

FIRST REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**SENATE BILL NO. 68**  
**100TH GENERAL ASSEMBLY**

0509H.03C

DANA RADEMAN MILLER, Chief Clerk

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**AN ACT**

To repeal sections 620.511, 620.800, 620.803, 620.806, 620.809, 620.2005, 620.2010, 620.2020, and 620.2475, RSMo, and to enact in lieu thereof nine new sections relating to workforce development.

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

Section A. Sections 620.511, 620.800, 620.803, 620.806, 620.809, 620.2005, 620.2010, 2 620.2020, and 620.2475, RSMo, are repealed and nine new sections enacted in lieu thereof, to 3 be known as sections 620.511, 620.800, 620.803, 620.806, 620.809, 620.2005, 620.2010, 4 620.2020, and 620.2475, to read as follows:

620.511. 1. There is hereby established the "Missouri Workforce Development Board", 2 formerly known as the Missouri workforce investment board, and hereinafter referred to as "the 3 board" in sections 620.511 to 620.513.

4 2. The purpose of the board is to provide workforce investment activities, through 5 statewide and local workforce investment systems, that increase the employment, retention, and 6 earnings of participants, and increase occupational skill attainment by participants, and, as a 7 result, improve the quality of the workforce, reduce welfare dependency, and enhance the 8 productivity and competitiveness of the state of Missouri. The board shall be the state's advisory 9 board pertaining to workforce preparation policy.

10 3. The board shall meet the requirements of the federal Workforce Innovation and 11 Opportunity Act [~~of 2014~~], hereinafter referred to as the "WIOA", P.L. 113-128, as amended. 12 Should another federal law supplant the WIOA, all references in sections 620.511 to 620.513 to 13 the WIOA shall apply as well to the new federal law.

14 4. Composition of the board shall comply with the WIOA. Board members appointed 15 by the governor shall be subject to the advice and consent of the senate. Consistent with the

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.

16 requirements of the WIOA, the governor shall designate one member of the board to be its  
17 chairperson.

18         5. Each member of the board shall serve for a term of four years, subject to the pleasure  
19 of the governor, and until a successor is duly appointed. In the event of a vacancy on the board,  
20 the vacancy shall be filled in the same manner as the original appointment and said replacement  
21 shall serve the remainder of the original appointee's unexpired term.

22         6. Of the members initially appointed to the WIOA, formerly known as the WIA, board,  
23 one-fourth shall be appointed for a term of four years, one-fourth shall be appointed for a term  
24 of three years, one-fourth shall be appointed for a term of two years, and one-fourth shall be  
25 appointed for a term of one year.

26         7. WIOA board members shall receive no compensation, but shall be reimbursed for all  
27 necessary expenses actually incurred in the performance of their duties.

28         **8. The department may include on its website a list of the names of the members**  
29 **of the board, including the names of members of local workforce development boards,**  
30 **along with information on how to contact such boards.**

620.800. The following additional terms used in sections 620.800 to 620.809 shall mean:

2         (1) "Agreement", the agreement between a qualified company, a community college  
3 district, and the department concerning a training project. Any such agreement shall comply with  
4 the provisions of section 620.017;

5         (2) "Board of trustees", the board of trustees of a community college district established  
6 under the provisions of chapter 178;

7         (3) "Certificate", a new or retained jobs training certificate issued under section 620.809;

8         (4) "Committee", the Missouri ~~works~~ **one start** job training joint legislative oversight  
9 committee, established under the provisions of section 620.803;

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

11         (6) "Employee", a person employed by a qualified company;

12         (7) **"Existing Missouri business", a qualified company that, for the ten-year period**  
13 **preceding submission of a notice of intent to the department, had a physical location in**  
14 **Missouri and full-time employees who routinely performed job duties within Missouri;**

15         (8) "Full-time employee", an employee of the qualified company who is scheduled to  
16 work an average of at least thirty-five hours per week for a twelve-month period, and one to  
17 whom the qualified company offers health insurance and pays at least fifty percent of such  
18 insurance premiums;

19         ~~(8)~~ (9) "Local education agency", a community college **district**, two-year state  
20 technical college, or technical career education center;

21           ~~[(9)]~~ **(10)** "Missouri ~~[works-training]~~ **one start** program", the training program  
22 established under sections 620.800 to 620.809;

23           ~~[(10)]~~ **(11)** "New capital investment", costs incurred by the qualified company at the  
24 project facility for real or personal property, that may include the value of finance or capital  
25 leases for real or personal property for the term of such lease at the project facility executed after  
26 acceptance by the qualified company of the proposal for benefits from the department or  
27 approval of the notice of intent;

28           ~~[(11)]~~ **(12)** "New job", the number of full-time employees located at the project facility  
29 that exceeds the project facility base employment less any decrease in the number of full-time  
30 employees at related facilities below the related facility base employment. No job that was  
31 created prior to the date of the notice of intent shall be deemed a new job. An employee who  
32 spends less than fifty percent of his or her work time at the facility is still considered to be  
33 located at a facility if he or she receives his or her directions and control from that facility, is on  
34 the facility's payroll, one hundred percent of the employee's income from such employment is  
35 Missouri income, and the employee is paid at or above the applicable percentage of the county's  
36 average wage;

37           ~~[(12)]~~ **(13)** "New jobs credit", the credit from withholding remitted by a qualified  
38 company provided under subsection 7 of section 620.809;

39           ~~[(13)]~~ **(14)** "Notice of intent", a form developed by ~~[the department, completed by the~~  
40 ~~qualified company,]~~ and submitted to the department that states the qualified company's intent  
41 to request benefits under this program;

42           ~~[(14)]~~ **(15)** "Project facility", the building or buildings used by a qualified company at  
43 which new or retained jobs and any new capital investment are or will be located. A project  
44 facility may include separate buildings located within sixty miles of each other such that their  
45 purpose and operations are interrelated, provided that, if the buildings making up the project  
46 facility are not located within the same county, the average wage of the new payroll must exceed  
47 the applicable percentage of the highest county average wage among the counties in which the  
48 buildings are located. Upon approval by the department, a subsequent project facility may be  
49 designated if the qualified company demonstrates a need to relocate to the subsequent project  
50 facility at any time during the project period;

51           ~~[(15)]~~ **(16)** "Project facility base employment", the greater of the number of full-time  
52 employees located at the project facility on the date of the notice of intent or, for the  
53 twelve-month period prior to the date of the notice of intent, the average number of full-time  
54 employees located at the project facility. In the event the project facility has not been in  
55 operation for a full twelve-month period, the average number of full-time employees for the

56 number of months the project facility has been in operation prior to the date of the notice of  
57 intent;

58 ~~[(16)]~~ (17) "Qualified company", a firm, partnership, joint venture, association, private  
59 or public corporation whether organized for profit or not, or headquarters of such entity  
60 registered to do business in Missouri that is the owner or operator of a project facility, offers  
61 health insurance to all full-time employees of all facilities located in this state, and pays at least  
62 fifty percent of such insurance premiums. For the purposes of sections 620.800 to 620.809, the  
63 term "qualified company" shall not mean:

64 (a) Gambling establishments (NAICS industry group 7132);

65 (b) Retail trade establishments (NAICS sectors 44 and 45), except with respect to any  
66 company headquartered in this state with a majority of its full-time employees engaged in  
67 operations not within the NAICS codes specified in this subdivision;

68 (c) Food services and drinking places (NAICS subsector 722);

69 (d) Public utilities (NAICS 221 including water and sewer services);

70 (e) Any company that is delinquent in the payment of any nonprotested taxes or any  
71 other amounts due the state or federal government or any other political subdivision of this state;

72 (f) Any company requesting benefits for retained jobs that has filed for or has publicly  
73 announced its intention to file for bankruptcy protection. However, a company that has filed for  
74 or has publicly announced its intention to file for bankruptcy may be a qualified company  
75 provided that such company:

76 a. Certifies to the department that it plans to reorganize and not to liquidate; and

77 b. After its bankruptcy petition has been filed, it produces proof, in a form and at times  
78 satisfactory to the department, that it is not delinquent in filing any tax returns or making any  
79 payment due to the state of Missouri, including but not limited to all tax payments due after the  
80 filing of the bankruptcy petition and under the terms of the plan of reorganization;

81 (g) Educational services (NAICS sector 61);

82 (h) Religious organizations (NAICS industry group 8131);

83 (i) Public administration (NAICS sector 92);

84 (j) Ethanol distillation or production; or

85 (k) Biodiesel production.

