

SECOND REGULAR SESSION  
SENATE COMMITTEE SUBSTITUTE FOR  
HOUSE SUBSTITUTE FOR

# HOUSE BILL NO. 1409

## 92ND GENERAL ASSEMBLY

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Reported from the Committee on Economic Development, Tourism and Local Government, May 5, 2004, with recommendation that the Senate Committee Substitute do pass.

4335S.12C

TERRY L. SPIELER, Secretary.

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### AN ACT

To repeal sections 30.750, 30.753, 30.756, 30.758, 30.760, 30.765, 32.105, 32.110, 67.1401, 67.1461, 67.1545, 71.620, 100.255, 100.260, 100.263, 100.270, 100.275, 100.281, 100.286, 100.710, 135.207, 135.215, 135.530, 163.036, 620.472, 620.474, 620.1039, 620.1400, 620.1410, 620.1420, 620.1430, 620.1440, 620.1450, 620.1460, and 620.1560, RSMo, and section 100.850 as enacted by conference committee substitute for senate substitute for senate committee substitute for house committee substitute for house bill no. 289, ninety-second general assembly, first regular session, and section 100.850 as enacted by senate committee substitute for senate bill no. 620, ninety-second general assembly, first regular session, and to enact in lieu thereof fifty-four new sections relating to economic development projects, with penalty provisions.

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

Section A. Sections 30.750, 30.753, 30.756, 30.758, 30.760, 30.765, 32.105, 32.110, 67.1401, 67.1461, 67.1545, 71.620, 100.255, 100.260, 100.263, 100.270, 100.275, 100.281, 100.286, 100.710, 135.207, 135.215, 135.530, 163.036, 620.472, 620.474, 620.1039, 620.1400, 620.1410, 620.1420, 620.1430, 620.1440, 620.1450, 620.1460, and 620.1560, RSMo, and section 100.850 as enacted by conference committee substitute for senate substitute for senate committee substitute for house committee substitute for house bill no. 289, ninety-second general assembly, first regular session, and section 100.850 as enacted by senate committee substitute for senate bill no. 620, ninety-second general assembly, first regular session, are repealed and fifty-four new sections enacted in lieu thereof, to be known as sections 30.750, 30.753, 30.756, 30.758, 30.760, 30.765, 32.105, 32.110, 67.265, 67.1303, 67.1401, 67.1461, 67.1545, 71.620, 94.578, 100.255, 100.260,

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

12 100.263, 100.270, 100.275, 100.277, 100.281, 100.286, 100.293, 100.710, 100.850, 135.155,  
13 135.207, 135.212, 135.215, 135.262, 135.286, 135.288, 135.530, 135.610, 135.1050,  
14 135.1055, 135.1057, 135.1060, 135.1065, 135.1070, 135.1075, 163.036, 178.980, 178.981,  
15 178.982, 178.983, 178.984, 178.985, 190.304, 620.472, 620.474, 620.484, and 620.1039,  
16 to read as follows:

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

2 (1) "Eligible agribusiness", a person, employing ten or more persons engaged in  
3 the processing or adding of value to agricultural products produced in Missouri;

4 (2) "Eligible beginning farmer",

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

7 a. Is a Missouri resident;

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

9 c. Is at least eighteen years old;

10 d. In the preceding five years has not owned, either directly or indirectly, farm  
11 land greater than thirty percent of the median size farm in the county where the  
12 proposed farm operation is located, or farm land with an appraised value greater than  
13 one hundred twenty-five thousand dollars; and

14 e. Has not been the sole farmer of land for more than ten years prior to the date  
15 of application of the proposed farm operation.

16 A farmer who qualifies as an eligible farmer under this provision may utilize the  
17 proceeds of a linked deposit loan to purchase agricultural land, farm buildings, new and  
18 used farm equipment, livestock and working capital;

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

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

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

26 (3) "Eligible farming operation", any person engaged in farming in an authorized  
27 farm corporation, family farm, or family farm corporation as defined in section 350.010,  
28 RSMo, that has all of the following characteristics:

29 (a) Is headquartered in this state;

30 (b) Maintains offices, operating facilities, or farming operations and transacts  
31 business in this state;

32 (c) Employs less than ten employees;

33 (d) Is organized for profit;

34 (e) Possesses not more than sixty percent equity, where "percent equity" is  
35 defined as total assets minus total liabilities divided by total assets, except that an  
36 otherwise eligible farming operation applying for a loan for the purpose of installing or  
37 improving a waste management practice in order to comply with environmental  
38 protection regulations shall be exempt from this eligibility requirement;

39 (4) "Eligible higher education institution", any approved public or private  
40 institution as defined in section 173.205, RSMo;

41 (5) "Eligible job enhancement business", a new, existing or expanding firm  
42 operating in Missouri which employs ten or more employees on a yearly average and  
43 which, as nearly as possible, is able to establish or retain at least one job in Missouri for  
44 each twenty-five thousand dollars received from a linked deposit loan;

45 (6) "Eligible lending institution", a financial institution that is eligible to make  
46 commercial or agricultural or student loans or discount or purchase such loans, is a  
47 public depository of state funds or obtains its funds through the issuance of obligations,  
48 either directly or through a related entity, eligible for the placement of state funds under  
49 the provisions of section 15, article IV, Constitution of Missouri, and agrees to  
50 participate in the linked deposit program;

51 (7) **"Eligible multi-tenant development enterprises", a new enterprise**  
52 **that develops multi-tenant space for targeted industries as determined by the**  
53 **department of economic development and approved by the department for the**  
54 **purposes of eligibility pursuant to sections 30.750 to 30.765;**

55 (8) "Eligible livestock operation", any person, engaged in production of livestock  
56 or poultry in an authorized farm corporation, family farm, or family farm corporation as  
57 defined in section 350.010, RSMo;

58 [(8)] (9) "Eligible marketing enterprise", a business enterprise operating in this  
59 state which is in the process of marketing its goods, products or services within or  
60 outside of this state or overseas, which marketing is designed to increase manufacturing,  
61 transportation, mining, communications, or other enterprises in this state, which has  
62 proposed its marketing plan and strategy to the department of economic development  
63 and which plan and strategy has been approved by the department for purposes of  
64 eligibility pursuant to sections 30.750 to 30.765. Such business enterprise shall conform  
65 to the characteristics of paragraphs (a), (b) and (d) of subdivision (3) of this section and  
66 also employ less than twenty-five employees;

67 [(9)] (10) "Eligible residential property developer", an individual who purchases

68 and develops a residential structure of either two or four units, if such residential  
69 property developer uses and agrees to continue to use, for at least the five years  
70 immediately following the date of issuance of the linked deposit loan, one of the units as  
71 his principal residence or if such person's principal residence is located within one-half  
72 mile from the developed structure and such person agrees to maintain the principal  
73 residence within one-half mile of the developed structure for at least the five years  
74 immediately following the date of issuance of the linked deposit loan;

75       [(10)] **(11)** "Eligible residential property owner", a person, firm or corporation  
76 who purchases, develops or rehabilitates a multifamily residential structure;

77       [(11)] **(12)** "Eligible small business", a person engaged in an activity with the  
78 purpose of obtaining, directly or indirectly, a gain, benefit or advantage and which  
79 conforms to the characteristics of paragraphs (a), (b) and (d) of subdivision (3) of this  
80 section, and also employs less than twenty-five employees;

