

SECOND REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]

SENATE BILL NO. 573

99TH GENERAL ASSEMBLY
2018

4421S.01T

AN ACT

To repeal sections 8.012, 30.750, 30.756, 41.1010, 253.048, and 620.515, RSMo, and to enact in lieu thereof eleven new sections relating to the armed services, with an existing penalty provision.

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

Section A. Sections 8.012, 30.750, 30.756, 41.1010, 253.048, and 620.515, RSMo, are repealed and eleven new sections enacted in lieu thereof, to be known as sections 8.012, 30.750, 30.756, 41.1010, 42.380, 143.175, 253.048, 285.250, 620.515, 620.3250, and 620.3300, to read as follows:

8.012. **1.** At all state buildings and upon the grounds thereof, the board of public buildings [may] **shall** accompany the display of the flag of the United States and the flag of this state with the display of the POW/MIA flag, which is designed to commemorate the service and sacrifice of the members of the Armed Forces of the United States who were prisoners of war or missing in action and with the display of the Honor and Remember flag as an official recognition and in honor of fallen members of the Armed Forces of the United States.

2. If a state building does not possess a POW/MIA flag, the board shall reach out to local veterans organizations to obtain a donated flag.

3. If the state building is unable to obtain a donated flag or if displaying the flag on the existing flagpole would in any circumstance be inconsistent with the provisions of the state of Missouri policy for display of national and state flags, the state building shall be exempt from this section.

30.750. As used in sections 30.750 to 30.765, the following terms mean:

(1) "Eligible agribusiness", a person engaged in the processing or adding of value to agricultural products produced in Missouri;

(2) "Eligible alternative energy consumer", an individual who wishes to

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

5 borrow moneys for the purchase, installation, or construction of facilities or
6 equipment related to the production of fuel or power primarily for the individual's
7 own use from energy sources other than fossil fuels, including but not limited to
8 solar, hydroelectric, wind, and qualified biomass;

9 (3) "Eligible alternative energy operation", a business enterprise engaged
10 in the production of fuel or power from energy sources other than fossil fuels,
11 including but not limited to solar, hydroelectric, wind, and qualified biomass.
12 Such business enterprise shall conform to the characteristics of paragraphs (a),
13 (b), and (d) of subdivision (6) of this section;

14 (4) "Eligible beginning farmer":

15 (a) For any beginning farmer who seeks to participate in the linked
16 deposit program alone, a farmer who:

17 a. Is a Missouri resident;

18 b. Wishes to borrow for a farm operation located in Missouri;

19 c. Is at least eighteen years old; and

20 d. In the preceding five years has not owned, either directly or indirectly,
21 farm land greater than fifty percent of the average size farm in the county where
22 the proposed farm operation is located or farm land with an appraised value
23 greater than four hundred fifty thousand dollars. A farmer who qualifies as an
24 eligible farmer under this provision may utilize the proceeds of a linked deposit
25 loan to purchase agricultural land, farm buildings, new and used farm equipment,
26 livestock and working capital;

27 (b) For any beginning farmer who is participating in both the linked
28 deposit program and the beginning farmer loan program administered by the
29 Missouri agriculture and small business development authority, a farmer who:

30 a. Qualifies under the definition of a beginning farmer utilized for
31 eligibility for federal tax-exempt financing, including the limitations on the use
32 of loan proceeds; and

33 b. Meets all other requirements established by the Missouri agriculture
34 and small business development authority;

35 (5) "Eligible facility borrower", a borrower qualified under section 30.860
36 to apply for a reduced-rate loan under sections 30.750 to 30.765;

37 (6) "Eligible farming operation", any person engaged in farming in an
38 authorized farm corporation, family farm, or family farm corporation as defined
39 in section 350.010 that has all of the following characteristics:

40 (a) Is headquartered in this state;

41 (b) Maintains offices, operating facilities, or farming operations and

42 transacts business in this state;

43 (c) Employs less than ten employees;

44 (d) Is organized for profit;

45 (7) "Eligible governmental entity", any political subdivision of the state
46 seeking to finance capital improvements, capital outlay, or other significant
47 programs through an eligible lending institution;

48 (8) "Eligible higher education institution", any approved public or private
49 institution as defined in section 173.205;

50 (9) "Eligible job enhancement business", a new, existing, or expanding
51 firm operating in Missouri, or as a condition of accepting the linked deposit, will
52 locate a facility or office in Missouri associated with said linked deposit, which
53 employs ten or more employees in Missouri on a yearly average and which, as
54 nearly as possible, is able to establish or retain at least one job in Missouri for
55 each fifty thousand dollars received from a linked deposit loan except when the
56 applicant can demonstrate significant costs for equipment, capital outlay, or
57 capital improvements associated with the physical expansion, renovation, or
58 modernization of a facility or equipment. In such cases, the maximum amount
59 of the linked deposit shall not exceed fifty thousand dollars per job created or
60 retained plus the initial cost of the physical expansion, renovation or capital
61 outlay;

