

SECOND REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 2203**  
**101ST GENERAL ASSEMBLY**

4724H.02C

DANA RADEMAN MILLER, Chief Clerk

---

**AN ACT**

To repeal sections 173.2553 and 173.2554, RSMo, and to enact in lieu thereof three new sections relating to workforce development.

---

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

Section A. Sections 173.2553 and 173.2554, RSMo, are repealed and three new sections enacted in lieu thereof, to be known as sections 21.915, 173.2553, and 620.2250, to read as follows:

**21.915. 1. There is established a permanent joint committee of the general assembly to be known as the "Joint Committee on Rural Economic Development" which shall be composed of five members of the senate, no more than three of which shall be from the majority party, appointed by the president pro tempore of the senate, and five members of the house of representatives, no more than three of which shall be from the majority party, appointed by the speaker of the house of representatives. A majority of the members of the committee shall constitute a quorum. The members shall annually select one of the members to be the chair and one of the members to be the vice chair. The speaker of the house of representatives and the president pro tempore of the senate shall appoint the respective majority members. The minority leader of the house of representatives and the minority leader of the senate shall appoint the respective minority members. The members shall receive no additional compensation, but shall be reimbursed for actual and necessary expenses incurred by them in the performance of their duties. No major party shall be represented on the committee by more than three members from the senate nor by more than three members from the house of representatives. The committee is authorized to meet and act year round and to employ the necessary personnel within the limits of**

EXPLANATION — Matter enclosed in bold-faced brackets ~~thus~~ in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 **appropriations. The staff of the committee on legislative research, house research, and**  
19 **senate research shall provide necessary clerical, research, fiscal, and legal services to the**  
20 **committee, as the committee may request.**

21 **2. It shall be the duty of the committee to:**

22 **(1) Examine any trending population declines throughout rural counties in**  
23 **Missouri utilizing data from the last previous decennial census of the United States,**  
24 **including identifying any anomalous rural areas that saw population increases;**

25 **(2) Identify economic opportunities for third class counties, including identifying**  
26 **viable industries for rural areas of the state and businesses that are relocating from**  
27 **other states;**

28 **(3) Monitor the deployment and adoption of broadband internet in rural areas**  
29 **of the state;**

30 **(4) Examine the issue of restricted access to quality health care and insurance in**  
31 **rural areas of the state;**

32 **(5) Identify the need for and development of expanded learning opportunities in**  
33 **rural areas, including workforce development, skilled labor training, and online**  
34 **training;**

35 **(6) Examine infrastructure issues in rural areas in the state, including**  
36 **opportunities to mitigate geographical isolation and a review of transportation**  
37 **development plans to embolden economic vitality in rural areas of the state;**

38 **(7) Identify key contributors and solutions to poverty and unemployment trends**  
39 **in rural areas of the state;**

40 **(8) Develop policies to maximize existing state programs, including existing**  
41 **economic development tax credit programs and tourism programs; and**

42 **(9) Identify and examine any other issues that the committee determines to be**  
43 **affecting rural areas of the state.**

44 **3. The committee may compile a full report of its activities for submission to the**  
45 **general assembly, which shall include any recommendations which the committee may**  
46 **have for legislative action as well as any recommendations for administrative or**  
47 **procedural changes in the internal management or organization of state government**  
48 **agencies and departments. Copies of the report containing such recommendations shall**  
49 **be sent to the appropriate directors of state departments and agencies included in the**  
50 **report.**

51 **4. All state departments, commissions, and offices shall cooperate with and assist**  
52 **the committee in the performance of its duties and shall make available all books,**  
53 **records, and information requested.**

173.2553. 1. There is hereby established a "Fast Track Workforce Incentive Grant",  
2 and any moneys appropriated by the general assembly for this program shall be **deposited in**  
3 **the fund created in subsection 12 of this section and shall be** used to provide grants for  
4 Missouri citizens to attend an approved Missouri postsecondary institution of their choice in  
5 accordance with the provisions of this section.