81       [(12)] **(13)** "Eligible student borrower", any person attending, or the parent of  
82 a dependent undergraduate attending, an eligible higher education institution in  
83 Missouri who may or may not qualify for need-based student financial aid calculated by  
84 the federal analysis called Congressional Methodology Formula pursuant to 20 U.S.C.  
85 1078, as amended (the Higher Education Amendments of 1986);

86       [(13)] **(14)** "Eligible water supply system", a water system which serves fewer  
87 than fifty thousand persons and which is owned and operated by:

88       (a) A public water supply district established pursuant to chapter 247, RSMo; or

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

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

93       [(14)] **(15)** "Farming", using or cultivating land for the production of agricultural  
94 crops, livestock or livestock products, forest products, poultry or poultry products, milk  
95 or dairy products, or fruit or other horticultural products;

96       [(15)] **(16)** "Linked deposit", a certificate of deposit, or in the case of production  
97 credit associations, the subscription or purchase outright of obligations described in  
98 section 15, article IV, Constitution of Missouri, placed by the state treasurer with an  
99 eligible lending institution at up to three percent below current market rates that are  
100 determined and calculated by the state treasurer, provided the deposit rate is not below  
101 two percent, provided the institution agrees to lend the value of such deposit, according  
102 to the deposit agreement provided in sections 30.750 to 30.765, to eligible small  
103 businesses, farming operations, eligible job enhancement businesses, eligible marketing

104 enterprises, eligible residential property developers, eligible residential property owners,  
105 eligible agribusinesses, eligible beginning farmers, eligible livestock operations, eligible  
106 student borrowers, or eligible water supply systems at below the present borrowing rate  
107 applicable to each small business, farming operation, eligible job enhancement business,  
108 eligible marketing enterprise, eligible residential property developer, eligible residential  
109 property owner, eligible agribusiness, eligible beginning farmer, eligible livestock  
110 operation, eligible student borrower, or supply system at the time of the deposit of state  
111 funds in the institution;

112        [(16)] (17) "Water corporation", as such term is defined in section 386.020,  
113 RSMo;

114        [(17)] (18) "Water system", as such term is defined in section 386.020, RSMo.

30.753. 1. The state treasurer may invest in linked deposits; however, the total  
2 amount so deposited at any one time shall not exceed, in the aggregate, three hundred  
3 [fifty] **sixty** million dollars. No more than one hundred sixty-five million dollars of the  
4 aggregate deposit shall be used for linked deposits to eligible farming operations, eligible  
5 agribusinesses, eligible beginning farmers and eligible livestock operations, no more than  
6 fifty-five million of the aggregate deposit shall be used for linked deposits to small  
7 businesses, **no more than ten million dollars shall be used for linked deposits**  
8 **to eligible multi-tenet development enterprises, and** no more than ten million  
9 dollars of the aggregate deposit shall be used for linked deposits to eligible residential  
10 property developers and eligible residential property owners, no more than one hundred  
11 ten million dollars of the aggregate deposit shall be used for linked deposits to eligible  
12 job enhancement businesses and no more than ten million dollars of the aggregate  
13 deposit shall be used for linked deposit loans to eligible water systems. Linked deposit  
14 loans may be made to eligible student borrowers from the aggregate deposit. If demand  
15 for a particular type of linked deposit exceeds the initial allocation, and funds initially  
16 allocated to another type are available and not in demand, the state treasurer may  
17 commingle allocations among the types of linked deposits. The amount reallocated under  
18 this commingling provision shall not exceed fifty percent of the initial allocation.

19        2. The minimum deposit to be made by the state treasurer to an eligible lending  
20 institution for eligible job enhancement business loans shall be ninety thousand  
21 dollars. Linked deposit loans for eligible job enhancement businesses may be made for  
22 the purposes of assisting with relocation expenses, working capital, interim construction,  
23 inventory, site development, machinery and equipment, or other expenses necessary to  
24 create or retain jobs in the recipient firm.

30.756. 1. An eligible lending institution that desires to receive a linked deposit

2 shall accept and review applications for linked deposit loans from **eligible multi-tenet**  
3 **enterprises**, eligible farming operations, eligible small businesses, eligible job  
4 enhancement businesses, eligible marketing enterprises, eligible agribusinesses, eligible  
5 beginning farmers, eligible livestock operations, eligible residential property developers,  
6 eligible residential property owners, eligible student borrowers and eligible water supply  
7 systems. An eligible residential property owner shall certify on his loan application that  
8 the reduced rate loan will be used exclusively to purchase, develop or rehabilitate a  
9 multifamily residential property. The lending institution shall apply all usual lending  
10 standards to determine the credit worthiness of each **eligible multi-tenet enterprises**,  
11 eligible farming operation, eligible small business, eligible job enhancement business,  
12 eligible marketing enterprise, eligible residential property developer, eligible residential  
13 property owner, eligible agribusiness, eligible beginning farmer, eligible livestock  
14 operation, eligible student borrower or eligible water supply system. No linked deposit  
15 loan made to any eligible farming operation, eligible livestock operation, eligible  
16 agribusiness or eligible small business shall exceed one hundred thousand dollars and  
17 no service of separate loans may be made which exceeds such limit to any single eligible  
18 farming operation, eligible livestock operation, eligible agribusiness or eligible small  
19 business.

20         2. An eligible farming operation, small business or job enhancement business  
21 shall certify on its loan application that the reduced rate loan will be used exclusively  
22 for necessary production expenses or the expenses listed in subsection 2 of section 30.753  
23 or the refinancing of an existing loan for production expenses or the expenses listed in  
24 subsection 2 of section 30.753 of an eligible farming operation, small business or job  
25 enhancement business. Whoever knowingly makes a false statement concerning such  
26 application is guilty of a class A misdemeanor. An eligible water supply system shall  
27 certify on its loan application that the reduced rate loan shall be used exclusively to pay  
28 the costs of upgrading or repairing an existing water system, constructing a new water  
29 system, or making other capital improvements to a water system which are necessary  
30 to improve the service capacity of the system.

31         3. In considering which eligible farming operations should receive reduced rate  
32 loans, the eligible lending institution shall give priority to those farming operations  
33 which have suffered reduced yields due to drought or other natural disasters and for  
34 which the receipt of a reduced rate loan will make a significant contribution to the  
35 continued operation of the recipient farming operation.

36         4. The eligible financial institution shall forward to the state treasurer a linked  
37 deposit loan package, in the form and manner as prescribed by the state treasurer. The

38 package shall include such information as required by the state treasurer, including the  
39 amount of each loan requested. The institution shall certify that each applicant is an  
40 eligible farming operation, eligible small business, eligible job enhancement business,  
41 eligible marketing enterprise, eligible residential property developer, eligible residential  
42 property owner, eligible agribusiness, eligible beginning farmer, eligible livestock  
43 operation, eligible student borrower or eligible water supply system, and shall, for each  
44 eligible farming operation, small business, eligible job enhancement business, eligible  
45 marketing enterprise, eligible residential property developer, eligible residential property  
46 owner, eligible agribusiness, eligible beginning farmer, eligible livestock operation,  
47 eligible student borrower or eligible water supply system, certify the present borrowing  
48 rate applicable.