86

87 Notwithstanding any provision of this section to the contrary, the headquarters, administrative  
88 offices, or research and development facilities of an otherwise excluded business may qualify  
89 for benefits if the offices or facilities serve a multistate territory. In the event a national, state,  
90 or regional headquarters operation is not the predominant activity of a project facility, the jobs

91 and investment of such operation shall be considered eligible for benefits under this section if  
92 the other requirements are satisfied;

93 ~~[(17)]~~ **(18)** "Related company":

94 (a) A corporation, partnership, trust, or association controlled by the qualified company;

95 (b) An individual, corporation, partnership, trust, or association in control of the  
96 qualified company; or

97 (c) Corporations, partnerships, trusts, or associations controlled by an individual,  
98 corporation, partnership, trust, or association in control of the qualified company. As used in this  
99 subdivision, "control of a corporation" shall mean ownership, directly or indirectly, of stock  
100 possessing at least fifty percent of the total combined voting power of all classes of stock entitled  
101 to vote; "control of a partnership or association" shall mean ownership of at least fifty percent  
102 of the capital or profits interest in such partnership or association; "control of a trust" shall mean  
103 ownership, directly or indirectly, of at least fifty percent of the beneficial interest in the principal  
104 or income of such trust; and "ownership" shall be determined as provided in Section 318 of the  
105 Internal Revenue Code of 1986, as amended;

106 ~~[(18)]~~ **(19)** "Related facility", a facility operated by the qualified company or a related  
107 company located in this state that is directly related to the operations of the project facility or in  
108 which operations substantially similar to the operations of the project facility are performed;

109 ~~[(19)]~~ **(20)** "Related facility base employment", the greater of the number of full-time  
110 employees located at all related facilities on the date of the notice of intent or, for the  
111 twelve-month period prior to the date of the notice of intent, the average number of full-time  
112 employees located at all related facilities of the qualified company or a related company located  
113 in this state;

114 ~~[(20)]~~ **(21)** "Retained jobs", the average number of full-time employees of a qualified  
115 company located at the project facility during each month for the calendar year preceding the  
116 year in which the notice of intent is submitted;

117 ~~[(21)]~~ **(22)** "Retained jobs credit", the credit from withholding remitted by a qualified  
118 company provided under subsection 7 of section 620.809;

119 ~~[(22)]~~ **(23)** "Targeted industry", an industry or one of a cluster of industries identified  
120 by the department by rule following a strategic planning process as being critical to the state's  
121 economic security and growth;

122 ~~[(23)]~~ **(24)** "Training program", the Missouri ~~[works-training]~~ **one start** program  
123 established under sections 620.800 to 620.809;

124 ~~[(24)]~~ **(25)** "Training project", the project or projects established through the Missouri  
125 ~~[works-training]~~ **one start** program for the creation or retention of jobs by providing education  
126 and training of workers;

127            [(25)] (26) "Training project costs", **may include** all necessary and incidental costs of  
128 providing program services through the training program, ~~[including]~~ **such as:**

129            (a) Training materials and supplies;

130            (b) Wages and benefits of instructors, who may or may not be employed by the eligible  
131 industry, and the cost of training such instructors;

132            (c) Subcontracted services;

133            (d) On-the-job training;

134            (e) Training facilities and equipment;

135            (f) Skill assessment;

136            (g) Training project and curriculum development;

137            (h) Travel directly to the training project, including a coordinated transportation program  
138 for training if the training can be more effectively provided outside the community where the  
139 jobs are to be located;

140            (i) Payments to third-party training providers and to the eligible industry;

141            (j) Teaching and assistance provided by educational institutions in the state of Missouri;

142            (k) In-plant training analysis, including fees for professionals and necessary travel and  
143 expenses;

144            (l) Assessment and preselection tools;

145            (m) Publicity;

146            (n) Instructional services;

147            (o) Rental of instructional facilities with necessary utilities; and

148            (p) Payment of the principal, premium, and interest on certificates, including capitalized  
149 interest, issued to finance a project, and the funding and maintenance of a debt service reserve  
150 fund to secure such certificates;

151            [(26)] (27) "Training project services", ~~[includes]~~ **may include**, but shall not be limited  
152 to, the following:

153            (a) Job training, which may include, but not be limited to, preemployment training,  
154 analysis of the specified training needs for a qualified company, development of training plans,  
155 and provision of training through qualified training staff;

156            (b) Adult basic education and job-related instruction;

157            (c) Vocational and skill-assessment services and testing;

158            (d) Training facilities, equipment, materials, and supplies;

159            (e) On-the-job training;

160            (f) Administrative expenses ~~[equal to fifteen percent of the total training costs]~~ **at a**  
161 **reasonable amount determined by the department;**

- 162 (g) Subcontracted services with state institutions of higher education, private colleges  
163 or universities, or other federal, state, or local agencies;
- 164 (h) Contracted or professional services; and
- 165 (i) Issuance of certificates, when applicable.

620.803. 1. The department shall establish a "Missouri ~~[Works Training]~~ **One Start**  
2 Program" to assist qualified companies in the training of employees in new jobs and the  
3 retraining or upgrading of skills of full-time employees in retained jobs as provided in sections  
4 620.800 to 620.809. The training program shall be funded through appropriations to the funds  
5 established under sections 620.806 and 620.809. The department shall, to the maximum extent  
6 practicable, prioritize funding under the training program to assist qualified companies in  
7 targeted industries.

8 2. There is hereby created the "Missouri ~~[Works]~~ **One Start** Job Training Joint  
9 Legislative Oversight Committee". The committee shall consist of three members of the  
10 Missouri senate appointed by the president pro tempore of the senate and three members of the  
11 house of representatives appointed by the speaker of the house. No more than two of the  
12 members of the senate and two of the members of the house of representatives shall be from the  
13 same political party. Members of the committee shall report to the governor, the president pro  
14 tempore of the senate, and the speaker of the house of representatives on all assistance to  
15 ~~[industries]~~ **qualified companies** under the provisions of sections 620.800 to 620.809 provided  
16 during the preceding fiscal year. The report of the committee shall be delivered no later than  
17 October first of each year. The director of the department shall report to the committee such  
18 information as the committee may deem necessary for its annual report. Members of the  
19 committee shall receive no compensation in addition to their salary as members of the general  
20 assembly but may receive their necessary expenses while attending the meetings of the  
21 committee, to be paid out of the joint contingent fund.

22 3. The department shall publish guidelines and may promulgate rules and regulations  
23 governing the training program. **In establishing such guidelines and promulgating such rules**  
24 **and regulations, the department shall consider such factors as the potential number of new**  
25 **jobs to be created, the amount of new capital investment in new facilities and equipment,**  
26 **the significance of state benefits to the qualified company's decision to locate or expand in**  
27 **Missouri, the economic need of the affected community, and the importance of the**  
28 **qualified company to the economic development of the state.** Any rule or portion of a rule,  
29 as that term is defined in section 536.010, that is created under the authority delegated in this  
30 section shall become effective only if it complies with and is subject to all of the provisions of  
31 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable  
32 and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to

33 delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional,  
34 then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2013,  
35 shall be invalid and void.

36 4. The department shall make program applications and guidelines available online.

37 5. The department may contract with other entities [~~not to exceed fifty thousand dollars~~  
38 ~~annually,~~] for the purposes of advertising, marketing, or promoting the training program  
39 established in sections 620.800 to 620.809. Any assistance through the training program shall  
40 be provided under an agreement.

41 6. Prior to the authorization of any application submitted through the training program,  
42 the department shall verify the applicant's tax payment status and offset any delinquencies as  
43 provided in section 135.815.

44 7. Any [~~taxpayer who~~] **qualified company that** is awarded benefits under sections  
45 620.800 to 620.809 and who files for bankruptcy under Chapter 7 of the United States  
46 Bankruptcy Code, Title 11 U.S.C., as amended, shall immediately notify the department, shall  
47 forfeit such benefits, and shall repay the state an amount equal to any state tax credits already  
48 redeemed and any withholding taxes already retained.

49 **8. The department may require repayment of all benefits awarded, increased by**  
50 **an additional amount that shall provide the state a reasonable rate of return, to any**  
51 **qualified company under sections 620.800 to 620.809 that fails to maintain the new or**  
52 **retained jobs within five years of approval of the benefits or that leaves the state within five**  
53 **years of approval of the benefits.**

54 **9. The department shall be authorized to contract with other entities, including**  
55 **businesses, industries, other state agencies, and political subdivisions of the state for the**  
56 **purpose of implementing a training project under the provisions of sections 620.800 to**  
57 **620.809.**

620.806. 1. [~~The Missouri job development fund, formerly established in the state~~  
2 ~~treasury by section 620.478, shall now]~~ **There is hereby created in the state treasury a fund**  
3 **to be known as the "Missouri [Works] One Start Job Development Fund" [and] , which** shall  
4 be administered by the department for the [~~training~~] **purposes of the Missouri one start**  
5 program. The fund shall consist of all moneys which may be appropriated to it by the general  
6 assembly and also any gifts, contributions, grants, or bequests received from federal, private or  
7 other sources, including, but not limited to, any block grant or other sources of funding relating  
8 to job training, school-to-work transition, welfare reform, vocational and technical training,  
9 housing, infrastructure, development, and human resource investment programs which may be  
10 provided by the federal government or other sources. **The state treasurer shall be custodian**  
11 **of the fund and may approve disbursements from the fund in accordance with sections**



12 **30.170 and 30.180. Notwithstanding the provisions of section 33.080 to the contrary, any**  
13 **moneys remaining in the fund at the end of the biennium shall not revert to the credit of**  
14 **the general revenue fund. The state treasurer shall invest moneys in the fund in the same**  
15 **manner as other funds are invested. Any interest and moneys earned on such investments**  
16 **shall be credited to the fund.**