6 2. The definitions of terms set forth in section 173.1102 shall be applicable to such  
7 terms as used in this section [~~and section 173.2554~~]. In addition, the following terms shall  
8 mean:

9 (1) **"Active apprentice status", formal participation in an apprenticeship that**  
10 **meets any related requirements as defined by the organization providing the**  
11 **apprenticeship or the United States Department of Labor;**

12 (2) "Board", the coordinating board for higher education;

13 [~~(2)~~] (3) **"Eligible apprentice", an individual who:**

14 (a) **Is a citizen or permanent resident of the United States;**

15 (b) **Is a Missouri resident as determined by reference to standards promulgated**  
16 **by the coordinating board;**

17 (c) **Has active apprentice status in an eligible apprenticeship;**

18 (d) **Has an adjusted gross income as reported on their Missouri individual**  
19 **income tax return, that does not exceed eighty thousand dollars for married filing joint**  
20 **taxpayers or forty thousand dollars for all other taxpayers; and**

21 (e) **Is twenty-five years of age or older at the time of entering the apprenticeship**  
22 **or has not been enrolled in a postsecondary education program, other than one related**  
23 **to the current apprenticeship, for the prior two calendar years;**

24 (4) **"Eligible apprenticeship", a United States Department of Labor approved**  
25 **apprenticeship, as defined under 29 CFR Part 29, conducted within the state of Missouri**  
26 **that prepares a participant to enter employment in an area of occupational shortage as**  
27 **determined by the coordinating board;**

28 (5) "Eligible program of study", a program of instruction:

29 (a) Resulting in the award of a certificate, undergraduate degree, or other industry-  
30 recognized credential; and

31 (b) That has been designated by the coordinating board as preparing students to enter  
32 an area of occupational shortage as determined by the board;

33 [~~(3)~~] (6) **"Eligible student", an individual who:**

34 (a) **Has completed and submitted a FAFSA for the academic year for which the grant**  
35 **is requested or if the student is enrolled, or is enrolling, with an eligible training provider**  
36 **that does not participate in federal student aid programs, has provided documentation**  
37 **of their adjusted gross income as determined by the board;**

38 (b) Is a citizen or permanent resident of the United States;

39 (c) Is a Missouri resident **for at least two years prior to receiving a grant pursuant**  
40 **to the fast track workforce incentive grant program** as determined by reference to  
41 standards promulgated by the coordinating board, **provided that this paragraph shall not**  
42 **apply to an individual who is an active duty member of the Armed Forces of the United**  
43 **States who has been transferred to the state of Missouri, or his or her spouse;**

44 (d) Is enrolled, or plans to enroll, at least half-time as a student in an eligible  
45 undergraduate program of study offered by an approved public, private, or virtual institution,  
46 as defined in section 173.1102 **or by an eligible training provider;**

47 (e) Has an adjusted gross income, as reported on the FAFSA **or other**  
48 **documentation as determined by the board**, that does not exceed eighty thousand  
49 dollars for married filing joint taxpayers or forty thousand dollars for all other taxpayers; and

50 (f) Is twenty-five years of age or older at the time of enrollment or has not been  
51 enrolled in an educational program for the prior two academic years;

52 (7) **"Eligible training provider", a training organization listed in the state of**  
53 **Missouri eligible training provider system maintained by the office of workforce**  
54 **development in the department of higher education and workforce development;**

55 [~~4~~] (8) "FAFSA", the Free Application for Federal Student Aid, as maintained by  
56 the United States Department of Education;

57 [~~5~~] (9) "Fast track grant", an amount of moneys paid by the state of Missouri to a  
58 student under the provisions of this section;

59 [~~6~~] (10) "Graduation", completion of a program of study as indicated by the award  
60 of a certificate, undergraduate degree, or other industry-recognized credential;

61 [~~7~~] (11) "Qualifying employment", full-time employment of a Missouri resident at a  
62 workplace located within the state of Missouri, or self-employment while a Missouri resident,  
63 with at least fifty percent of an individual's annual income coming from self-employment,  
64 either of which result in required returns of income in accordance with section 143.481;