49         5. The eligible lending institution shall be responsible for determining if a  
50 student borrower is an eligible student borrower. A student borrower shall be eligible  
51 for an initial or renewal reduced rate loan only if, at the time of the application for the  
52 loan, he is a citizen or permanent resident of the United States, a resident of the state  
53 of Missouri as defined by the coordinating board for higher education, is enrolled or has  
54 been accepted for enrollment in an eligible higher education institution, and establishes  
55 that he has financial need. In considering which eligible student borrowers may receive  
56 reduced rate loans, the eligible lending institution may give priority to those eligible  
57 student borrowers whose income, or whose family income, if the eligible student borrower  
58 is a dependent, is such that the eligible student borrower does not qualify for need-based  
59 student financial aid pursuant to 20 U.S.C. 1078, as amended (the Higher Education  
60 Amendments of 1986). The eligible lending institution shall require the eligible student  
61 borrower to document that he has applied for and has obtained all need-based student  
62 financial aid for which he is eligible prior to application for a reduced rate loan pursuant  
63 to this section. In no case shall the combination of all financial aid awarded to any  
64 student in any particular enrollment period exceed the total cost of attendance at the  
65 institution in which the student is enrolled. No eligible lending institution shall charge  
66 any additional fees, including but not limited to an origination, service or insurance fee  
67 on any loan agreement under the provisions of sections 30.750 to 30.765.

68         6. The eligible lending institution making an initial loan to an eligible student  
69 borrower may make a renewal loan or loans to the student. The total of such reduced  
70 rate loans from eligible lending institutions made pursuant to this section to any  
71 individual student shall not exceed the cumulative totals established by 20 U.S.C. 1078,  
72 as amended. An eligible student borrower shall certify on his loan application that the  
73 reduced rate loan shall be used exclusively to pay the costs of tuition, incidental fees,

74 books and academic supplies, room and board and other fees directly related to  
75 enrollment in an eligible higher education institution. The eligible lending institution  
76 shall make the loan payable to the eligible student borrower and the eligible higher  
77 education institution as copayees. The method of repayment of the loan shall be the  
78 same as for repayment of loans made pursuant to sections 173.095 to 173.186, RSMo.

30.758. 1. The state treasurer may accept or reject a linked deposit loan package  
2 or any portion thereof.

3 2. Upon acceptance of the linked deposit loan package or any portion thereof, the  
4 state treasurer may place linked deposits with the eligible lending institution at up to  
5 three percent below current market rates, as determined and calculated by the state  
6 treasurer provided the deposit rate is not below two percent. When necessary, the  
7 treasurer may place linked deposits prior to acceptance of a linked deposit loan package.

8 3. The eligible lending institution shall enter into a deposit agreement with the  
9 state treasurer, which shall include requirements necessary to carry out the purposes  
10 of sections 30.750 to 30.765. Such requirements shall reflect the market conditions  
11 prevailing in the eligible lending institution's lending area. The deposit agreement shall  
12 specify the length of time for which the lending institution will lend funds upon receiving  
13 a linked deposit. The agreement shall also include provisions for the linked deposit of  
14 a linked deposit for an **eligible multi-tenet enterprise**, eligible farming operation,  
15 small business, eligible marketing enterprise, eligible residential property developer,  
16 eligible residential property owner, eligible agribusiness, eligible beginning farmer,  
17 eligible livestock operation, eligible student borrower or job enhancement business to  
18 mature within a period not to exceed one year. The state treasurer may renew such  
19 linked deposit for additional periods of time, each of which shall not exceed one  
20 year. The linked deposit of a linked deposit for an eligible property developer or  
21 residential property owner shall mature within a period not to exceed three years. The  
22 linked deposit of a linked deposit for an eligible water supply system shall mature within  
23 a period not to exceed three years and the state treasurer may renew such a linked  
24 deposit for additional periods of time, each of which shall not exceed three  
25 years. Interest shall be paid at the times determined by the state treasurer.

26 4. The period of time for which such linked deposit is placed with an eligible  
27 lending institution shall be neither longer nor shorter than the period of time for which  
28 the linked deposit is used to provide loans at reduced interest rates. The agreement  
29 shall further provide that the state shall receive market interest rates on any linked  
30 deposit or any portion thereof for any period of time for which there is no corresponding  
31 linked deposit loan outstanding to an **eligible multi-tenet enterprise**, eligible farming



32 operation, eligible small business, eligible job enhancement business, eligible marketing  
33 enterprise, eligible residential property developer, eligible residential property owner,  
34 eligible agribusiness, eligible beginning farmer, eligible livestock operation, eligible  
35 student borrower or eligible water supply system.

30.760. 1. Upon the placement of a linked deposit with an eligible lending  
2 institution, such institution is required to lend such funds to each approved **eligible**  
3 **multi-tenet enterprise**, eligible farm operation, eligible small business, eligible job  
4 enhancement business, eligible marketing enterprise, eligible residential property  
5 developer, eligible residential property owner, eligible agribusiness, eligible beginning  
6 farmer, eligible livestock operation, eligible student borrower or eligible water supply  
7 system listed in the linked deposit loan package required by section 30.756 and in  
8 accordance with the deposit agreement required by section 30.758. The loan shall be at  
9 a fixed rate of interest which is below the present borrowing rate applicable to each  
10 **eligible multi-tenet enterprise**, eligible farming operation, eligible small business,  
11 eligible job enhancement business, eligible marketing enterprise, eligible residential  
12 property developer, eligible residential property owner, eligible agribusiness, eligible  
13 beginning farmer, eligible livestock operation, eligible student borrower or eligible water  
14 supply system as determined pursuant to rules and regulations promulgated by the state  
15 treasurer under the provisions of chapter 536, RSMo, including emergency rules issued  
16 pursuant to section 536.025, RSMo. In addition, the loan agreement shall specify that  
17 the **eligible multi-tenet enterprise**, eligible farming operation, eligible small  
18 business, eligible job enhancement business, eligible marketing enterprise, eligible  
19 residential property developer, eligible residential property owner, eligible agribusiness,  
20 eligible beginning farmer, eligible livestock operation, eligible student borrower or  
21 eligible water supply system shall use the proceeds as required by sections 30.750 to  
22 30.765, and that in the event the loan recipient does not use the proceeds in the manner  
23 prescribed by sections 30.750 to 30.765, the remaining proceeds shall be immediately  
24 returned to the lending institution and that any proceeds used by the loan recipient shall  
25 be repaid to the lending institution as soon as practicable. All records and documents  
26 pertaining to the programs established by sections 30.750 to 30.765 shall be segregated  
27 by the lending institution for ease of identification and examination. A certification of  
28 compliance with this section in the form and manner as prescribed by the state treasurer  
29 shall be required of the eligible lending institution. Any lender or lending officer of an  
30 eligible lending institution who knowingly violates the provisions of sections 30.750 to  
31 30.765 is guilty of a class A misdemeanor.

32 2. The state treasurer shall take any and all steps necessary to implement the

33 linked deposit program and monitor compliance of **eligible multi-tenet enterprises**,  
34 eligible lending institutions, eligible farming operations, eligible small businesses,  
35 eligible job enhancement businesses, eligible marketing enterprises, eligible residential  
36 property developers, eligible residential property owners, eligible agribusinesses, eligible  
37 beginning farmers, eligible livestock operations, eligible student borrowers or eligible  
38 water supply systems. Annually, by the first day of February, the state treasurer shall  
39 report on the linked deposits program for the preceding calendar year to the governor,  
40 the speaker of the house of representatives, and the president pro tem of the  
41 senate. The report shall set forth the linked deposits made by the state treasurer under  
42 the program during the year and shall include information regarding the nature, terms,  
43 and amounts of the loans upon which the linked deposits were based. The report shall  
44 not include the assets, liabilities or percent equity of any recipient **eligible multi-tenet**  
45 **enterprise**, eligible farming operation, eligible small business, eligible job enhancement  
46 business, eligible marketing enterprise, eligible residential property developer, eligible  
47 residential property owner, eligible agribusiness, eligible beginning farmer, eligible  
48 livestock operation, eligible student borrower or eligible water supply system, but shall  
49 include a statement by the state treasurer that the eligible lending institutions have  
50 certified that all recipient **eligible multi-tenet enterprises**, eligible farming  
51 operations, eligible small businesses, eligible job enhancement businesses, eligible  
52 marketing enterprises, eligible residential property developers, eligible residential  
53 property owners, eligible agribusinesses, eligible beginning farmers, eligible livestock  
54 operations, eligible student borrowers or eligible water supply systems meet the criteria  
55 of sections 30.750 to 30.765.