17       2. The department may provide financial assistance through the training program to  
18 qualified companies that create new jobs which will result in the need for training, or that make  
19 new capital investment relating directly to the retention of jobs in an amount at least five times  
20 greater than the amount of any financial assistance. Financial assistance may also be provided  
21 to a consortium of a majority of qualified companies organized to provide common training to  
22 the consortium members' employees. Funds in the Missouri ~~[works]~~ **one start** job development  
23 fund shall be appropriated, for financial assistance through the training program, by the general  
24 assembly to the department and shall be administered by a local ~~[educational]~~ **education** agency  
25 certified by the department for such purpose. Except for state-sponsored preemployment  
26 training, no qualified company shall receive more than fifty percent of its training program costs  
27 from the Missouri ~~[works]~~ **one start** job development fund. No funds shall be awarded or  
28 reimbursed to any qualified company for the training, retraining, or upgrading of skills of  
29 potential employees with the purpose of replacing or supplanting employees engaged in an  
30 authorized work stoppage. Upon approval by the department, training project costs, except the  
31 purchase of training equipment and training facilities, shall be eligible for reimbursement with  
32 funds from the Missouri ~~[works]~~ **one start** job development fund. Notwithstanding any  
33 provision of law to the contrary, no qualified company within a service industry shall be eligible  
34 for assistance under this subsection unless such qualified company provides services in interstate  
35 commerce, which shall mean that the qualified company derives a majority of its annual revenues  
36 from out of the state.

37       3. ~~[The department may provide assistance, through appropriations made from the~~  
38 ~~Missouri works job development fund, to business and technology centers. Such assistance shall~~  
39 ~~not include the lending of the state's credit for the payment of any liability of the fund. Such~~  
40 ~~centers may be established by Missouri community colleges, or state-owned postsecondary~~  
41 ~~technical colleges, to provide business and training services for growth industries as determined~~  
42 ~~by current labor market information.] **Upon appropriation, a local education agency may**~~  
43 **petition the department to utilize the Missouri one start job development fund in order to**  
44 **create or improve training facilities, training equipment, training staff, training expertise,**  
45 **training programming, and administration. The department shall review all petitions and**  
46 **may award funds from the Missouri one start job development fund for reimbursement**  
47 **of training project costs and training project services as it deems necessary.**

48           **4. The department may promulgate rules to implement the provisions of this**  
49 **section. Any rule or portion of a rule, as that term is defined in section 536.010 that is**  
50 **created under the authority delegated in this section shall become effective only if it**  
51 **complies with and is subject to all of the provisions of chapter 536 and, if applicable,**  
52 **section 536.028. This section and chapter 536 are nonseverable and if any of the powers**  
53 **vested with the general assembly pursuant to chapter 536 to review, to delay the effective**  
54 **date, or to disapprove and annul a rule are subsequently held unconstitutional, then the**  
55 **grant of rulemaking authority and any rule proposed or adopted after August 28, 2019,**  
56 **shall be invalid and void.**

620.809. 1. [~~The Missouri community college job training program fund, formerly~~  
2 ~~established in the state treasury by section 178.896, shall now~~] **There is hereby established in**  
3 **the state treasury a fund to be known as the "Missouri [Works] One Start Community College**  
4 **New Jobs Training Fund" [and] , which shall be administered by the department for the training**  
5 **program. The department of revenue shall credit to the fund, as received, all new jobs credits.**  
6 **For existing Missouri businesses creating new jobs, the training project may include**  
7 **retained jobs.** The fund shall also consist of any gifts, contributions, grants, or bequests  
8 received from federal, private, or other sources. The general assembly, however, shall not  
9 provide for any transfer of general revenue funds into the fund. Moneys in the fund shall be  
10 disbursed to the department under regular appropriations by the general assembly. **The**  
11 **department shall have the discretion to determine the appropriate amount of funds to**  
12 **allocate per training project.** The department shall disburse such appropriated funds in a  
13 timely manner into the special funds established by community college districts for training  
14 projects, which funds shall be used to pay training project costs. Such disbursements shall be  
15 made to the special fund for each training project as provided under subsection 5 of this section.  
16 All moneys remaining in the fund at the end of any fiscal year shall not lapse to the general  
17 revenue fund, as provided in section 33.080, but shall remain in the fund.

2. [~~The Missouri community college job retention training program fund, formerly~~  
19 ~~established in the state treasury by section 178.764, shall now~~] **There is hereby created in the**  
20 **state treasury a fund to be known as the "Missouri [Works] One Start Community College Job**  
21 **Retention Training Fund" [and] , that shall be administered by the department for the Missouri**  
22 **[works training] one start program. The department of revenue shall credit to the fund, as**  
23 **received, all retained jobs credits. For existing Missouri businesses retaining jobs, the**  
24 **training project may include new jobs.** The fund shall also consist of any gifts, contributions,  
25 grants, or bequests received from federal, private, or other sources. The general assembly,  
26 however, shall not provide for any transfer of general revenue funds into the fund. Moneys in  
27 the fund shall be disbursed to the department under regular appropriations by the general

28 assembly. **The department shall have the discretion to determine the appropriate amount**  
29 **of funds to allocate per training project.** The department shall disburse such appropriated  
30 funds in a timely manner into the special funds established by community college districts for  
31 projects, which funds shall be used to pay training program costs, including the principal,  
32 premium, and interest on certificates issued by the district to finance or refinance, in whole or  
33 in part, a project. Such disbursements by the department shall be made to the special fund for  
34 each project as provided under subsection 5 of this section. All moneys remaining in the fund  
35 at the end of any fiscal year shall not lapse to the general revenue fund, as provided in section  
36 33.080, but shall remain in the fund.

37 3. The department of revenue shall develop such forms as are necessary to demonstrate  
38 accurately each qualified company's new jobs credit paid into the Missouri [~~works~~] **one start**  
39 community college new jobs training fund or retained jobs credit paid into the Missouri [~~works~~]  
40 **one start** community college job retention training fund. The new or retained jobs credits shall  
41 be accounted as separate from the normal withholding tax paid to the department of revenue by  
42 the qualified company. Reimbursements made by all qualified companies to the Missouri  
43 [~~works~~] **one start** community college new jobs training fund and the Missouri [~~works~~] **one start**  
44 community college job retention training fund shall be no less than all allocations made by the  
45 department to all community college districts for all projects. The qualified company shall remit  
46 the amount of the new or retained jobs credit, as applicable, to the department of revenue in the  
47 same manner as provided in sections 143.191 to 143.265.

48 4. A community college district, with the approval of the department in consultation with  
49 the office of administration, may enter into an agreement to establish a training project and  
50 provide training project services to a qualified company. As soon as possible after initial contact  
51 between a community college district and a potential qualified company regarding the possibility  
52 of entering into an agreement, the **community college** district shall inform the department of the  
53 potential training project. The department shall evaluate the proposed training project within the  
54 overall job training efforts of the state to ensure that the training project will not duplicate other  
55 job training programs. The department shall have fourteen days from receipt of a notice of intent  
56 to approve or disapprove a training project. If no response is received by the qualified company  
57 within fourteen days, the training project shall be deemed approved. Disapproval of any training  
58 project shall be made in writing and state the reasons for such disapproval. If an agreement is  
59 entered into, the district and the qualified company shall notify the department of revenue within  
60 fifteen calendar days. In addition to any provisions required under subsection 6 of this section  
61 for a qualified company applying to receive a **new or** retained job credit, an agreement may  
62 provide, but shall not be limited to:

63 (1) Payment of training project costs, which may be paid from one or a combination of  
64 the following sources:

65 (a) Funds appropriated by the general assembly to the Missouri ~~works~~ **one start**  
66 community college new jobs training program fund or Missouri ~~works~~ **one start** community  
67 college job retention training program fund, as applicable, and disbursed by the department for  
68 the purposes consistent with sections 620.800 to 620.809;

69 (b) Funds appropriated by the general assembly from the general revenue fund and  
70 disbursed by the department for the purposes consistent with sections 620.800 to 620.809;

71 (c) Tuition, student fees, or special charges fixed by the board of trustees to defray  
72 training project costs in whole or in part;

73 (2) Payment of training project costs which shall not be deferred for a period longer than  
74 eight years;

75 (3) Costs of on-the-job training for employees which shall include wages or salaries of  
76 participating employees. Payments for on-the-job training shall not exceed the average of fifty  
77 percent of the total wages paid by the qualified company to each participant during the period  
78 of training. Payment for on-the-job training may continue for up to six months from the date the  
79 training begins;

80 (4) A provision which fixes the minimum amount of new or retained jobs credits, general  
81 revenue fund appropriations, or tuition and fee payments which shall be paid for training project  
82 costs; and

83 (5) Any payment required to be made by a qualified company. This payment shall  
84 constitute a lien upon the qualified company's business property until paid, shall have equal  
85 priority with ordinary taxes and shall not be divested by a judicial sale. Property subject to such  
86 lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties,  
87 and consequences as for the nonpayment of ordinary taxes. The purchasers at a tax sale shall  
88 obtain the property subject to the remaining payments.

