records of a basic training center that are relevant to a determination of compliance with Chapter 590, RSMo, or these rules shall be open to inspection by the Director without a subpoena.

(5) A training center director shall cooperate with the Director in all audits and investigations conducted pursuant to Chapter 590, RSMo, or these rules.

AUTHORITY: section 590.060.1, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training Program
Chapter 14—Basic Training Centers

PROPOSED RULE

11 CSR 75-14.030 Standard Basic Training Curricula and Objectives

PURPOSE: This rule establishes a training curriculum and training objectives for each class of peace officer license.

PUBLISHER'S NOTE: The secretary of state has determined that the publication of the entire text of the material which is incorporated by reference as a portion of this rule would be unduly cumbersome or expensive. Therefore, the material which is so incorporated is on file with the agency who filed this rule, and with the Office of the Secretary of State. Any interested person may view this material at either agency's headquarters or the same will be made available at the Office of the Secretary of State at a cost not to exceed actual cost of copy reproduction. The entire text of the rule is printed here. This note refers only to the incorporated by reference material.

(1) The Peace Officer Standards and Training (POST) Commission shall develop a mandatory basic training curriculum for each class of peace officer license. The minimum number of training hours for each class of peace officer license shall be as follows:

- (A) Class A. Six hundred (600) hours;
- (B) Class A-HP. One thousand (1,000) hours;
- (C) Class A-WP. One thousand (1,000) hours;
- (D) Class A-CC. One thousand (1,000) hours;
- (E) Class B. Four hundred seventy (470) hours;
- (F) Class C. One hundred twenty (120) hours;
- (G) Class R. Two hundred eighty-one (281) hours;
- (H) Class S. Four hundred seventy (470) hours.

(2) The mandatory basic training curriculum for each license class shall:

- (A) Describe the training objectives that a trainee must complete in order to qualify for that class of license;
- (B) Designate any training objective that must be taught by a particular type of specialist instructor;
- (C) Assign each training objective to a specific subject area (rules of evidence, civil process, cardiopulmonary resuscitation (CPR), shotgun qualification, fingerprint evidence, etc.); and
- (D) Specify the minimum number of hours of instruction required to complete each subject area, with each hour equal to fifty (50) minutes of classroom instruction.

(3) The director shall retain at the headquarters of the Department of Public Safety a document entitled "Mandatory Basic Training

Curricula," which shall set forth all basic training curricula developed pursuant to this rule, and which is hereby incorporated by reference into this rule. A copy of the Mandatory Basic Training Curricula shall be made available to any interested person at a cost not to exceed the actual cost of the reproduction of a copy.

AUTHORITY: section 590.030.1, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training Program
Chapter 14—Basic Training Centers

PROPOSED RULE

11 CSR 75-14.040 Certification of Basic Training Courses

PURPOSE: This rule identifies the procedure for certifying a basic training course.

(1) Application for certification of a basic training course may be made only by a licensed basic training center.

(2) An applicant shall:

- (A) Designate whether the course is a recruit course or an upgrade course pursuant to 11 CSR 75-14.050(1) and what class of license the course is intended to qualify a trainee to receive; and
- (B) Submit to the Director lesson plans for delivering the mandatory basic training objectives established pursuant to 11 CSR 75-14.030.

(3) The Director shall review the proposed basic training course and shall certify or refuse to certify the course. Certification of a course shall include certification of the lesson plans submitted pursuant to subsection (2)(B) of this rule.

(4) Any change to a certified course, including a change in lesson plan, shall require prior approval of the Director.

(5) A basic training center aggrieved by a decision of the Director pursuant to this rule may petition the POST Commission for a final determination, in which case the determination of the POST Commission shall be subject to review only pursuant to section 536.150, RSMo.

AUTHORITY: section 590.060.2, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 14—Basic Training Centers**

PROPOSED RULE

11 CSR 75-14.050 Minimum Standards for a Certified Basic Training Course

PURPOSE: This rule identifies the minimum standards for a certified basic training course.

- (1) There shall be two (2) types of basic training courses:
 - (A) Recruit courses, which shall deliver an entire mandatory basic training curriculum, and which shall be designed to qualify a previously untrained person for a new peace officer license pursuant to 11 CSR 75-13.020; and
 - (B) Upgrade courses, which shall deliver a portion of a mandatory basic training curriculum, and which shall be designed, either singly or in combination with other upgrade courses, to qualify a licensed peace officer for a license upgrade pursuant to 11 CSR 75-13.030.
- (2) The procedure for delivering a basic training course shall be as follows:
 - (A) The training center director shall verify that each trainee is qualified pursuant to 11 CSR 75-14.060.
 - (B) At least fifteen (15) days before the start of the course, the training center director shall:
 1. Cause each trainee to complete a Missouri peace officer license legal questionnaire, which the training center director shall review.
 2. Cause each trainee to submit to the Director two (2) fingerprint cards and a bank draft or money order in an amount equivalent to the cost of conducting a state and a federal criminal history background check.
 3. Report to the Director the existence of any known fact or circumstance that might constitute cause for the Director to disqualify any trainee from receiving a peace officer license, in which case the training center director shall obtain a waiver from Director before admitting the trainee into the course.
 - (C) The training center director shall deny entry into the course or shall expel from the course any trainee that the Director determines to be unqualified pursuant to 11 CSR 75-14.060.
 - (D) At least ten (10) days before the start of the course, the training center director shall notify the Director of the course start date, end date, class schedule including the instructor of each class, location, and the date on which graduates will be administered the Missouri Peace Officer License Exam.
 - (E) On or before first day of the training course, the training center director shall provide to each trainee a copy of all training center policies and procedures relating to trainees, including grading and class makeup policies.
 - (F) The training center director may dismiss for cause any trainee before graduation, in which case the training center director shall immediately notify the Director. The training center

director shall provide the reason for the dismissal to the Director. Dismissal by the training center director shall not be subject to appeal pursuant to these rules or Chapter 590, RSMo.

(G) No later than thirty-five (35) days before graduation, the training center director shall cause each trainee to submit to the Director a peace officer license application.

(H) The training center director shall determine whether each trainee shall graduate from the course pursuant to 11 CSR 75-14.050(7) and training center policies. A graduation determination by the training center director shall not be subject to appeal pursuant to these rules or Chapter 590, RSMo.

(I) No later than ten (10) days after graduation, the training center director shall forward to the Director a list of graduates containing the final score for each trainee.

(J) Upon request of a training center director, the Director may waive or modify any time period specified in this rule.

(3) The instruction of every objective of a mandatory basic training curriculum shall be performed:

(A) According to a certified lesson plan; and

(B) By a licensed instructor, as follows:

1. An objective designated to be taught only by a particular type of specialist instructor shall be taught only by such specialist;
2. An objective designated to be taught only by a particular type of specialist instructor with a valid, current third-party or secondary license shall be taught only by such specialist; and
3. All other objectives may be taught either by a generalist instructor or by a specialist instructor licensed for that objective.

(4) No single instructor shall deliver more than thirty percent (30%) of the total contact hours of a mandatory basic training curriculum.

(5) A basic training course may include supplemental training that is not part of the mandatory basic training curriculum. A basic training center director may elect to add supplemental training to any basic training course. Supplemental training shall be consistent with generally accepted law enforcement practices, shall not be contrary to public safety, and shall not be unreasonably dangerous to the safety of trainees. Supplemental training may be taught by a licensed or unlicensed instructor. Supplemental training shall not be certified by the Director, but the Director may monitor supplemental training for compliance with this rule.

(6) Trainees shall be graded as follows:

(A) A trainee shall be tested for mastery of each subject area in the appropriate mandatory curriculum. A written or practical examination may test more than one (1) subject area simultaneously.

1. Mastery of firearms shall be tested by practical examination and graded on a numerical scale from zero (0) to one hundred (100). Supplemental written examinations are permitted, but the overall firearms score required for graduation pursuant to subsection (7)(C)4. of this rule shall be based solely upon the practical examinations.

2. Mastery of defensive tactics, physical fitness, and driver training shall be tested by practical examination and may be graded on a numerical scale from zero (0) to one hundred (100) or on a pass/fail basis. Supplemental written examinations are permitted.

3. Mastery of all other subject areas shall be tested by written or practical examination and shall be graded on a numerical scale from zero (0) to one hundred (100). Pass/fail grading is not permitted.

(B) A trainee who achieves less than seventy percent (70%) on any written examination may, at the discretion of the training center director, retake the examination one (1) time. The highest score that may be awarded on a retake examination is seventy percent (70%).

(C) A trainee who achieves a failing score on an objective graded pass/fail basis may, at the discretion of the training center director, reattempt the objective one (1) time.

(D) The weighing of each exam in calculating a trainee's overall score shall be determined by the training center policy before the start of the training course.

(E) The determination to grade an objective pass/fail shall be made before the start of the training course.

(7) To be eligible for graduation from a basic training course, a trainee shall, at a minimum:

(A) Attend at least ninety-five percent (95%) of the total contact hours of the mandatory basic training curriculum and make up any missed hours in a manner that ensures that the trainee develops a thorough understanding of the mandatory training objectives.

(B) Complete all graduation requirements, including any make-up work, within twelve (12) months after the originally scheduled graduation date for the course. There shall be no partial or transferable credit for an incomplete course without prior approval of the Director.

(C) Achieve:

1. A score of no less than seventy percent (70%) on each written exam;
2. A final, overall score of no less than seventy percent (70%) for all written exams;
3. A passing score on each objective graded pass or fail; and
4. An overall firearms score of no less than seventy percent (70%).

(D) Successfully complete any supplemental training included in the course pursuant to section (5) of this rule.

AUTHORITY: sections 590.030.1 and 590.040.1, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 14—Basic Training Centers**

PROPOSED RULE

11 CSR 75-14.060 Eligibility for Entrance into a Basic Training Course

PURPOSE: This rule identifies the qualifications for entrance into a basic training course.

(1) No person shall be admitted into a certified basic training course unless such person:

- (A) Is eighteen (18) years of age or older;
- (B) Is a United States citizen;
- (C) Is the holder of a valid high school diploma or its equivalent; and

(D) Has submitted a Missouri Peace Officer License Legal Questionnaire to the basic training center director.

AUTHORITY: section 590.060.1, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 14—Basic Training Centers**

PROPOSED RULE

11 CSR 75-14.070 Basic Training Instructor Licenses

PURPOSE: This rule identifies the procedure in obtaining a basic training instructor license.

(1) The procedure to obtain a basic training instructor license shall be as follows:

(A) The applicant shall submit to the Director a basic training instructor license application.

(B) The Director shall determine the applicant's qualifications pursuant to 11 CSR 75-14.080.

(C) The Director shall grant the applicant the appropriate license or deny the applicant's request.

(2) Upon the request of a basic training center director, the Director may waive or modify the instructor development course requirement of 11 CSR 75-14.080 as follows:

(A) The Director may grant a probationary license to an instructor who has not graduated from an instructor development course upon the condition that the instructor shall graduate from an instructor development course within one (1) year;

(B) The Director may waive the instructor development course requirement for a specialist instructor after review of an instructor quality rating form completed by the basic training center director and submitted to the Director.

(3) Cause to discipline an instructor license pursuant to section 590.060.2, RSMo, shall include, but not be limited to:

(A) Any cause to discipline a peace officer license pursuant to section 590.080, RSMo, or 11 CSR 75-13.110;

(B) Any act unreasonably jeopardizing the safety of any trainee;

(C) Failure to deliver mandatory basic training curriculum according to a certified lesson plan;

(D) Teaching an objective for which the instructor is not licensed; or

(E) Teaching an objective requiring a third-party or secondary license without a valid, current third-party or secondary license.

(4) Any person aggrieved by the decision of the Director pursuant to this rule may appeal pursuant to section 590.060.2, RSMo.

AUTHORITY: section 590.060.2, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 14—Basic Training Centers**

PROPOSED RULE

11 CSR 75-14.080 Minimum Requirements for a Basic Training Instructor

PURPOSE: This rule identifies the minimum requirements for a basic training instructor.

(1) There shall be two (2) types of basic training instructor licenses: generalist licenses and specialist licenses.

(2) To qualify for a generalist license, an instructor shall possess the following qualifications:

- (A) Sponsorship by a licensed basic training center;
- (B) Graduation from a Peace Officer Standards and Training (POST)-approved instructor development course; and
- (C) Either:

1. A four (4) year baccalaureate degree and five (5) or more years active commission as a full-time peace officer, federal law enforcement officer, or military law enforcement officer;

2. A two (2) year associate degree and eight (8) or more years active commission as a full-time peace officer, federal law enforcement officer, or military law enforcement officer; or

3. A high school diploma or its equivalent and ten (10) or more years active commission as a full-time peace officer, federal law enforcement officer, or military law enforcement officer.

(3) To qualify for a specialist license, an instructor shall possess the following qualifications:

- (A) Sponsorship by a licensed basic training center;
- (B) Graduation from a POST-approved instructor development course; and

(C) The instructor shall be a subject matter expert as to one (1) or more of the mandatory basic training objectives established pursuant to 11 CSR 75-14.030. Subject matter expertise shall be determined by the Director after consideration of the instructor's academic education; previous teaching experience; practical experience; membership in professional associations; publications; letters of reference; recognition as an expert by courts of law; independent certifications of expertise, and other evidence of the instructor's qualifications.

(D) A valid, current third-party or secondary license shall be required to qualify as a specialist instructor for any objective related to the following:

1. Tactical Communications if utilizing Verbal Judo, graduate of a Verbal Judo Trainer Course.

2. Hazardous Materials, graduate of a POST recognized Hazardous Materials Training Course.

3. Accident Investigation, graduate of a Basic Accident Investigation School or Accident Reconstruction School.

4. First Aid (First Responder), Certified First Responder, graduate, or a licensed Emergency Medical Technician (EMT), Emergency Medical Technician Paramedic (EMTP), Registered Nurse (RN), Medical Doctor (MD), or Doctor of Osteopathy (DO).

5. The core curricula areas under Defensive Tactics, graduate of a POST recognized Law Enforcement Defensive Tactics Instructor Course.

6. The core curricula areas under Firearms/Legal Aspects, graduate of a POST recognized Firearms Instructor School of at least forty (40) hours.

7. The core curricula areas under Driver Training, graduate of a POST recognized Drivers Training Instructor Course.

8. Memoranda, Introduction to Report Writing, and Report Writing Exercises, if an individual does not have at least a four (4) year college degree, they must be a graduate of a POST recognized Report Writing Instructor Course.

AUTHORITY: section 590.060.1, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 15—Continuing Education**

PROPOSED RULE

11 CSR 75-15.010 Continuing Education Requirement

PURPOSE: This rule establishes the continuing education requirement for all peace officers.

(1) Continuing law enforcement education (CLEE) shall be obtained and monitored on a fixed, three (3)-year cycle, with the first CLEE period ending December 31, 1999, and successive CLEE periods ending December 31 every third year thereafter.

(2) Every licensed peace officer shall obtain forty-eight (48) hours of CLEE credit during each CLEE period.

(3) A peace officer shall be exempt from the CLEE requirement for the remainder of a CLEE period during which the officer receives a new license pursuant to 11 CSR 75-13.020 or a license upgrade pursuant to 11 CSR 75-13.030.

(4) CLEE credit may be obtained from the following sources.

(A) From a CLEE provider licensed pursuant to 11 CSR 75-15.030;

(B) From a basic training center licensed pursuant to 11 CSR 75-14.010;

(C) From a source approved to provide a specific CLEE course pursuant to 11 CSR 75-15.040;

(D) From a pre-approved out-of-state source pursuant to 11 CSR 75-15.050;

(E) For serving as an instructor for a CLEE class pursuant to 11 CSR 75-15.020(3)(B);

(F) By attending an accredited college or university course related to law enforcement or applicable to law enforcement administration pursuant to 11 CSR 75-15.020(3)(C); or

(G) As in-service training pursuant to 11 CSR 75-15.060.

(5) During each CLEE period, every peace officer shall obtain at least twenty-four (24) hours of CLEE credit from some combination of the following sources:

1. Licensed CLEE providers;
2. Licensed basic training centers; and
3. Sources approved to provide a specific CLEE course pursuant to 11 CSR 75-15.040.

(6) During any single CLEE period, no peace officer shall receive:

- (A) More than twenty-four (24) hours of CLEE credit for in-service training;
- (B) More than eighteen (18) hours of CLEE credit for college credit; or
- (C) More than twenty-four (24) hours of CLEE credit for serving as a CLEE instructor.

(7) During each CLEE period, every peace officer shall, pursuant to 11 CSR 75-14.020(1), obtain at least:

- (A) Four (4) credit hours of legal studies;
- (B) Four (4) credit hours of technical studies;
- (C) Four (4) credit hours of interpersonal perspectives; and
- (D) Four (4) credit hours of firearms skill development training.

(8) Beginning January 1, 2003, every peace officer with the authority to enforce motor vehicle or traffic laws shall obtain at least one (1) credit hour of CLEE training regarding racial profiling each calendar year. Racial profiling training may be obtained from:

- (A) A CLEE provider licensed pursuant to 11 CSR 75-15.030;
- (B) A basic training center licensed pursuant to 11 CSR 75-14.010; or
- (C) A source approved to provide a specific CLEE course pursuant to 11 CSR 75-15.060.

(9) At the conclusion of each CLEE period, the Director shall determine the compliance of each peace officer pursuant to this rule. Each peace officer shall be responsible for reporting and demonstrating compliance to the Director.

(A) Within thirty (30) days after the end of each CLEE period, the Director shall send to the chief executive officer of each agency that commissions any peace officer a listing of its commissioned officers and a form for certifying which officers are in compliance with this rule, which officers are not in compliance, and which officers are exempt pursuant to section (3) of this rule. If the chief executive officer certifies a peace officer pursuant to this rule, this shall satisfy the officer's obligation to report CLEE compliance to the Director.

(B) Every peace officer whose chief executive officer does not certify CLEE compliance to the Director and every peace officer who does not hold a commission at the conclusion of the CLEE period shall report CLEE compliance to the Director on a report of continuing law enforcement education form.