30.765. The state and the state treasurer are not liable to any eligible lending  
2 institution in any manner for payment of the principal or interest on the loan to an  
3 **eligible multi-tenet enterprise**, eligible farm operation, eligible small business,  
4 eligible job enhancement business, eligible marketing enterprise, eligible residential  
5 property developer, eligible residential property owner, eligible agribusiness, eligible  
6 beginning farmer, eligible livestock operation, eligible student borrower or eligible water  
7 supply system. Any delay in payments or default on the part of an **eligible multi-tenet**  
8 **enterprise**, eligible farming operation, eligible small business, eligible job enhancement  
9 business, eligible marketing enterprise, eligible residential property developer, eligible  
10 residential property owner, eligible agribusiness, eligible beginning farmer, eligible  
11 livestock operation, eligible student borrower or eligible water supply system does not  
12 in any manner affect the deposit agreement between the eligible lending institution and  
13 the state treasurer.

32.105. As used in sections 32.100 to 32.125, the following terms mean:

2 (1) "Affordable housing assistance activities", money, real or personal property,  
3 or professional services expended or devoted to the construction, or rehabilitation of  
4 affordable housing units;

5 (2) "Affordable housing unit", a residential unit generally occupied by persons  
6 and families with incomes at or below the levels described in this subdivision and  
7 bearing a cost to the occupant no greater than thirty percent of the maximum eligible  
8 household income for the affordable housing unit. In the case of owner-occupied units,  
9 the cost to the occupant shall be considered the amount of the gross monthly mortgage  
10 payment, including casualty insurance, mortgage insurance, and taxes. In the case of  
11 rental units, the cost to the occupant shall be considered the amount of the gross  
12 rent. The cost to the occupant shall include the cost of any utilities, other than  
13 telephone. If any utilities are paid directly by the occupant, the maximum cost that may  
14 be paid by the occupant is to be reduced by a utility allowance prescribed by the  
15 commission. Persons or families are eligible occupants of affordable housing units if the  
16 household combined, adjusted gross income as defined by the commission is equal to or  
17 less than the following percentages of the median family income for the geographic area  
18 in which the residential unit is located, or the median family income for the state of  
19 Missouri, whichever is larger; ("geographic area" means the metropolitan area or county  
20 designated as an area by the federal Department of Housing and Urban Development  
21 under Section 8 of the United States Housing Act of 1937, as amended, for purposes of  
22 determining fair market rental rates):

23		Percent of State or
24		Geographic Area Family
25	Size of Household	Median Income
26	One Person	35%
27	Two Persons	40%
28	Three Persons	45%
29	Four Persons	50%
30	Five Persons	54%
31	Six Persons	58%
32	Seven Persons	62%
33	Eight Persons	66%

34 (3) "Business firm", person, firm, a partner in a firm, corporation or a  
35 shareholder in an S corporation doing business in the state of Missouri and subject to

36 the state income tax imposed by the provisions of chapter 143, RSMo, or a corporation  
37 subject to the annual corporation franchise tax imposed by the provisions of chapter 147,  
38 RSMo, or an insurance company paying an annual tax on its gross premium receipts in  
39 this state, or other financial institution paying taxes to the state of Missouri or any  
40 political subdivision of this state pursuant to the provisions of chapter 148, RSMo, or an  
41 express company which pays an annual tax on its gross receipts in this state;

42 (4) "Commission", the Missouri housing development commission;

43 (5) "Community services", any type of counseling and advice, emergency  
44 assistance or medical care furnished to individuals or groups in the state of Missouri or  
45 transportation services at below-cost rates as provided in sections 208.250 to 208.275,  
46 RSMo;

47 (6) "Crime prevention", any activity which aids in the reduction of crime in the  
48 state of Missouri;

49 (7) "Defense industry contractor", a person, corporation or other entity which will  
50 be or has been negatively impacted as a result of its status as a prime contractor of the  
51 Department of Defense or as a second or third tier contractor. A "second tier contractor"  
52 means a person, corporation or other entity which contracts to perform manufacturing,  
53 maintenance or repair services for a prime contractor of the Department of Defense, and  
54 a "third tier contractor" means a person, corporation or other entity which contracts with  
55 a person, corporation or other entity which contracts with a prime contractor of the  
56 Department of Defense;

57 (8) "Doing business", among other methods of doing business in the state of  
58 Missouri, a partner in a firm or a shareholder in an S corporation shall be deemed to be  
59 doing business in the state of Missouri if such firm or S corporation, as the case may be,  
60 is doing business in the state of Missouri;

61 (9) "Economic development", the acquisition, renovation, improvement, or the  
62 furnishing or equipping of existing buildings and real estate in distressed or blighted  
63 areas of the state when such acquisition, renovation, improvement, or the furnishing or  
64 equipping of the business development projects will result in the creation or retention  
65 of jobs within the state; or, until June 30, 1996, a defense conversion pilot project located  
66 in a standard metropolitan statistical area which contains a city with a population of at  
67 least three hundred fifty thousand inhabitants, which will assist Missouri-based defense  
68 industry contractors in their conversion from predominately defense-related contracting  
69 to nondefense-oriented manufacturing. Only neighborhood organizations, as defined in  
70 subdivision (15) of this section, may apply to conduct economic development  
71 projects. Prior to the approval of an economic development project, the neighborhood

72 organization shall enter into a contractual agreement with the department of economic  
73 development. Credits approved for economic development projects may not exceed four  
74 million dollars from within any one fiscal year's allocation, **except that for fiscal**  
75 **years 2005, 2006, and 2007 credits approved for economic development**  
76 **projects shall not exceed six million dollars.** Neighborhood assistance program tax  
77 credits for economic development projects and affordable housing assistance as defined  
78 in section 32.111, may be transferred, sold or assigned by a notarized endorsement  
79 thereof naming the transferee;

80 (10) "Education", any type of scholastic instruction or scholarship assistance to  
81 an individual who resides in the state of Missouri that enables the individual to prepare  
82 himself or herself for better opportunities or community awareness activities rendered  
83 by a statewide organization established for the purpose of archeological education and  
84 preservation;

85 (11) ["Eligible farmers' market", a group of farmers, each of whom farms  
86 agricultural land located within this state which he or she rents or owns, and who have  
87 formed a group for the purpose of allowing each member farmer to sell his or her  
88 products derived from his or her farming activities to the public at a common structure  
89 or building when at least fifty percent of the costs of such structure or building are paid  
90 for by such group of farmers;

91 (12) "Eligible new generation cooperative", as defined in section 348.340, RSMo;

92 (13)] "Homeless assistance pilot project", the program established pursuant to  
93 section 32.117;