62 (10) "Eligible lending institution", a financial institution that is eligible
63 to make commercial or agricultural or student loans or discount or purchase such
64 loans, is a public depository of state funds or obtains its funds through the
65 issuance of obligations, either directly or through a related entity, eligible for the
66 placement of state funds under the provisions of Section 15, Article IV,
67 Constitution of Missouri, and agrees to participate in the linked deposit program;

68 (11) "Eligible livestock operation", any person engaged in production of
69 livestock or poultry in an authorized farm corporation, family farm, or family
70 farm corporation as defined in section 350.010;

71 (12) "Eligible locally owned business", any person seeking to establish a
72 new firm, partnership, cooperative company, or corporation that shall retain at
73 least fifty-one percent ownership by residents in a county in which the business
74 is headquartered, that consists of the following characteristics:

75 (a) The county has a median population of twelve thousand five hundred
76 or less; and

77 (b) The median income of residents in the county are equal to or less than
78 the state median income; or

79 (c) The unemployment rate of the county is equal to or greater than the
80 state's unemployment rate;

81 (13) "Eligible marketing enterprise", a business enterprise operating in
82 this state which is in the process of marketing its goods, products or services
83 within or outside of this state or overseas, which marketing is designed to
84 increase manufacturing, transportation, mining, communications, or other
85 enterprises in this state, which has proposed its marketing plan and strategy to
86 the department of economic development and which plan and strategy has been
87 approved by the department for purposes of eligibility pursuant to sections 30.750
88 to 30.765. Such business enterprise shall conform to the characteristics of
89 paragraphs (a), (b) and (d) of subdivision (6) of this section and also employ less
90 than twenty-five employees;

91 (14) "Eligible multitenant development enterprise", a new enterprise that
92 develops multitenant space for targeted industries as determined by the
93 department of economic development and approved by the department for the
94 purposes of eligibility pursuant to sections 30.750 to 30.765;

95 (15) "Eligible residential property developer", an individual who purchases
96 and develops a residential structure of either two or four units, if such residential
97 property developer uses and agrees to continue to use, for at least the five years
98 immediately following the date of issuance of the linked deposit loan, one of the
99 units as his principal residence or if such person's principal residence is located
100 within one-half mile from the developed structure and such person agrees to
101 maintain the principal residence within one-half mile of the developed structure
102 for at least the five years immediately following the date of issuance of the linked
103 deposit loan;

104 (16) "Eligible residential property owner", a person, firm or corporation
105 who purchases, develops or rehabilitates a multifamily residential structure;

106 (17) "Eligible small business", a person engaged in an activity with the
107 purpose of obtaining, directly or indirectly, a gain, benefit or advantage and
108 which conforms to the characteristics of paragraphs (a), (b) and (d) of subdivision
109 (6) of this section, and also employs less than one hundred employees **or a**
110 **veteran-owned small business as defined in subdivision (19) of this**
111 **section;**

112 (18) "Eligible student borrower", any person attending, or the parent of
113 a dependent undergraduate attending, an eligible higher education institution in
114 Missouri who may or may not qualify for need-based student financial aid
115 calculated by the federal analysis called Congressional Methodology Formula

116 pursuant to 20 U.S.C. 1078, as amended (the Higher Education Amendments of
117 1986);

118 (19) **"Eligible veteran-owned small business", any business owned**
119 **by an honorably discharged veteran and Missouri resident who has**
120 **agreed to locate his or her business in Missouri for a minimum of three**
121 **years and employs less than one hundred employees, a majority of**
122 **whom are Missouri residents;**

123 (20) "Eligible water supply system", a water system which serves fewer
124 than fifty thousand persons and which is owned and operated by:

125 (a) A public water supply district established pursuant to chapter 247; or

126 (b) A municipality or other political subdivision; or

127 (c) A water corporation; and which is certified by the department of
128 natural resources in accordance with its rules and regulations to have suffered
129 a significant decrease in its capacity to meet its service needs as a result of
130 drought;

131 [(20)] (21) "Farming", using or cultivating land for the production of
132 agricultural crops, livestock or livestock products, forest products, poultry or
133 poultry products, milk or dairy products, or fruit or other horticultural products;