(10) A peace officer may apply to the Director for a modification or waiver of the CLEE requirement for any CLEE period in which the officer takes official state or federal military leave of absence or in which the Director determines that the officer was unable to comply with the CLEE requirement due to a documented medical condition. Any determination made by the Director pursuant to this rule shall be subject to review only pursuant to section 536.150, RSMo.

(11) Any peace officer who fails to comply with this rule shall be subject to discipline pursuant to section 590.080.1(6), RSMo.

AUTHORITY: section 590.050.1, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 15—Continuing Education**

PROPOSED RULE

11 CSR 75-15.020 Minimum Standards for Continuing Education Training

PURPOSE: This rule establishes minimum standards for the continuing education training of peace officers.

(1) All Continuing Law Enforcement Education (CLEE) training shall relate to one (1) of the following curricula areas:

- (A) Legal studies;
- (B) Technical studies;
- (C) Interpersonal perspectives; or
- (D) Skill development.

(2) All CLEE training shall be designated according to curricula area. CLEE training relating to racial profiling shall be designated as such, in addition to being designated by curricula area.

(3) CLEE credit shall be calculated at the following rates:

- (A) One (1) hour of CLEE credit for each fifty (50) minutes of CLEE instruction received;
- (B) Two (2) hours of CLEE credit for each hour of CLEE instruction delivered; and
- (C) Two (2) hours of CLEE credit for each semester hour of credit earned at an accredited college or university and related to law enforcement or applicable to law enforcement administration.

(4) Upon successful completion of the requirements of any CLEE course, the provider of the training shall present each trainee a certificate bearing:

- (A) The provider's name and the phrase "Approved Provider;"
- (B) The course name;

- (C) The total number of CLEE credit hours earned;
- (D) A breakdown of CLEE credit hours earned by curricula area;
- (E) The number of racial profiling CLEE credit hours earned, if any;
- (F) The trainee's name; and
- (G) The name of the individual responsible for general administration of the course.

(5) A CLEE provider shall retain, for a period of six (6) years after each CLEE training course, the following records.

- (A) A copy of the training certificate or other record of the information required by subsections (4)(A) to (4)(F) of this rule;
- (B) A list of all trainees who successfully completed the course;
- (C) The name of the individual responsible for general administration of the course;
- (D) A list of all training objectives;
- (E) All lesson plans;
- (F) All source documents;
- (G) All instructor records; and
- (H) The course evaluation plan.

(6) Every law enforcement agency that provides in-service CLEE training shall present each officer leaving the agency with a complete record of all in-service CLEE training obtained by the officer during the officer's tenure with the agency.

(7) A source approved to provide a specific CLEE course pursuant to 11 CSR 75-15.020 shall file with the Director a complete attendance list within two (2) weeks following the completion of the course.

(8) CLEE providers shall deliver all CLEE training in a safe and effective manner.

AUTHORITY: section 590.050.1, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training Program
Chapter 15—Continuing Education

PROPOSED RULE

11 CSR 75-15.030 Procedure to Obtain a Continuing Education Provider License

PURPOSE: This rule identifies the procedure to obtain a continuing education provider license.

(1) Any person or entity may apply for a continuing law enforcement education (CLEE) provider license, except that a law enforcement agency eligible to provide in-service CLEE training pursuant to 11 CSR 75-15.060 is not eligible for a CLEE provider license.

(2) An applicant shall submit to the Director a CLEE provider license application. The Director may investigate or request additional information from an applicant pursuant to section 590.110.1, RSMo.

(3) The Peace Officer Standards and Training (POST) Commission shall make a preliminary determination of an applicant's qualifications. The POST Commission may consider any relevant factor, including the applicant's history, facilities and equipment, academic qualifications, financial qualifications, the estimated number of annual graduates, letters of support, and the applicant's need for licensed provider status as opposed to obtaining individual course approval pursuant to 11 CSR 75-15.020.

(4) If an applicant receives preliminary approval from the POST Commission, the Director shall:

- (A) Conduct a site visit;
- (B) Review the applicant's policies and procedures, including attendance and instructor evaluation policies;
- (C) Review the applicant's proposed courses, including training objectives, lesson plans, source documents, evaluation plan, and instructor qualifications; and
- (D) Report the findings to the POST Commission.

(5) Upon receipt of the Director's report, the POST Commission may invite the applicant to appear before the Commission.

(6) The POST Commission shall make a final recommendation to the Director whether to license the applicant.

(7) The Director shall consider the recommendation of the POST Commission and shall grant the CLEE provider license or deny the applicant's request. An applicant aggrieved by the decision of the Director may appeal pursuant to section 590.060.2, RSMo.

(8) All new CLEE provider licenses shall be issued for an initial period of one (1) year. During this initial period, the Director shall conduct a programmatic audit of the CLEE provider and present the findings to the POST Commission for review. The POST Commission shall make a recommendation to the Director whether to renew the license. The Director shall consider the recommendation of the POST Commission and may:

- (A) Renew the license for an additional period of one (1) year subject to further audit and review by the POST Commission;
- (B) Grant a three (3)-year license to the applicant; or
- (C) Refuse to renew the license, in which case the applicant may appeal pursuant to section 590.060.2, RSMo.

(9) The procedure to renew a three (3)-year CLEE provider license shall be as follows:

- (A) The applicant shall submit to the Director a CLEE provider license renewal application.
- (B) The Director may conduct a programmatic audit of the training center.
- (C) The POST Commission shall review the applicant's qualification for renewal and make a recommendation to the Director whether to renew the applicant's license.

(D) The Director shall grant renewal of the applicant's license or deny the applicant's request, which shall cause the license to expire.

(10) An applicant aggrieved by a decision of the Director pursuant to this rule may appeal pursuant to section 590.060.2, RSMo.

AUTHORITY: section 590.050. 2, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 15—Continuing Education**

PROPOSED RULE

11 CSR 75-15.040 Procedure to Obtain Approval for an Individual CLEE Course

PURPOSE: This rule identifies the procedure to obtain approval for an individual continuing law enforcement education course.

(1) To be eligible to obtain approval for a specific, individual Continuing Law Enforcement Education (CLEE) course, an applicant must not be the holder of a CLEE provider license.

(2) An applicant shall submit to the Director a completed individual CLEE course application. The Director may investigate the applicant or request additional information from the applicant pursuant to section 590.110.1, RSMo.

(3) The Director shall determine the qualification of the applicant. The Director may consider any relevant factor, including the applicant's history, facilities and equipment, academic qualifications, financial qualifications, attendance policy, evaluation plan, training objectives, lesson plan, instructor record, and source documents.

(4) The Director shall grant approval of the individual CLEE course or deny the applicant's request. An applicant aggrieved by the decision of the Director may appeal pursuant to section 590.050.2, RSMo.

(5) Any change to the training objectives or instructor of an individual CLEE course shall require prior approval of the Director.

AUTHORITY: section 590.050.2, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 15—Continuing Education**

PROPOSED RULE

11 CSR 75-15.050 Out-of-State, Federal, and Organizations Continuing Education

PURPOSE: This rule establishes that the Director will maintain a list of out-of-state, federal, and organizations continuing education entities.

(1) Before the beginning of each Continuing Law Enforcement Education (CLEE) period established pursuant to 11 CSR 75-15.010, the Director shall determine which states, federal agencies, and organizations have standards for continuing education training comparable to the standards established pursuant to these rules. The Director shall maintain a list of, and shall recognize continuing education credit from, such sources.

(2) In order to receive credit for attending the CLEE training approved pursuant to this rule, an officer shall maintain evidence that:

(A) The training was approved for continuing education by the state or federal agency providing the training or by the state in which the training was located; and

(B) The officer successfully completed the training.

AUTHORITY: section 590.050.2, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 15—Continuing Education**

PROPOSED RULE

11 CSR 75-15.060 In-Service Continuing Education Training

PURPOSE: This rule establishes a procedure for a law enforcement agency to provide in-service continuing law enforcement education training.

(1) Any law enforcement agency may provide in-service Continuing Law Enforcement Education (CLEE) training to its licensed peace officers.

(2) In order for in-service training to qualify for CLEE credit, the agency providing the training shall submit to in-service training audits, during which the agency shall provide the Director free access to all records retained pursuant to 11 CSR 75-15.020(5).

(3) The Director may refuse to recognize CLEE credit from any in-service provider that:

- (A) Refuses to cooperate with an audit pursuant to this rule; or
- (B) Fails to comply with the minimum CLEE training standards of 11 CSR 75-15.020.

AUTHORITY: section 590.050. 2, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 15—Continuing Education**

PROPOSED RULE

11 CSR 75-15.070 Computer-Based Continuing Education Training

PURPOSE: This rule establishes the requirements for computer-based training.

(1) Any source approved to provide Continuing Law Enforcement Education (CLEE) training pursuant to 11 CSR 75-15.010(4) may offer interactive, computer-based training.

(2) Computer-based training shall meet all requirements of 11 CSR 75-15.020. In addition, the training certificate presented to each trainee shall bear the phrase "Computer-Based Training."

(3) A computer-based training course shall be considered a complete and detailed lesson plan within itself. Source documents may be identified within the computer course. When a course is no longer available via computer, the provider shall maintain a printed copy of the lesson plan in the course file retained pursuant to 11 CSR 75-15.020(5).

(4) The course administrator shall attest to actual attendance and may ascertain attendance by any reasonably certain method, including tracking by the computer course software, if the tracking meets the standard of this rule. The attendance policy and methodology for ascertaining attendance shall be included in the course record file.

(5) The evaluation plan may include assessment of the student's mastery of the training objectives as part of computer program or may do so by an examination separate from the computer program, such as a written or practical examination. To successfully complete a computer-based training course, a trainee must achieve a test score of at least seventy percent (70%) correct.

(6) The number of CLEE credit hours for a computer-based training course shall be determined as follows:

(A) A test group of at least ten (10) randomly selected peace officers shall complete the course in a timed manner.

(B) The test group times shall be placed in rank order.

(C) The time required for successful completion of the course by eighty percent (80%) of the test group, rounded down to a convenient time interval, shall be the credit hour value of the course.

(D) The credit hour value of the course may be determined by any other method approved in advance by the Director.

AUTHORITY: section 590.050.2, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and
Training Program
Chapter 16—Peace Officer Standards and Training
Commission Fund**

PROPOSED RULE

11 CSR 75-16.010 Peace Officer Standards and Training Commission Fund

PURPOSE: This rule identifies procedures for administering the training fund established pursuant to section 590.178, RSMo.

(1) A county or municipality may participate in the Peace Officer Standards and Training Commission Fund (POST Fund) as follows:

(A) The county or municipality shall assess a one dollar (\$1) surcharge in each criminal case pursuant to section 488.5336, RSMo;

(B) No less than once per calendar month, the county or municipality shall forward, payable to "Treasurer, State of Missouri," all collected surcharges to the following address: Budget Director, Department of Public Safety, PO Box 749, Jefferson City, MO 65102;

(C) All surcharges forwarded to the Department of Public Safety shall be accompanied by a completed POST Fund participation form.

(2) The Director shall distribute monies from the POST Fund to participating counties and municipalities as follows:

(A) Distribution shall be made annually on or before September 1 based on contributions made during the preceding state fiscal year;

(B) A county or municipality must have participated at least ninety (90) days during the fiscal year in order to be eligible for distribution;

(C) All participants who contributed five hundred dollars (\$500) or less shall receive a distribution of exactly five hundred dollars (\$500);

(D) All participants who contributed more than five hundred dollars (\$500) shall receive a distribution as follows:

1. The participant's CONTRIBUTION FACTOR shall be calculated, which shall equal the participant's contribution divided by total contributions.

2. The participant's BASE DISTRIBUTION shall be calculated, which shall equal ninety percent (90%) of the participant's contribution.

3. An OVERALL RESIDUAL shall be calculated, which shall equal total contributions, less the total of five hundred dollar (\$500) payments pursuant to subsection (2)(C) of this rule, less the total of base distributions pursuant to paragraph (2)(D)2. of this rule, plus accrued interest on total contributions, less a reserve amount to be determined by the Director.

4. The participant's RESIDUAL ADJUSTMENT shall be calculated, which shall equal the OVERALL RESIDUAL multiplied by the participant's CONTRIBUTION FACTOR.

5. The participant's actual distribution shall equal the participant's BASE DISTRIBUTION plus the participant's RESIDUAL ADJUSTMENT.

(3) Monies distributed from the POST Fund shall not be used for any purpose other than to pay the costs of:

(A) Continuing Law Enforcement Education (CLEE) training attended by licensed peace officers; or

(B) Technical or professional training attended by non-commissioned personnel employed by a law enforcement agency.

(4) Under no circumstances shall monies distributed from the POST Fund be used to pay for:

(A) Salaries; or

(B) Training not successfully completed by the trainee.

(5) Monies distributed from the POST Fund shall not be used to supplant or replace existing training funding.

(6) The Director shall have discretion to determine whether any particular training or cost item is eligible to be paid with monies distributed from the POST Fund.

(7) The POST Commission shall have discretion to bar a county or municipality from future participation in the POST Fund for failure to comply with this rule.

(8) A decision of the Director or of the POST Commission pursuant to this rule shall be subject to review only pursuant to section 536.150, RSMo.

AUTHORITY: sections 590.120 and 590.178, RSMo Supp. 2001. Original rule filed May 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Chris Egbert, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 13—DEPARTMENT OF SOCIAL SERVICES
Division 70—Division of Medical Services
Chapter 15—Hospital Program**

PROPOSED AMENDMENT

13 CSR 70-15.010 Inpatient Hospital Services Reimbursement Plan; Outpatient Hospital Services Reimbursement Methodology. The division is amending sections (2), (5), and (15).

PURPOSE: The proposed amendment revises sections (2) and (5) to allow critical access hospitals to request a rate adjustment and subsection (15)(A) to allow for the FRA assessment not included in cost reports ending prior to January 1, 2001, the increased cost is the result of including out-of-state Medicaid days in total projected Medicaid days and for a Missouri Specific Trend.

(2) Definitions.

(G) Critical access. Hospitals which meet the federal definition found in section 1820(c)(2)(B) of the Social Security Act. A Missouri expanded definition of critical access shall also include hospitals which meet the federal definitions of both a rural referral center and sole community provider and is adjacent to at least one county that has a Medicaid eligible population of at least thirty percent (30%) of the total population of the county or hospitals which are the sole community hospital located in a county that has a Medicaid population of at least thirty percent (30%) of the total population of the county.

/(G)/(H) Disproportionate share reimbursement. The disproportionate share payments described in section (16), and subsection (18)(B) include both the federally mandated reimbursement for hospitals which meet the federal requirements listed in section (6) and the discretionary disproportionate share payments which are allowed but not mandated under federal regulation. A Safety Net Adjustment, section (16), and Uninsured Add-Ons, subsection (18)(B), are subject to federal limitation as described in Omnibus Reconciliation Act of 1993 (OBRA 93) and section (17) of this regulation.

/(H)/(I) Effective date.

1. The plan effective date shall be October 1, 1981.

2. The adjustment effective date shall be thirty (30) days after notification to the hospital that its reimbursement rate has been changed unless modified by other sections of the plan.

/(I)/(J) Medicare rate. The Medicare rate is the rate established on the basis of allowable cost as defined by applicable Medicare standards and principles of reimbursement (42 CFR part 405) as determined by the servicing fiscal intermediary based on yearly hospital cost reports.

/(J)/(K) Nonreimbursable items. For purposes of reimbursement of reasonable cost, the following are not subject to reimbursement:

1. Allowances for return on equity capital;

2. Amounts representing growth allowances in excess of the intensity allowance, profits, efficiency bonuses, or a combination of these;

3. Cost in excess of the principal of reimbursement specified in 42 CFR chapter IV, part 413; and

4. Costs or services or costs and services specifically excluded or restricted in this plan or the Medicaid hospital provider manual.

[(K)](L) Per-diem rates. The per-diem rates shall be determined from the individual hospital cost report in accordance with section (3) of the regulation.

[(L)](M) Reasonable cost. The reasonable cost of inpatient hospital services is an individual hospital's Medicaid per-diem cost per day as determined in accordance with the general plan rate calculation from section (3) of this regulation using the base year cost report.

[(M)](N) Trend factor. The trend factor is a measure of the change in costs of goods and services purchased by a hospital during the course of one (1) year.

[(N)](O) Children's hospital. An acute care hospital operated primarily for the care and treatment of children under the age of eighteen (18) and which has designed in its licensure application at least sixty-five percent (65%) of its total licensed beds as a pediatric unit as defined in 19 CSR 30-20.021(4)(F).

[(O)](P) FRA. The Federal Reimbursement Allowance (FRA) is identified in 13 CSR 70-15.110. Effective January 1, 1999, the assessment shall be an allowable cost.

[(P)](Q) Incorporates by Reference. This rule incorporates by reference the following:

1. *Institutional Provider Manual*; and
2. Worksheet E-3 Part IV from the Medicare cost report (HCFA 2552-96).

(5) Administrative Actions.

(F) Rate Reconsideration.

1. Rate reconsideration may be requested under this subsection for changes in allowable cost which occur subsequent to the base period described in subsection (3)(A). The effective date for any increase granted under this subsection shall be no earlier than the first day of the month following the Division of Medical Services' final determination on rate reconsideration.

2. The following may be subject to review under procedures established by the Medicaid agency:

A. Substantial changes in or costs due to case mix;

B. New, expanded or terminated services as detailed in subsection (5)(C); *and*

C. When the hospital experiences extraordinary circumstances which may include, but are not limited to, an act of God, war or civil disturbance.; *and*

D. Per-diem rate adjustments for critical access and trauma center hospitals.

(I) Critical access hospitals meeting either the federal definition or the Missouri expanded definition may request per-diem rate adjustments in accordance with this subsection. The per-diem rate increase will result in a corresponding reduction in the Medicaid direct payment.