89 5. (1) For projects that are funded exclusively under paragraph (a) of subdivision (1) of  
90 subsection 4 of this section, the department shall disburse such funds to the special fund for each  
91 training project in the same proportion as the new jobs or retained jobs credits remitted by the  
92 qualified company participating in such project bears to the total new jobs or retained jobs credits  
93 from withholding remitted by all qualified companies participating in projects during the period  
94 for which the disbursement is made.

95 (2) Subject to appropriation, for projects that are funded through a combination of funds  
96 under paragraphs (a) and (b) of subdivision (1) of subsection 4 of this section, the department  
97 shall disburse funds appropriated under paragraph (b) of subdivision (1) of subsection 4 of this  
98 section to the special fund for each training project upon commencement of the project. The

99 department shall disburse funds appropriated under paragraph (a) of subdivision (1) of  
100 subsection 4 of this section to the special fund for each training project in the same proportion  
101 as the new jobs or retained jobs credits remitted by the qualified company participating in such  
102 project bears to the total new jobs or retained jobs credits from withholding remitted by all  
103 qualified companies participating in projects during the period for which the disbursement is  
104 made, reduced by the amount of funds appropriated under paragraph (b) of subdivision (1) of  
105 subsection 4 of this section.

106 6. Any qualified company that submits a notice of intent for retained job credits shall  
107 enter into an agreement, providing that the qualified company has:

108 (1) Maintained at least one hundred full-time employees per year at the project facility  
109 for the calendar year preceding the year in which the application is made; **and**

110 (2) ~~[Retained, at the project facility, the same number of employees that existed in the~~  
111 ~~taxable year immediately preceding the year in which application is made; and~~

112 ~~——(3)]~~ Made or agrees to make a new capital investment of greater than five times the  
113 amount of any award under this training program at the project facility over a period of two  
114 consecutive ~~calendar~~ years, as certified by the qualified company and:

115 (a) Has made substantial investment in new technology requiring the upgrading of  
116 employee skills; or

117 (b) Is located in a border county of the state and represents a potential risk of relocation  
118 from the state; or

119 (c) Has been determined to represent a substantial risk of relocation from the state by the  
120 director of the department of economic development.

121 7. If an agreement provides that all or part of the training program costs are to be met by  
122 receipt of new or retained jobs credit, such new or retained jobs credit from withholding shall  
123 be determined and paid as follows:

124 (1) New or retained jobs credit shall be based upon the wages paid to the employees in  
125 the new or retained jobs;

126 (2) A portion of the total payments made by the qualified companies under sections  
127 143.191 to 143.265 shall be designated as the new or retained jobs credit from withholding.  
128 Such portion shall be an amount equal to two and one-half percent of the gross wages paid by  
129 the qualified company for each of the first one hundred jobs included in the project and one and  
130 one-half percent of the gross wages paid by the qualified company for each of the remaining jobs  
131 included in the project. If business or employment conditions cause the amount of the new or  
132 retained jobs credit from withholding to be less than the amount projected in the agreement for  
133 any time period, then other withholding tax paid by the qualified company under sections  
134 143.191 to 143.265 shall be credited to the applicable fund by the amount of such difference.

135 The qualified company shall remit the amount of the new or retained jobs credit to the  
136 department of revenue in the manner prescribed in sections 143.191 to 143.265. When all  
137 training program costs have been paid, the new or retained jobs credits shall cease;

138 (3) The community college district participating in a project shall establish a special fund  
139 for and in the name of the training project. All funds appropriated by the general assembly from  
140 the funds established under subsections 1 and 2 of this section and disbursed by the department  
141 for the training project and other amounts received by the district for training project costs as  
142 required by the agreement shall be deposited in the special fund. Amounts held in the special  
143 fund shall be used and disbursed by the district only to pay training project costs for such training  
144 project. The special fund may be divided into such accounts and subaccounts as shall be  
145 provided in the agreement, and amounts held therein may be invested in the same manner as the  
146 district's other funds;

147 (4) Any disbursement for training project costs received from the department under  
148 sections 620.800 to 620.809 and deposited into the training project's special fund may be  
149 irrevocably pledged by a community college district for the payment of the principal, premium,  
150 and interest on the certificate issued by a community college district to finance or refinance, in  
151 whole or in part, such training project;

152 (5) The qualified company shall certify to the department of revenue that the new or  
153 retained jobs credit is in accordance with an agreement and shall provide other information the  
154 department of revenue may require;

155 (6) An employee participating in a training project shall receive full credit under section  
156 143.211 for the amount designated as a new or retained jobs credit;

157 (7) If an agreement provides that all or part of training program costs are to be met by  
158 receipt of new or retained jobs credit, the provisions of this subsection shall also apply to any  
159 successor to the original qualified company until the principal and interest on the certificates  
160 have been paid.

161 8. To provide funds for the present payment of the training project costs of new or  
162 retained jobs training project through the training program, a community college district may  
163 borrow money and issue and sell certificates payable from a sufficient portion of the future  
164 receipts of payments authorized by the agreement including disbursements from the Missouri  
165 **[works] one start** community college new jobs training fund or the Missouri **[works] one start**  
166 community college job retention training fund, to the special fund established by the **community**  
167 **college** district for each project. The total amount of outstanding certificates sold by all  
168 community college districts shall not exceed the total amount authorized under law as of January  
169 1, 2013, unless an increased amount is authorized in writing by a majority of members of the  
170 committee. The certificates shall be marketed through financial institutions authorized to do

171 business in Missouri. The receipts shall be pledged to the payment of principal of and interest  
172 on the certificates. Certificates may be sold at public sale or at private sale at par, premium, or  
173 discount of not less than ninety-five percent of the par value thereof, at the discretion of the  
174 board of trustees, and may bear interest at such rate or rates as the board of trustees shall  
175 determine, notwithstanding the provisions of section 108.170 to the contrary. However, the  
176 provisions of chapter 176 shall not apply to the issuance of such certificates. Certificates may  
177 be issued with respect to a single project or multiple projects and may contain terms or  
178 conditions as the board of trustees may provide by resolution authorizing the issuance of the  
179 certificates.

180           9. Certificates issued to refund other certificates may be sold at public sale or at private  
181 sale as provided in this section, with the proceeds from the sale to be used for the payment of the  
182 certificates being refunded. The refunding certificates may be exchanged in payment and  
183 discharge of the certificates being refunded, in installments at different times or an entire issue  
184 or series at one time. Refunding certificates may be sold or exchanged at any time on, before,  
185 or after the maturity of the outstanding certificates to be refunded. They may be issued for the  
186 purpose of refunding a like, greater, or lesser principal amount of certificates and may bear a rate  
187 of interest that is higher, lower, or equivalent to that of the certificates being renewed or  
188 refunded.

189           10. Before certificates are issued, the board of trustees shall publish once a notice of its  
190 intention to issue the certificates, stating the amount, the purpose, and the project or projects for  
191 which the certificates are to be issued. A person with standing may, within fifteen days after the  
192 publication of the notice, by action in the circuit court of a county in the district, appeal the  
193 decision of the board of trustees to issue the certificates. The action of the board of trustees in  
194 determining to issue the certificates shall be final and conclusive unless the circuit court finds  
195 that the board of trustees has exceeded its legal authority. An action shall not be brought which  
196 questions the legality of the certificates, the power of the board of trustees to issue the  
197 certificates, the effectiveness of any proceedings relating to the authorization of the project, or  
198 the authorization and issuance of the certificates from and after fifteen days from the publication  
199 of the notice of intention to issue.

200           11. The board of trustees shall make a finding based on information supplied by the  
201 qualified company that revenues provided in the agreement are sufficient to secure the faithful  
202 performance of obligations in the agreement.

203           12. Certificates issued under this section shall not be deemed to be an indebtedness of  
204 the state, the community college district, or any other political subdivision of the state, and the  
205 principal and interest on any certificates shall be payable only from the sources provided in  
206 subdivision (1) of subsection 4 of this section which are pledged in the agreement.

207 13. Pursuant to section 23.253 of the Missouri sunset act:

208 (1) The program authorized under sections 620.800 to 620.809 shall be reauthorized as  
209 of August 28, 2018, and shall expire on August 28, 2030; and

210 (2) If such program is reauthorized, the program authorized under sections 620.800 to  
211 620.809 shall automatically sunset twelve years after the effective date of the reauthorization of  
212 sections 620.800 to 620.809; and

213 (3) Sections 620.800 to 620.809 shall terminate on September first of the calendar year  
214 immediately following the calendar year in which a program authorized under sections 620.800  
215 to 620.809 is sunset.