65 [~~8~~] (12) "Recipient", an eligible student [~~or~~], **an eligible apprentice, a renewal**  
66 **apprentice, or a renewal student** who receives a fast track grant under the provisions of this  
67 section;

68 [~~9~~] (13) **"Related educational costs", direct costs incurred by an individual as**  
69 **part of an eligible apprenticeship program, such as, but not limited to, tools, books, and**  
70 **uniforms;**

71 (14) **"Renewal apprentice", an eligible apprentice who remains in compliance**  
72 **with the provision of this section, has received the grant as an initial apprentice,**  
73 **maintains active apprentice status, and who has not received a bachelor's degree;**

74           **(15)** "Renewal student", an eligible student who remains in compliance with the  
75 provisions of this section, has received a grant as an initial recipient, maintains a cumulative  
76 grade point average of at least two and one-half on a four-point scale or the equivalent, makes  
77 satisfactory academic degree progress as defined by the institution, with the exception of  
78 grade point average, and has not received a bachelor's degree.

79           3. Standards of eligibility for renewed assistance shall be the same as for an initial  
80 award of financial assistance; except that, for **a renewal student**, an applicant shall  
81 demonstrate a grade point average of two and one-half on a four-point scale, or the equivalent  
82 on another scale.

83           4. Eligibility for a grant expires upon the earliest of:

84           (1) Receipt of the grant for four semesters or the equivalent;

85           (2) Receipt of a bachelor's degree; or

86           (3) **For an eligible student**, reaching two hundred percent of the time typically  
87 required to complete the program of study.

88           5. The coordinating board shall initially designate eligible programs of study by  
89 January 1, 2020, in connection with local education institutions, regional business  
90 organizations, and other stakeholders. The coordinating board shall annually review the  
91 list of eligible programs of study and **occupations relating to eligible apprenticeships and**  
92 make changes to the program list as it determines appropriate.

93           6. The coordinating board shall be the administrative agency for the implementation  
94 of the program established by this section [~~and section 173.2554~~]. The coordinating board  
95 shall promulgate reasonable rules and regulations for the exercise of its functions and the  
96 effectuation of the purposes of this section [~~and section 173.2554~~]. The coordinating board  
97 shall prescribe the form and the time and method of filing applications and supervise the  
98 processing thereof. The coordinating board shall determine the criteria for eligibility of  
99 applicants and shall evaluate each applicant's eligibility. The coordinating board shall select  
100 qualified recipients to receive grants, make such awards of financial assistance to qualified  
101 recipients, and determine the manner and method of payment to the recipients.

102           7. The coordinating board shall determine eligibility for renewed assistance on the  
103 basis of annual applications. As a condition to consideration for initial or renewed assistance,  
104 the coordinating board may require the applicant and the applicant's spouse to execute forms  
105 of consent authorizing the director of revenue to compare financial information submitted by  
106 the applicant with the Missouri individual income tax returns of the applicant, and the  
107 applicant's spouse, for the taxable year immediately preceding the year for which application  
108 is made, and to report any discrepancies to the coordinating board.

109           8. Grants shall be awarded in an amount equal to the actual tuition and general fees  
110 charged of an eligible student, after all federal nonloan aid, state student aid, and any other

111 governmental student financial aid are applied. If a grant amount is reduced to zero due to the  
112 receipt of other aid, the eligible student shall receive an award of up to five hundred dollars or  
113 the remaining cost of attendance as calculated by the institution after all nonloan student aid  
114 has been applied, whichever is less, per academic term. **Grants shall also be awarded in an**  
115 **amount equal to the related educational costs for an eligible apprentice after all other**  
116 **governmental assistance provided for the apprenticeship has been applied.**

117 9. If appropriated funds are insufficient to fund the program as described, students  
118 **and apprentices** applying for renewed assistance shall be given priority until all funds are  
119 expended.