(a) Hospitals which meet the federal definition as a critical access hospital may request a per-diem rate equal to one hundred percent (100%) of their estimated Medicaid cost per day as determined in section (15).

(b) Hospitals which meet the Missouri expanded definition as a critical access hospital may request a per-diem rate equal to seventy-five percent (75%) of their estimated Medicaid cost per day as determined in section (15).

3. The following will not be subject to review under these procedures:

A. The use of Medicare standards and reimbursement principles;

B. The method for determining the trend factor;

C. The use of all-inclusive prospective reimbursement rates; and

D. Increased costs for the successor owner, management or leaseholder that result from changes in ownership, management,

control, operation or leasehold interests by whatever form for any hospital previously certified at any time for participation in the Medicaid program, except a review may be conducted when a hospital changes from nonprofit to proprietary or vice versa to recognize the change in its property taxes, see paragraph (5)(E)4.

4. As a condition of review, the Missouri Division of Medical Services may require the hospital to submit to a comprehensive operational review. The review will be made at the discretion of the state Medicaid agency and may be performed by it or its designee. The findings from any such review may be used to recalculate allowable costs for the hospital.

5. The request for an adjustment must be submitted in writing to the Missouri Division of Medical Services and must specifically and clearly identify the issue and the total dollar amount involved. The total dollar amount must be supported by generally acceptable accounting principles. The hospital shall demonstrate the adjustment is necessary, proper and consistent with efficient and economical delivery of covered patient care services. The hospital will be notified in writing of the agency's decision within sixty (60) days of receipt of the hospital's written request or within sixty (60) days of receipt of any additional documentation or clarification which may be required, whichever is later. Failure to submit requested information within the sixty (60)-day period shall be grounds for denial of the request. If the state does not respond within the sixty (60)-day period, the request shall be deemed denied.

(15) Direct Medicaid Payments.

(A) Direct Medicaid Payments. Direct Medicaid payments will be made to hospitals for the following allowable Medicaid costs not included in the per-diem rate as calculated in section (3):

1. The increased Medicaid costs resulting from the FRA assessment *[becoming an allowable cost on January 1, 1999] not included in the cost report ending prior to January 1, 2001;*

2. The unreimbursed Medicaid costs applicable to the *[SFY 1999]* trend factor which is not included in the per-diem rate;

3. The unreimbursed Medicaid costs for capital and medical education not included in the trended per-diem cost as a result of the application of the sixty percent (60%) minimum utilization adjustment in paragraph (3)(A)4.;

4. The increased cost per day resulting from the utilization adjustment. The increase cost per day results from lower utilization of inpatient hospital services by Medicaid recipients now covered by an MC+ health plan; *and*

5. The poison control adjustment shall be determined for hospitals which operated a poison control center during the base year and which continues to operate a poison control center in a Medicaid managed care region.; *and*

6. The increased cost resulting from including out-of-state Medicaid days in total projected Medicaid days.

(B) Direct Medicaid payment will be computed as follows:

1. The Medicaid share of the FRA assessment will be calculated by dividing the hospital's Medicaid patient days by total hospital's patient days to arrive at the Medicaid utilization percentage. This percentage is then multiplied by the FRA assessment for the current SFY to arrive at the increased allowable Medicaid costs;

2. The unreimbursed Medicaid costs are determined by subtracting the hospital's per-diem rate from its trended per-diem costs. The difference is multiplied by the estimated Medicaid patient days for the current SFY.

A. The trended cost per day is calculated by trending the base year *[operating]* costs per day by the trend indices listed in paragraph (3)(B)1., using the rate calculation in subsection (3)(A). **In addition to the trend indices applied to inflate base period costs to the current fiscal year, base year costs will be further adjusted by a Missouri Specific Trend. The Missouri Specific Trend will be used to address the fact that costs for Missouri**

inpatient care of Medicaid residents have historically exceeded the compounded inflation rates estimated using national hospital indices for a significant number of hospitals. The Missouri Specific Trend will be applied at one and one-half percent (1.5%) per year to the hospitals base year. For example, hospitals with a 1998 base year will receive an additional six percent (6%) trend and hospitals with a 1999 base year will receive an additional four and one-half percent (4.5%) trend.

B. For hospitals that meet the requirements in paragraphs (6)(A)1., (6)(A)2. and (6)(A)4. of this rule (safety net hospitals), the base year cost report may be from the third prior year, the fourth prior year, or the fifth prior year. For hospitals that meet the requirements in paragraphs (6)(A)1. and (6)(A)3. of this rule (first tier Disproportionate Share Hospitals), the base year operating costs may be the third or fourth prior year cost report. The Division of Medical Services shall exercise its sole discretion as to which report is most representative of costs. For all other hospitals, the base year operating costs are based on the fourth prior year cost report. For any hospital that has both a twelve (12)-month cost report and a partial year cost report, its base period cost report for that year will be the twelve (12)-month cost report.

C. The trended cost per day does not include the costs associated with the FRA assessment, the application of minimum utilization, the utilization adjustment and the poison control costs computed in paragraphs (15)(B)1., 3., 4., and 5.;

3. The minimum utilization costs for capital and medical education is calculated by determining the difference in the hospital's cost per day when applying the minimum utilization as identified in paragraph (5)(C)4., and without applying the minimum utilization. The difference in the cost per day is multiplied by the estimated Medicaid patient days for the SFY;

4. The utilization adjustment cost is determined by estimating the number of Medicaid inpatient days the hospital will not provide as a result of the MC+ Health Plans limiting inpatient hospital services. These days are multiplied by the hospital's cost per day to determine the total cost associated with these days. This cost is divided by the remaining total patient days from its base period cost report to arrive at the increased cost per day. This increased cost per day is multiplied by the estimated Medicaid days for the current SFY to arrive at the Medicaid utilization adjustment; *[and]*

5. The poison control cost shall reimburse the hospital for the prorated Medicaid managed care cost. It will be calculated by multiplying the estimated Medicaid share of the poison control costs by the percentage of MC+ recipients to total Medicaid recipients.; *and*

6. The costs for including out-of-state Medicaid days is calculated by subtracting the hospital's per-diem rate from its trended per-diem cost and multiplying this difference by the out-of-state Medicaid days from the base year cost report.

[(C) The SFY 1999 Direct Medicaid Payments starting January 1, 1999 will be determined by subtracting the Add-On payments made for unreimbursed Medicaid costs between July 1, 1998 and December 31, 1998 from the SFY 1999 unreimbursed Medicaid costs calculated in subsection (15)(B). The difference in the unreimbursed Medicaid costs will be prorated over the remainder of the SFY 1999 and paid directly to the hospitals.]

AUTHORITY: sections 208.152, 208.153, and 208.201, RSMo 2000 and 208.471, RSMo Supp. 2001. This rule was previously filed as 13 CSR 40-81.050. Original rule filed Feb. 13, 1969, effective Feb. 23, 1969. For intervening history, please consult the Code of State Regulations. Amended: Filed April 29, 2002.

PUBLIC COST: This proposed amendment is expected to cost state agencies and political subdivisions an additional \$74,848,027 for a total of \$573,765,916 in SFY 2002 and an additional \$135,094,435 for a total of \$634,012,324 in SFY 2003 in the

aggregate. A fiscal note containing details of the estimated cost of compliance has been filed with the secretary of state.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate in SFY 2002 or SFY 2003.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Social Services, Division of Medical Services, 615 Howerton Court, Jefferson City, MO 65109. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. If to be hand-delivered, comments must be brought to the Division of Medical Services at 615 Howerton Court, Jefferson City, Missouri. No public hearing is scheduled.

**FISCAL NOTE
PUBLIC COST**

RULE NUMBER

Rule Number and Name:	13 CSR 70-15.010 Inpatient Hospital Services Reimbursement Plan; Outpatient Hospital Services Reimbursement Methodology
Type of Rulemaking:	Proposed Amendment

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Cost of Compliance in the Aggregate
Department of Social Services Division of Medical Services	SFY 2002 - \$74,848,027
Department of Social Services Division of Medical Services	SFY 2003 - \$135,094,435

WORKSHEET

For SFY 2002, the estimated annual impact is based on Direct Medicaid payments of \$238,949,286 and uninsured payments of \$334,816,630 for total Add-on payments of \$573,765,916. The \$74,848,027 is calculated by subtracting the original projected amount of \$498,917,889 from the new projected amount of \$573,765,916. The additional cost is due to changing to allow for the inclusion of out-of-state Medicaid days in total projected Medicaid days and for a Missouri Specific Trend.

For SFY 2003, the estimated annual impact is based on Direct Medicaid payments of \$296,090,225 and uninsured payments of \$337,922,100 for total Add-on payments of \$634,012,324. The \$135,094,435 is calculated by subtracting the original projected amount for SFY 2002 of \$498,917,889 from the SFY 2003 projected amount of \$634,012,324. The additional cost is due to changing to allow for the inclusion of out-of-state Medicaid days in total projected Medicaid days and for a Missouri Specific Trend.

IV. ASSUMPTIONS

The increased cost is based on the inclusion of out-of-state Medicaid days in total projected days and for allowing a Missouri Specific Trend. There is no net cost to the State or hospitals for Critical Care rate adjustments because there is a corresponding reduction in expenditures for Medicaid Direct payments.

**Title 13—DEPARTMENT OF SOCIAL SERVICES
Division 70—Division of Medical Services
Chapter 15—Hospital Program**

PROPOSED AMENDMENT

13 CSR 70-15.110 Federal Reimbursement Allowance (FRA).
The division is amending section (9) and adding section (10).

PURPOSE: This amendment will establish the Federal Reimbursement Allowance (FRA) Assessment for SFY 2002 at five percent (5.00%) and SFY 2003 at five and fifty-two hundredths percent (5.52%).

PUBLISHER'S NOTE: The secretary of state has determined that the publication of the entire text of the material which is incorporated by reference as a portion of this rule would be unduly cumbersome or expensive. Therefore, the material which is so incorporated is on file with the agency who filed this rule, and with the Office of the Secretary of State. Any interested person may view this material at either agency's headquarters or the same will be made available at the Office of the Secretary of State at a cost not to exceed actual cost of copy reproduction. The entire text of the rule is printed here. This note refers only to the incorporated by reference material.

(9) Federal Reimbursement Allowance (FRA) for State Fiscal Year 2002. The FRA assessment for State Fiscal Year (SFY) 2002 shall be determined at the rate of [five and twenty] **five and zero** hundredths percent [(5.20%)] **(5.00%)** of the hospital's [net operating revenues and other operating revenues defined in paragraphs (1)(A)12., and 13., as determined from information reported in the hospital's 1998 base year cost report. The SFY 2002 FRA Assessment shall be prorated as an estimate of the SFY 2003 FRA Assessment until such time as the regulation establishing the SFY 2003 FRA Assessment is effective.] total operating revenue less tax revenue/other government appropriations plus non-operating gains and losses as published by the Missouri Department of Health, State Center for Health Statistics in the *Missouri Hospital Revenues 1995-2000* manual, which is incorporated by reference in this rule. The base financial data for 1998 will be annualized, if necessary, and will be adjusted by the trend factor listed in 13 CSR 70-15.010(3)(B) to determine revenues for the current state fiscal year. The financial data that is submitted by the hospitals to the Missouri Department of Health and Senior Services is required as part of 19 CSR 10-33.030, Reporting Financial Data by Hospitals. If the pertinent information is not available through the Department of Health and Senior Services, hospital database, the Division of Medical Services will use the Medicaid data similarly defined from the Medicaid cost report that is required to be submitted pursuant to 13 CSR 70-15.010(5)(A).

(10) Federal Reimbursement Allowance (FRA) for State Fiscal Year 2003. The FRA assessment for State Fiscal Year (SFY) 2003 shall be determined at the rate of five and fifty two hundredths percent (5.52%) of the hospital's total operating revenue less tax revenue/other government appropriations plus non-operating gains and losses as published by the Missouri Department of Health, State Center for Health Statistics in the *Missouri Hospital Revenues 1995-2000* manual, which is incorporated by reference in this rule. The base financial data for 1999 will be annualized, if necessary, and will be adjusted by the trend factor listed in 13 CSR 70-15.010(3)(B) to determine revenues for the current state fiscal year. The financial data that is submitted by the hospitals to the Missouri Department of Health and Senior Services is required as part of 19 CSR 10-

33.030, Reporting Financial Data by Hospitals. If the pertinent information is not available through the Department of Health and Senior Services, hospital database, the Division of Medical Services will use the Medicaid data similarly defined from the Medicaid cost report that is required to be submitted pursuant to 13 CSR 70-15.010(5)(A).

AUTHORITY: sections 208.201, 208.453 and 208.455, RSMo 2000. Emergency rule filed Sept. 21, 1992, effective Oct. 1, 1992, expired Jan. 28, 1993. Emergency rule filed Jan. 15, 1993, effective Jan. 25, 1993, expired May 24, 1993. Original rule filed Sept. 21, 1992, effective June 7, 1993. For intervening history, please consult the *Code of State Regulations*. Amended: Filed April 29, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate in SFY 2002 or SFY 2003.

PRIVATE COST: This proposed amendment is expected to cost private entities an additional \$83,657,823 for a total of \$473,656,840 in SFY 2002 and a total of \$540,704,022 in SFY 2003. A fiscal note containing details of the estimated cost of compliance has been filed with the secretary of state.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Social Services, Division of Medical Services, 615 Howerton Court, Jefferson City, MO 65109. To be considered, comments must be received within thirty (30) days after publication in the *Missouri Register*. If to be hand-delivered, comments must be brought to the Division of Medical Services at 615 Howerton Court, Jefferson City, Missouri. No public hearing is scheduled.

**FISCAL NOTE
 PRIVATE COST**

RULE NUMBER

Rule Number and	13 CSR 70-15.110
Type of Rulemaking:	Proposed Amendment

II. SUMMARY OF FISCAL IMPACT

Estimate of the number of entities by class which would likely be affected by the adoption of the proposed rule:	Classification by types of the business entities which would likely be affected:	Estimate in the aggregate as to the cost of compliance with the rule by the affected entities:
132	Hospitals	SFY 2002 - \$83,657,823
132	Hospitals	SFY 2003 - \$540,704,022

WORKSHEET

The fiscal note is based on establishing the SFY 2002 FRA assessment percentage at five and zero hundredths percent (5.00%) and the SFY 2003 FRA assessment percentage at five and fifty two hundredths percent (5.52%).

ASSUMPTIONS

The SFY 2002 FRA assessment is based on total operating revenue less tax revenue/other government appropriations plus non-operating gains and losses of approximately \$9.4 billion multiplied by five and zero hundredths percent (5.00%). The \$83,657,823 cost is the difference between the original SFY 2002 estimate of \$389,999,017 and the new SFY 2002 estimated cost of \$473,656,840. The 132 hospitals reported above include 43 hospitals that are owned or controlled by state, county, city or hospital districts. The impact on these hospitals is \$13,486,808 (\$65,959,930 new estimate less \$52,473,122 original estimate).

The SFY 2003 FRA assessment is based on total operating revenue less tax revenue/other government appropriations plus non-operating gains and losses of approximately \$9.8 billion multiplied by five and fifty two hundredths percent (5.52%). The 132 hospitals reported above include 43 hospitals that are owned or controlled by state, county, city or hospital districts. The impact on these hospitals is \$76,425,214.

Title 16—RETIREMENT SYSTEMS
Division 50—The County Employees' Retirement Fund
Chapter 10—County Employees' Defined Contribution Plan

PROPOSED AMENDMENT

16 CSR 50-10.010 Definitions. This amendment amends subsections (1)(A) and (T).

PURPOSE: This amendment amends the definitions needed to describe the terms of the defined contribution plan authorized by sections 50.1210 to 50.1260, RSMo.

(1) Whenever used in this Chapter 10, the following terms shall have the meanings as set forth in this rule 16 CSR 50-10.010 unless a different meaning is clearly required by the context:

(A) Account means the individual bookkeeping account maintained for each Participant that represents his or her total proportionate interest in the Trust Fund, and shall include the following subaccounts of the Participant: seed account, **Board matching account**, **Employer matching account** and rollover account.

(T) Year of Service means the amount of an Employee's employment as a county employee used to determine the Employee's vested interest in his or her **Board matching account** and **Employer matching account** as described in 16 CSR 50-10.070.

AUTHORITY: sections 50.1000, RSMo 2000, 50.1210–50.1260, RSMo [Supp. 1999] 2000 and Supp. 2001. Original rule filed May 9, 2000, effective Jan. 30, 2001. Amended: Filed April 25, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the County Employees' Retirement Fund, PO Box 2271, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

Title 16—RETIREMENT SYSTEMS
Division 50—The County Employees' Retirement Fund
Chapter 10—County Employees' Defined Contribution Plan

PROPOSED AMENDMENT

16 CSR 50-10.030 Contributions. Sections (2), (4), (5), (6) and (7) are amended. A new section (5) is added, and the remaining sections are renumbered accordingly.

PURPOSE: This amendment amends the contributions that may be made to the defined contribution plan, the allocation of those contributions to participants, the source of these contributions, and limitations on the contributions.

(2) **Board Matching Contribution.** The Board, in its sole discretion, shall determine if it will make **Board matching contributions** for a Plan Year and the aggregate amount of the contribution. Such determination shall be made after the close of the Plan Year for which the contribution is made. Each Qualified Participant (as defined in section (3) below) who makes contributions to the 457

Plan during the Plan Year for which the **Board matching contribution** is made shall be eligible to receive an allocation of this **Board matching contribution**. Generally, the Board shall allocate **Board matching contributions pro rata** to the Qualified Participant's **Board matching account**, on the basis of a Qualified Participant's contributions to the 457 Plan. However, the Board shall follow these rules in making this allocation:

(A) Contributions allocated to a Qualified Participant who is not a member of LAGERS shall equal the least of: i) three percent (3%) of such non-LAGERS member's Compensation for the Plan Year, ii) fifty percent (50%) of such non-LAGERS member's contributions to the 457 Plan, or iii) the matching percentage designated by the Board for the Plan Year, multiplied by the Qualified Participant's contributions to the 457 Plan for the Plan Year.