134 [(21)] (22) "Linked deposit", a certificate of deposit, or in the case of
135 production credit associations, the subscription or purchase outright of obligations
136 described in Section 15, Article IV, Constitution of Missouri, placed by the state
137 treasurer with an eligible lending institution at rates otherwise provided by law
138 in section 30.758, provided the institution agrees to lend the value of such
139 deposit, according to the deposit agreement provided in sections 30.750 to 30.765,
140 to eligible multitenant development enterprises, eligible small businesses, eligible
141 alternative energy operations, eligible alternative energy consumers, eligible
142 locally owned businesses, farming operations, eligible job enhancement
143 businesses, eligible marketing enterprises, eligible residential property
144 developers, eligible residential property owners, eligible governmental entities,
145 eligible agribusinesses, eligible beginning farmers, eligible livestock operations,
146 eligible student borrowers, eligible facility borrowers, or eligible water supply
147 systems at below the present borrowing rate applicable to each multitenant
148 development enterprise, small business, alternative energy operation, alternative
149 energy consumer, farming operation, eligible job enhancement business, eligible
150 marketing enterprise, eligible residential property developer, eligible residential
151 property owner, eligible governmental entity, eligible agribusiness, eligible
152 beginning farmer, eligible livestock operation, eligible student borrower, or supply

153 system at the time of the deposit of state funds in the institution;

154 [(22)] (23) "Market rate", the interest rate more specifically described in
155 subsection 6 of section 30.260;

156 [(23)] (24) "Professional forester", any individual who holds a bachelor
157 of science degree in forestry from a regionally accredited college or university
158 with a minimum of two years of professional forest management experience;

159 [(24)] (25) "Qualified biomass", any agriculture-derived organic material
160 or any wood-derived organic material harvested in accordance with a site-specific
161 forest management plan focused on long-term forest sustainability developed by
162 a professional forester and qualified, in consultation with the conservation
163 commission, by the agriculture and small business development authority;

164 [(25)] (26) "Water corporation", as such term is defined in section
165 386.020;

166 [(26)] (27) "Water system", as such term is defined in section 386.020.

30.756. 1. An eligible lending institution that desires to receive a linked
2 deposit shall accept and review applications for linked deposit loans from eligible
3 multitenant enterprises, eligible farming operations, eligible alternative energy
4 consumers, eligible alternative energy operations, eligible locally owned
5 businesses, eligible small businesses, eligible job enhancement businesses,
6 eligible marketing enterprises, eligible agribusinesses, eligible beginning farmers,
7 eligible livestock operations, eligible residential property developers, eligible
8 residential property owners, eligible governmental entities, eligible student
9 borrowers, eligible facility borrowers, and eligible water supply systems. An
10 eligible residential property owner shall certify on his or her loan application that
11 the reduced rate loan will be used exclusively to purchase, develop or rehabilitate
12 a multifamily residential property. The lending institution shall apply all usual
13 lending standards to determine the creditworthiness of each eligible multitenant
14 enterprise, eligible farming operation, eligible alternative energy operation,
15 eligible alternative energy consumer, eligible locally owned business, eligible
16 small business, eligible job enhancement business, eligible marketing enterprise,
17 eligible residential property developer, eligible residential property owner, eligible
18 governmental entities, eligible agribusiness, eligible beginning farmer, eligible
19 livestock operation, eligible student borrower, eligible facility borrower, or eligible
20 water supply system. No linked deposit loan made to any eligible multitenant
21 development enterprise, eligible farming operation, eligible alternative energy
22 operation, eligible alternative energy consumer, eligible locally owned business,
23 eligible livestock operation, eligible agribusiness, eligible beginning farmer,

24 eligible job enhancement business, eligible marketing enterprise, eligible
25 residential property developer, eligible residential property owner, eligible
26 governmental entity, eligible student borrower, eligible water supply system, or
27 eligible small business shall exceed a dollar limit determined by the state
28 treasurer in the state treasurer's best judgment, except as otherwise limited. Any
29 link deposit loan made to an eligible facility borrower shall be in accordance with
30 the loan amount and loan term requirements in section 30.860.

31 2. An eligible farming operation, small business or job enhancement
32 business shall certify on its loan application that the reduced rate loan will be
33 used exclusively for necessary production expenses or the expenses listed in
34 subsection 2 of section 30.753 or the refinancing of an existing loan for production
35 expenses or the expenses listed in subsection 2 of section 30.753 of an eligible
36 farming operation, small business or job enhancement business. Whoever
37 knowingly makes a false statement concerning such application is guilty of a class
38 A misdemeanor. An eligible water supply system shall certify on its loan
39 application that the reduced rate loan shall be used exclusively to pay the costs
40 of upgrading or repairing an existing water system, constructing a new water
41 system, or making other capital improvements to a water system which are
42 necessary to improve the service capacity of the system.

43 3. In considering which eligible farming operations should receive
44 reduced-rate loans, the eligible lending institution shall give priority to those
45 farming operations which have suffered reduced yields due to drought or other
46 natural disasters and for which the receipt of a reduced-rate loan will make a
47 significant contribution to the continued operation of the recipient farming
48 operation.