216 **14. Any agreement or obligation entered into by the department that was made**  
217 **under the provisions of sections 620.800 to 620.809 prior to the effective date of this section**  
218 **shall remain in effect according to the provisions of such agreement or obligation.**

620.2005. As used in sections 620.2000 to 620.2020, the following terms mean:

2 (1) "Average wage", the new payroll divided by the number of new jobs, or the payroll  
3 of the retained jobs divided by the number of retained jobs;

4 (2) "Commencement of operations", the starting date for the qualified company's first  
5 new employee, which shall be no later than twelve months from the date of the approval;

6 (3) "County average wage", the average wages in each county as determined by the  
7 department for the most recently completed full calendar year. However, if the computed county  
8 average wage is above the statewide average wage, the statewide average wage shall be deemed  
9 the county average wage for such county for the purpose of determining eligibility. The  
10 department shall publish the county average wage for each county at least annually.  
11 Notwithstanding the provisions of this subdivision to the contrary, for any qualified company  
12 that in conjunction with their project is relocating employees from a Missouri county with a  
13 higher county average wage, the company shall obtain the endorsement of the governing body  
14 of the community from which jobs are being relocated or the county average wage for their  
15 project shall be the county average wage for the county from which the employees are being  
16 relocated;

17 (4) "Department", the Missouri department of economic development;

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

19 (6) "Employee", a person employed by a qualified company, excluding:

20 (a) Owners of the qualified company unless the qualified company is participating in an  
21 employee stock ownership plan; or

22 (b) Owners of a noncontrolling interest in stock of a qualified company that is publicly  
23 traded;



24 (7) "Existing Missouri business", a qualified company that, for the ten-year period  
25 preceding submission of a notice of intent to the department, had a physical location in Missouri  
26 and full-time employees who routinely perform job duties within Missouri;

27 (8) "Full-time employee", an employee of the qualified company that is scheduled to  
28 work an average of at least thirty-five hours per week for a twelve-month period, and one for  
29 which the qualified company offers health insurance and pays at least fifty percent of such  
30 insurance premiums. An employee that spends less than fifty percent of the employee's work  
31 time at the facility shall be considered to be located at a facility if the employee receives his or  
32 her directions and control from that facility, is on the facility's payroll, one hundred percent of  
33 the employee's income from such employment is Missouri income, and the employee is paid at  
34 or above the applicable percentage of the county average wage;

35 (9) **"Infrastructure projects", highways, roads, streets, bridges, sewers, traffic**  
36 **control systems and devices, water distribution and supply systems, curbing, sidewalks,**  
37 **storm water and drainage systems, broadband internet infrastructure, and any other**  
38 **similar public improvements, but in no case shall infrastructure projects include private**  
39 **structures;**

40 (10) "Local incentives", the present value of the dollar amount of direct benefit received  
41 by a qualified company for a project facility from one or more local political subdivisions, but  
42 this term shall not include loans or other funds provided to the qualified company that shall be  
43 repaid by the qualified company to the political subdivision;

44 [~~(10)~~] (11) "NAICS" or "NAICS industry classification", the classification provided by  
45 the most recent edition of the North American Industry Classification System as prepared by the  
46 Executive Office of the President, Office of Management and Budget;

47 [~~(11)~~] (12) "New capital investment", shall include costs incurred by the qualified  
48 company at the project facility after acceptance by the qualified company of the proposal for  
49 benefits from the department or the approval notice of intent, whichever occurs first, for real or  
50 personal property, and may include the value of finance or capital leases for real or personal  
51 property for the term of such lease at the project facility executed after acceptance by the  
52 qualified company of the proposal for benefits from the department or the approval of the notice  
53 of intent;

54 [~~(12)~~] (13) "New direct local revenue", the present value of the dollar amount of direct  
55 net new tax revenues of the local political subdivisions likely to be produced by the project over  
56 a ten-year period as calculated by the department, excluding local earnings tax, and net new  
57 utility revenues, provided the local incentives include a discount or other direct incentives from  
58 utilities owned or operated by the political subdivision;

59           ~~[(13)]~~ **(14)** "New job", the number of full-time employees located at the project facility  
60 that exceeds the project facility base employment less any decrease in the number of full-time  
61 employees at related facilities below the related facility base employment. No job that was  
62 created prior to the date of the notice of intent shall be deemed a new job;

63           ~~[(14)]~~ **(15)** "New payroll", the amount of wages paid for all new jobs, located at the  
64 project facility during the qualified company's tax year that exceeds the project facility base  
65 payroll;

66           ~~[(15)]~~ **(16)** "Notice of intent", a form developed by the department and available online,  
67 completed by the qualified company, and submitted to the department stating the qualified  
68 company's intent to request benefits under this program;

69           ~~[(16)]~~ **(17)** "Percent of local incentives", the amount of local incentives divided by the  
70 amount of new direct local revenue;

71           ~~[(17)]~~ **(18)** "Program", the Missouri works program established in sections 620.2000 to  
72 620.2020;

73           ~~[(18)]~~ **(19)** "Project facility", the building or buildings used by a qualified company at  
74 which new or retained jobs and any new capital investment are or will be located. A project  
75 facility may include separate buildings located within sixty miles of each other such that their  
76 purpose and operations are interrelated; provided that where the buildings making up the project  
77 facility are not located within the same county, the average wage of the new payroll shall exceed  
78 the applicable percentage of the highest county average wage among the counties in which the  
79 buildings are located. Upon approval by the department, a subsequent project facility may be  
80 designated if the qualified company demonstrates a need to relocate to the subsequent project  
81 facility at any time during the project period;

82           ~~[(19)]~~ **(20)** "Project facility base employment", the greater of the number of full-time  
83 employees located at the project facility on the date of the notice of intent or, for the  
84 twelve-month period prior to the date of the notice of intent, the average number of full-time  
85 employees located at the project facility. In the event the project facility has not been in  
86 operation for a full twelve-month period, the average number of full-time employees for the  
87 number of months the project facility has been in operation prior to the date of the notice of  
88 intent;

89           ~~[(20)]~~ **(21)** "Project facility base payroll", the annualized payroll for the project facility  
90 base employment or the total amount of wages paid by the qualified company to full-time  
91 employees of the qualified company located at the project facility in the twelve months prior to  
92 the notice of intent. For purposes of calculating the benefits under this program, the amount of  
93 base payroll shall increase each year based on an appropriate measure, as determined by the  
94 department;

95            [~~(21)~~] **(22)** "Project period", the time period within which benefits are awarded to a  
96 qualified company or within which the qualified company is obligated to perform under an  
97 agreement with the department, whichever is greater;

98            [~~(22)~~] **(23)** "Projected net fiscal benefit", the total fiscal benefit to the state less any state  
99 benefits offered to the qualified company, as determined by the department;

100            [~~(23)~~] **(24)** "Qualified company", a firm, partnership, joint venture, association, private  
101 or public corporation whether organized for profit or not, or headquarters of such entity  
102 registered to do business in Missouri that is the owner or operator of a project facility, certifies  
103 that it offers health insurance to all full-time employees of all facilities located in this state, and  
104 certifies that it pays at least fifty percent of such insurance premiums. For the purposes of  
105 sections 620.2000 to 620.2020, the term "qualified company" shall not include:

106            (a) Gambling establishments (NAICS industry group 7132);

107            (b) Store front consumer-based retail trade establishments (under NAICS sectors 44 and  
108 45), except with respect to any company headquartered in this state with a majority of its  
109 full-time employees engaged in operations not within the NAICS codes specified in this  
110 subdivision;

111            (c) Food and drinking places (NAICS subsector 722);

112            (d) Public utilities (NAICS 221 including water and sewer services);

113            (e) Any company that is delinquent in the payment of any nonprotested taxes or any  
114 other amounts due the state or federal government or any other political subdivision of this state;

115            (f) Any company requesting benefits for retained jobs that has filed for or has publicly  
116 announced its intention to file for bankruptcy protection. However, a company that has filed for  
117 or has publicly announced its intention to file for bankruptcy may be a qualified company  
118 provided that such company:

119            a. Certifies to the department that it plans to reorganize and not to liquidate; and

120            b. After its bankruptcy petition has been filed, it produces proof, in a form and at times  
121 satisfactory to the department, that it is not delinquent in filing any tax returns or making any  
122 payment due to the state of Missouri, including but not limited to all tax payments due after the  
123 filing of the bankruptcy petition and under the terms of the plan of reorganization. Any taxpayer  
124 who is awarded benefits under this subsection and who files for bankruptcy under Chapter 7 of  
125 the United States Bankruptcy Code, Title 11 U.S.C., shall immediately notify the department and  
126 shall forfeit such benefits and shall repay the state an amount equal to any state tax credits  
127 already redeemed and any withholding taxes already retained;

128            (g) Educational services (NAICS sector 61);

129            (h) Religious organizations (NAICS industry group 8131);

130            (i) Public administration (NAICS sector 92);

- 131 (j) Ethanol distillation or production;  
132 (k) Biodiesel production; or  
133 (l) Health care and social services (NAICS sector 62).