(B) Contributions allocated to a Qualified Participant who is a member of LAGERS shall equal the least of: i) one and one-half percent (1.5%) of such LAGERS member's Compensation for the Plan Year, ii) twenty-five percent (25%) of such LAGERS member's contributions to the 457 Plan, or iii) one-half (1/2) of the matching percentage designated by the Board for the Plan Year, multiplied by the Qualified Participant's contributions to the 457 Plan for the Plan Year.

(C) If a **Board matching contribution** is made for a Plan Year, it shall be allocated to the Participant's **Board matching account** as soon as administratively feasible after the close of the Plan Year without regard to any earnings or losses from the close of the Plan Year until the date such allocation is made.

(4) **Source of Board Matching Contributions.** The source of **Board matching contributions** (if made) shall be the funds described in sections 50.1020, 50.1190 and 50.1200, RSMo. Such funds shall be held in a separate trust (which shall be exempt from federal income tax in accordance with section 115 of the Code) until the Board determines whether all such funds must be contributed to the pension plan described in sections 50.1000 to 50.1200, RSMo to maintain the actuarial sufficiency of such plan or whether a portion of these funds may be contributed to the Plan described in this Chapter 10.

(5) **Employer Matching Contributions.** Each Employer, in its sole discretion, shall determine if it will make **Employer matching contributions** for any Plan Year beginning after December 31, 2001.

(A) An Employer may elect, before or as soon as possible before the beginning of each Plan Year, to make **Employer matching contributions** for the Plan Year by transmitting minutes of the meeting of the county commission or other governing body at which **Employer matching contributions** are authorized for such Plan Year to the Board within thirty (30) days of such meeting. Any such election shall not apply to subsequent Plan Years.

(B) The election made by any Employer under subsection (5)(A) shall set forth the rate, method or rules to be used by the Employer for making **Employer matching contributions** for the Plan Year.

1. If the Employer's election is made after the beginning of the Plan Year, it shall specify whether retroactive **Employer matching contributions** shall be made with respect to contributions made to the 457 Plan prior to such election.

2. The rate, method or rules for making **Employer matching contributions** specified in the Employer's election may not be changed during the Plan Year; provided that the Employer may at any time during the Plan Year, by notifying the Board, prospectively terminate **Employer matching contributions** otherwise allocable with respect to contributions made to the 457 Plan after the date of such notice. An Employer which terminates **Employer matching contributions** for any

Plan Year may elect to make Employer matching contributions for any subsequent Plan Year.

(C) Each Qualified Participant (as defined in section (3) above) who is employed by an Employer and makes contributions to the 457 Plan during a Plan Year for which such Employer has elected to make Employer matching contributions shall be eligible to receive an allocation of such Employer matching contributions.

(D) If Employer matching contributions are made for a Plan Year by any Employer, such contributions shall be sent by such Employer directly to the Trustee no later than the end of the first quarter of the following Plan Year, and shall be allocated to the Employer matching account of each Qualified Participant eligible to receive an allocation of such Employer matching contributions as soon as administratively feasible thereafter.

~~[(5)]~~(6) Rollover Contributions. The Plan shall accept a cash rollover contribution (within the meaning of *Code sections 402(c)*) the first sentence of Code section 402(c)(2) and Code sections 403(b)(8) (excluding after-tax employee contributions) and 408(d)(3)(A), including optional direct transfers under Code section 401(a)(31)) on behalf of a Participant, from any plan qualified under Code section 401(a), an annuity contract described in Code section 403(b) and any individual retirement account meeting the requirements of Code section 408(d)(3)(A)(ii). The Board (or its designee) may require a Participant to submit evidence that all of a contemplated contribution constitutes proceeds of an "eligible rollover distribution" (as described in Code section 402(c)(4)) or a "rollover contribution" (as described in Code section 408(d)(3)(A)(ii)) before allowing the Participant to make a contribution under this section.

~~[(6)]~~(7) 415 Limitation. As of the close of a Plan Year, the Board shall determine whether contributions to the Plan have been made, which exceed the limitations of Code section 415(c). The Board shall use W-2 compensation (as defined in 26 CFR 1.415-2(d)(11)(i)) in making this determination, except that the Board shall include amounts excluded from W-2 compensation by reason of Code sections 125, 402(g)(3) [and 457], 457 and, effective for Plan Years beginning on or after January 1, 2001, 132(f)(4). If, as a result of the allocation for forfeitures or a reasonable error in estimating a Participant's annual compensation, the annual addition to a Participant's Account exceeds the maximum permitted, i) Board matching contributions constituting excess annual additions (and any gains on those contributions) shall first be forfeited and applied to reduce the Board matching contribution obligation for the Plan Year in which the forfeiture occurs, and ii) if necessary, Employer matching contributions constituting excess annual additions (and any gains on those contributions) shall then be forfeited and applied to reduce the Employer matching contribution obligation for such Employer for the Plan Year in which the forfeiture occurs.

~~[(7)]~~ (8) Reemployed Veterans. If a Participant terminates employment to serve in a uniformed service (as defined in the Uniformed Services Employment and Reemployment Rights Act of 1994) and returns to the employ of an Employer before his or her statutory reemployment rights expire, then:

(A) The Participant shall be permitted to make the seed contributions he would have been able to make except for the fact that he was in a uniformed service; and

(B) The Employer shall match the Participant's make-up contributions under the 457 Plan in the manner those contributions would have been matched had they been made during the Participant's stint in a uniformed service.

AUTHORITY: sections 50.1220 RSMo 2000 and 50.1230, RSMo Supp. [1999] 2001. Original rule filed May 9, 2000, effective Jan. 30, 2001. Amended: Filed April 25, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the County Employees' Retirement Fund, PO Box 2271, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

Title 16—RETIREMENT SYSTEMS
Division 50—The County Employees' Retirement Fund
Chapter 10—County Employees' Defined Contribution Plan

PROPOSED AMENDMENT

16 CSR 50-10.040 Accounts of Participants. Section (1) is amended.

PURPOSE: This amendment amends the accounting for a participant's interest in the defined contribution plan and the investment of a participant's account.

(1) Account for Each Participant. An individual bookkeeping Account shall be maintained for each Participant, to record his or her interests under the Plan. Each Account shall be divided into the following subaccounts to track contributions, investment earnings and losses, and expense charges:

(B) A Board matching account for Board matching contributions pursuant to rule 16 CSR 50-10.030(2);

(C) An Employer matching account for Employer matching contributions pursuant to rule 16 CSR 50-10.030(5);

~~[(C)]~~(D) A rollover account for rollover contributions pursuant to rule 16 CSR 50-~~[10.030(5)]~~ 10.030(6); and

~~[(D)]~~(E) Any other subaccounts as the Trustee, Board, or Investment Manager deems necessary to keep track of a Participant's interests under the Plan.

AUTHORITY: section 50.1240, RSMo [Supp. 1999] 2000. Original rule filed May 9, 2000, effective Jan. 30, 2001. Amended: Filed April 25, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the County Employees' Retirement Fund, PO Box 2271, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

Title 16—RETIREMENT SYSTEMS

Division 50—The County Employees' Retirement Fund Chapter 10—County Employees' Defined Contribution Plan

PROPOSED AMENDMENT

16 CSR 50-10.050 Distribution of Accounts. Sections (1), (3), (4), (5), (7) and (8) are amended.

PURPOSE: This amendment amends the timing and form of benefit payments from the defined contribution plan.

(1) Eligibility for Payment. Generally, distribution to a Participant of his or her vested Account shall be made no earlier than Separation from Service. However, a Participant may request withdrawal of all or a portion of his or her **Board matching account, his or her Employer matching account** and his or her rollover account before Separation from Service after attainment of age fifty-nine and a half (59 1/2). Such withdrawals shall be made first from the Participant's rollover account, [and] then from the vested portion of his or her **Board matching account, and finally from the vested portion of his or her Employer matching account.**

(3) Commencement of Distributions.

(B) Notwithstanding subsection (3)(A), if the value of a Participant's Account is five thousand dollars (\$5,000) or less at the time of the Participant's Separation from Service (without respect to any **Board matching contributions or Employer matching contributions** which might be allocated following the Participant's Separation from Service), then his or her benefit under the Plan shall be distributed to the Participant in a single sum as soon as administratively feasible following his or her Separation from Service.

(D) In the event a Qualified Participant's Account is distributed upon such Participant's death or retirement and a **Board contribution or Employer matching contribution** is later allocated to such Qualified Participant's Account for any Plan Year, a subsequent distribution of such Account shall be made as soon as administratively feasible after such matching contribution allocation has been made.

(4) Direct Rollover Option.

(D) For purposes of this section (4), the following terms have the meanings set forth below:

1. An "eligible rollover distribution" is any distribution or withdrawal payable under the terms of this Plan to a Participant, which is described in Code section 402(c)(4). In general, this term includes any single-sum distribution, and any distribution which is one (1) in a series of substantially equal periodic payments made over a period of less than ten (10) years, and is less than the distributee's life expectancy. However, an eligible rollover distribution does not include the portion of any distribution which constitutes a minimum required distribution under Code section 401(a)(9) **or, after December 31, 2001, any distribution due to Hardship.** Such term also does not include a distribution to the Participant's Beneficiary, unless the Beneficiary is the Participant's spouse.

2. ["Eligible retirement plan"] For Plan Years beginning after December 31, 2001, "eligible retirement plan" means—

A. An individual retirement account described in Code section 408(a);

B. An individual retirement annuity described in Code section 408(b);

C. An annuity plan described in Code section 403(a); and

D. A retirement plan qualified under Code section 401(a), but only if the terms of the plan permit the acceptance of rollover distributions.

[However, in the case of an eligible rollover distribution to a Beneficiary who is a surviving spouse, an "eligible retirement plan" is an individual retirement account or an individual retirement annuity.]

E. An annuity contract described in Code section 403(b); and

F. An eligible deferred compensation plan under Code section 457(b) which is maintained by a state, a political subdivision of a state or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan.

3. "Distributee" means a Participant or the spouse of a deceased Participant.

(5) Compliance with Code Section 401(a)(9). Regardless of any contrary provision in the Plan, any distribution shall be determined in accordance with Code section 401(a)(9) and [the proposed regulations thereunder, including the "minimum distribution incidental benefit requirement" of proposed Code section 1.401(a)(9)-2], with respect to distributions under the Plan made in calendar years beginning on or after January 1, 2002, the regulations thereunder that were proposed in January 2001. Accordingly, distribution of a Participant's Account shall be made no later than the April 1 of the calendar year following the later of—

(7) Forfeitures. If a Participant has a Separation from Service and is not vested in his or her **Board matching account and Employer matching account**, he/she shall forfeit the non-vested portion of the **Board matching account and Employer matching account** upon the Separation from Service. [This forfeiture shall be applied to reduce matching contributions for the Plan Year in which distribution occurs.]

(A) The forfeiture of a Participant's **Board matching account** shall be applied to reduce **Board matching contributions** for the Plan Year in which distribution occurs.

(B) The forfeiture of a Participant's **Employer matching account** shall be applied to reduce **Employer matching contributions** by the Employer to which such **Employer matching account** is attributable for the Plan Year in which distribution occurs. If any such Employer has not elected to make matching contributions for such Plan Year, such forfeiture shall be allocated *pro rata* to Qualified Participants (as defined in 16 CSR 50-10.030(3)) employed by that Employer based on their contributions to the 457 Plan for that Plan Year.

(8) Lost Participants. Notwithstanding any other provision of the Plan, if it is not possible to make payment because the Board cannot locate the Participant after making reasonable efforts to so do, a retroactive payment may be made as soon as administratively feasible after the date on which the Participant is located.

(A) If the Board is unable to locate any person entitled to receive distribution from an Account hereunder, such Account shall be forfeited [and used to reduce Employer contributions], the seed account, **Board matching account and rollover account** shall be used to reduce **Board matching contributions and the Employer matching account** shall be used to reduce **Employer matching contributions** by the Employer to which it is attributable on the date two (2) years after the date the Board sends by certified mail a notice concerning the benefits to such person at his or her last known address (or determines that there is no last known address).

AUTHORITY: sections 50.1250, *RSMo Supp. 2001* and 50.1260, *RSMo [Supp. 1999] 2000*. Original rule filed May 9, 2000, effective Jan. 30, 2001. Amended: Filed April 25, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the County Employees' Retirement Fund, PO Box 2271, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

Title 16—RETIREMENT SYSTEMS

Division 50—The County Employees' Retirement Fund Chapter 10—County Employees' Defined Contribution Plan

PROPOSED AMENDMENT

16 CSR 50-10.070 Vesting and Service. The director is amending section (1).

PURPOSE: This amendment amends the description of when a Participant vests in his or her defined contribution plan account.

(1) Vesting. A Participant's interest in his or her **Board matching account and Employer matching account** shall become fully vested and nonforfeitable upon his or her completion of five (5) Years of Service, or upon the Participant's death (if the Participant dies before his or her Separation from Service). A Participant shall always be one hundred percent (100%) vested in his or her seed and rollover accounts.

AUTHORITY: sections 50.1090, **RSMo 2000** and 50.1250, **RSMo [Supp. 1999] Supp. 2001**. Original rule filed May 9, 2000, effective Jan. 30, 2001. Amended: Filed April 25, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the County Employees' Retirement Fund, PO Box 2271, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

Title 16—RETIREMENT SYSTEMS

Division 50—The County Employees' Retirement Fund Chapter 20—County Employees' Deferred Compensation Plan

PROPOSED AMENDMENT

16 CSR 50-20.030 Participation in the Plan. The director is amending section (6).

PURPOSE: This amendment amends the acceptance of transfers.

(6) Acceptance of Transfers. A Participant who participated in any eligible deferred compensation plan described in section 457(b) of

the Code may transfer his or her account in such a plan or, **effective January 1, 2002, an eligible rollover distribution described in section 457(e)(16) of the Code** to his or her Account in this Plan.

AUTHORITY: section 50.1300, **RSMo [Supp. 1999] 2000**. Original rule filed May 9, 2000, effective Jan. 30, 2001. Amended: Filed April 25, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the County Employees' Retirement Fund, PO Box 2271, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

Title 16—RETIREMENT SYSTEMS

Division 50—The County Employees' Retirement Fund Chapter 20—County Employees' Deferred Compensation Plan

PROPOSED AMENDMENT

16 CSR 50-20.050 Limitations on Deferral. Sections (1) and (2) are amended. A new section (2) is added, and the remaining sections are renumbered.

PURPOSE: This amendment amends the limitations on deferral elections to the 457 Plan imposed by the **Internal Revenue Code**.

(1) General Limitation. The maximum Deferral amount for any Participant in any taxable year **beginning after December 31, 2001** shall not exceed the lesser of—

(A) [**\$7,500 (as adjusted for the calendar year) Eleven thousand dollars (\$11,000) (as adjusted for taxable years beginning before January 1, 2007 in accordance with section 457(e)(15)(A) of the Code, and for taxable years beginning after December 31, 2006** to reflect increases in the cost of living in accordance with sections 457(e)(15)(B) and 415(d) of the Code]; or

(B) [**33 1/3% One hundred percent (100%)** of the Participant's Compensation for the taxable year.

(2) **Catch-Up Contributions.** All Participants who are eligible to make Deferrals under this Plan for a Plan Year and have attained age fifty (50) before the close of the Plan Year shall be eligible to make catch-up contributions in accordance with, and subject to the limitations of, section 414(v) of the Code for Plan Years beginning after December 31, 2001. Such contributions shall not be taken into account for purposes of subsection (1)(A) or section (3).

/(2)/(3) Coordination with Other Plans. If a Participant participates in more than one Code section 457 Plan, the maximum deferral under all such plans shall not exceed [**\$7,500, as adjusted.] the amounts described in 16 CSR 50-20.050(1) and (2) above.** If a Participant participates in a Plan described in sections 401(k), 403(b), 408(k), 408(p) or 501(c)(18) of the Code, amounts deferred by the Participant to such plan or plans and excluded from his or her gross income in any taxable year under such plan(s) shall reduce the general limitation amount.

[(3)](4) The provisions of this rule 16 CSR 50-20.050 shall be administered in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994.

AUTHORITY: section 50.1300, RSMo [Supp. 1999] 2000. Original rule filed May 9, 2000, effective Jan. 30, 2001. Amended: Filed April 25, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the County Employees' Retirement Fund, PO Box 2271, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

Title 16—RETIREMENT SYSTEMS
Division 50—The County Employees' Retirement Fund
Chapter 20—County Employees' Deferred
Compensation Plan

PROPOSED AMENDMENT

16 CSR 50-20.070 Distribution of Accounts. The director is amending sections (4), (5), (6), (7) and (8).

PURPOSE: This amendment amends the timing and form of benefit payments from the 457 Plan.

(4) Commencement of Distributions.

(A) General Rule. Distribution of a Participant's Account under the Plan shall be made in the form elected by the Participant, commencing as soon as administratively feasible after the calendar year quarter in which the Participant's Separation from Service occurs, unless the Participant *[makes a one-time irrevocable written election]* elects to defer this payment *[to a specified later date, and the election is made at least thirty (30) days before the date benefits commence]*. A Participant may elect that the *[single-sum]* distribution of benefits be made *[on any determinable future date]* at any time following his or her Separation from Service as long as distributions commence no later than sixty (60) days following the close of the calendar year in which the Participant attains age seventy and a half (70 1/2), or retires, if later.

[(B) If a Participant has elected a deferred commencement date, then the Participant may make an additional election to further defer the commencement of distributions, provided that the election is filed before distributions actually begin and the later commencement date meets the required distribution commencement date provisions of sections 401(a)(9) and 457(d)(2) of the Code. A Participant may not make more than one such additional deferral election.]

[(C)](B) Notwithstanding *[subsections]* subsection (4)(A) *[and (4)(B)]*, if the value of a Participant's Account is five thousand dollars (\$5,000) or less, then his or her benefit under the Plan shall be distributed to him or her in a single sum as soon as administratively feasible following his or her Separation from Service.