49 4. **In considering which eligible small businesses should receive**
50 **reduced-rate loans, the eligible lending institution shall give priority**
51 **to those small businesses that are owned by veterans.**

52 5. The eligible financial institution shall forward to the state treasurer
53 a linked deposit loan package, in the form and manner as prescribed by the state
54 treasurer. The package shall include such information as required by the state
55 treasurer, including the amount of each loan requested. The institution shall
56 certify that each applicant is an eligible multitenant development enterprise,
57 eligible farming operation, eligible alternative energy operation, eligible
58 alternative energy consumer, eligible locally owned business, eligible small
59 business, eligible job enhancement business, eligible marketing enterprise,
60 eligible residential property developer, eligible residential property owner, eligible

61 governmental entity, eligible agribusiness, eligible beginning farmer, eligible
62 livestock operation, eligible student borrower, eligible facility borrower, or eligible
63 water supply system, and shall, for each eligible multitenant development
64 enterprise, eligible farming operation, eligible alternative energy operation,
65 eligible alternative energy consumer, eligible small business, eligible job
66 enhancement business, eligible marketing enterprise, eligible residential property
67 developer, eligible residential property owner, eligible governmental entity,
68 eligible agribusiness, eligible beginning farmer, eligible livestock operation,
69 eligible student borrower, eligible facility borrower, or eligible water supply
70 system, certify the present borrowing rate applicable.

71 [5.] 6. The eligible lending institution shall be responsible for
72 determining if a student borrower is an eligible student borrower. A student
73 borrower shall be eligible for an initial or renewal reduced-rate loan only if, at the
74 time of the application for the loan, the student is a citizen or permanent resident
75 of the United States, a resident of the state of Missouri as defined by the
76 coordinating board for higher education, is enrolled or has been accepted for
77 enrollment in an eligible higher education institution, and establishes that the
78 student has financial need. In considering which eligible student borrowers may
79 receive reduced-rate loans, the eligible lending institution may give priority to
80 those eligible student borrowers whose income, or whose family income, if the
81 eligible student borrower is a dependent, is such that the eligible student
82 borrower does not qualify for need-based student financial aid pursuant to 20
83 U.S.C. 1078, as amended (the Higher Education Amendments of 1986). The
84 eligible lending institution shall require the eligible student borrower to
85 document that the student has applied for and has obtained all need-based
86 student financial aid for which the student is eligible prior to application for a
87 reduced-rate loan pursuant to this section. In no case shall the combination of
88 all financial aid awarded to any student in any particular enrollment period
89 exceed the total cost of attendance at the institution in which the student is
90 enrolled. No eligible lending institution shall charge any additional fees,
91 including but not limited to an origination, service or insurance fee on any loan
92 agreement under the provisions of sections 30.750 to 30.765.

93 [6.] 7. The eligible lending institution making an initial loan to an
94 eligible student borrower may make a renewal loan or loans to the student. The
95 total of such reduced-rate loans from eligible lending institutions made pursuant
96 to this section to any individual student shall not exceed the cumulative totals
97 established by 20 U.S.C. 1078, as amended. An eligible student borrower shall

98 certify on his or her loan application that the reduced-rate loan shall be used
99 exclusively to pay the costs of tuition, incidental fees, books and academic
100 supplies, room and board and other fees directly related to enrollment in an
101 eligible higher education institution. The eligible lending institution shall make
102 the loan payable to the eligible student borrower and the eligible higher
103 education institution as co-payees. The method of repayment of the loan shall be
104 the same as for repayment of loans made pursuant to sections 173.095 to 173.186.

105 [7.] 8. Beginning August 28, 2005, in considering which eligible
106 multitenant enterprise, eligible farming operation, eligible alternative energy
107 operation, eligible alternative energy consumer, eligible locally owned business,
108 eligible small business, eligible job enhancement business, eligible marketing
109 enterprise, eligible residential property developer, eligible residential property
110 owner, eligible governmental entity, eligible agribusiness, eligible beginning
111 farmer, eligible livestock operation, eligible student borrower, eligible facility
112 borrower, or eligible water supply system should receive reduced-rate loans, the
113 eligible lending institution shall give priority to an eligible multitenant
114 enterprise, eligible farming operation, eligible alternative energy operation,
115 eligible alternative energy consumer, eligible locally owned business, eligible
116 small business, eligible job enhancement business, eligible marketing enterprise,
117 eligible residential property developer, eligible residential property owner, eligible
118 governmental entity, eligible agribusiness, eligible beginning farmer, eligible
119 livestock operation, eligible student borrower, eligible facility borrower, or eligible
120 water supply system that has not previously received a reduced-rate loan through
121 the linked deposit program. However, nothing shall prohibit an eligible lending
122 institution from making a reduced-rate loan to any entity that previously has
123 received such a loan, if such entity otherwise qualifies for such a reduced-rate
124 loan.