94 [(14)] (12) "Job training", any type of instruction to an individual who resides  
95 in the state of Missouri that enables the individual to acquire vocational skills so that  
96 the individual can become employable or be able to seek a higher grade of employment;

97 [(15)] (13) "Neighborhood organization", any organization performing community  
98 services or economic development activities in the state of Missouri and:

99 (a) Holding a ruling from the Internal Revenue Service of the United States  
100 Department of the Treasury that the organization is exempt from income taxation  
101 pursuant to the provisions of the Internal Revenue Code; or

102 (b) Incorporated in the state of Missouri as a not-for-profit corporation pursuant  
103 to the provisions of chapter 355, RSMo; or

104 (c) Designated as a community development corporation by the United States  
105 government pursuant to the provisions of Title VII of the Economic Opportunity Act of  
106 1964; or

107 (d) Contributing funds to help finance a building or structure or purchase

108 equipment located within this state and used to sell agricultural food products or to add  
109 value to food products produced in this state by members of an eligible new generation  
110 cooperative; or contributing funds to help finance a building or structure or purchase  
111 equipment owned by a not-for-profit organization located within this state and used to  
112 sell agricultural food products or to add value to food products produced by family farms  
113 as defined in subdivision (4) of section 350.010, RSMo, or family farm corporations as  
114 defined in subdivision (5) of section 350.010, RSMo;

115        [(16)] (14) "Physical revitalization", furnishing financial assistance, labor,  
116 material, or technical advice to aid in the physical improvement or rehabilitation of any  
117 part or all of a neighborhood area;

118        [(17)] (15) "S corporation", a corporation described in Section 1361(a)(1) of the  
119 United States Internal Revenue Code and not subject to the taxes imposed by section  
120 143.071, RSMo, by reason of section 143.471, RSMo;

121        [(18)] (16) "Workfare renovation project", any project initiated pursuant to  
122 sections 215.340 to 215.355, RSMo.

32.110. Any business firm which engages in the activities of providing physical  
2 revitalization, economic development, job training or education for individuals,  
3 community services, [eligible farmers' markets] or crime prevention in the state of  
4 Missouri shall receive a tax credit as provided in section 32.115 if the director of the  
5 department of economic development annually approves the proposal of the business  
6 firm; except that, no proposal shall be approved which does not have the endorsement  
7 of the agency of local government within the area in which the business firm is engaging  
8 in such activities which has adopted an overall community or neighborhood development  
9 plan that the proposal is consistent with such plan. The proposal shall set forth the  
10 program to be conducted, the neighborhood area to be served, why the program is  
11 needed, the estimated amount to be contributed to the program and the plans for  
12 implementing the program. If, in the opinion of the director of the department of  
13 economic development, a business firm's contribution can more consistently with the  
14 purposes of sections 32.100 to 32.125 be made through contributions to a neighborhood  
15 organization as defined in subdivision [(15)] (13) of section 32.105, tax credits may be  
16 allowed as provided in section 32.115. The director of the department of economic  
17 development is hereby authorized to promulgate rules and regulations for establishing  
18 criteria for evaluating such proposals by business firms for approval or disapproval and  
19 for establishing priorities for approval or disapproval of such proposals by business firms  
20 with the assistance and approval of the director of the department of revenue. The total  
21 amount of tax credit granted for programs approved pursuant to sections 32.100 to

22 32.125 shall not exceed fourteen million dollars in fiscal year 1999 and twenty-six million  
 23 dollars in fiscal year 2000, and any subsequent fiscal year, except as otherwise provided  
 24 for proposals approved pursuant to section 32.111, 32.112 or 32.117. All tax credits  
 25 authorized pursuant to the provisions of sections 32.100 to 32.125 may be used as a state  
 26 match to secure additional federal funding. The total amount of tax credits allowed for  
 27 programs of neighborhood organizations defined pursuant to paragraph (d) of subdivision  
 28 [(15)] (13) of section 32.105 is two and one-half million dollars per fiscal year for fiscal  
 29 years 2002 to 2006.

**67.265. Notwithstanding any other law to the contrary, any city or  
 2 county of this state may enact ordinances or resolutions addressing substance  
 3 related health issues.**

**67.1303. 1. The governing body of any home rule city with more than  
 2 one hundred fifty-one thousand five hundred but less than one hundred  
 3 fifty-one thousand six hundred inhabitants, any home rule city with more  
 4 than forty-five thousand five hundred but less than forty-five thousand nine  
 5 hundred inhabitants and the governing body of any city within any county of  
 6 the first classification with more than one hundred four thousand six hundred  
 7 but less than one hundred four thousand seven hundred inhabitants and the  
 8 governing body of any county of the third classification without a township  
 9 form of government and with more than forty thousand eight hundred but  
 10 less than forty thousand nine hundred inhabitants or any city within such  
 11 county may impose, by order or ordinance, a sales tax on all retail sales made  
 12 in the city or county which are subject to sales tax under chapter 144,  
 13 RSMo. The tax authorized in this section shall not be more than one-half of  
 14 one percent. The order or ordinance imposing the tax shall not become  
 15 effective unless the governing body of the city or county submits to the voters  
 16 of the city or county at a state general or primary election a proposal to  
 17 authorize the governing body to impose a tax under this section. The tax  
 18 authorized in this section shall be in addition to all other sales taxes imposed  
 19 by law, and shall be stated separately from all other charges and taxes.**

**20 2. The ballot of submission for the tax authorized in this section shall  
 21 be in substantially the following form:**

**22 Shall ..... (insert the name of the city or county) impose a sales tax at  
 23 a rate of ..... (insert rate of percent) percent for economic development  
 24 purposes?**

25

YES

NO

26 If a majority of the votes cast on the question by the qualified voters voting  
27 thereon are in favor of the question, then the tax shall become effective on  
28 the first day of the second calendar quarter following the calendar quarter  
29 in which the election was held. If a majority of the votes cast on the question  
30 by the qualified voters voting thereon are opposed to the question, then the  
31 tax shall not become effective unless and until the question is resubmitted  
32 under this section to the qualified voters and such question is approved by  
33 a majority of the qualified voters voting on the question, provided that no  
34 proposal shall be resubmitted to the voters sooner than twelve months from  
35 the date of the submission of the last proposal.

36 3. No revenue generated by the tax authorized in this section shall be  
37 used for any retail development project. At least twenty percent of the  
38 revenue generated by the tax authorized in this section shall be used solely  
39 for projects directly related to long-term economic development preparation,  
40 including, but not limited to, the following:

- 41 (1) Acquisition of land;
- 42 (2) Installation of infrastructure for industrial or business parks;
- 43 (3) Improvement of water and wastewater treatment capacity;
- 44 (4) Extension of streets;
- 45 (5) Providing matching dollars for state or federal grants;
- 46 (6) Marketing;
- 47 (7) Providing grants and low-interest loans to companies for job  
48 training, equipment acquisition, site development, and infrastructure.

49 Not more than twenty-five percent of the revenue generated may be used  
50 annually for administrative purposes, including staff and facility costs.

51 4. All revenue generated by the tax shall be deposited in a special trust  
52 fund and shall be used solely for the designated purposes. If the tax is  
53 repealed, all funds remaining in the special trust fund shall continue to be  
54 used solely for the designated purposes. Any funds in the special trust fund  
55 which are not needed for current expenditures may be invested by the  
56 governing body in accordance with applicable laws relating to the investment  
57 of other city or county funds.