[(D)](C) Employees who terminate employment and then resume employment with an Employer within thirty (30) days will not forfeit their prior service and will not be required to receive a refund of their payroll contributions.

(5) Payment Options. A Participant's or Beneficiary's election of a payment option must be made at least thirty (30) days prior to the date that the payment of benefits is to commence. If a timely election of a payment option is not made, benefits shall be paid in a single lump sum, *[as soon as administratively feasible following the Participant's Separation from Service]*. Once payments have commenced, the form of payment option may not be changed.

(6) Subject to applicable law and the other provisions of this Plan, distributions may be made in accordance with one of the following payment options:

(B) *[Substantially nonincreasing installment]* Installment payments for a period of years (payable on a monthly, quarterly, semi-annual, or annual basis) which extends no longer than the life expectancy of the Participant;

(C) Partial lump-sum payment of a designated amount, with the balance payable in *[substantially nonincreasing]* installment payments for a period of years, as described in subsection (6)(B), as long as such installment payments begin prior to the end of the calendar year following the year the partial lump-sum payment was made; and

(D) Annuity payments (payable on a monthly, quarterly, or annual basis) for the lifetime of the Participant or for the lifetimes of the Participant and Beneficiary if permitted under sections 401(a)(9) or *[459(d)]* 457(d) of the Code. If the Participant fails to make a timely election of one of the payment options described above, payment shall be made in a single sum *[as soon as feasible following the Participant's Separation from Service]*.

[(7) Plan-to-Plan Transfers. Notwithstanding any other provisions of the Plan, all or any part of the Account of a former Employee who is a Participant in the Plan shall, instead of being distributed in accordance with section (4), be transferred to another eligible deferred compensation plan in which the former Employee has become a participant, if—

(A) The plan receiving such amounts provides for acceptance of such transfers; and

(B) The Participant gives written direction to the Board (or its designee) to make such transfer.]

(7) Direct Rollover Option.

(A) After December 31, 2001, a distributee may elect to have an eligible rollover distribution paid directly to a single eligible retirement plan specified by the distributee. However, this election may not be made if the total eligible rollover distributions paid to the distributee from the Plan will be less than two hundred dollars (\$200).

(B) A distributee may elect to divide an eligible rollover distribution so that part is paid directly to an eligible retirement plan and part is paid to the distributee. However, the part paid directly to the eligible retirement plan must total at least five hundred dollars (\$500).

(C) A distributee may elect a direct rollover after having received a written notice which complies with the rules of Code section 402(f). In general, payment to a distributee shall not begin until thirty (30) days after the section 402(f) notice is given. However, payment may be made sooner if the notice clearly informs the distributee of the right to a period of at least thirty (30) days to consider the decision of whether or not to make a direct rollover, and the distributee, after receiving the notice, makes an affirmative election to receive an immediate distribution. A distributee who fails to make an election in the thirty (30)-day period shall receive the eligible rollover distribution immediately after the thirty (30)-day period expires.

(D) For purposes of this section (7), the following terms have the meanings set forth below:

1. An "eligible rollover distribution" is any distribution or withdrawal payable under the terms of this Plan to a Participant, which is described in Code section 402(c)(4). In general, this term includes any single-sum distribution, and any distribution which is one in a series of substantially equal periodic payments made over a period of less than ten (10) years, and is less than the distributee's life expectancy. However, an eligible rollover distribution does not include the portion of any distribution which constitutes a minimum required distribution under Code section 401(a)(9) or any distribution due to unforeseeable emergency. Such term also does not include a distribution to the Participant's Beneficiary, unless the Beneficiary is the Participant's spouse;

2. "Eligible retirement plan" means—

A. An individual retirement account described in Code section 408(a);

B. An individual retirement annuity described in Code section 408(b);

C. An annuity plan described in Code section 403(a);

D. A retirement plan qualified under Code section 401(a), but only if the terms of the plan permit the acceptance of rollover distributions;

E. An annuity contract described in Code section 403(b); and

F. An eligible deferred compensation plan under Code section 457(b) which is maintained by a state, a political subdivision of a state or any agency or instrumentality of a state or political subdivision of a state; and

3. "Distributee" means a Participant or the spouse of a deceased Participant.

(8) This Plan also shall accept the transfer of amounts previously deferred by a Participant under another eligible deferred compensation plan described in section 457 of the Code or, effective January 1, 2002, an eligible rollover distribution described in section 457(e)(16) of the Code.

AUTHORITY: section 50.1300, RSMo [Supp. 1999] 2000. Original rule filed May 9, 2000, effective Jan. 30, 2001. Amended: Filed April 25, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the County Employees' Retirement Fund, PO Box 2271, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 16—RETIREMENT SYSTEMS
Division 50—The County Employees' Retirement Fund
Chapter 20—County Employees' Deferred
Compensation Plan**

PROPOSED AMENDMENT

16 CSR 50-20.080 Death Benefits. The director is adding section (5).

PURPOSE: This amendment amends the benefits available to a participant's beneficiary upon his or her death and the procedure for designating a beneficiary.

(5) Direct Rollover. If the Participant's Beneficiary is his or her spouse, the direct rollover provisions shall apply to a distribution in accordance with this rule.

AUTHORITY: section 50.1300, RSMo [Supp. 1999] 2000. Original rule filed May 9, 2000, effective Jan. 30, 2001. Amended: Filed April 25, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the County Employees' Retirement Fund, PO Box 2271, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 20—DEPARTMENT OF INSURANCE
Division 500—Property and Casualty
Chapter 6—Workers' Compensation and Employer's
Liability**

PROPOSED RESCISSION

20 CSR 500-6.960 Plan of Operation for the Workers' Compensation Residual Market. This rule described the various aspects of the Department's Alternative Residual Market (ARM) Plan for operating the Missouri workers' compensation residual market.

PURPOSE: The full text of this rule is being rescinded; it will be replaced with an entirely new rule. The Missouri Department of Insurance has decided that the changes necessary to amend the rule were so numerous that it is more efficient to rescind the rule and replace it with a new rule than to amend the rule. A new "Proposed Rule" (set forth elsewhere in this Missouri Register) has been filed along with this "Proposed Rescission" to act as the replacement for this rescinded rule.

AUTHORITY: sections 287.896 and 374.045, RSMo 1994. Emergency rule filed June 15, 1995, effective July 1, 1995, expired Oct. 28, 1995. Original rule filed April 3, 1995, effective Sept. 30, 1995. Filed April 26, 2002. Emergency rescission filed May 7, 2002, effective May 17, 2002, expires Feb. 18, 2003. Emergency rule filed April 26, 2002, effective May 6, 2002, expires Feb. 6, 2003. Rescinded: Filed April 26, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: A public hearing will be held on this proposed rescission (and the companion proposed rule) on July 11, 2002, beginning at 10:00 a.m. in the Central Conference Room of the department's offices in Room 530 of the Truman State Office Building in Jefferson City, Missouri. Opportunities to be heard at the hearing will be afforded to any interested person. Interested persons, whether or not heard, may submit written comments to the department until 5:00 p.m. on July 19, 2002. Written comments

shall be sent to the Department of Insurance, Property and Casualty Section, PO Box 690, Jefferson City, MO 65102-0690, to the attention of Mark Doerner.

SPECIAL NEEDS: If you have any special needs addressed by the Americans With Disabilities Act, please notify us at (573) 751-6798 or (573) 526-4636 at least five (5) working days prior to the hearing.

Title 20—DEPARTMENT OF INSURANCE
Division 500—Property and Casualty
Chapter 6—Workers' Compensation and Employer's Liability

PROPOSED RULE

20 CSR 500-6.960 Plan of Operation for the Workers' Compensation Residual Market

PURPOSE: The purpose of this proposed rule is to modify Missouri's Alternative Residual Market (ARM) Plan to allow the Director of Insurance greater flexibility in selecting an entity to administer the state's residual market for worker's compensation insurance. In addition to the current arrangement, which requires the selection of a "contract carrier" to be on the risk for a loss ratio of one hundred fifteen percent (115%) of collected premium, the proposal allows for loss ratios down to one hundred percent (100%), it allows for "plan administrators" who would not be on the risk, and it allows for an appointment process if a bid process is not feasible. The current rule is extensively reorganized to accommodate these additional options.

PUBLISHER'S NOTE: The secretary of state has determined that the publication of the entire text of the material which is incorporated by reference as a portion of this rule would be unduly cumbersome or expensive. Therefore, the material which is so incorporated is on file with the agency who filed this rule, and with the Office of the Secretary of State. Any interested person may view this material at either agency's headquarters or the same will be made available at the Office of the Secretary of State at a cost not to exceed actual cost of copy reproduction. The entire text of the rule is printed here. This note refers only to the incorporated by reference material.

(1) Definitions. For purposes of this rule, unless the context clearly requires otherwise, the terms below are defined as follows:

(A) Allocated Loss Adjustment Expense (ALAE) shall mean ALAE as that term is defined in the National Council on Compensation Insurance, Inc. (NCCI)'s *URE Workers Compensation Statistical Plan*, as approved by the department for use in Missouri, in effect on January 1, 2002, and any subsequently approved amendments thereto;

(B) Alternative Residual Market Plan (ARM Plan) means the Missouri workers' compensation residual market plan set forth in this rule, and its predecessor rule, established under section 287.896, RSMo and in effect since July 1, 1995;

(C) Assessment means the amount owed by and assessed against reinsurers under the ARM Plan because the amount of losses and allocated loss adjustment expense paid by the plan administrator and any servicing carriers, plus the plan administrator's percentage of the premium, exceed the amount of premium collected by the plan administrator and any servicing carriers, for the period in question;

(D) Collected premium or premium collected means premiums for workers' compensation insurance actually received by a contract carrier, plan administrator or servicing carrier for policies

issued during the period of the contract under the request for proposal (RFP) for the ARM Plan;

(E) Contract carrier means an insurer selected by the department to administer the ARM Plan under the "contract carrier option" or "emergency option" of the ARM Plan, and to thereby be at risk for the losses of the plan up to the retention level set by the director, for the term of the contract carrier agreement and any extensions thereof;

(F) Contract carrier agreement means the terms of the RFP issued by the department, the proposed response to that RFP submitted by the insurer ultimately selected to be the contract carrier by the department, and the performance standards and any modifications thereto agreed to by the contract carrier and the department to implement the RFP under the ARM Plan;

(G) Contract carrier option means that alternative under the ARM Plan whereby the director selects a contract carrier to administer the Missouri residual market for workers' compensation insurance, after a formal public bidding process, under which always the contract carrier will be at risk for the losses of the Missouri residual market up to the retention level set by the director. Losses in excess of that retention level shall be reimbursed to the contract carrier by Missouri's voluntary workers' compensation market insurance companies, which are participating as reinsurers under this rule;

(H) Day means calendar day as opposed to business day;

(I) Deficit means the determination made under the ARM Plan that the amount of losses and allocated loss adjustment expense paid by the contract carrier which, when divided by the amount of premium collected by the contract carrier, is greater than or equal to the retention level selected for the contract carrier for the policies issued during the one (1)-year period of the contract carrier agreement and any extensions thereof;

(J) Department (or regulator) means the Missouri Department of Insurance;

(K) Direct assignment carrier means an insurer, other than a servicing carrier, that has elected and been authorized by the department to receive direct assignments pursuant to the servicing carrier option under the ARM Plan. Whether or not to allow insurers the option of functioning as a direct assignment carrier as opposed to functioning as a servicing carrier is up to the director;

(L) Direct assignment means the act of a plan administrator of assigning a particular employer seeking coverage under the ARM Plan to an insurer authorized by the director to function as a direct assignment carrier. The direct assignment carrier will be at risk for all of the insured losses of an employer so assigned, for period of the policy. The direct assignment carrier shall be entitled to all of the premium generated by an employer so assigned, but in return it shall forego the benefit of the reinsurance normally afforded servicing carriers for losses under the servicing carrier option of the ARM Plan;

(M) Director means the director of the Missouri Department of Insurance;

(N) Emergency option means that alternative under the ARM Plan whereby the director selects either a contract carrier or a plan administrator to administer the Missouri residual market for workers' compensation insurance without using a formal public bidding process;

(O) Employer means any business organization or enterprise that is required under Chapter 287 of the *Revised Statutes of Missouri* to maintain workers' compensation insurance in Missouri, or which has voluntarily decided to elect to be covered by such laws. The term shall include any business organizations or enterprises that are affiliated as a result of common management or common ownership;

(P) Losses means losses and allocated loss adjustment expenses as those terms are defined in the *URE Workers Compensation Statistical Plan* of the NCCI, and any other losses in excess of pol-

icy limits or extra-contractual obligations authorized under this rule;

(Q) National Council on Compensation Insurance, Inc., (NCCI) means a particular advisory organization licensed in this state to make and file classifications, loss costs and rating plans for workers' compensation insurance. The NCCI functions as the administrator of the Workers' Compensation Insurance Plan (WCIP) plan residual market mechanism. The NCCI is also the organization named in the Missouri Aggregate Excess of Loss Reinsurance Mechanism to administer insurance carrier participation, deficit assessments and other components of that mechanism under the ARM Plan from July 1, 1995 until the effective date of this rule, and to function as a reinsurance administrator as defined under this rule;

(R) Performance standards are the standards to be met by a contract carrier or plan administrator in administering the ARM Plan;

(S) Plan administrator means an entity selected by the department to administer the ARM Plan under the "servicing carrier option" or "emergency option" of the ARM Plan, for the term of the plan administrator agreement and any extensions thereof;

(T) Plan administrator agreement means the terms of the RFP issued by the department, the proposed response to that RFP submitted by the entity ultimately selected to be the plan administrator by the department, and the performance standards and any modifications thereto agreed to by the plan administrator and the department to implement the RFP under the ARM Plan;

(U) Plan administrator's percentage of premium means that percentage of the premium collected under the servicing carrier option of the ARM Plan which, per the plan administrator agreement, the plan administrator is allowed to retain to cover the expenses of the plan administrator and any servicing carriers used by the plan administrator. The plan administrator's percentage of premium shall be an amount sufficient to cover the expenses of the plan administrator in administering the ARM Plan, plus an additional amount for profit and contingencies;

(V) Policy or policies means a policy or policies of workers' compensation insurance as defined under this rule issued to risks insured under the ARM Plan;

(W) Producer means an insurance producer as defined in section 375.012, RSMo, whose privileges under either the WCIP or the ARM Plan have not been suspended or revoked, provided, however, that such producer shall, for purposes of this rule, be considered to be acting on behalf of the employer when placing coverage through the ARM Plan and not as an agent of the contract carrier, the plan administrator, or any other insurer;

(X) Reinsurance administrator means the organization identified under this rule to administer the reinsurance provisions of this rule. The reinsurance administrator shall be the NCCI unless another entity is appointed by the director;

(Y) Reinsurer means a Missouri voluntary market workers' compensation insurer in its capacity as a reinsurer for any deficits under the contract carrier option of this rule or for any losses under the servicing carrier option of this rule. The term does not include any direct assignment carriers authorized under the servicing carrier option of this rule;

(Z) Retention level means the level of losses, specified by the director as part of a contract carrier agreement, for which the contract carrier will be responsible, prior to any responsibility of the reinsurers;

(AA) Request for proposal (RFP) means an RFP issued by the department setting forth the specifications for the ARM Plan and inviting potential respondents to submit proposals by which the department can select a contract carrier under the contract carrier option, or plan administrator under the servicing carrier option, to administer the ARM Plan. The department may specify in a single RFP specifications for both a contract carrier option and a servicing carrier option, and may decide as part of its bid evaluation process which option to select;

(BB) Servicing carrier means an insurer, other than a direct assignment carrier, selected by the plan administrator under the servicing carrier option of the ARM Plan to provide insurance services to insured employers and injured employees covered under the ARM Plan;

(CC) Servicing carrier option means that alternative under the ARM Plan whereby the director selects a plan administrator to administer the Missouri residual market for workers' compensation insurance, after a formal public bidding process. The plan administrator will provide any necessary insurance services itself, if it is a licensed and admitted Missouri workers' compensation insurer, or through other insurers functioning as servicing carriers or direct assignment carriers. Losses paid under the servicing carrier option by or on behalf of the plan administrator shall be reimbursed to the plan administrator by Missouri's voluntary workers' compensation market insurance companies, which are participating as reinsurers under this rule;

(DD) Standard premium means the state premium determined on the basis of authorized rates, any experience modification, any applicable schedule rating modification, loss constants and minimum premiums. The expense constant shall be excluded from determination of the standard premium;

(EE) Workers' compensation insurance means:

1. Statutory workers' compensation and occupational disease including liability under the Longshore and Harbor Workers' Compensation Act, as amended, and the Federal Coal Mine Health and Safety Act of 1969, as amended;

2. Employers liability insurance written in connection with a workers' compensation policy;

3. Such other coverages as are approved by the director, including those approved after being recommended by the advisory board authorized under section (3) of this rule;

(FF) Workers' Compensation Insurance Plan (WCIP) means the NCCI's plan of operation for administering workers' compensation residual markets. The WCIP was the plan used to administer Missouri's residual market prior to the commencement of the ARM Plan on July 1, 1995, and may be used in the future if selected by the director under the servicing carrier option or emergency option of the ARM Plan.

(2) Director's Options for Administering the ARM Plan. The director may select one (1) of the following options for administering the ARM Plan.

(A) The Contract Carrier Option. Under this option, by means of a formal bid process, the director may select a contract carrier to administer the Missouri residual market. The contract carrier will then be on the risk for the losses of the residual market, up to a retention level selected by the director.

1. In its capacity as the contract carrier, the insurer so selected, and any duly-licensed and approved subcontractors of that insurer, shall perform all of the functions required of a workers' compensation insurer, such as employee classification, underwriting, policy issuance, safety engineering, loss control, premium collection, claims handling, claims reserving, auditing and benefits payment, all under performance standards agreed to by the director, for those insured employers and their injured employees covered under the ARM Plan.