120 10. [A] **An eligible student that is the** recipient of financial assistance may transfer  
121 from one approved public, private, or virtual institution, **or eligible training provider** to  
122 another without losing eligibility for assistance under this section, but the coordinating board  
123 shall make any necessary adjustments in the amount of the award. If a recipient of financial  
124 assistance at any time is entitled to a refund of any tuition or fees under the rules and  
125 regulations of the institution in which he or she is enrolled, the institution shall pay the  
126 portion of the refund that may be attributed to the grant to the coordinating board. The  
127 coordinating board shall use these refunds to make additional awards under the provisions of  
128 this section.

129 11. ~~[Subject to the requirements of subsections 2, 3, and 4 of this section, a student is~~  
130 ~~eligible for a fast track grant under this section if the student meets all of the following~~  
131 ~~criteria:~~

132 ~~(1) The student has successfully completed counseling explaining the benefits and~~  
133 ~~obligations of the program under this section, including the terms and conditions of the~~  
134 ~~promissory note under subdivision (2) of this subsection and the consequences of~~  
135 ~~noncompliance specified in section 173.2554; and~~

136 ~~(2) The student executes a promissory note acknowledging that the fast track grant~~  
137 ~~moneys awarded under this section will be converted to a loan, and agreeing to repay that~~  
138 ~~loan if he or she fails to satisfy the following conditions:~~

139 ~~(a) Maintenance of at least half-time enrollment in an eligible program, with an~~  
140 ~~interruption of qualifying enrollment of no more than twelve consecutive months from the~~  
141 ~~last day of the most recent payment period during which the student received a fast track~~  
142 ~~award;~~

143 ~~(b) Graduation from an approved institution; or~~

144 ~~(c) Residency within the state of Missouri within twelve months after the date of the~~  
145 ~~student's graduation and for a period of not less than three years and qualifying employment~~  
146 ~~within twelve months of the student's graduation and for a period of not less than three years.~~

147 ~~Residency and qualifying employment obligations may be deferred if the recipient's studies~~  
148 ~~continue after graduation.~~

149 ~~12.]~~ Persons who receive fast track grants under this section shall be required to  
150 submit proof of residency and qualifying employment to the coordinating board for higher  
151 education within thirty days of completing each twelve months of qualifying employment  
152 until the three-year employment obligation is fulfilled.

153 ~~[13.]~~ **12.** Under section 23.253 of the Missouri sunset act:

154 (1) The provisions of the new program authorized under this section shall sunset  
155 automatically ~~[three years after August 28, 2019]~~ **on August 28, 2029**, unless reauthorized by  
156 an act of the general assembly; and

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

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

162 **13. (1) There is hereby created in the state treasury the "Fast Track Workforce**  
163 **Incentive Grant Fund". The state treasurer shall be custodian of the fund. In**  
164 **accordance with sections 30.170 and 30.180, the state treasurer may approve**  
165 **disbursements. The fund shall be a dedicated fund and, upon appropriation, moneys**  
166 **in the fund shall be used solely by the coordinating board for the purposes of this**  
167 **section.**

168 (2) Notwithstanding the provisions of section 33.080 to the contrary, any moneys  
169 remaining in the fund at the end of the biennium shall not revert to the credit of the  
170 general revenue fund.

171 (3) The state treasurer shall invest moneys in the fund in the same manner as  
172 other funds are invested. Any interest and moneys earned on such investments shall be  
173 credited to the fund.

174 **14. The coordinating board shall have the authority to promulgate rules to**  
175 **implement the provisions of this section. Any rule or portion of a rule, as that term is**  
176 **defined in section 536.010, that is created under the authority delegated in this section**  
177 **shall become effective only if it complies with and is subject to all of the provisions of**  
178 **chapter 536 and, if applicable, section 536.028. This section and chapter 536 are**  
179 **nonseverable and if any of the powers vested with the general assembly pursuant to**  
180 **chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are**  
181 **subsequently held unconstitutional, then the grant of rulemaking authority and any rule**  
182 **proposed or adopted after August 28, 2019, shall be invalid and void.**

2           **620.2250. 1. This section shall be known and may be cited as the "Targeted**  
3           **Industrial Manufacturing Enhancement Zones Act".**