41.1010. 1. There is hereby established the "Missouri Military
2 Preparedness and Enhancement Commission". The commission shall have as its
3 purpose the design and implementation of measures intended to protect, retain,
4 and enhance the present and future mission capabilities at the military posts or
5 bases within the state. The commission shall consist of nine members:

- 6 (1) Five members to be appointed by the governor;
- 7 (2) Two members of the house of representatives, one appointed by the
8 speaker of the house of representatives, and one appointed by the minority floor
9 leader;
- 10 (3) Two members of the senate, one appointed by the president pro

11 tempore, and one appointed by the minority floor leader;

12 (4) The director of the department of economic development or the
13 director's designee, ex officio;

14 (5) The chairman of the Missouri veterans' commission or the chairman's
15 designee, ex officio.

16 No more than three of the five members appointed by the governor shall be of the
17 same political party. To be eligible for appointment by the governor, a person
18 shall have demonstrated experience in economic development, the defense
19 industry, military installation operation, environmental issues, finance, local
20 government, or the use of air space for future military missions. Appointed
21 members of the commission shall serve three-year terms, except that of the initial
22 appointments made by the governor, two shall be for one-year terms, two shall
23 be for two-year terms, and one shall be for a three-year term. No appointed
24 member of the commission shall serve more than six years total. A vacancy
25 occurs if a legislative member leaves office for any reason. Any vacancy on the
26 commission shall be filled in the same manner as the original appointment.

27 2. Members of the commission shall be reimbursed for the actual and
28 necessary expenses incurred in the discharge of the member's official duties.

29 3. A chair of the commission shall be selected by the members of the
30 commission.

31 4. The commission shall meet at least quarterly and at such other times
32 as the chair deems necessary.

33 5. The commission shall be funded by an appropriation limited to that
34 purpose. Any expenditure constituting more than ten percent of the commission's
35 annual appropriation shall be based on a competitive bid process.

36 6. The commission shall:

37 (1) Advise the governor and the general assembly on military issues and
38 economic and industrial development related to military issues;

39 (2) Make recommendations regarding:

40 (a) Developing policies and plans to support the long-term viability and
41 prosperity of the military, active and retiree, and civilian military employees, in
42 this state, including promoting strategic regional alliances that may extend over
43 state lines;

44 (b) Developing methods to improve private and public employment
45 opportunities for former members of the military and their families residing in
46 this state; and

47 (c) Developing methods to assist defense-dependent communities in the

48 design and execution of programs that enhance a community's relationship with
49 military installations and defense-related businesses;

50 (3) Provide information to communities, the general assembly, the state's
51 congressional delegation, and state agencies regarding federal actions affecting
52 military installations and missions;

53 (4) Serve as a clearinghouse for:

54 (a) Defense economic adjustment and transition information and
55 activities; and

56 (b) Information concerning the following:

57 a. Issues related to the operating costs, missions, and strategic value of
58 federal military installations located in the state;

59 b. Employment issues for communities that depend on defense bases and
60 in defense-related businesses; and

61 c. Defense strategies and incentive programs that other states are using
62 to maintain, expand, and attract new defense contractors;

63 (5) Provide assistance to communities that have experienced a defense-
64 related closure or realignment;

65 (6) Assist communities in the design and execution of programs that
66 enhance a community's relationship with military installations and defense-
67 related businesses, including regional alliances that may extend over state lines;

68 (7) Assist communities in the retention and recruiting of defense-related
69 businesses, including fostering strategic regional alliances that may extend over
70 state lines;

71 (8) Prepare a biennial strategic plan that:

72 (a) Fosters the enhancement of military value of the contributions of
73 Missouri military installations to national defense strategies;

74 (b) Considers all current and anticipated base realignment and closure
75 criteria; and

76 (c) Develops strategies to protect the state's existing military missions and
77 positions the state to be competitive for new and expanded military missions;

78 (9) Encourage economic development in this state by fostering the
79 development of industries related to defense affairs.