134

135 Notwithstanding any provision of this section to the contrary, the headquarters, administrative  
136 offices, or research and development facilities of an otherwise excluded business may qualify  
137 for benefits if the offices or facilities serve a multistate territory. In the event a national, state,  
138 or regional headquarters operation is not the predominant activity of a project facility, the jobs  
139 and investment of such operation shall be considered eligible for benefits under this section if  
140 the other requirements are satisfied;

141 ~~[(24)]~~ **(25)** "Related company", shall mean:

142 (a) A corporation, partnership, trust, or association controlled by the qualified company;

143 (b) An individual, corporation, partnership, trust, or association in control of the  
144 qualified company; or

145 (c) Corporations, partnerships, trusts or associations controlled by an individual,  
146 corporation, partnership, trust, or association in control of the qualified company. As used in this  
147 paragraph, "control of a qualified company" shall mean:

148 a. Ownership, directly or indirectly, of stock possessing at least fifty percent of the total  
149 combined voting power of all classes of stock entitled to vote in the case of a qualified company  
150 that is a corporation;

151 b. Ownership of at least fifty percent of the capital or profits interest in such qualified  
152 company if it is a partnership or association;

153 c. Ownership, directly or indirectly, of at least fifty percent of the beneficial interest in  
154 the principal or income of such qualified company if it is a trust, and ownership shall be  
155 determined as provided in Section 318 of the Internal Revenue Code of 1986, as amended;

156 ~~[(25)]~~ **(26)** "Related facility", a facility operated by the qualified company or a related  
157 company located in this state that is directly related to the operations of the project facility or in  
158 which operations substantially similar to the operations of the project facility are performed;

159 ~~[(26)]~~ **(27)** "Related facility base employment", the greater of the number of full-time  
160 employees located at all related facilities on the date of the notice of intent or, for the  
161 twelve-month period prior to the date of the notice of intent, the average number of full-time  
162 employees located at all related facilities of the qualified company or a related company located  
163 in this state;

164 ~~[(27)]~~ **(28)** "Related facility base payroll", the annualized payroll of the related facility  
165 base payroll or the total amount of taxable wages paid by the qualified company to full-time  
166 employees of the qualified company located at a related facility in the twelve months prior to the

167 filing of the notice of intent. For purposes of calculating the benefits under this program, the  
168 amount of related facility base payroll shall increase each year based on an appropriate measure,  
169 as determined by the department;

170 ~~[(28)]~~ **(29)** "Rural area", a county in Missouri with a population less than seventy-five  
171 thousand or that does not contain an individual city with a population greater than fifty thousand  
172 according to the most recent federal decennial census;

173 ~~[(29)]~~ **(30)** "Tax credits", tax credits issued by the department to offset the state taxes  
174 imposed by chapters 143 and 148, or which may be sold or refunded as provided for in this  
175 program;

176 ~~[(30)]~~ **(31)** "Withholding tax", the state tax imposed by sections 143.191 to 143.265. For  
177 purposes of this program, the withholding tax shall be computed using a schedule as determined  
178 by the department based on average wages; and

179 ~~[(31)]~~ **(32)** This section is subject to the provisions of section 196.1127.

620.2010. 1. In exchange for the consideration provided by the new tax revenues and  
2 other economic stimuli that will be generated by the new jobs created, a qualified company may,  
3 for a period of five years from the date the new jobs are created, or for a period of six years from  
4 the date the new jobs are created if the qualified company is an existing Missouri business, retain  
5 an amount equal to the withholding tax as calculated under subdivision (30) of section 620.2005  
6 from the new jobs that would otherwise be withheld and remitted by the qualified company  
7 under the provisions of sections 143.191 to 143.265 if:

8 (1) The qualified company creates ten or more new jobs, and the average wage of the  
9 new payroll equals or exceeds ninety percent of the county average wage;

10 (2) The qualified company creates two or more new jobs at a project facility located in  
11 a rural area, the average wage of the new payroll equals or exceeds ninety percent of the county  
12 average wage, and the qualified company commits to making at least one hundred thousand  
13 dollars of new capital investment at the project facility within two years; or

14 (3) The qualified company creates two or more new jobs at a project facility located  
15 within a zone designated under sections 135.950 to 135.963, the average wage of the new payroll  
16 equals or exceeds eighty percent of the county average wage, and the qualified company commits  
17 to making at least one hundred thousand dollars in new capital investment at the project facility  
18 within two years of approval.

19 2. In addition to any benefits available under subsection 1 of this section, the department  
20 may award a qualified company that satisfies subdivision (1) of subsection 1 of this section  
21 additional tax credits, issued each year for a period of five years from the date the new jobs are  
22 created, or for a period of six years from the date the new jobs are created if the qualified  
23 company is an existing Missouri business, in an amount equal to or less than six percent of new

24 payroll; provided that in no event may the total amount of benefits awarded to a qualified  
25 company under this section exceed nine percent of new payroll in any calendar year. The amount  
26 of tax credits awarded to a qualified company under this subsection shall not exceed the  
27 projected net fiscal benefit to the state, as determined by the department, and shall not exceed  
28 the least amount necessary to obtain the qualified company's commitment to initiate the project.  
29 In determining the amount of tax credits to award to a qualified company under this subsection,  
30 the department shall consider the following factors:

- 31 (1) The significance of the qualified company's need for program benefits;
- 32 (2) The amount of projected net fiscal benefit to the state of the project and the period  
33 in which the state would realize such net fiscal benefit;
- 34 (3) The overall size and quality of the proposed project, including the number of new  
35 jobs, new capital investment, proposed wages, growth potential of the qualified company, the  
36 potential multiplier effect of the project, and similar factors;
- 37 (4) The financial stability and creditworthiness of the qualified company;
- 38 (5) The level of economic distress in the area;
- 39 (6) An evaluation of the competitiveness of alternative locations for the project facility,  
40 as applicable; and
- 41 (7) The percent of local incentives committed.

42 3. Upon approval of a notice of intent to receive tax credits under [~~subsections 2 and 5~~]  
43 **subsection 2, 5, or 6** of this section, the department and the qualified company shall enter into  
44 a written agreement covering the applicable project period. The agreement shall specify, at a  
45 minimum:

- 46 (1) The committed number of new jobs, new payroll, and new capital investment for  
47 each year during the project period;
- 48 (2) The date or time period during which the tax credits shall be issued, which may be  
49 immediately or over a period not to exceed two years from the date of approval of the notice of  
50 intent;
- 51 (3) Clawback provisions, as may be required by the department; [~~and~~]
- 52 (4) **Financial guarantee provisions as may be required by the department, provided**  
53 **that financial guarantee provisions shall be required by the department for tax credits**  
54 **awarded under subsection 6 of this section; and**
- 55 (5) Any other provisions the department may require.

56 4. In lieu of the benefits available under sections 1 and 2 of this section, and in exchange  
57 for the consideration provided by the new tax revenues and other economic stimuli that will be  
58 generated by the new jobs created by the program, a qualified company may, for a period of five  
59 years from the date the new jobs are created, or for a period of six years from the date the new

60 jobs are created if the qualified company is an existing Missouri business, retain an amount equal  
61 to the withholding tax as calculated under subdivision (30) of section 620.2005 from the new  
62 jobs that would otherwise be withheld and remitted by the qualified company under the  
63 provisions of sections 143.191 to 143.265 equal to:

64 (1) Six percent of new payroll for a period of five years from the date the required  
65 number of new jobs were created if the qualified company creates one hundred or more new jobs  
66 and the average wage of the new payroll equals or exceeds one hundred twenty percent of the  
67 county average wage of the county in which the project facility is located; or

68 (2) Seven percent of new payroll for a period of five years from the date the required  
69 number of jobs were created if the qualified company creates one hundred or more new jobs and  
70 the average wage of the new payroll equals or exceeds one hundred forty percent of the county  
71 average wage of the county in which the project facility is located.

72

73 The department shall issue a refundable tax credit for any difference between the amount of  
74 benefit allowed under this subsection and the amount of withholding tax retained by the  
75 company, in the event the withholding tax is not sufficient to provide the entire amount of benefit  
76 due to the qualified company under this subsection.

77 5. In addition to the benefits available under subsection 4 of this section, the department  
78 may award a qualified company that satisfies the provisions of subsection 4 of this section  
79 additional tax credits, issued each year for a period of five years from the date the new jobs are  
80 created, or for a period of six years from the date the new jobs are created if the qualified  
81 company is an existing Missouri business, in an amount equal to or less than three percent of  
82 new payroll; provided that in no event may the total amount of benefits awarded to a qualified  
83 company under this section exceed nine percent of new payroll in any calendar year. The amount  
84 of tax credits awarded to a qualified company under this subsection shall not exceed the  
85 projected net fiscal benefit to the state, as determined by the department, and shall not exceed  
86 the least amount necessary to obtain the qualified company's commitment to initiate the project.  
87 In determining the amount of tax credits to award to a qualified company under this subsection,  
88 the department shall consider the factors provided under subsection 2 of this section.