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

5           **(1) "County average wage", the average wage in each county as determined by**  
6           **the department for the most recently completed full calendar year. However, if the**  
7           **computed county average wage is above the statewide average wage, the statewide**  
8           **average wage shall be deemed the county average wage for such county for the purpose**  
9           **of determining eligibility;**

10           **(2) "Department", the Missouri department of economic development;**

11           **(3) "New job", the number of full-time employees located at the project facility**  
12           **that exceeds the project facility base employment less any decrease in the number of**  
13           **full-time employees at related facilities below the related facility base employment. No**  
14           **job that was created prior to the date of the completion of an agreement pursuant to**  
15           **subsection 6 of this section and no job that is relocated from another location within this**  
16           **state shall be deemed a new job. An employee that spends less than fifty percent of the**  
17           **employee's work time at the facility is still considered to be located at a facility if the**  
18           **employee receives his or her directions and control from that facility, is on the facility's**  
19           **payroll, one hundred percent of the employee's income from such employment is**  
20           **Missouri income, and the employee is paid at or above the county average wage;**

21           **(4) "Political subdivision", a town, village, city, or county located in this state;**

22           **(5) "Related facility", a facility operated by a company or a related company**  
23           **prior to the establishment of the TIME zone in question, and which is directly related to**  
24           **the operations of the facility within the new TIME zone;**

25           **(6) "TIME zone", an area identified through an ordinance or resolution passed**  
26           **pursuant to subsection 4 of this section that is being developed or redeveloped for any**  
27           **purpose so long as any infrastructure or building built or improved is in the**  
28           **development area;**

29           **(7) "Zone board", the governing body of a TIME zone.**

30           **3. The governing bodies of at least two contiguous or overlapping political**  
31           **subdivisions in this state may establish one or more TIME zones, which shall be political**  
32           **subdivisions of the state, for the purposes of completing infrastructure projects to**  
33           **promote the economic development of the region. Such zones may only include the area**  
34           **within the governing bodies' jurisdiction, ownership, or control, and may include any**  
35           **such area. The governing bodies shall determine the boundaries for each TIME zone,**  
36           **and more than one TIME zone may exist within the governing bodies' jurisdiction or**  
37           **under the governing bodies' ownership or control, and may be expanded or contracted**  
          **by resolution of the zone board.**



38           **4. (1) To establish a TIME zone, the governing bodies of at least two political**  
39 **subdivisions shall each propose an ordinance or resolution creating such zone. Such**  
40 **ordinance or resolution shall set forth the names of the political subdivisions which will**  
41 **form the TIME zone, the general nature of the proposed improvements, the estimated**  
42 **cost of such improvements, the boundaries of the proposed TIME zone, and the**  
43 **estimated number of new jobs to be created in the TIME zone. Prior to approving such**  
44 **ordinance or resolution, each governing body shall hold a public hearing to consider the**  
45 **creation of the TIME zone and the proposed improvements therein. The governing**  
46 **bodies shall hear and pass upon all objections to the TIME zone and the proposed**  
47 **improvements, if any, and may amend the proposed improvements, and the plans and**  
48 **specifications therefor.**

49           **(2) After the passage or adoption of the ordinance or resolution creating the**  
50 **TIME Zone, governance of the TIME zone shall be by the zone board, which shall**  
51 **consist of seven members selected from the political subdivisions creating the TIME**  
52 **zone. Members of a zone board shall receive no salary or other compensation for their**  
53 **services as members, but shall receive their necessary traveling and other expenses**  
54 **incurred while actually engaged in the discharge of their official duties. The zone board**  
55 **may expand or contract such TIME zone through an ordinance or resolution following a**  
56 **public hearing conducted to consider such expansion or contraction.**

57           **5. The boundaries of the proposed TIME zone shall be described by metes and**  
58 **bounds, streets, or other sufficiently specific description.**

59           **6. (1) Prior to retaining any state withholding tax pursuant to subsection 9 of**  
60 **this section, a zone board shall enter into an agreement with the department. Such**  
61 **agreement shall include, but shall not be limited to:**