58 5. Any city or county imposing the tax authorized in this section shall  
59 establish an economic development tax board. The board shall consist of  
60 eleven members, to be appointed as follows:

- 61 (1) Two members shall be appointed by the school boards whose  
62 districts are included within any economic development plan or area funded



63 by the sales tax authorized in this section. Such members shall be appointed  
64 in any manner agreed upon by the affected districts;

65 (2) One member shall be appointed, in any manner agreed upon by the  
66 affected districts, to represent all other districts levying ad valorem taxes  
67 within the area selected for an economic development project or area funded  
68 by the sales tax authorized in this section, excluding representatives of the  
69 governing body of the city or county;

70 (3) One member shall be appointed by the largest public school district  
71 in the city or county;

72 (4) In each city or county, five members shall be appointed by the chief  
73 elected officer of the city or county with the consent of the majority of the  
74 governing body of the city or county;

75 (5) In each city, two members shall be appointed by the governing body  
76 of the county in which the city is located. In each county, two members shall  
77 be appointed by the governing body of the county.

78 At the option of the members appointed by a city or county the members who  
79 are appointed by the school boards and other taxing districts may serve on  
80 the board for a term to coincide with the length of time an economic  
81 development project, plan, or designation of an economic development area  
82 is considered for approval by the board, or for the definite terms as provided  
83 in this subsection. If the members representing school districts and other  
84 taxing districts are appointed for a term coinciding with the length of time  
85 an economic development project, plan, or area is approved, such term shall  
86 terminate upon final approval of the project, plan, or designation of the area  
87 by the governing body of the city or county. If any school district or other  
88 taxing jurisdiction fails to appoint members of the board within thirty days  
89 of receipt of written notice of a proposed economic development plan,  
90 economic development project, or designation of an economic development  
91 area, the remaining members may proceed to exercise the power of the board.  
92 Of the members first appointed by the city or county, three shall be designated  
93 to serve for terms of two years, three shall be designated to serve for a term  
94 of three years, and the remaining members shall be designated to serve for  
95 a term of four years from the date of such initial appointments. Thereafter,  
96 the members appointed by the city or county shall serve for a term of four  
97 years, except that all vacancies shall be filled for unexpired terms in the same  
98 manner as were the original appointments.

99 6. The board, subject to approval of the governing body of the city or

100 county, shall develop economic development plans, economic development  
101 projects, or designations of an economic development area, and shall hold  
102 public hearings and provide notice of any such hearings. The board shall  
103 vote on all proposed economic development plans, economic development  
104 projects, or designations of an economic development area, and amendments  
105 thereto, within thirty days following completion of the hearing on any such  
106 plan, project, or designation, and shall make recommendations to the  
107 governing body within ninety days of the hearing concerning the adoption of  
108 or amendment to economic development plans, economic development  
109 projects, or designations of an economic development area.

110 7. The board shall report at least annually to the governing body of the  
111 city or county on the use of the funds provided under this section and on the  
112 progress of any plan, project, or designation adopted under this section.

113 8. The governing body of any city or county that has adopted the sales  
114 tax authorized in this section may submit the question of repeal of the tax to  
115 the voters on any date available for elections for the city or county. The  
116 ballot of submission shall be in substantially the following form:

117 Shall ..... (insert the name of the city or county) repeal the sales tax  
118 imposed at a rate of ..... (insert rate of percent) percent for economic  
119 development purposes?

120  YES  NO

121 If a majority of the votes cast on the proposal are in favor of repeal, that  
122 repeal shall become effective on December thirty-first of the calendar year in  
123 which such repeal was approved. If a majority of the votes cast on the  
124 question by the qualified voters voting thereon are opposed to the repeal,  
125 then the sales tax authorized in this section shall remain effective until the  
126 question is resubmitted under this section to the qualified voters of the city  
127 or county, and the repeal is approved by a majority of the qualified voters  
128 voting on the question.

129 9. Whenever the governing body of any city or county that has adopted  
130 the sales tax authorized in this section receives a petition, signed by ten  
131 percent of the registered voters of the city or county voting in the last  
132 gubernatorial election, calling for an election to repeal the sales tax imposed  
133 under this section, the governing body shall submit to the voters a proposal  
134 to repeal the tax. If a majority of the votes cast on the question by the  
135 qualified voters voting thereon are in favor of the repeal, that repeal shall

136 **become effective on December thirty-first of the calendar year in which such**  
137 **repeal was approved. If a majority of the votes cast on the question by the**  
138 **qualified voters voting thereon are opposed to the repeal, then the tax shall**  
139 **remain effective until the question is resubmitted under this section to the**  
140 **qualified voters and the repeal is approved by a majority of the qualified**  
141 **voters voting on the question.**

67.1401. 1. Sections 67.1401 to 67.1571 shall be known and may be cited as the  
2 "Community Improvement District Act".

3 2. For the purposes of sections 67.1401 to 67.1571, the following words and terms  
4 mean:

5 (1) "Approval" or "approve", for purposes of elections pursuant to sections 67.1401  
6 to 67.1571, a simple majority of those qualified voters voting in the election;

7 (2) "Assessed value", the assessed value of real property as reflected on the tax  
8 records of the county clerk of the county in which the property is located, or the collector  
9 of revenue if the property is located in a city not within a county, as of the last  
10 completed assessment;

11 (3) "Blighted area", an area which:

12 (a) By reason of the predominance of defective or inadequate street layout,  
13 insanitary or unsafe conditions, deterioration of site improvements, improper subdivision  
14 or obsolete platting, or the existence of conditions which endanger life or property by fire  
15 and other causes, or any combination of such factors, retards the provision of housing  
16 accommodations or constitutes an economic or social liability or a menace to the public  
17 health, safety, morals or welfare in its present condition and use; or

18 (b) Has been declared blighted or found to be a blighted area pursuant to  
19 Missouri law including, but not limited to, chapter 353, RSMo, sections 99.800 to 99.865,  
20 RSMo, or sections 99.300 to 99.715, RSMo;

21 (4) "Board", if the district is a political subdivision, the board of directors of the  
22 district, or if the district is a not-for-profit corporation, the board of directors of such  
23 corporation;

24 (5) "Director of revenue", the director of the department of revenue of the state  
25 of Missouri;

26 (6) "District", a community improvement district, established pursuant to sections  
27 67.1401 to 67.1571;

28 (7) "Election authority", the election authority having jurisdiction over the area  
29 in which the boundaries of the district are located pursuant to chapter 115, RSMo;

30 (8) "Municipal clerk", the clerk of the municipality;

31 (9) "Municipality", any city [located in a county of the first classification or  
32 second classification, any city not within a county and any], **village, incorporated**  
33 **town, or county of this state, or in any unincorporated area that is located in**  
34 **any county with a charter form of government and with more than one**  
35 **million inhabitants;**

36 (10) "Obligations", bonds, loans, debentures, notes, special certificates, or other  
37 evidences of indebtedness issued by a district to carry out any of its powers, duties or  
38 purposes or to refund outstanding obligations;

39 (11) "Owner", for real property, the individual or individuals or entity or entities  
40 who own the fee of real property or their legally authorized representative; for business  
41 organizations and other entities, the owner shall be deemed to be the individual which  
42 is legally authorized to represent the entity in regard to the district;

43 (12) "Per capita", one head count applied to each individual, entity or group of  
44 individuals or entities having fee ownership of real property within the district whether  
45 such individual, entity or group owns one or more parcels of real property in the district  
46 as joint tenants, tenants in common, tenants by the entirety or tenants in partnership;

47 (13) "Petition", a petition to establish a district as it may be amended in  
48 accordance with the requirements of section 67.1421;