2. If losses exceed the selected retention level and thereby result in a deficit, each insurer licensed to write workers' compensation insurance in Missouri (including the contract carrier if it is also a voluntary market insurer) will participate in any such deficit in a proportional manner based upon the insurer's *pro rata* share of voluntary market premium. The deficit collection function shall be administered by the reinsurance administrator under the oversight of an advisory board appointed by the director under section (6) of this rule.

3. In its bid process, the department shall invite each bidding insurer to specify one (1) or more loss retention levels for losses,

as defined in this rule, that the insurer is willing to retain in its capacity as contract carrier, provided the levels shall not be lower than one hundred percent (100%) of collected premium for a given contract year or greater than one hundred fifteen percent (115%) of collected premium for a given contract year. The reinsurance administrator shall determine whether or not the retention level selected by the director is exceeded for any given year, based on data supplied to it by the contract carrier.

4. The premium rates charged to an insured employer under the contract carrier option of this rule shall be based on rates and rating plans recommended by the contract carrier and approved by the director. Premium rates under the ARM Plan shall be actuarially sufficient to cover the losses and the reasonable operating expenses of the plan, plus a reasonable amount to cover profits and contingencies.

(B) The Servicing Carrier Option. Under this option, by means of a formal bid process, the director may select a plan administrator to administer the Missouri residual market. The plan administrator shall not be on the risk for the losses of the residual market, but shall instead cede those losses to the insurers in the state's voluntary workers' compensation market, who shall act as reinsurers under this rule, in return for the premium collected by the plan administrator less the plan administrator's percentage of that premium, as provided for below. The same shall be true of any servicing carriers employed by the plan administrator, provided, however, that a servicing carrier's reimbursement shall be paid out of the plan administrator's percentage of the premium.

1. If the plan administrator is a licensed and admitted workers' compensation insurer, the plan administrator, and any duly-licensed and approved subcontractors of the plan administrator, may perform all of the functions required of a workers' compensation insurer, such as employee classification, underwriting, policy issuance, safety engineering, loss control, premium collection, claims handling, claims reserving, auditing and benefits payment, all under performance standards agreed to by the director, for those insured employers and injured employees covered under the ARM Plan.

2. If the plan administrator is not itself an insurer, it may delegate any insurance functions to one (1) or more licensed and admitted servicing carriers selected or designated by the plan administrator and approved by the director, and, at the option of the director, one (1) or more licensed and admitted direct assignment carriers. The plan administrator shall assign risks covered by the ARM Plan to any such servicing carrier(s) and direct assignment carrier(s) in a manner specified by the plan administrator in its bid, or any subsequent modifications thereto agreed to by the director.

3. The plan administrator, and the servicing carrier(s), if any, shall perform their services in return for a percentage of premium authorized by the director as part of the bid process to reimburse the plan administrator and any servicing carriers. The remaining premium shall be transferred to the insurers licensed to write workers' compensation insurance in Missouri (including the plan administrator and any servicing carriers) in a manner specified by the plan administrator in its bid.

4. In return for a share of the ARM Plan's premiums (less the plan administrator's percentage of premium) which share shall be based on the insurer's *pro rata* share of the Missouri voluntary workers' compensation market premium, each insurer licensed to write workers' compensation insurance in Missouri (including the plan administrator or any servicing carriers if they are also voluntary market insurers) shall participate under this rule by accepting its share of the plan administrator's liabilities for losses under policies insured by the ARM Plan, in a proportional manner based on the insurer's *pro rata* share of the voluntary market's premium.

5. The plan administrator shall account for all premiums collected and losses paid under the ARM Plan in a manner specified under subsection (7)(H) of this rule.

6. If the director authorizes the use of direct assignment carriers, such carriers shall be assigned employers by the plan administrator. A direct assignment carrier shall thereafter provide to such employers all the services required to be provided by the plan administrator and servicing carrier(s). A direct assignment carrier shall receive the premiums of such an assigned insured employer and shall accept all the liability for the losses of such an employer under the policy, but shall be exempt from participating further under this rule on a *pro rata* basis as to either collected premiums or paid losses. The direct assignment carrier's portion of the state's voluntary market premium shall be subtracted from the total voluntary market premium for purposes of calculating the *pro rata* shares of the remaining voluntary market carriers who are functioning as reinsurers for the losses of the ARM Plan.

7. The premium rates charged to an insured employer under the serving carrier option of this rule shall be based on rates and rating plans recommended by the plan administrator and approved by the director. Premium rates under the ARM Plan shall be actuarially sufficient to cover the losses and the reasonable operating expenses of the plan.

(C) The Emergency Option. Under this option, based on unusual market conditions, exigent circumstances or other events deemed by the director to constitute a threat to the life, property, public health or public safety of Missouri citizens entitled to coverage under the ARM Plan or which threatens to disrupt services under the plan, the director may appoint a duly-qualified and willing entity to function as either a contract carrier or as a plan administrator, as defined above, until such time as it is practical to conduct a formal bid process under the ARM Plan. Any contract carrier or plan administrator so appointed shall have the same rights and responsibilities under this rule as a contract carrier or plan administrator selected after a bid process. Each insurer licensed to write workers' compensation insurance in the voluntary workers' compensation market shall participate in the reinsurance for such an appointed entity under this rule to the same extent as if the entity had been selected after a formal bid process. Under this option, the director and the entity so selected may agree in advance on the premium rates to be charged to insured employers under the ARM Plan for the period during which the emergency option is in effect.

(3) Contract Carrier.

(A) Under the contract carrier option for administering the ARM Plan, a contract carrier shall be selected by the director to administer the plan after a formal bid process conducted by means of a request for proposals (RFP) issued by the department. However, a contract carrier may also be selected by the director without a formal bid process under the emergency option for administering the ARM Plan.

(B) The services to be provided and performance standards to be met by the contract carrier under the ARM Plan are those set forth in the RFP issued by the director, as supplemented by any subsequent performance standards agreed to between the director and the contract carrier following the award of the contract carrier agreement. If a contract carrier is appointed by the director under the emergency option, the contract carrier will operate under the most recently issued RFP of the director, as supplemented by any subsequent performance standards agreed to between the director and the contract carrier following appointment of the contract carrier. In no event shall the performance standards to be met by the contract carrier be less rigorous than those required of a servicing carrier under the WCIP, except as authorized by the director.

(C) The amended 12/94 RFP shall be considered incorporated into this regulation by reference.

(D) The contract carrier shall make available its own staff, office space, facilities and equipment to the extent necessary to perform its obligations under this rule and the contract carrier agreement. The contract carrier shall perform its services, exercise its powers,

and perform all of its duties in accordance with the terms of this rule, the contract carrier agreement, and such performance standards as may be established from time to time pursuant to this rule.

(E) The services to be provided by the contract carrier shall include employee classification, policy underwriting, policy issuance, safety engineering, loss control, premium collection, claims handling, claims reserving, auditing, and benefits payment, all under performance standards agreed to by the director, for those insured employers and injured employees covered under the ARM Plan.

(F) The contract carrier shall process, adjust, settle, compromise, defend, litigate and pay claims arising out of workers' compensation policies issued by the contract carrier under the ARM Plan. The contract carrier shall establish and maintain such claim reserves as are reasonable and proper. It shall also maintain complete, orderly and accurate claim files, records and accounts in accordance with generally accepted insurance principles and the laws of the state of Missouri.

(G) The contract carrier shall comply with the financial and data reporting requirements and procedures established from time to time by the advisory board and approved by the director pursuant to the ARM Plan, with the advice and recommendations of the reinsurance administrator regarding such requirements and procedures.

(H) The contract carrier shall report to the director, and to the reinsurers through the reinsurance administrator, as soon as possible, and, in any event, within ten (10) calendar days, any change in its ability to perform its obligations as a contract carrier hereunder.

(I) The contract carrier shall be fully liable for the payment of any and all workers' compensation administrative taxes and loss-based assessments under state or federal law.

(J) The contract carrier shall permit the director, the reinsurance administrator, or the reinsurers acting through either the director or the reinsurance administrator, full and free access during normal business hours to the contract carrier's premises, records and personnel for the purposes of auditing and reviewing the contract carrier's performance hereunder upon ten (10) calendar days written notice to the contract carrier by either the reinsurance administrator or the director. In the event of a termination of the contract carrier agreement or this rule, this provision shall survive such termination and remain in full force and effect until all losses under the policies issued by the contract carrier pursuant to the ARM Plan have been satisfied or otherwise resolved. Further, the survival of this provision shall not alter, modify, diminish, or extinguish any outstanding rights or obligations of the parties that otherwise may exist upon such termination under such policies, the contract carrier agreement or this rule.

(K) In its capacity as the contract carrier, the insurer so selected may perform its functions under this rule through duly-licensed subcontractors, subject to the approval of the director.

(L) Nothing in this rule shall relieve the contract carrier of any other obligations imposed on a workers' compensation insurer by Missouri law.

(4) Plan Administrator and Servicing Carriers.

(A) Under the servicing carrier option for administering the ARM Plan, a plan administrator may be selected by the director to administer the plan after a formal bid process conducted by means of a request for proposals (RFP) issued by the department. However, a plan administrator may also be selected by the director without a formal bid process under the emergency option for administering the ARM Plan.

(B) The services to be provided and performance standards to be met by the plan administrator under the ARM Plan are those set forth in the RFP issued by the director, as supplemented by any subsequent performance standards agreed to by the director and the plan administrator following the award of the plan administra-

tor agreement. If a plan administrator is appointed by the director under the emergency option, the plan administrator will operate under the most recently issued RFP of the director, as supplemented by any subsequent performance standards agreed to between the director and the plan administrator following the appointment of the plan administrator. In no event shall the performance standards to be met by the plan administrator be less rigorous than those required of a servicing carrier under the WCIP except as authorized by the director.

(C) The amended 12/94 RFP shall be considered incorporated into this regulation by reference.

(D) The plan administrator shall make available its own staff, office space, facilities and equipment to the extent necessary to perform its obligations under this rule and the plan administrator agreement. The plan administrator shall perform its services, exercise its powers, and perform all of its duties in accordance with the terms of this rule, the plan administrator agreement, and such performance standards as may be established from time to time pursuant to this rule.

(E) The services to be provided by the plan administrator shall include employee classification, policy underwriting, policy issuance, safety engineering, loss control, premium collection, claims handling, claims reserving, auditing and benefits payment, all under performance standards agreed to by the director, for those insured employers and injured employees covered under the ARM Plan. If the plan administrator is a licensed and admitted workers' compensation insurer, the plan administrator shall perform these services.

(F) If the plan administrator is not itself a licensed and admitted insurer, it shall not directly accept any insurance risk, but rather, shall assign such insurance risk and may delegate normal insurance functions required under this rule to one (1) or more licensed and admitted servicing carriers, selected or designated by the plan administrator and approved by the director, and, at the option of the director, one (1) or more direct assignment carriers. The plan administrator shall assign risks covered by the ARM Plan to any such servicing carrier(s) and direct assignment carrier(s) in a manner specified by the plan administrator in its bid, or any subsequent modifications thereto agreed to by the director. If servicing carriers or direct assignment carriers are utilized, the plan administrator shall monitor the performance of the servicing carrier or direct assignment carriers to assure they are meeting the performance standards agreed to by the plan administrator and the director.

(G) The plan administrator or servicing carriers shall process, adjust, settle, compromise, defend, litigate and pay claims arising out of workers' compensation policies issued by the plan administrator or any servicing carrier under the ARM Plan. The plan administrator or any servicing carriers shall establish and maintain such claim reserves as are reasonable and proper. They shall also maintain complete, orderly and accurate claim files, records and accounts in accordance with generally accepted insurance principles and the laws of the state of Missouri.

(H) The plan administrator and any servicing carriers shall comply with the financial and data reporting requirements and procedures established from time to time by the advisory board and approved by the director pursuant to the ARM Plan, with the advice and recommendations of the reinsurance administrator.

(I) The plan administrator shall report to the director, and to the reinsurers through the reinsurance administrator, as soon as possible, and, in any event, within ten (10) days, any change in its ability to perform its obligations as a plan administrator hereunder. Any servicing carrier shall report to the plan administrator, who shall in turn report to the director and the reinsurance administrator, as soon as possible, and, in any event, within ten (10) days, any change in its ability to perform its obligations as a servicing carrier hereunder.

(J) The plan administrator or any servicing carriers shall be fully liable for the payment of any and all workers' compensation taxes and premium or loss-based assessments under state or federal law.

(K) The plan administrator and any servicing carriers shall permit the director, the reinsurance administrator, or the reinsurers acting through either the director or the reinsurance administrator, full and free access during normal business hours to the entity's premises, records and personnel for the purposes of auditing and reviewing the entity's performance hereunder upon ten (10) days written notice to the entity by either the reinsurance administrator or the director. In the event of a termination of the plan administrator agreement and/or this rule, this provision shall survive such termination and remain in full force and effect until all losses under the policies issued by the plan administrator or any servicing carriers pursuant to the ARM Plan have been satisfied or otherwise resolved. Further, the survival of this provision shall not alter, modify, diminish, or extinguish any outstanding rights or obligations of the parties that otherwise may exist upon such termination under such policies, the contract carrier agreement or this rule.

(L) Nothing in this rule shall relieve the plan administrator, if the plan administrator is an insurer, of any other obligations imposed on a licensed workers' compensation insurer by Missouri law.

(5) Participation of Reinsurers.

(A) Under the contract carrier option for the administration of the ARM Plan, reinsurance shall be handled as follows:

1. For the period of the contract carrier agreement, the contract carrier shall cede to the reinsurers and the reinsurers shall accept only that portion of the contract carrier's liability for losses under the policies issued under the ARM Plan in excess of the contract carrier's retention level. Such deficit losses shall be paid to the contract carrier upon evidence of payment by the contract carrier of such losses and verification of such payment by the reinsurance administrator;

2. In addition to their liability for the losses specified in paragraph (5)(A)1. above, the reinsurers shall also be liable for the expenses of the reinsurance administrator to the extent these expenses are approved from time-to-time by the advisory board;

3. If the period of the contract carrier agreement does not run concurrently with a calendar year, each successive twelve (12)-month period in the agreement shall be assigned to the calendar year in which that twelve (12)-month period commenced for purposes of determining the *pro rata* share of losses in excess of the contract carrier's retention for each of the reinsurers. If the period runs concurrently with a calendar year, each successive twelve (12)-month period shall be assigned to said calendar year;

4. Each reinsurer's proportion of liability in excess of the contract carrier's retention level, or any reinsurance administrator expenses, shall be based on that percentage of the total written premium in Missouri's voluntary workers' compensation market during the calendar year in which the contract carrier agreement commences that is represented by the reinsurer's total written voluntary market premium for that same period, subject to verification by the reinsurance administrator;

5. Each reinsurer's participation shall become effective and shall terminate on the dates specified in subsection (7)(N). Each reinsurer's share of the losses under this subsection shall be calculated with respect to each calendar year for which its participation is effective and shall be based upon the total amount of the participation of all the reinsurers in Missouri for that calendar year;

6. Each reinsurer's liability for its *pro rata* share of the losses under this subsection shall be separate and apart from the liability for the *pro rata* shares of the other reinsurers so that each reinsurer shall be liable solely for its own *pro rata* share of said

losses and not the *pro rata* shares of any other reinsurer, except as otherwise provided in this rule, such as under paragraph (7)(L)5.;

7. A reinsurer shall be assessed for its *pro rata* share of any deficit by the reinsurance administrator after verification by the reinsurance administrator of payment of the losses by the contract carrier. Failure of a reinsurer to pay its assessment shall be grounds for discipline of the reinsurer by the department, and legal action by the contract carrier or the advisory board to recover such unpaid assessments;

8. At least annually, the contract carrier, in conjunction with the reinsurance administrator, shall provide an actuarial estimate as to the likelihood of a deficit to the department and the advisory board. Such estimates shall include a valuation of the probability of any future deficits based on amounts already incurred, determined by an evaluation procedure approved by the department. Such an evaluation procedure may be recommended to the department by the advisory board. Should a deficit be indicated by the actuarial estimate, a projection as to when assessments are expected to begin under this rule shall also be provided to the department;

9. In order to assist the determination of the existence of a deficit, the contract carrier and its affiliated insurers shall, at a minimum, segregate their Missouri voluntary market workers' compensation financial experience and business transactions from their Missouri workers' compensation residual market financial experience and business transactions;

10. The liability for losses of the reinsurers with respect to each cession under this rule shall commence simultaneously with that of the contract carrier, except as otherwise provided in this rule;

11. Except as otherwise provided under this rule, such as subsection (7)(L), the reinsurers shall have no obligation for losses within the contract carrier's retention level.