- 62           **(a) The estimated number of new jobs to be created;**  
63           **(b) The estimated average wage of new jobs to be created;**  
64           **(c) The estimated net fiscal impact of the new jobs;**  
65           **(d) The estimated costs of the proposed improvements;**  
66           **(e) The estimated amount of withholding tax to be retained pursuant to**  
67 **subsection 9 of this section over the period of the agreement; and**  
68           **(f) A copy of the ordinance establishing the board and a list of its members.**

69           **(2) The department shall not approve an agreement with a zone board unless the**  
70 **zone board commits to creating the following number of new jobs:**

- 71           **(a) For a TIME zone with a total population of less than five thousand**  
72 **inhabitants as determined by the most recent decennial census, a minimum of five new**  
73 **jobs with an average wage that equals or exceeds ninety percent of the county average**  
74 **wage;**

75           **(b) For a TIME zone with a total population of at least five thousand inhabitants**  
76 **but less than fifty thousand inhabitants as determined by the most recent decennial**  
77 **census, a minimum of ten new jobs with an average wage that equals or exceeds ninety**  
78 **percent of the county average wage;**

79           **(c) For a TIME zone with a total population of at least fifty thousand inhabitants**  
80 **but less than one hundred fifty thousand inhabitants as determined by the most recent**  
81 **decennial census, a minimum of fifteen new jobs with an average wage that equals or**  
82 **exceeds ninety percent of the county average wage; and**

83           **(d) For a TIME zone with a total population of at least one hundred fifty**  
84 **thousand inhabitants as determined by the most recent decennial census, a minimum of**  
85 **twenty-five new jobs with an average wage that equals or exceeds ninety percent of the**  
86 **county average wage.**

87           **7. (1) The term of the agreement entered into pursuant to subsection 6 of this**  
88 **section shall not exceed ten years. A zone board may apply to the department for**  
89 **approval to renew any agreement. Such application shall be made on forms provided by**  
90 **the department. In determining whether to approve the renewal of an agreement, the**  
91 **department shall consider:**

92           **(a) The number of new jobs created and the average wage and net fiscal impact**  
93 **of such jobs;**

94           **(b) The outstanding improvements to be made within the TIME zone and the**  
95 **funding necessary to complete such improvements; and**

96           **(c) Any other factor the department requires.**

97           **(2) The department may approve the renewal of an agreement for a period not**  
98 **to exceed ten years. If a zone board has not met the new job requirements pursuant to**  
99 **subdivision (2) of subsection 6 of this section by the end of the agreement, the**  
100 **department shall recapture from such zone board the amount of withholding tax**  
101 **retained by the zone board pursuant to this section and the department shall not**  
102 **approve the renewal of an agreement with such zone board.**

103           **(3) A zone board shall not retain any withholding tax pursuant to this section in**  
104 **excess of the costs of improvements completed by the zone board.**

105           **8. If a qualified company is retaining withholding tax pursuant to sections**  
106 **620.2000 to 620.2020 for new jobs, as such terms are defined in section 620.2005, that**  
107 **also qualify for the retention of withholding tax pursuant to this section, the department**  
108 **shall not authorize an agreement pursuant to this section that results in more than fifty**  
109 **percent of the withholding tax for such new jobs being retained pursuant to this section**  
110 **and sections 620.2000 to 620.2020.**

111           **9. Upon the completion of an agreement pursuant to subsection 6 of this section,**  
112 **twenty-five percent of the state tax withholdings imposed by sections 143.191 to 143.265**  
113 **on new jobs within a TIME zone after development or redevelopment has commenced**  
114 **shall not be remitted to the general revenue fund of the state of Missouri. Such moneys**  
115 **shall be deposited into the TIME zone fund established pursuant to subsection 10 of this**  
116 **section for the purpose of continuing to expand, develop, and redevelop TIME zones**  
117 **identified by the zone board, and may be used for managerial, engineering, legal,**  
118 **research, promotion, planning, and any other expenses.**