49 (14) "Qualified voters",

50 (a) For purposes of elections for approval of real property taxes:

51 a. Registered voters; or

52 b. If no registered voters reside in the district, the owners of one or more parcels  
53 of real property which is to be subject to such real property taxes and is located within  
54 the district per the tax records for real property of the county clerk, or the collector of  
55 revenue if the district is located in a city not within a county, as of the thirtieth day  
56 prior to the date of the applicable election;

57 (b) For purposes of elections for approval of business license taxes or sales taxes:

58 a. Registered voters; or

59 b. If no registered voters reside in the district, the owners of one or more parcels  
60 of real property located within the district per the tax records for real property of the  
61 county clerk as of the thirtieth day before the date of the applicable election; and

62 (c) For purposes of the election of directors of the board, registered voters and  
63 owners of real property which is not exempt from assessment or levy of taxes by the  
64 district and which is located within the district per the tax records for real property of  
65 the county clerk, or the collector of revenue if the district is located in a city not within  
66 a county, of the thirtieth day prior to the date of the applicable election; and

67 (15) "Registered voters", persons who reside within the district and who are  
68 qualified and registered to vote pursuant to chapter 115, RSMo, pursuant to the records  
69 of the election authority as of the thirtieth day prior to the date of the applicable  
70 election.

67.1461. 1. Each district shall have all the powers, except to the extent any such  
2 power has been limited by the petition approved by the governing body of the  
3 municipality to establish the district, necessary to carry out and effectuate the purposes  
4 and provisions of sections 67.1401 to 67.1571 including, but not limited to, the following:

5 (1) To adopt, amend, and repeal bylaws, not inconsistent with sections 67.1401  
6 to 67.1571, necessary or convenient to carry out the provisions of sections 67.1401 to  
7 67.1571;

8 (2) To sue and be sued;

9 (3) To make and enter into contracts and other instruments, with public and  
10 private entities, necessary or convenient to exercise its powers and carry out its duties  
11 pursuant to sections 67.1401 to 67.1571;

12 (4) To accept grants, guarantees and donations of property, labor, services, or  
13 other things of value from any public or private source;

14 (5) To employ or contract for such managerial, engineering, legal, technical,  
15 clerical, accounting, or other assistance as it deems advisable;

16 (6) To acquire by purchase, lease, gift, grant, bequest, devise, or otherwise, any  
17 real property within its boundaries, personal property, or any interest in such property;

18 (7) To sell, lease, exchange, transfer, assign, mortgage, pledge, hypothecate, or  
19 otherwise encumber or dispose of any real or personal property or any interest in such  
20 property;

21 (8) To levy and collect special assessments and taxes as provided in sections  
22 67.1401 to 67.1571. However, no such assessments or taxes shall be levied on any  
23 property exempt from taxation pursuant to subdivision (5) of section 137.100,  
24 RSMo. Those exempt pursuant to subdivision (5) of section 137.100, RSMo, may  
25 voluntarily participate in the provisions of sections 67.1401 to 67.1571;

26 (9) If the district is a political subdivision, to levy real property taxes and  
27 business license taxes in the county seat of a county of the first classification containing  
28 a population of at least two hundred thousand, as provided in sections 67.1401 to  
29 67.1571. However, no such assessments or taxes shall be levied on any property exempt  
30 from taxation pursuant to subdivisions (2) and (5) of section 137.100, RSMo. Those  
31 exempt pursuant to subdivisions (2) and (5) of section 137.100, RSMo, may voluntarily  
32 participate in the provisions of sections 67.1401 to 67.1571;

33 (10) If the district is a political subdivision [in a city with a population of at least  
34 four hundred thousand located in more than one county], to levy sales taxes pursuant  
35 to sections 67.1401 to 67.1571;

36 (11) To fix, charge, and collect fees, rents, and other charges for use of any of the  
37 following:

38 (a) The district's real property, except for public rights-of-way for utilities;

39 (b) The district's personal property, except in a city not within a county; or

40 (c) Any of the district's interests in such real or personal property, except for  
41 public rights-of-way for utilities;

42 (12) To borrow money from any public or private source and issue obligations and  
43 provide security for the repayment of the same as provided in sections 67.1401 to  
44 67.1571;

45 (13) To loan money as provided in sections 67.1401 to 67.1571;

46 (14) To make expenditures, create reserve funds, and use its revenues as  
47 necessary to carry out its powers or duties and the provisions and purposes of sections  
48 67.1401 to 67.1571;

49 (15) To enter into one or more agreements with the municipality for the purpose  
50 of abating any public nuisance within the boundaries of the district including, but not  
51 limited to, the stabilization, repair or maintenance or demolition and removal of  
52 buildings or structures, provided that the municipality has declared the existence of a  
53 public nuisance;

54 (16) Within its boundaries, to provide assistance to or to construct, reconstruct,  
55 install, repair, maintain, and equip any of the following public improvements:

56 (a) Pedestrian or shopping malls and plazas;

57 (b) Parks, lawns, trees, and any other landscape;

58 (c) Convention centers, arenas, aquariums, aviaries, and meeting facilities;

59 (d) Sidewalks, streets, alleys, bridges, ramps, tunnels, overpasses and  
60 underpasses, traffic signs and signals, utilities, drainage, water, storm and sewer  
61 systems, and other site improvements;

62 (e) Parking lots, garages, or other facilities;

63 (f) Lakes, dams, and waterways;

64 (g) Streetscape, lighting, benches or other seating furniture, trash receptacles,  
65 marquees, awnings, canopies, walls, and barriers;

66 (h) Telephone and information booths, bus stop and other shelters, rest rooms,  
67 and kiosks;

68 (i) Paintings, murals, display cases, sculptures, and fountains;

- 69 (j) Music, news, and child-care facilities; and
- 70 (k) Any other useful, necessary, or desired improvement;
- 71 (17) To dedicate to the municipality, with the municipality's consent, streets,  
72 sidewalks, parks, and other real property and improvements located within its  
73 boundaries for public use;
- 74 (18) Within its boundaries and with the municipality's consent, to prohibit or  
75 restrict vehicular and pedestrian traffic and vendors on streets, alleys, malls, bridges,  
76 ramps, sidewalks, and tunnels and to provide the means for access by emergency vehicles  
77 to or in such areas;
- 78 (19) Within its boundaries, to operate or to contract for the provision of music,  
79 news, child-care, or parking facilities, and buses, minibuses, or other modes of  
80 transportation;
- 81 (20) Within its boundaries, to lease space for sidewalk café, tables and chairs;
- 82 (21) Within its boundaries, to provide or contract for the provision of security  
83 personnel, equipment, or facilities for the protection of property and persons;
- 84 (22) Within its boundaries, to provide or contract for cleaning, maintenance, and  
85 other services to public and private property;
- 86 (23) To produce and promote any tourism, recreational or cultural activity or  
87 special event in the district by, but not limited to, advertising, decoration of any public  
88 place in the district, promotion of such activity and special events, and furnishing music  
89 in any public place;
- 90 (24) To support business activity and economic development in the district  
91 including, but not limited to, the promotion of business activity, development and  
92 retention, and the recruitment of developers and businesses;
- 93 (25) To provide or support training programs for employees of businesses within  
94 the district;
- 95 (26) To provide refuse collection and disposal services within the district;
- 96 (27) To contract for or conduct economic, planning, marketing or other studies;
- 97 (28) To repair, restore, or maintain any abandoned cemetery on public or private  
98 land within the district; and
- 99 (29) To carry out any other powers set forth in sections 67.1401 to 67.1571.
- 100 2. Each district which is located in a blighted area or which includes a blighted  
101 area shall have the following additional powers:
- 102 (1) Within its blighted area, to contract with any private property owner to  
103 demolish and remove, renovate, reconstruct, or rehabilitate any building or structure  
104 owned by such private property owner; and

105 (2) To expend its revenues or loan its revenues pursuant to a contract entered  
106 into pursuant to this subsection, provided that the governing body of the municipality  
107 has determined that the action to be taken pursuant to such contract is reasonably  
108 anticipated to remediate the blighting conditions and will serve a public purpose.