89 **6. In lieu of the benefits available under subsections 1, 2, 4, and 5 of this section,**  
90 **and in exchange for the consideration provided by the new tax revenues and other**  
91 **economic stimuli that will be generated by the new jobs and new capital investment created**  
92 **by the program, the department may award a qualified company that satisfies the**  
93 **provisions of subdivision (1) of subsection 1 of this section tax credits, issued within one**  
94 **year following the qualified company's acceptance of the department's proposal for**  
95 **benefits, in an amount equal to or less than nine percent of new payroll. The amount of**

96 **tax credits awarded to a qualified company under this subsection shall not exceed the**  
97 **projected net fiscal benefit to the state, as determined by the department, and shall not**  
98 **exceed the least amount necessary to obtain the qualified company's commitment to initiate**  
99 **the project. In determining the amount of tax credits to award to a qualified company**  
100 **under this subsection, the department shall consider the factors provided under subsection**  
101 **2 of this section and the qualified company's commitment to new capital investment and**  
102 **new job creation within the state for a period of not less than ten years. For the purposes**  
103 **of this subsection, each qualified company shall have an average wage of the new payroll**  
104 **that equals or exceeds one hundred percent of the county average wage.**

105         7. No benefits shall be available under this section for any qualified company that has  
106 performed significant, project-specific site work at the project facility, purchased machinery or  
107 equipment related to the project, or has publicly announced its intention to make new capital  
108 investment at the project facility prior to receipt of a proposal for benefits under this section or  
109 approval of its notice of intent, whichever occurs first.

620.2020. 1. The department shall respond to a written request, by or on behalf of a  
2 qualified company, for a proposed benefit award under the provisions of this program within five  
3 business days of receipt of such request. Such response shall contain either a proposal of  
4 benefits for the qualified company, or a written response refusing to provide such a proposal and  
5 stating the reasons for such refusal. A qualified company that intends to seek benefits under the  
6 program shall submit to the department a notice of intent. The department shall respond within  
7 thirty days to a notice of intent with an approval or a rejection, provided that the department may  
8 withhold approval or provide a contingent approval until it is satisfied that proper documentation  
9 of eligibility has been provided. Failure to respond on behalf of the department shall result in  
10 the notice of intent being deemed approved. A qualified company receiving approval for  
11 program benefits may receive additional benefits for subsequent new jobs at the same facility  
12 after the full initial project period if the applicable minimum job requirements are met. There  
13 shall be no limit on the number of project periods a qualified company may participate in the  
14 program, and a qualified company may elect to file a notice of intent to begin a new project  
15 period concurrent with an existing project period if the applicable minimum job requirements  
16 are achieved, the qualified company provides the department with the required annual reporting,  
17 and the qualified company is in compliance with this program and any other state programs in  
18 which the qualified company is currently or has previously participated. However, the qualified  
19 company shall not receive any further program benefits under the original approval for any new  
20 jobs created after the date of the new notice of intent, and any jobs created before the new notice  
21 of intent shall not be included as new jobs for purposes of the benefit calculation for the new  
22 approval. When a qualified company has filed and received approval of a notice of intent and



23 subsequently files another notice of intent, the department shall apply the definition of project  
24 facility under subdivision (19) of section 620.2005 to the new notice of intent as well as all  
25 previously approved notices of intent and shall determine the application of the definitions of  
26 new job, new payroll, project facility base employment, and project facility base payroll  
27 accordingly.

28         2. Notwithstanding any provision of law to the contrary, the benefits available to the  
29 qualified company under any other state programs for which the company is eligible and which  
30 utilize withholding tax from the new or retained jobs of the company shall first be credited to the  
31 other state program before the withholding retention level applicable under this program will  
32 begin to accrue. If any qualified company also participates in a job training program utilizing  
33 withholding tax, the company shall retain no withholding tax under this program, but the  
34 department shall issue a refundable tax credit for the full amount of benefit allowed under this  
35 program. The calendar year annual maximum amount of tax credits which may be issued to a  
36 qualifying company that also participates in a job training program shall be increased by an  
37 amount equivalent to the withholding tax retained by that company under a jobs training  
38 program.

39         3. A qualified company receiving benefits under this program shall provide an annual  
40 report of the number of jobs and such other information as may be required by the department  
41 to document the basis for program benefits available no later than ninety days prior to the end  
42 of the qualified company's tax year immediately following the tax year for which the benefits  
43 provided under the program are attributed. In such annual report, if the average wage is below  
44 the applicable percentage of the county average wage, the qualified company has not maintained  
45 the employee insurance as required, or if the number of jobs is below the number required, the  
46 qualified company shall not receive tax credits or retain the withholding tax for the balance of  
47 the project period. Failure to timely file the annual report required under this section shall result  
48 in the forfeiture of tax credits attributable to the year for which the reporting was required and  
49 a recapture of withholding taxes retained by the qualified company during such year.

50         4. The department may withhold the approval of any benefits under this program until  
51 it is satisfied that proper documentation has been provided, and shall reduce the benefits to  
52 reflect any reduction in full-time employees or payroll. Upon approval by the department, the  
53 qualified company may begin the retention of the withholding taxes when it reaches the required  
54 number of jobs and the average wage meets or exceeds the applicable percentage of county  
55 average wage. Tax credits, if any, may be issued upon satisfaction by the department that the  
56 qualified company has exceeded the applicable percentage of county average wage and the  
57 required number of jobs; **provided that, tax credits awarded under subsection 6 of section**  
58 **620.2010 may be issued following the qualified company's acceptance of the department's**

59 **proposal and pursuant to the requirements set forth in the written agreement between the**  
60 **department and the qualified company under subsection 3 of section 620.2010.**

61 5. Any qualified company approved for benefits under this program shall provide to the  
62 department, upon request, any and all information and records reasonably required to monitor  
63 compliance with program requirements. This program shall be considered a business recruitment  
64 tax credit under subdivision (4) of subsection 2 of section 135.800, and any qualified company  
65 approved for benefits under this program shall be subject to the provisions of sections 135.800  
66 to 135.830.

67 6. Any taxpayer who is awarded benefits under this program who knowingly hires  
68 individuals who are not allowed to work legally in the United States shall immediately forfeit  
69 such benefits and shall repay the state an amount equal to any state tax credits already redeemed  
70 and any withholding taxes already retained.

71 7. **(1)** The maximum amount of tax credits that may be authorized under this program  
72 for any fiscal year shall be limited as follows, less the amount of any tax credits previously  
73 obligated for that fiscal year under any of the tax credit programs referenced in subsection ~~[13]~~  
74 **14** of this section:

75 ~~[(1)]~~ **(a)** For the fiscal year beginning on July 1, 2013, but ending on or before June 30,  
76 2014, no more than one hundred six million dollars in tax credits may be authorized;

77 ~~[(2)]~~ **(b)** For the fiscal year beginning on July 1, 2014, but ending on or before June 30,  
78 2015, no more than one hundred eleven million dollars in tax credits may be authorized; ~~and~~

79 ~~[(3)]~~ **(c)** For ~~any~~ **the** fiscal year beginning on or after July 1, 2015, **but ending on or**  
80 **before June 30, 2020**, no more than one hundred sixteen million dollars in tax credits may be  
81 authorized for each fiscal year; **and**

82 **(d) For all fiscal years beginning on or after July 1, 2020, no more than one**  
83 **hundred six million dollars in tax credits may be authorized for each fiscal year. The**  
84 **provisions of this paragraph shall not apply to tax credits issued to qualified companies**  
85 **under a notice of intent filed prior to July 1, 2020.**

86 **(2) For all fiscal years beginning on or after July 1, 2020, in addition to the amount**  
87 **of tax credits that may be authorized under paragraph (d) of subdivision (1) of this**  
88 **subsection, an additional ten million dollars in tax credits may be authorized for each fiscal**  
89 **year, provided that such tax credits shall only be authorized for the purpose of the**  
90 **completion of infrastructure projects directly connected with the creation or retention of**  
91 **jobs under the provisions of sections 620.2000 to 620.2020.**

92 8. **For all fiscal years beginning on or after July 1, 2020, the maximum total amount**  
93 **of withholding tax that may be authorized for retention under the provisions of sections**  
94 **620.2000 to 620.2020 by qualified companies with a project facility base employment of at**

95 **least fifty shall not exceed seventy-five million dollars for each fiscal year. The provisions**  
96 **of this subsection shall not apply to withholding tax authorized for retention by qualified**  
97 **companies with a project facility base employment of less than fifty.**

98 **9.** For tax credits for the creation of new jobs under section 620.2010, the department  
99 shall allocate the annual tax credits based on the date of the approval, reserving such tax credits  
100 based on the department's best estimate of new jobs and new payroll of the project, and any other  
101 applicable factors in determining the amount of benefits available to the qualified company under  
102 this program; **provided that, the department may reserve up to twenty-one and one-half**  
103 **percent of the maximum annual amount of tax credits that may be authorized under**  
104 **subsection 7 of this section for award under subsection 6 of section 620.2010.** However, the  
105 annual issuance of tax credits shall be subject to annual verification of actual payroll by the  
106 department. Any authorization of tax credits shall expire if, within two years from the date of  
107 commencement of operations, or approval if applicable, the qualified company has failed to meet  
108 the applicable minimum job requirements. The qualified company may retain authorized  
109 amounts from the withholding tax under the project once the applicable minimum job  
110 requirements have been met for the duration of the project period. No benefits shall be provided  
111 under this program until the qualified company meets the applicable minimum new job  
112 requirements **or, for benefits awarded under subsection 6 of section 620.2010, until the**  
113 **qualified company has satisfied the requirements set forth in the written agreement**  
114 **between the department and the qualified company under subsection 3 of section 620.2010.**  
115 In the event the qualified company does not meet the applicable minimum new job requirements,  
116 the qualified company may submit a new notice of intent or the department may provide a new  
117 approval for a new project of the qualified company at the project facility or other facilities.