(B) Under the servicing carrier option for the administration of the ARM Plan, reinsurance shall be handled as follows:

1. For the period of the plan administration agreement, the plan administrator, itself or through its duly-appointed servicing carriers, if any, shall cede to the reinsurers and the reinsurers shall accept, each for its own part and not for the others, quota share reinsurance of the plan administrator's or servicing carrier's liability for all losses under policies issued through the ARM Plan. Losses shall be paid to the plan administrator or servicing carrier upon evidence of payment by the plan administrator or servicing carrier and verification by the reinsurance administrator;

2. In addition to their liability for the losses specified in paragraph (5)(B)1. above, the reinsurers shall also be liable for the expenses of the reinsurance administrator to the extent these expenses are approved from time to time by the advisory board;

3. If the period of the plan administrator agreement does not run concurrently with a calendar year, each successive twelve (12)-month period in the period shall be assigned to the calendar year in which that twelve (12)-month period commenced for purposes of determining the *pro rata* share for each of the reinsurers. If the period runs concurrently with a calendar year, each successive twelve (12)-month period shall be assigned to said calendar year;

4. Each reinsurer's proportion of liability for losses, or any reinsurance administrator expenses, shall be based on that percentage of the total written premium in Missouri's voluntary workers' compensation market during the calendar year in which the contract carrier agreement commences that is represented by the reinsurer's total written voluntary market premium for that same period, subject to verification by the reinsurance administrator, but not including the premiums of any direct assignment carriers;

5. Each reinsurer's participation shall become effective and shall terminate on the dates specified in subsection (7)(N). Each reinsurer's share of the losses under this subsection shall be calculated with respect to each calendar year for which its participation is effective and shall be based upon the total amount of the

participation of all the reinsurers in Missouri for that calendar year;

6. Each reinsurer's liability for its *pro rata* share of the losses under this subsection shall be separate and apart from the liability for the *pro rata* shares of the other reinsurers so that each reinsurer shall be liable solely for its own *pro rata* share of said losses and not the *pro rata* shares of any other reinsurer, except as otherwise provided in this rule, such as paragraph (7)(L)5.;

7. A reinsurer shall be assessed for its *pro rata* share of any losses by the reinsurance administrator after verification by the reinsurance administrator of payment of the losses by the plan administrator or servicing carriers. Failure of a reinsurer to pay its assessment shall be grounds for discipline of the reinsurer by the department, and legal action by the plan administrator, servicing carriers or the advisory board to recover such unpaid assessments;

8. In order to assist in the payment of assessments, the plan administrator and any servicing carriers shall, at a minimum, segregate their Missouri voluntary market workers' compensation financial experience and business transactions from their Missouri workers' compensation residual market financial experience and business transactions;

9. The liability for losses of the reinsurers with respect to each cession under this rule shall commence simultaneously with that of the plan administrator, except as otherwise provided in this rule.

(C) Under the emergency option for the administration of the ARM Plan, the handling of any reinsurance shall depend upon whether the director has selected a contract carrier or a plan administrator to administer the ARM Plan. If the director has selected a contract carrier, any reinsurance shall be handled as provided under subsection (5)(A) above. If the director has selected a plan administrator, reinsurance will be handled as provided under subsection (5)(B) above.

(6) Reinsurance Administrator and Advisory Board.

(A) Subject to the direction and approval of the advisory board, the reinsurance administrator, shall perform the functions set forth in this rule, including the following:

1. Informing the director as to any insurance carrier not participating as a reinsurer as required under this rule;

2. Administering the deficit sharing mechanism under the contract carrier option of this rule or the premium and loss distribution and assessment mechanism under the servicing carrier option of this rule;

3. Advising the department as to the oversight activities requisite to ensuring appropriate performance by the contract carrier or the plan administrator and any servicing carriers;

4. Acting as secretary for the advisory board;

5. Analyzing a contract carrier's estimate of whether and when a deficit will occur; and

6. Determining expenses and fees for the operation of the deficit sharing and assessment provisions of this rule, and assessing each insurer participating in the ARM Plan for these expenses and fees, on an equitable basis determined by the advisory board. Such administrative expenses and fees shall be labeled as such on any assessments to clearly distinguish them as being in addition to the amount of any underlying deficit under the contract carrier option or any assessment under the servicing carrier option.

(B) Advisory Board.

1. The advisory board shall be composed of at least nine (9) but no more than thirteen (13) members, appointed by the director as follows:

A. No fewer than nine (9) insurers who write workers' compensation insurance in Missouri's voluntary market, and who are representative of the interests of such carriers;

B. Other members as determined by the director, with consideration given to members recommended by the advisory board.

2. The function of the advisory board is to oversee the reinsurance administrator, and to assist and advise the director regarding the execution of the ARM Plan by a contract carrier, a plan administrator and any servicing carriers, and the member insurers required to be reinsurers under the ARM Plan. The advisory board may consider any matter referred to it by the reinsurance administrator or the director which relates to the operation of the ARM Plan.

3. Each advisory board member shall serve a term of two (2) years, but may serve additional terms.

4. No advisory board member shall fill more than one (1) position on the board. All advisory board members shall serve until their successors are designated by the director. Any vacancy on the advisory board, by resignation or otherwise, shall be filled by a representative of the member's insurer or organization, until a replacement is appointed.

5. The advisory board members, in person or by proxy, shall hold an annual meeting at which it shall elect a chairperson. The advisory board shall hold such additional meetings as necessary whenever requested by the chairperson, the director or upon petition of three (3) advisory board members. Meetings of the advisory board may be held or attended, and votes taken, by means of a teleconference.

6. The advisory board shall review any expenses or fees recommended by the reinsurance administrator to reimburse the reinsurance administrator, the members of the advisory board and any duly appointed subcontractors thereof, for their services on behalf of the ARM Plan. The advisory board shall, on behalf of the reinsurers, approve such recommendations to the extent the board finds such recommendations fair and reasonable.

7. The advisory board shall also approve any amounts needed to indemnify the board or the reinsurance administrator.

(7) Additional Reinsurance Provisions.

(A) Original Conditions.

1. All reinsurance under this rule shall be subject to the same rates, terms, conditions and waivers, and to the same modifications and alterations as the underlying workers' compensation policies, except as otherwise provided in this rule.

2. Nothing herein shall in any manner create any obligations or establish any rights against the reinsurers in favor of any third party unless authorized under this rule.

3. A reinsurer's rights and responsibilities under this rule shall continue unchanged for the period of each extension of the contract carrier agreement or plan administrator agreement, except for revisions necessary to be consistent with the terms of each such extension.

(B) Indemnification. Notwithstanding anything stated herein, this rule shall not apply to any loss incurred by a contract carrier, plan administrator or any servicing carrier as a result of any willful misconduct or any fraudulent or criminal act by an employee, officer or director of the contract carrier, plan administrator or servicing carrier acting individually or collectively or in collusion with any individual or corporation or any other organization or party involved in the presentation, defense or settlement of any loss covered under this rule.

(C) The Reinsurance Administrator. The reinsurance administrator is recognized as the agent through whom funds and communications relating to this rule (including but not limited to notices, statements, reports of premium, losses and loss adjustment expense, salvage and loss settlements) shall be transmitted.

(D) Premium.

1. The contract carrier or the plan administrator and any servicing carriers shall be responsible for the collection of all premiums on all risks assigned to them under the ARM Plan. The reinsurers shall have no responsibility for the premiums, uncollected premiums, return premiums, or similar items under this rule.

2. Reinsurers shall not receive any portion of the premiums on the policies issued by the contract carrier.

(E) Salvage and Subrogation. In the event that the contract carrier or plan administrator and any servicing carrier recover any money by way of subrogation or otherwise, other than from the reinsurers, on a claim for which the contract carrier or plan administrator and any servicing carriers has been reimbursed by the reinsurers, the contract carrier or plan administrator and any servicing carriers shall reimburse the reinsurers for amounts paid by the reinsurers on account of such claim, but not more than the total amount so recovered less expenses incurred in securing such recovery.

(F) Losses.

1. Losses shall be reported by the contract carrier or plan administrator and any servicing carriers in the format and manner specified in subsection (7)(H) below.

2. All loss settlements made by the contract carrier or plan administrator and any servicing carriers, whether under strict contract conditions or by way of compromise, shall be binding unconditionally upon the reinsurers.

(G) Losses in Excess of Policy Limits or Extra-Contractual Losses.

1. In the event the contract carrier or plan administrator and any servicing carrier pays an amount of loss in excess of its policy limits under a workers' compensation policy issued under the ARM Plan, but otherwise within the terms of the policy (hereinafter called "loss in excess of policy limits") including but not limited to any punitive, exemplary, compensatory or consequential damages, resulting from the alleged improper conduct of the insured, one hundred percent (100%) of the loss in excess of the policy limits as well as the loss adjustment expense incurred in connection therewith shall be added to the losses of the contract carrier or plan administrator and any servicing carriers, under this rule.

2. Any loss in excess of policy limits shall be deemed to have occurred on the same date as the loss covered or alleged to be covered under the policy.

(H) Reports and Remittances.

1. Within forty-five (45) days after the end of each calendar quarter, the contract carrier or the plan administrator shall report to the reinsurers, through the reinsurance administrator, premiums, losses, and other amounts for the quarter, in such detail as the advisory board shall reasonably require.

2. Any amounts paid by the contract carrier or plan administrator and any servicing carriers and recoverable from reinsurers shall be remitted by the reinsurers, through the reinsurance administrator, as promptly as possible after receipt and verification of the report of the contract carrier or plan administrator. Any remittance shall be paid within thirty (30) days of the invoice mailing, or within other reasonable time periods established by the advisory board.

(I) Offsets. The contract carrier or plan administrator and any servicing carriers, or the reinsurers shall have and may exercise at any time, and from time to time, the right to offset any balance or balances whether on account of premiums or on account of losses or obligations otherwise due from one party to the other or any affiliate thereof in their capacities under the terms of this rule.

(J) Currency. All limits under this rule are expressed in United States dollars and all premium and loss payments shall be made in United States currency. For the purposes of this rule amounts paid or received by the contract carrier or plan administrator and any servicing carriers in any other currency shall be converted into United States dollars at the rates of exchange at which such transactions are converted on the books of the contract carrier, plan administrator or servicing carrier.

(K) Inadvertent Delays, Errors or Omissions in Performance. Inadvertent delays, errors or omissions made in connection with this rule or any transaction hereunder shall not relieve either party

from any liability which would have attached had such delay, error or omission not occurred, provided that such error or omission will be rectified as soon as possible after discovery.

(L) Insolvency.

1. In the event of the insolvency of the contract carrier, the plan administrator or a servicing carrier, reinsurance owed under this rule shall be payable directly to the insolvent entity or its liquidator, receiver, conservator or statutory successor on the basis of the liability of the insolvent entity without diminution because of the insolvency of the entity or because the liquidator, receiver, conservator or statutory successor of the entity has failed to pay all or a portion of any claim.

2. The liquidator, receiver, conservator or statutory successor of the insolvent contract carrier, plan administrator or servicing carrier shall give written notice to the reinsurers of the pendency of a claim against the insolvent entity indicating the contract or bond reinsured which claim would involve a possible liability on the part of the reinsurers within a reasonable time after such claim is filed in the conservation or liquidation proceeding or in the receivership, and that during the pendency of such claim, the reinsurers may investigate such claim and interpose at their own expense, in the proceeding where such claim is to be adjudicated, any defense or defenses that they may deem available to the insolvent entity or its liquidator, receiver, conservator or statutory successor.

3. The expense thus incurred by the reinsurers shall be chargeable, subject to the approval of the court, against the insolvent entity as part of the expense of conservation or liquidation to the extent of a *pro rata* share of the benefit which may accrue to the insolvent entity solely as a result of the defense undertaken by the reinsurers.

4. The reinsurance shall be payable by the reinsurers to the contract carrier or the plan administrator and any servicing carriers or their liquidator, receiver, conservator or statutory successor, except as provided by applicable law except where this rule specifically provides another payee of such reinsurance, in the event of the insolvency of such entity and where the reinsurers, with the consent of the direct insureds, have assumed such policy obligations of the reinsurers to the payees under such policies and in substitution for the obligations of the insolvent entity to such payees.

5. In the event any reinsurer becomes insolvent, participation by such reinsurer under this rule shall be deemed terminated at the time such reinsurer becomes insolvent. The outstanding liability of an insolvent reinsurer shall be assumed by and apportioned among the remaining reinsurers in the same manner for which other liabilities are apportioned.

(M) Security. If determined by the director or the reinsurance administrator, the contract carrier, plan administrator, servicing carriers or the reinsurers will provide such security for the benefit of the parties to this rule as determined by the director or the reinsurance administrator.

(N) Commencement and Termination.

1. This rule shall apply to the individual contract carrier agreement or plan administrator agreement for the period of said agreement and any extensions thereto.

2. A reinsurer's responsibility under this rule may be terminated by the reinsurer only upon surrender of its authority to write workers' compensation in Missouri. The reinsurance administrator shall inform the director of any reinsurer that terminates its participation under this rule.

3. If the reinsurance administrator determines that the contract carrier, plan administrator or servicing carrier is not in compliance with any provision of this rule, the contract carrier or plan administrator agreement, or any performance standards, it shall notify the director, the contract carrier, plan administrator or servicing carrier of such noncompliance. The director shall have the right to take appropriate action as specified in the ARM Plan or the contract carrier agreement or plan administrator agreement.

4. Reinsurance under this rule shall remain in full force and effect until all losses under the workers' compensation policies for the time period in question have been settled and satisfied or otherwise resolved.

(8) Rules for Eligibility and Assignment.

(A) The provision of this section shall govern the insuring of employers who are required to carry workers' compensation insurance, but who are unable to procure such insurance through ordinary methods. Any employer insured under the ARM Plan shall receive at least the same quality of service as is available to those employers who are voluntarily insured. This includes, but is not limited to, safety engineering, loss control, claims handling, employee classification and reserving practices. Any dispute arising hereunder shall be subject to section (10) of this rule.

1. Application for insurance shall be filed with the contract carrier or plan administrator by the employer or its representative on a form approved by the department.

2. Good faith will be presumed in the absence of clear and convincing evidence to the contrary. An employer is not, in good faith, entitled to insurance if any of the following circumstances exist, at the time of application or thereafter, or other evidence exists that such employer is not in good faith entitled to insurance:

A. If, at the time of application, a self-insured employer is aware of pending bankruptcy proceedings, insolvency, cessation of operations, or conditions that would probably result in occupational disease or cumulative injury claims from exposure incurred while the employer was self-insured;

B. If the employer, while insurance is in force, knowingly refuses to meet reasonable health and safety requirements designed to remove an imminent threat of serious bodily harm;

C. If the employer has an outstanding obligation for workers' compensation premium on previous insurance about which there is no formal dispute;

D. If the employer, or its representative or the producer knowingly makes a material misrepresentation on the application by omission or otherwise, including any of the following: estimated annual premium, estimated payroll, offers of workers' compensation insurance, nature of business, name or ownership of business, previous insurance history, or outstanding premium obligation of the employer.

3. Coverage may be bound under the ARM Plan, in accordance with the following procedures:

A. The producer should forward the completed application to the contract carrier or plan administrator with a certified, cashier's, or producer check payable to the contract carrier or plan administrator for the estimated annual or deposit premium as computed by the producer, or determined by contacting the contract carrier or plan administrator prior to submission of the application. The employer or its representative shall also include with and as a part of the application a copy of the employer's latest filed federal employer 941, 941E, 942 or 943 form or equivalent federal- or state-required verifiable current payroll record, such as an unemployment wage report. The application form, as approved by the department, shall indicate the employer's agreement to authorize its current carrier to release any safety and loss information to the contract carrier or plan administrator. For all employers other than those formerly self-insured, coverage will be bound at 12:01 a.m. on the first day following the postmark time and date on the envelope in which the application is mailed, including the estimated annual or deposit premium, or the expiration of existing coverage, whichever is later. If there should be no postmark, coverage will be effective 12:01 a.m. of the date of receipt by the contract carrier or plan administrator unless a later date is requested. Those applications hand delivered to the contract carrier or plan administrator will be effective as of 12:01 a.m. the date following receipt by the contract carrier or plan administrator unless a later date is requested;

B. For employers formerly self-insured, coverage will be bound at 12:01 a.m. not later than sixty (60) days following the postmark time and date on the envelope in which the application is mailed including the estimated annual or deposit premium, or the expiration of existing coverage, whichever is later. If there should be no postmark, coverage will be effective 12:01 a.m. not later than sixty (60) days following the date of receipt by the contract carrier or plan administrator unless a later date is requested. Those applications hand delivered to the contract carrier or plan administrator will be effective 12:01 a.m. not later than sixty (60) days following the date of receipt by the contract carrier or plan administrator, unless a later date is requested;

C. If coverage is bound pursuant to the above, the contract carrier or plan administrator shall issue a binder with copies to the producer, the insured, and the Missouri Division of Workers' Compensation.

4. Assignments shall not be made under this rule unless all workers' compensation premium obligations on any previous insurance have been met by the employer, unless a formal dispute regarding such payments has been made. If, subsequent to policy issuance, the insured employer does not meet all workers' compensation insurance premium obligations under a previous policy or under a present policy, the contract carrier or plan administrator shall have the right to cancel the policy currently in force under the ARM Plan.

5. The policy shall be issued for a term of one (1) year, unless insurance for a shorter term has been requested or unless a longer period is authorized by the department. A copy of the policy declarations and all endorsements, properly stamped ARM Plan, will be retained by the contract carrier or plan administrator.

6. If, after the issuance of a policy, the contract carrier or plan administrator determines that an employer is not entitled to insurance, or has failed to comply with reasonable safety requirements, or has violated any of the terms and conditions under which the insurance was issued, and after providing opportunity for cure, the contract carrier or plan administrator shall initiate cancellation. Any insured employer so canceled must reestablish eligibility or must demonstrate entitlement before any further coverage will be provided under the ARM Plan.

7. All policies issued pursuant to the ARM Plan shall be written utilizing the classifications, forms, rates and rating data set forth in the contract carrier or plan administrator's RFP response or as otherwise approved by the director.

8. Unless otherwise authorized by the director, at least sixty (60) days prior to the expiration date of insurance, the contract carrier or plan administrator shall send a renewal proposal or notice of impending expiration of coverage to the named insured at his last known address and the insured's producer. Upon receipt of the required premium, the policy shall be renewed and a copy of the policy information page and all endorsements, properly stamped ARM Plan, shall be retained by the contract carrier or plan administrator.

9. Any otherwise eligible employer who agrees to have its workers' compensation insurance provided by an insurer other than the contract carrier or plan administrator on a voluntary basis may do so at any time. The contract carrier or plan administrator shall cancel its coverage on a *pro rata* basis as of the effective date of the voluntary insurer's policy.

10. Any employer desiring insurance for operations in states other than Missouri must notify the contract carrier or plan administrator regarding the need for insurance in such additional states in accordance with section (9) of this rule.

11. The employer may designate a licensed producer and, with respect to any renewal of the contract carrier or plan administrator, may change the designated producer by notice to the contract carrier or plan administrator prior to the date of such renewal or, with the consent of the contract carrier or plan administrator, at any other time. The contract carrier or plan administrator

shall pay a fee to the producer designated by the employer on new and renewal policies after July 1, 1995, upon payment of all premium due under the policy. The fee shall be based on the state standard premium and paid at the rate as set forth in the contract carrier or plan administrator's RFP response.