119           **10. There is hereby created in the state treasury the "TIME Zone Fund", which**  
120 **shall consist of money collected under this section. The state treasurer shall be**  
121 **custodian of the fund and may approve disbursements from the fund in accordance with**  
122 **sections 30.170 and 30.180 to the zone boards of the TIME zones from which the funds**  
123 **were collected, less the pro rata portion appropriated by the general assembly to be used**  
124 **solely for the administration of this section, which shall not exceed ten percent of the**  
125 **total amount collected within the TIME zones of a zone board. Notwithstanding the**  
126 **provisions of section 33.080 to the contrary, any moneys remaining in the fund at the**  
127 **end of the biennium shall not revert to the credit of the general revenue fund. The state**  
128 **treasurer shall invest moneys in the fund in the same manner as other funds are**  
129 **invested. Any interest and moneys earned on such investments shall be credited to the**  
130 **fund.**

131           **11. The zone board shall approve projects consistent with the provisions of this**  
132 **section that begin construction and disburse any money collected under this section.**  
133 **The zone board shall submit an annual budget for the funds to the department**  
134 **explaining how and when such money will be spent.**

135           **12. A zone board shall submit an annual report by December thirty-first of each**  
136 **year to the department and the general assembly. Such report shall include, but shall**  
137 **not be limited to:**

138           **(1) The locations of the established TIME zones governed by the zone board;**

139           **(2) The number of new jobs created within the TIME zones governed by the**  
140 **zone board;**

141           **(3) The average wage of the new jobs created within the TIME zones governed**  
142 **by the zone board;**

143           **(4) The improvements utilizing TIME zone funding;**

144           **(5) The amount of TIME zone funding utilized for each improvement and the**  
145 **total amount of TIME zone funds expended; and**

146           **(6) The amount of withholding tax retained pursuant to subsection 9 of this**  
147 **section from new jobs created within the TIME zones governed by the zone board.**

148           **13. No political subdivision shall establish a TIME zone with boundaries that**  
149 **overlap the boundaries of an advanced industrial manufacturing zone established**  
150 **pursuant to section 68.075.**

151           **14. The total amount of withholding taxes retained by all TIME zones pursuant**  
152 **to the provisions of this section shall not exceed five million dollars per fiscal year.**

153           **15. The department may promulgate rules to implement the provisions of this**  
154 **section. Any rule or portion of a rule, as that term is defined in section 536.010, that is**  
155 **created under the authority delegated in this section shall become effective only if it**  
156 **complies with and is subject to all of the provisions of chapter 536 and, if applicable,**  
157 **section 536.028. This section and chapter 536 are nonseverable and if any of the powers**  
158 **vested with the general assembly pursuant to chapter 536 to review, to delay the**  
159 **effective date, or to disapprove and annul a rule are subsequently held unconstitutional,**  
160 **then the grant of rulemaking authority and any rule proposed or adopted after August**  
161 **28, 2022, shall be invalid and void.**

162           **16. The provisions of section 23.253 notwithstanding, no TIME zone may be**  
163 **established after August 28, 2025. Any TIME zone created prior to such date shall**  
164 **continue to exist and be coterminous with the retirement of any debts incurred for**  
165 **improvements made within the TIME zone. No debts may be incurred or reauthorized**  
166 **using TIME zone revenue after August 28, 2025.**

2           ~~[173.2554. 1. Except as provided in subsection 2 of this section, if a~~  
3 ~~student who received a fast track grant under section 173.2553 fails to comply~~  
4 ~~with the terms of the promissory note under subdivision (2) of subsection 11 of~~  
5 ~~section 173.2553, including failure to satisfy the conditions in paragraph (a),~~  
6 ~~(b), or (c) of such subdivision, the fast track grant shall be converted to a loan.~~  
7 ~~This loan shall accrue interest at the federal direct loan interest rate for direct~~  
8 ~~subsidized undergraduate loans in effect at the time the student enters the~~  
9 ~~eligible program. Interest shall be calculated from the date the recipient enters~~  
10 ~~repayment. For a recipient who fulfills some, but not all, of his or her three-~~  
11 ~~year residency and employment obligations, the amount of the fast track grant~~  
12 ~~that is converted to a loan shall be reduced by one third for each period of~~  
13 ~~twelve months of residency and employment as verified by the proof of~~  
14 ~~residency and qualifying employment required in subsection 12 of section~~  
15 ~~173.2553.~~