118 ~~[9-]~~ **10.** Tax credits provided under this program may be claimed against taxes otherwise  
119 imposed by chapters 143 and 148, and may not be carried forward, but shall be claimed within  
120 one year of the close of the taxable year for which they were issued. Tax credits provided under  
121 this program may be transferred, sold, or assigned by filing a notarized endorsement thereof with  
122 the department that names the transferee, the amount of tax credit transferred, and the value  
123 received for the credit, as well as any other information reasonably requested by the department.  
124 For a qualified company with flow-through tax treatment to its members, partners, or  
125 shareholders, the tax credit shall be allowed to members, partners, or shareholders in proportion  
126 to their share of ownership on the last day of the qualified company's tax period.

127 ~~[10-]~~ **11.** Prior to the issuance of tax credits or the qualified company beginning to retain  
128 withholding taxes, the department shall verify through the department of revenue and any other  
129 applicable state department that the tax credit applicant does not owe any delinquent income,  
130 sales, or use tax or interest or penalties on such taxes, or any delinquent fees or assessments

131 levied by any state department and through the department of insurance, financial institutions and  
132 professional registration that the applicant does not owe any delinquent insurance taxes or other  
133 fees. Such delinquency shall not affect the approval, except that any tax credits issued shall be  
134 first applied to the delinquency and any amount issued shall be reduced by the applicant's tax  
135 delinquency. If the department of revenue, the department of insurance, financial institutions and  
136 professional registration, or any other state department concludes that a taxpayer is delinquent  
137 after June fifteenth but before July first of any year and the application of tax credits to such  
138 delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer shall be  
139 granted thirty days to satisfy the deficiency in which interest, penalties, and additions to tax shall  
140 be tolled. After applying all available credits toward a tax delinquency, the administering agency  
141 shall notify the appropriate department and that department shall update the amount of  
142 outstanding delinquent tax owed by the applicant. If any credits remain after satisfying all  
143 insurance, income, sales, and use tax delinquencies, the remaining credits shall be issued to the  
144 applicant, subject to the restrictions of other provisions of law.

145 ~~[11.]~~ **12.** The director of revenue shall issue a refund to the qualified company to the  
146 extent that the amount of tax credits allowed under this program exceeds the amount of the  
147 qualified company's tax liability under chapter 143 or 148.

148 ~~[12.]~~ **13.** An employee of a qualified company shall receive full credit for the amount of  
149 tax withheld as provided in section 143.211.

150 ~~[13.]~~ **14.** Notwithstanding any provision of law to the contrary, beginning August 28,  
151 2013, no new benefits shall be authorized for any project that had not received from the  
152 department a proposal or approval for such benefits prior to August 28, 2013, under the  
153 development tax credit program created under sections 32.100 to 32.125, the rebuilding  
154 communities tax credit program created under section 135.535, the enhanced enterprise zone tax  
155 credit program created under sections 135.950 to 135.973, and the Missouri quality jobs program  
156 created under sections 620.1875 to 620.1890. The provisions of this subsection shall not be  
157 construed to limit or impair the ability of any administering agency to authorize or issue benefits  
158 for any project that had received an approval or a proposal from the department under any of the  
159 programs referenced in this subsection prior to August 28, 2013, or the ability of any taxpayer  
160 to redeem any such tax credits or to retain any withholding tax under an approval issued prior  
161 to that date. The provisions of this subsection shall not be construed to limit or in any way  
162 impair the ability of any governing authority to provide any local abatement or designate a new  
163 zone under the enhanced enterprise zone program created by sections 135.950 to 135.963.  
164 Notwithstanding any provision of law to the contrary, no qualified company that is awarded  
165 benefits under this program shall:

166 (1) Simultaneously receive benefits under the programs referenced in this subsection at  
167 the same capital investment; or

168 (2) Receive benefits under the provisions of section 620.1910 for the same jobs.

169 ~~[14.]~~ **15.** If any provision of sections 620.2000 to 620.2020 or application thereof to any  
170 person or circumstance is held invalid, the invalidity shall not affect other provisions or  
171 application of these sections which can be given effect without the invalid provisions or  
172 application, and to this end, the provisions of sections 620.2000 to 620.2020 are hereby declared  
173 severable.

174 ~~[15.]~~ **16.** By no later than January 1, 2014, and the first day of each calendar quarter  
175 thereafter, the department shall present a quarterly report to the general assembly detailing the  
176 benefits authorized under this program during the immediately preceding calendar quarter to the  
177 extent such information may be disclosed under state and federal law. The report shall include,  
178 at a minimum:

179 (1) A list of all approved and disapproved applicants for each tax credit;

180 (2) A list of the aggregate amount of new or retained jobs that are directly attributable  
181 to the tax credits authorized;

182 (3) A statement of the aggregate amount of new capital investment directly attributable  
183 to the tax credits authorized;

184 (4) Documentation of the estimated net state fiscal benefit for each authorized project  
185 and, to the extent available, the actual benefit realized upon completion of such project or  
186 activity; and

187 (5) The department's response time for each request for a proposed benefit award under  
188 this program.

189 ~~[16.]~~ **17.** The department may adopt such rules, statements of policy, procedures, forms,  
190 and guidelines as may be necessary to carry out the provisions of sections 620.2000 to 620.2020.  
191 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the  
192 authority delegated in this section shall become effective only if it complies with and is subject  
193 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and  
194 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant  
195 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
196 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed  
197 or adopted after August 28, 2013, shall be invalid and void.

198 ~~[17.]~~ **18.** Under section 23.253 of the Missouri sunset act:

199 (1) The provisions of the program authorized under sections 620.2000 to 620.2020 shall  
200 be reauthorized as of August 28, 2018, and shall expire on August 28, 2030; and

201 (2) If such program is reauthorized, the program authorized under this section shall  
202 automatically sunset twelve years after the effective date of this reauthorization of sections  
203 620.2000 to 620.2020; and

204 (3) Sections 620.2000 to 620.2020 shall terminate on September first of the calendar  
205 year immediately following the calendar year in which the program authorized under sections  
206 620.2000 to 620.2020 is sunset.

620.2475. 1. As used in this section, the following terms shall mean:

2 (1) "Aerospace project", a project undertaken by or for the benefit of a qualified  
3 company with a North American Industry Classification System industry classification of 3364  
4 involving the creation of at least two thousand new jobs within ten years following the approval  
5 of a notice of intent pursuant to section 620.2020 and for which the department of economic  
6 development has provided a proposal for benefits under job creation, worker training, and  
7 infrastructure development programs on or before June 10, 2014;

8 (2) "Job creation, worker training, and infrastructure development programs", the  
9 Missouri works program established under sections 620.2000 to 620.2020, the Missouri business  
10 use incentives for large-scale development act established under sections 100.700 to 100.850,  
11 the Missouri ~~works~~ **one start** training program established under sections 620.800 to 620.809,  
12 and the real property tax increment allocation redevelopment act established under sections  
13 99.800 to 99.865.

14 2. Provisions of law to the contrary notwithstanding, no benefits authorized under job  
15 creation, worker training, and infrastructure development programs for an aerospace project shall  
16 be considered in determining compliance with applicable limitations on the aggregate amount  
17 of benefits that may be awarded annually or cumulatively under subdivision (3) of subsection  
18 10 of section 99.845, subsection 5 of section 100.850, subsection 8 of section 620.809, and  
19 subsection 7 of section 620.2020. No aerospace project shall be authorized for state benefits  
20 under job creation, worker training, and infrastructure development programs that exceed, in the  
21 aggregate, one hundred fifty million dollars annually under all such programs.

22 3. For any aerospace project receiving state benefits under this section, the department  
23 of economic development shall deliver to the general assembly an annual report providing  
24 detailed information on the state benefits received and projected to be received by the aerospace  
25 project and shall also denote the number of minorities that have been trained under the Missouri  
26 ~~works~~ **one start** training program established under sections 620.800 to 620.809.

27 4. Any aerospace project receiving benefits under this section shall annually report to the  
28 general assembly and the department of economic development its minority and women  
29 employment outreach efforts.

30           5. For aerospace projects receiving benefits under this section, in no event shall  
31 disbursements of new state revenues under sections 99.800 to 99.865 be made to satisfy bond  
32 obligations incurred for improvements that do not directly benefit such project.

33           6. For aerospace projects receiving benefits under this section, in the tenth year following  
34 the approval of a notice of intent under sections 620.2000 to 620.2020, the department of  
35 economic development shall determine the net fiscal benefit to the state resulting from such  
36 project and shall take any action necessary to ensure a positive net fiscal benefit to the state by  
37 no later than the last year in which the aerospace project receives benefits under this section.

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