80 **7. The commission shall evaluate and approve or reject, as it**
81 **deems necessary, all applications presented to it for grants of funding**
82 **through the department of economic development's Missouri military**
83 **community reinvestment grant program, as authorized in section**
84 **620.3300. The commission shall develop procedures with the**

85 **department of economic development that will govern its consideration**
86 **of all applications.**

87 **8. The commission shall prepare and present an annual report to the**
88 **governor and the general assembly by December thirty-first of each year.**

89 **[8.] 9. The department of economic development shall furnish**
90 **administrative support and staff for the effective operation of the commission.**

42.380. 1. This section shall be known and may cited as "The
2 **Veterans' Bill of Rights".**

3 **2. Veterans in this state have a right to:**

4 **(1) Receive assistance from a local veterans service officer in**
5 **completing applications for state and federal benefits;**

6 **(2) Receive counseling from veterans service officers and receive**
7 **information about compensation, pensions, education benefits, life**
8 **insurance medical benefits, state benefits, and burial benefits;**

9 **(3) Preference in public employment as described in section**
10 **36.220;**

11 **(4) Be treated with dignity and respect and to receive accurate,**
12 **courteous, and timely service; and**

13 **(5) Receive fair and equal treatment without regard to sex, race,**
14 **religion, handicap, ethnicity, or national origin.**

143.175. 1. For all tax years beginning on or after January 1,
2 **2020, for purposes of calculating the Missouri taxable income as**
3 **required under section 143.011, a percentage of the income received by**
4 **any person as salary or compensation:**

5 **(1) In performance of inactive duty for training (IDT) of the**
6 **National Guard or annual training status (AT) of the National Guard;**
7 **or**

8 **(2) In reserve components of the Armed Forces of the United**
9 **States;**

10 **and to the extent that such income is included in the federal adjusted**
11 **gross income, may be deducted from the taxpayer's Missouri adjusted**
12 **gross income to determine such taxpayer's Missouri taxable income. If**
13 **such person files a combined return with a spouse, a percentage of any**
14 **military income received while engaging in the performance of**
15 **National Guard or reserve military duty may be deducted from their**
16 **Missouri combined adjusted gross income. Such military income shall**
17 **be deducted as follows:**

18 **(a) For the tax year beginning on or after January 1, 2020,**
19 **twenty percent of such military income;**

20 **(b) For the tax year beginning on or after January 1, 2021, forty**
21 **percent of such military income;**

22 **(c) For the tax year beginning on or after January 1, 2022, sixty**
23 **percent of such income;**

24 **(d) For the tax year beginning on or after January 1, 2023, eighty**
25 **percent of such income;**

26 **(e) For all tax years beginning on January 1, 2024, and**
27 **thereafter, one hundred percent of such income.**

28 **2. Notwithstanding the provisions of this section or any other**
29 **provision of law to the contrary, the deduction authorized by this**
30 **section shall not apply to compensation received while engaging in**
31 **civilian federal service, including civil service positions requiring the**
32 **wearing of military uniform and military affiliation.**

253.048. 1. Within the state parks, the department [may] shall
2 accompany the display of the flag of the United States and the flag of this state
3 with the display of the MIA/POW flag, which is designed to commemorate the
4 service and sacrifice of members of the Armed Forces of the United States who
5 were prisoners of war or missing in action and with the display of the Honor and
6 Remember flag as an official recognition and in honor of fallen members of the
7 Armed Forces of the United States.

8 **2. If a state park does not possess a POW/MIA flag, the**
9 **department shall reach out to local veterans organizations to obtain a**
10 **donated flag.**

11 **3. If the state park is unable to obtain a donated flag or if**
12 **displaying the flag on the existing flagpole would in any circumstance**
13 **be inconsistent with the provisions of the state of Missouri policy for**
14 **display of national and state flags, the state park shall be exempt from**
15 **this section.**

285.250. 1. A private, nonpublic employer may grant preference
2 to a veteran in hiring and promoting employees.

3 **2. A private, nonpublic employer may grant preference in hiring**
4 **and promotion to a spouse of a disabled veteran who has a service-**
5 **connected permanent and total disability or to a surviving spouse of a**
6 **deceased veteran. For the purposes of this subsection, a “disabled**
7 **veteran” means a person who has a compensable, service-connected**

8 **disability as adjudicated by the United States Veterans Administration**
9 **or by the retirement board of one of the branches of the armed forces.**
10 **3. Granting preference under subsections 1 and 2 of this section**
11 **shall not violate any state equal employment opportunity law.**

620.515. 1. This section shall be known and may be cited as the "Show-Me
2 Heroes" program, the purpose of which is to:

3 (1) Assist the spouse of an active duty National Guard or reserve
4 component service member reservist and active duty United States military
5 personnel to address immediate needs and employment in an attempt to keep the
6 family from falling into poverty while the primary income earner is on active
7 duty, and during the [one-year] **five-year** period following discharge from
8 deployment; and

9 (2) Assist returning National Guard troops or reserve component service
10 member reservists and recently separated United States military personnel with
11 finding work in situations where an individual needs to rebuild business clientele
12 or where an individual's job has been eliminated while such individual was
13 deployed, or where the individual otherwise cannot return to his or her previous
14 employment.