16           ~~2. The coordinating board shall provide for a waiver under the fast~~  
17 ~~track grant if the grant is not converted to a loan under subsection 1 of this~~  
18 ~~section for a recipient who fails to comply with terms of the agreement under~~  
19 ~~paragraph (a), (b), or (c) of subdivision (2) of subsection 11 of section~~  
20 ~~173.2553 due to his or her total and permanent disability or death, the total and~~  
21 ~~permanent disability or death of his or her spouse or child, or if such recipient~~  
22 ~~or recipient's spouse is providing service to any branch of the Armed Forces of~~  
23 ~~the United States and is transferred out of state and is no longer able to~~  
~~maintain Missouri residency as a result of such service. The waiver shall~~

24 ~~specify standards for the board's determination of total and permanent~~  
25 ~~disability or death standards for the board's determination of total and~~  
26 ~~permanent disability or death, or military transfer status, and a process for~~  
27 ~~seeking a waiver under this subsection.~~

28 ~~3. The coordinating board shall deposit in the fast track workforce~~  
29 ~~incentive grant fund all repayments of principal and interest on the loans under~~  
30 ~~subsection 1 of this section.~~

31 ~~4. The coordinating board shall establish a procedure and guidelines~~  
32 ~~for granting deferments or forbearances of fast track grants that have converted~~  
33 ~~to loans and are in repayment status for recipients who:~~

34 ~~(1) Are enrolled at least half time at an institution of higher education;~~

35 ~~(2) Experience economic hardship;~~

36 ~~(3) Have a medical condition limiting their ability to continue~~  
37 ~~repayment including, but not limited to, illness, disability, or pregnancy; or~~

38 ~~(4) Are providing service to any branch of the Armed Forces of the~~  
39 ~~United States.~~

40 ~~5. The coordinating board shall establish a procedure and guidelines~~  
41 ~~for granting loan discharge for fast track grants that have been converted to~~  
42 ~~loans and are in repayment for recipients who are unable to fulfill the~~  
43 ~~repayment obligation due to their total and permanent disability or death or the~~  
44 ~~total and permanent disability or death of their spouse or child.~~

45 ~~6. (1) There is hereby created in the state treasury the "Fast Track~~  
46 ~~Workforce Incentive Grant Fund". The state treasurer shall be custodian of the~~  
47 ~~fund. In accordance with sections 30.170 and 30.180, the state treasurer may~~  
48 ~~approve disbursements. The fund shall be a dedicated fund and, upon~~  
49 ~~appropriation, moneys in the fund shall be used solely by the coordinating~~  
50 ~~board for the purposes of this section and section 173.2553.~~

51 ~~(2) Notwithstanding the provisions of section 33.080 to the contrary,~~  
52 ~~any moneys remaining in the fund at the end of the biennium shall not revert to~~  
53 ~~the credit of the general revenue fund.~~

54 ~~(3) The state treasurer shall invest moneys in the fund in the same~~  
55 ~~manner as other funds are invested. Any interest and moneys earned on such~~  
56 ~~investments shall be credited to the fund.~~

57 ~~7. The coordinating board shall have the authority to promulgate rules~~  
58 ~~to implement the provisions of this section and section 173.2553. Any rule or~~  
59 ~~portion of a rule, as that term is defined in section 536.010, that is created~~  
60 ~~under the authority delegated in this section shall become effective only if it~~  
61 ~~complies with and is subject to all of the provisions of chapter 536 and, if~~  
62 ~~applicable, section 536.028. This section and chapter 536 are nonseverable~~  
63 ~~and if any of the powers vested with the general assembly pursuant to chapter~~  
64 ~~536 to review, to delay the effective date, or to disapprove and annul a rule are~~  
65 ~~subsequently held unconstitutional, then the grant of rulemaking authority and~~  
66 ~~any rule proposed or adopted after August 28, 2019, shall be invalid and void.]~~

✓