(D) Producers through whom employers seek worker's compensation coverage shall endeavor to place such coverage through the voluntary market; only where the producer certifies on an application approved by the department that the producer has been unable to obtain such coverage at comparable cost and service through the voluntary market shall such coverage be placed in the ARM Plan. At the direction of the department, a risk may be removed from the ARM Plan if the department subsequently determines coverage was available through the voluntary market at comparable cost and service and this fact was known to the producer.

(E) For purposes of assisting in the placement of risks in the voluntary market, an expiration list of risks in the ARM Plan shall be made available, by the contract carrier or plan administrator and through the department, to producers and insurers, at the normal copying costs.

(F) Notwithstanding the above provisions of this section, an approved plan administrator may file a plan of operation for approval by the director which incorporates its own rules of eligibility and assignment, which, upon approval, shall supercede the rules of eligibility and assignment of this section.

(9) Interstate Assignments.

(A) Any employer seeking coverage under this ARM Plan and desiring coverage for workers' compensation benefits of states other than Missouri for its Missouri-based employees who may have business reasons to travel to other states may request the contract carrier or plan administrator to furnish such insurance on an endorsement form approved by the department. Such form may indicate that employees based in states other than Missouri are not covered by this endorsement.

(B) Employers with known exposures in states other than Missouri may request the contract carrier or plan administrator to assist them in obtaining coverage in these other states. If the contract carrier or plan administrator does not wish to provide coverage for the additional states on a voluntary basis, the contract carrier or plan administrator shall advise the employer and the producer to submit an application to the appropriate administrator having jurisdiction.

(10) Dispute Resolution Procedure.

(A) Any person affected by the operation of the ARM Plan including, but not limited to, insured employers, covered employees, producers, the contract carrier, the plan administrator, a servicing carrier or a direct assignment carrier who may have a dispute with respect to any aspect of the plan, may seek a review of the matter by the department by setting forth in writing with particularity the nature of the dispute, the parties to the dispute, the relief sought and the basis thereof. The department may secure such additional information as it deems necessary to make a decision.

(B) Appeals from insured employers and covered employees on plan matters regarding individual employer disputes shall be within the jurisdiction of the mechanism established to handle such appeals under the applicable insurance laws, including section 287.335, RSMo. All other disputes shall be handled as follows:

1. If the dispute relates to the general operation of the ARM Plan, excluding individual employer disputes and those arising under this rule, the department shall review the matter and render a written decision with an explanation of the reasons for the decision within sixty (60) days after receipt of all the information necessary to make the decision. In reviewing any such matter, the department shall decide the dispute in accordance with the state law, regulation and policy and in the interests of the reasonable and

proper administration of the ARM Plan. The department's decision shall be final, subject to court review;

2. Except as provided below, if the dispute arises under the reinsurance provisions of this rule, the reinsurance administrator shall first review the matter and render a written decision to the complaining party with an explanation of the reasons for the decision within sixty (60) days after receipt of all the information necessary to make the decision. Any party affected by the decision may seek a review by the advisory board established under this rule by requesting such review, in writing, within thirty (30) days of the date of the decision by the reinsurance administrator. The advisory board must then review the matter and render its written decision pursuant to the bylaws adopted by the board. Any party affected by a decision of the advisory board may seek a *de novo* review by the department by requesting such a review in writing within thirty (30) days of the date of the board's decision.

(11) Rate Monitoring.

(A) It is essential for maintaining the long-run viability of the ARM Plan that the contract carrier, plan administrator or prospective contract carriers or plan administrators have the data necessary to determine appropriate rates. As insureds may, over time, move between the ARM Plan and the voluntary market, data for the total market must be maintained. On behalf of the department, the NCCI shall maintain necessary ratemaking data in order to permit the actuarial determination by the department and the contract carrier or plan administrator of rates, consistent with the NCCI-administered classification system, for the business insured through the ARM Plan. The contract carrier or plan administrator is required to report its experience on business written under the ARM Plan to the NCCI in the same format required by the NCCI for carriers writing voluntary market business. The NCCI shall provide to the contract carrier or plan administrator and the department all requested information necessary for establishing reasonable classifications, rates and enabling financial information required for the successful operation of the ARM Plan and the total market, and for whatever other purposes the department from time to time may require for said data.

(B) The contract carrier or plan administrator shall file any rate requests for the residual market in accordance with the provisions of section 287.896, RSMo.

(12) Notice. Within sixty (60) days of the effective date of this rule, the reinsurance administrator shall provide notice to all insurers that are required to participate as reinsurers under this rule. The notice shall include a copy of this rule or a reference to the department's website, as well as the dates the rule was effective and shall advise each insurer of the obligation to participate as reinsurers. The reinsurance administrator shall inform the Director of any insurer refusing to participate as a reinsurer, as required under this rule.

(13) Confidentiality of Information.

(A) For purposes of this section, the phrase "contract carrier or plan administrator" shall include any reinsurance market reinsurers, or any subcontractors, vendors, servicing carriers or other entities or persons utilized by or associated with the contract carrier or plan administrator in the administration of and the insuring of the Missouri workers' compensation residual market under the ARM Plan.

(B) Detailed information, whether provided orally, in writing, via computer media, or by other means, given to producers, insurers, or their clients, required to properly evaluate, underwrite and insure risks under the ARM Plan, shall be provided by such persons and entities to the contract carrier or plan administrator for evaluation, underwriting and insurance purposes. In consideration of the disclosure of such information, the contract carrier or plan

administrator agrees to and shall comply with the following provisions:

1. The contract carrier plan or administrator shall keep in confidence and shall not, except as directed by the insured, disclose to any third party, or use for the benefit of any third party, such detailed information, regardless of the form or format of the disclosure; such information shall be used by the contract carrier or plan administrator solely for the evaluating, underwriting and insuring of workers' compensation and employer's liability insurance coverage under the ARM Plan, and not for any other purpose without the prior approval of the insured.

2. The contract carrier or plan administrator shall take all reasonable measures necessary to protect the confidentiality of such information in its possession from disclosure to any other third party, except as directed by the insured.

3. The contract carrier or plan administrator shall not directly or indirectly request, encourage, or advise any employers who have acquired or seek to acquire coverage through the ARM Plan to utilize the services of any specific insurance producer, insurer or group of insurers for workers' compensation insurance coverage.

4. The contract carrier or plan administrator shall not give any other person, firm or entity any rights that would circumvent or violate the provisions of paragraphs 1. through 3., above.

(C) Notwithstanding the confidentiality provisions set forth in subsection (B) of this section, the contract carrier or plan administrator is expressly authorized to provide the information delineated in subsection (B) of this section to the department, the Missouri Division of Workers' Compensation and any other organization or entity designated by the department to gather and analyze data for the purpose of establishing rate or loss cost information, or in conjunction with the issuance of reports concerning the Missouri workers' compensation market.

(D) In addition to any other remedies available to the department regarding any violation of the provisions of this section, including those contained in section 374.280, RSMo, the department shall consider the nature and severity of any violations of the provisions of this section during its consideration of the letting of or renewal of any contract for the administration of and insurance of the Missouri workers' compensation residual market under the ARM Plan.

AUTHORITY: sections 287.896 and 374.045, RSMo 2000. Emergency rule filed June 15, 1995, effective July 1, 1995, expired Oct. 28, 1995. Original rule filed April 3, 1995, effective Sept. 30, 1995. Emergency rule filed April 26, 2002, effective May 6, 2002, expires Feb. 6, 2003. Emergency rescission filed May 7, 2002, effective May 17, 2002, expires Feb. 18, 2003. Readopted: Filed April 26, 2002.

PUBLIC COST: This proposed rule will cost the Department of Insurance twenty-six thousand eight hundred forty-seven dollars and seventy-eight cents (\$26,847.78) in years in which a bid process is conducted and a contract carrier or plan administrator is selected, and four thousand three hundred thirty dollars and forty-eight cents (\$4,330.48) in years in which the selected contract carrier or plan administrator submits a request for a rate change under section 287.896, RSMo.

PRIVATE COST: This proposed rule will cost private entities ten thousand fifty-eight dollars (\$10,058) a year. It will cost those entities participating in a bid process an additional fifteen thousand dollars (\$15,000) in years in which a bid process is conducted.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: A public hearing will be held on this proposed rule (and the companion proposed rescission) on July 11, 2002, begin-

ning at 10:00 a.m. in the Central Conference Room of the department's offices in Room 530 of the Truman State Office Building in Jefferson City, Missouri. Opportunities to be heard at the hearing will be afforded to any interested person. Interested persons, whether or not heard, may submit written comments to the department until 5:00 p.m. on July 19, 2002. Written comments shall be sent to the Department of Insurance, Property and Casualty Section, PO Box 690, Jefferson City, MO 65102-0690, to the attention of Mark Doerner.

SPECIAL NEEDS: If you have any special needs addressed by the Americans With Disabilities Act, please notify us at (573) 751-6798 or (573) 526-4636 at least five (5) working days prior to the hearing.

**FISCAL NOTE
PUBLIC ENTITY COST**

I. RULE NUMBER

Title: Department of Insurance

Division: Property and Casualty

Chapter: Workers' Compensation and Employer's Liability

Type of Rulemaking: Proposed Rule

Rule Number and Name: 20 CSR 500-6.960 Plan of Operation for the Workers' Compensation Residual Market

II. SUMMARY OF FISCAL IMPACT

<u>Affected Agency or Political Subdivision</u>	<u>Estimated Cost of Compliance in the Aggregate</u>
Department of Insurance	\$26,847.78 in a year in which a bid is issued and a Contract Carrier or Plan Administrator is selected, \$4,330.48 in a year in which the selected Contract Carrier or Plan Administrator submits a request for a change in rates under Section 287.896, RSMo.

(This fiscal note provides separate estimates on the fiscal impact on the Department of Insurance for those years in which the contract for the ARM Plan is bid out and for those years in which the contract is not bid out but in which the entity selected under the previous bid process submits a request for a rate change in accordance with statute. The separate estimates are provided because the Department's experience has been that far more effort is expended in years when it is necessary to prepare, issue and evaluate bids than in those years when no bid is required. The estimates above are based on the reimbursement rates for employees as of 2002; to calculate the impact in subsequent years, the relevant cost estimate should be multiplied by an appropriate inflation factor for each year after 2002, to adjust for changes in the underlying costs.)

III. WORKSHEET

Department of Insurance: <u>Item</u>	<u>Annual Expense</u>
Bid Years	
Bid evaluation by the Director, the Assistant Director, the Deputy Directors of Administration, Consumer Affairs, and Market Regulation, the Assistant Director of Market Regulation, the General Counsel, the P&C Section Chief and the Senior Counsel of the P&C Section: 8 hours @ an aggregate of \$432.08/hour	\$ 3,456.64
Bid drafting, distribution, receipt, comparison, and contract issuance by Senior Counsel, P&C Section: 240 hours @ \$28/hour	\$ 6,720.00

	Actuarial evaluation of the bids by the Department's P&C Actuary: 240 hours @ \$69.46/hour	<u>\$ 16,670.04</u> \$ 26,846.68
Rate Request Years	Rate request evaluation by the Director, the Assistant Director, the Deputy Directors of Administration, Consumer Affairs, and Market Regulation, the Assistant Director of Market Regulation, the General Counsel, the P&C Section Chief and the Senior Counsel of the P&C Section: 1 hour @ an aggregate of \$432.08/hour	\$ 432.08
	Analysis of rate request and drafting of a rate order regarding the rate request by the Senior Counsel, P&C Section: 40 hours @ \$28/hour	\$ 1,120.00
	Actuarial analysis of the rate request by the P&C Actuary: 40 hours @ \$69.46/hour	<u>\$ 2,778.40</u> \$ 4,330.48

IV. ASSUMPTIONS

The above estimates are based on the following assumptions:

(1) This regulation will not increase the current duties of the Department. Under the prior version of this regulation, the Department was required to select a Contract Carrier to administer the ARM Plan in Missouri. This version of the regulation gives the Director more flexibility in finding an entity to administer the residual market during difficult economic times, but it does not change fundamentally how the Department accomplishes this.

(2) The duties required under the regulation can be performed by existing personnel in the Department of Insurance, with existing equipment. The above worksheet calculations used the current hourly level of reimbursement for the positions in question, which includes fringe benefits (at 31.6% of salary).

(3) Based on the Department's understanding of the current market, the Department anticipates receiving six separate bids, or six separate options to a lesser number of separate bids, in response to the Department's formal Request For Proposals. (Under the rule, a bidder could, for example, submit a response based on a retention level of 100% of collected premium and another at a retention level of 115%. Each would be a different "option" for the Department to evaluate.)

**FISCAL NOTE
PRIVATE ENTITY COST**

I. RULE NUMBER

Title: Department of Insurance

Division: Property and Casualty

Chapter: Workers' Compensation and Employer's Liability

Type of Rulemaking: Proposed Rule

Rule Number and Name: 20 CSR 500-6.960 Plan of Operation for the Workers' Compensation Residual Market

II. SUMMARY OF FISCAL IMPACT

Estimate of the number of entities by class which would likely be affected by the <u>adoption of the proposed rule:</u>	Classification by the type of the business entities which would <u>likely be affected:</u>	Estimate in the aggregate as to cost of compliance with the rule by the <u>affected entities:</u>
100	Licensed workers' compensation insurers	\$ 10,085.00 a year
3	Licensed workers' compensation insurers or licensed rating organizations 3 @ \$5,000	\$ 15,000.00 in bid years*

*The fiscal note estimates an additional cost for those years in which a bid is conducted, based on the Department's estimate of how much it would cost to respond to a bid in 2002.

To calculate the fiscal impact in future years, the relevant cost estimate above should be multiplied by an inflation factor for each year after 2002, to adjust for changes in the underlying costs.

III. WORKSHEET

(1) Under the proposed rule, a Reinsurance Administrator will be used to administer certain aspects of the ARM Plan, including holding annual meetings of the Advisory Board, annually analyzing whether a deficit has occurred, and assessing the various voluntary market insurers for their pro rata contribution any deficit, should one have occurred. The Reinsurance Administrator's oversight activities under the proposed rule are essentially the same as those under the current rule. During the period (since July, 1995) that the ARM Plan has been operational, the Reinsurance Administrator has not had to assess for any deficits. In the past three years, the Reinsurance Administrator's expenses for its other activities have been as follows: 1998-1999, \$10,390; 1999-2000, \$8,955; 2000-2001; \$10,830, which yields an average of $(\$30,175 / 3)$ \$10, 058 per year. The Reinsurance Administrator assesses the participating voluntary market carriers for this amount on an annual basis. The current Reinsurance

Administrator, the National Council on Compensation Insurance, indicates that in the most recent two years, it has issued assessments for these overhead costs to 93 carriers; in a number of additional cases, the assessments were not sent because the individual carrier's pro rata assessment was less than \$5.

(2) Under the proposed rule, the ARM Plan can be administered either by a Missouri-licensed insurer functioning as a Contract Carrier or a entity functioning as a Plan Administrator; a Plan Administrator may or may not be a licensed insurer, and if not, would administer the ARM Plan through one or more licensed insurers functioning as Servicing Carriers. Entities likely to respond to a formal Request For Proposals are licensed insurers who have functioned as the administrators of other state residual markets, and rating organizations that administer such markets through servicing carriers. Based on an estimate of one insurer, it costs approximately \$5,000 in time and expense for an entity to provide a formal written response to an RFP of the type contemplated.

IV. ASSUMPTIONS

(1) This fiscal note assumes that the ARM Plan will continue to avoid incurring a deficit. As such, it assumes that voluntary market carriers will only be required to share in the "overhead" of the activities of the Reinsurance Administrator.

(2) Although the proposed rule allows the Department to use a Plan Administrator and Servicing Carriers to administer the ARM Plan, this fiscal note assumes that the Department will continue to be able to find a Contract Carrier to administer the Plan.

(3) This fiscal note assumes that only three entities would be in a position to respond to an RFP. The degree to which more entities respond, the aggregate cost would increase accordingly. Note: This cost is "voluntary" in the sense that no entity is required to submit an RFP response should it choose not to.

(4) This fiscal note does not include a cost to the entity which is awarded the contract as either the Contract Carrier or the Plan Administrator under the ARM Plan. Under Section 287.896, RSMo, the Director of Insurance is required to authorize premium rates for the residual market which are sufficient to cover the market's costs. As such, this fiscal note assumes that any entity administering the Missouri residual market will have its costs completely covered by the premiums it received from the employers insured through the ARM Plan.

Such an entity *could* incur a cost to the extent it under-estimates the ARM's rate requirements in a given year and suffers an insured loss ratio of 85% or more of collected premium. This is because the approximate cost of administering the residual market is 20% of premium. The insurer will receive a return on investment of funds associated with the ARM Plan of, say, 5% or more, depending on market conditions, which is another source of income to offset losses. Once the insured losses of 85% are offset by investment income (i.e., 85% less 5%) and paid, and the expenses of 20% are paid, there is no more premium left over to cover additional losses. Under the proposed rule, a contract carrier would be required to absorb losses equal to at least 100% of collected premium, so in difficult years, and insurer might loose the equivalent of 15% of premium. However, this fiscal note does not include a specific estimate of this as a cost to the contract carrier because in the previous seven contract years, this has not occurred, and proper diligence on the part of an entity in estimating the losses for an upcoming year will allow it to avoid such costs.)

(5) This fiscal note does not include a cost to employers, including small businesses. Under the proposed rule an employer will receive coverage from the ARM Plan through an administrator that has to have its premium rates approved by the Director prior to use. While the rates in the residual market are likely to be higher than in the voluntary market, this is to be expected since the presumption of the ARM Plan is that no insurer in the voluntary market is willing to underwrite the employers who are insured under the ARM Plan. Under Section 287.896, RSMo,

the rates in the Missouri residual market are required to be “self-sufficient,” so any differential cost to employers insured thereunder is theoretically needed to cover their higher costs.