15 2. Subject to appropriation, the department of economic development shall
16 operate the Show-Me heroes program through existing programs. Eligibility for
17 the program shall be based on the following criteria:

18 (1) Eligible participants in the program shall be those families where:

19 (a) The primary income earner was called to active duty in defense of the
20 United States for a period of more than four months;

21 (b) The family's primary income is no longer available;

22 (c) The family is experiencing significant hardship due to financial
23 burdens; and

24 (d) The family has no outside resources available to assist with such
25 hardships;

26 (2) Services that may be provided to the family will be aimed at
27 ameliorating the immediate crisis and providing a path for economic stability
28 while the primary income is not available due to the active military
29 commitment. Services shall be made available up to [one year] **five years**
30 following discharge from deployment. Services may include, but not be limited
31 to the following:

32 (a) Financial assistance to families facing financial crisis from overdue
33 bills;

- 34 (b) Help paying day care costs to pursue training and or employment;
- 35 (c) Help covering the costs of transportation to training and or
36 employment;
- 37 (d) Vocational evaluation and vocational counseling to help the individual
38 choose a visible employment goal;
- 39 (e) Vocational training to acquire or upgrade skills needed to be
40 marketable in the workforce;
- 41 (f) Paid internships and subsidized employment to train on the job; and
- 42 (g) Job placement assistance for those who don't require skills training.

43 3. [The department shall structure any contract such that payment will
44 be based on delivering the services described in this section as well as
45 performance to guarantee the greatest possible effectiveness of the program.

46 4.] The department shall promulgate rules to implement the provisions
47 of this section. Any rule or portion of a rule, as that term is defined in section
48 536.010, that is created under the authority delegated in this section shall
49 become effective only if it complies with and is subject to all of the provisions of
50 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are
51 nonseverable and if any of the powers vested with the general assembly pursuant
52 to chapter 536 to review, to delay the effective date, or to disapprove and annul
53 a rule are subsequently held unconstitutional, then the grant of rulemaking
54 authority and any rule proposed or adopted after August 28, 2012, shall be
55 invalid and void.

**620.3250. 1. Any veteran who receives a small business loan
2 through the state treasurer's linked deposit program set forth in
3 sections 30.750 to 30.765 shall also be subject to the provisions of this
4 section.**

5 **2. After receiving a loan from an eligible lending institution, as
6 that term is defined in subdivision (10) of section 37.750, the owner of
7 a veteran-owned small business shall complete a boots-to-business
8 program that is approved by the department.**

9 **3. After receiving a loan from an eligible lending institution, as
10 that term is defined in subdivision (10) of section 37.750, the owner of
11 a veteran-owned small business will be assigned a mentor for the three
12 hundred sixty five days following the date of approval. The owner shall
13 meet with his or her mentor at least once every ninety days.**

14 **4. The department may adopt rules in establishing or approving
15 boots-to-business programs under subsection 2 of this section and**

16 mentor programs under subsection 3 of this section.

17 **5. Any rule or portion of a rule, as that term is defined in section**
18 **536.010, that is created under the authority delegated in this section**
19 **shall become effective only if it complies with and is subject to all of**
20 **the provisions of chapter 536 and, if applicable, section 536.028. This**
21 **section and chapter 536 are nonseverable, and if any of the powers**
22 **vested with the general assembly pursuant to chapter 536 to review, to**
23 **delay the effective date, or to disapprove and annul a rule are**
24 **subsequently held unconstitutional, then the grant of rulemaking**
25 **authority and any rule proposed or adopted after August 28, 2018, shall**
26 **be invalid and void.**

620.3300. 1. This section shall be known and may be cited as the
2 **"Missouri Military Community Reinvestment Program Act".**

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

4 **(1) "Commission", the Missouri military preparedness and**
5 **enhancement commission authorized under section 41.1010;**

6 **(2) "Community-based organization", a Missouri corporation in**
7 **good standing with the state that is organized under chapter 355 and**
8 **which has as its primary or substantial purposes the support and**
9 **sustainment of a military installation or installations;**

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

11 **(4) "Eligible applicant", any community-based organization or**
12 **local government located in a military community;**

13 **(5) "Grantee", the recipient of a Missouri military community**
14 **reinvestment program grant;**

15 **(6) "Local government", any Missouri county, city, town, or**
16 **village;**

17 **(7) "Military community", any county, city, town, or village or**
18 **defined combination thereof that is heavily dependent on military**
19 **employment and economic activity provided by a military installation;**

20 **(8) "Military installation", a facility subject to the custody,**
21 **jurisdiction, or administration of any United States Department of**
22 **Defense component. This term includes, but is not limited to, military**
23 **reservations, installations, bases, posts, camps, stations, arsenals,**
24 **vessels or ships, or laboratories where the Department of Defense or a**
25 **component thereof has operation responsibility for facility security and**
26 **defense;**

27 **(9) "Program", the Missouri military community reinvestment**
28 **program created by this section.**

29 **3. There is hereby established the Missouri military community**
30 **reinvestment program in the department of economic development. Its**
31 **purpose shall be to assist military communities in supporting and**
32 **sustaining their installations, to encourage the communities to initiate**
33 **coordinated response programs and action plans in advance of future**
34 **federal government realignment and closure decisions, and to support**
35 **community efforts to attract new or expanded military missions.**

36 **4. (1) There is hereby created in the state treasury the "Missouri**
37 **Military Community Reinvestment Grant Program Fund", which shall**
38 **consist of moneys collected under this section. The state treasurer shall**
39 **be custodian of the fund. In accordance with sections 30.170 and 30.180,**
40 **the state treasurer may approve disbursements. The fund shall be a**
41 **dedicated fund and, upon appropriation, moneys in the fund shall be**
42 **used solely for the administration of this section. The amount in such**
43 **fund shall not exceed three hundred thousand dollars. Moneys in the**
44 **fund in excess of three hundred thousand dollars shall be invested by**
45 **the state treasurer and any income therefrom shall be deposited to the**
46 **credit of the general revenue fund.**

47 **(2) Notwithstanding the provisions of section 33.080 to the**
48 **contrary, any moneys remaining in the fund at the end of the biennium**
49 **shall not revert to the credit of the general revenue fund.**

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

53 **5. The department shall implement the program as provided in**
54 **this section. The department and the commission shall invite public**
55 **comments on how the program should be administered and shall jointly**
56 **develop and establish procedures for the solicitation, evaluation, and**
57 **approval of grant applications received from eligible applicants.**

58 **6. The department shall evaluate each application and make**
59 **recommendations to the commission, which shall have the authority to**
60 **approve or reject any application so recommended. Upon approval by**
61 **the commission, the department shall administer grant awards,**
62 **including the tracking and monitoring of grantee administration of the**
63 **grant funds and whether grantees have achieved the goals set forth in**

64 their grant applications.

65 7. Grants provided by this program shall not exceed three
66 hundred thousand dollars per year. The eligible amount for grants
67 shall include the following match requirements:

68 (1) For an eligible applicant in operation for five or more years,
69 one dollar of state grant funds may be provided for every one dollar of
70 funds provided or raised by the eligible applicant, including the value
71 of in-kind services, supplies, or equipment; or

72 (2) For an eligible applicant in operation for fewer than five
73 years, two dollars of state grant funds may be provided for every one
74 dollar of funds provided or raised by the eligible applicant, including
75 the value of in-kind services, supplies, or equipment.

76 8. Applications for grants under this section shall include a
77 coordinated program of work or a plan of action delineating how the
78 project shall be administered and accomplished, which shall include a
79 plan for ensuring close cooperation between civilian and military
80 authorities in the conduct of the funded activities and a plan for public
81 involvement. Uses for the grants may include, but are not limited to,
82 the following activities:

83 (1) Developing and implementing public-to-public partnerships
84 with military installations, including agreements that reduce
85 installation costs and increase funding available for mission
86 performance;

87 (2) Developing local or regional marketing plans, techniques, and
88 activities, including those that communicate the nature and value of
89 military installations and military service;

90 (3) Implementing programs to assist with diversification of the
91 economy of the military installation community by increasing
92 nondefense economic development and employment;

93 (4) Performing in-depth research and analysis regarding local or
94 regional employment, housing, infrastructure, education, healthcare,
95 and other factors that affect the attractiveness of the community for
96 future military investments;

97 (5) Leading or participating in programs or activities to develop
98 or improve the quality of life in military communities, including the
99 areas of education, transportation, health care, and infrastructure
100 development and transportation; and

101 **(6) Developing plans for the reuse of closed or realigned military**
102 **installations or facilities, including any plans necessary for**
103 **infrastructure improvements needed to facilitate related marketing**
104 **activities.**

105 **9. The department may promulgate rules to assist in the**
106 **implementation of the provisions of this section, including rules on**
107 **behalf of the commission, if necessary. Any rule or portion of a rule, as**
108 **that term is defined in section 536.010, that is created under the**
109 **authority delegated in this section shall become effective only if it**
110 **complies with and is subject to all of the provisions of chapter 536 and,**
111 **if applicable, section 536.028. This section and chapter 536 are**
112 **nonseverable, and if any of the powers vested with the general**
113 **assembly pursuant to chapter 536 to review, to delay the effective date,**
114 **or to disapprove and annul a rule are subsequently held**
115 **unconstitutional, then the grant of rulemaking authority and any rule**
116 **proposed or adopted after August 28, 2018, shall be invalid and void.**

✓

Bill

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