109 3. Each district shall annually reimburse the municipality for the reasonable and  
110 actual expenses incurred by the municipality to establish such district and review  
111 annual budgets and reports of such district required to be submitted to the municipality;  
112 provided that, such annual reimbursement shall not exceed one and one-half percent of  
113 the revenues collected by the district in such year.

114 4. Nothing in sections 67.1401 to 67.1571 shall be construed to delegate to any  
115 district any sovereign right of municipalities to promote order, safety, health, morals,  
116 and general welfare of the public, except those such police powers, if any, expressly  
117 delegated pursuant to sections 67.1401 to 67.1571.

118 5. The governing body of the municipality establishing the district shall not  
119 decrease the level of publicly funded services in the district existing prior to the creation  
120 of the district or transfer the financial burden of providing the services to the district  
121 unless the services at the same time are decreased throughout the municipality, nor  
122 shall the governing body discriminate in the provision of the publicly funded services  
123 between areas included in such district and areas not so included.

67.1545. 1. Any district [in a city with a population of at least four hundred  
2 thousand located in more than one county] **formed as a political subdivision** may  
3 impose by resolution a district sales and use tax on all retail sales made in such district  
4 which are subject to taxation pursuant to sections 144.010 to 144.525, RSMo, except  
5 sales of motor vehicles, trailers, boats or outboard motors and sales to public  
6 utilities. Any sales and use tax imposed pursuant to this section may be imposed at a  
7 rate of one-eighth of one percent, one-fourth of one percent, three-eighths of one percent,  
8 one-half of one percent or one percent. Such district sales and use tax may be imposed  
9 for any district purpose designated by the district in its ballot of submission to its  
10 qualified voters; except that, no resolution adopted pursuant to this section shall become  
11 effective unless the board of directors of the district submits to the qualified voters of the  
12 district, by mail-in ballot, a proposal to authorize a sales and use tax pursuant to this  
13 section. If a majority of the votes cast by the qualified voters on the proposed sales tax  
14 are in favor of the sales tax, then the resolution is adopted. If a majority of the votes cast  
15 by the qualified voters are opposed to the sales tax, then the resolution is void.

16 2. The ballot shall be substantially in the following form:

17 Shall the ..... (insert name of district) Community Improvement District



18 impose a community improvement districtwide sales and use tax at the maximum rate  
19 of ..... (insert amount) for a period of ..... (insert number) years from the date  
20 on which such tax is first imposed for the purpose of providing revenue for .....  
21 (insert general description of the purpose)?

22  YES  NO

23 If you are in favor of the question, place an "X" in the box opposite "Yes". If you are  
24 opposed to the question, place an "X" in the box opposite "No".

25 3. Within ten days after the qualified voters have approved the imposition of the  
26 sales and use tax, the district shall, in accordance with section 32.097, RSMo, notify the  
27 director of the department of revenue. The sales and use tax authorized by this section  
28 shall become effective on the first day of the second calendar quarter after the director  
29 of the department of revenue receives notice of the adoption of such tax.

30 4. The director of the department of revenue shall collect any tax adopted  
31 pursuant to this section pursuant to section 32.087, RSMo.

32 5. In each district in which a sales and use tax is imposed pursuant to this  
33 section, every retailer shall add such additional tax imposed by the district to such  
34 retailer's sale price, and when so added such tax shall constitute a part of the purchase  
35 price, shall be a debt of the purchaser to the retailer until paid and shall be recoverable  
36 at law in the same manner as the purchase price.

37 6. In order to allow retailers to collect and report the sales and use tax  
38 authorized by this section as well as all other sales and use taxes required by law in the  
39 simplest and most efficient manner possible, a district may establish appropriate  
40 brackets to be used in the district imposing a tax pursuant to this section in lieu of the  
41 brackets provided in section 144.285, RSMo.

42 7. The penalties provided in sections 144.010 to 144.525, RSMo, shall apply to  
43 violations of this section.

44 8. All revenue received by the district from a sales and use tax imposed pursuant  
45 to this section which is designated for a specific purpose shall be deposited into a special  
46 trust fund and expended solely for such purpose. Upon the expiration of any sales and  
47 use tax adopted pursuant to this section, all funds remaining in the special trust fund  
48 shall continue to be used solely for the specific purpose designated in the resolution  
49 adopted by the qualified voters. Any funds in such special trust fund which are not  
50 needed for current expenditures may be invested by the board of directors pursuant to  
51 applicable laws relating to the investment of other district funds.

52 9. A district may repeal by resolution any sales and use tax imposed pursuant  
53 to this section before the expiration date of such sales and use tax unless the repeal of

54 such sales and use tax will impair the district's ability to repay any liabilities the  
55 district has incurred, moneys the district has borrowed or obligation the district has  
56 issued to finance any improvements or services rendered for the district.

71.620. 1. Hereafter no person following for a livelihood the profession or calling  
2 of minister of the gospel, duly accredited Christian Science practitioner, teacher,  
3 professor in a college, priest, lawyer, certified public accountant, dentist, chiropractor,  
4 optometrist, chiropodist, physician or surgeon in this state shall be taxed or made liable  
5 to pay any municipal or other corporation tax or license fee of any description whatever  
6 for the privilege of following or carrying on such profession or calling, and, after  
7 December 31, 2003, no investment funds service corporation, as defined in section  
8 143.451, RSMo, may be required to pay, or shall be taxed or made liable to pay any  
9 municipal or other corporation tax or license fee of any description whatever for the  
10 privilege of following or carrying on its business or occupation, in excess of or in an  
11 aggregate amount exceeding twenty-five thousand dollars annually, any law, ordinance  
12 or charter to the contrary notwithstanding.

13 2. No person following for a livelihood the profession of insurance agent or  
14 broker, veterinarian, architect, professional engineer, land surveyor, auctioneer, or real  
15 estate broker or salesman in this state shall be taxed or made liable to pay any  
16 municipal or other corporation tax or license fee for the privilege of following or carrying  
17 on his **or her** profession by a municipality unless that person maintains a business  
18 office within that municipality.

19 3. Notwithstanding any other provision of law to the contrary, after September  
20 1, 2004, no village with less than one thousand three hundred inhabitants shall impose  
21 a business license tax in excess of [ten] **fifteen** thousand dollars per license.

**94.578. 1. In addition to the sales tax authorized in section 94.577, the**  
2 **governing body of any home rule city with more than one hundred fifty-one**  
3 **thousand five hundred but less than one hundred fifty-one thousand six**  
4 **hundred inhabitants is hereby authorized to impose, by order or ordinance,**  
5 **a sales tax on all retail sales made within the city which are subject to sales**  
6 **tax under chapter 144, RSMo. The tax authorized in this section may be**  
7 **imposed at a rate of one-eighth, one-fourth, three-eighths, or one-half of one**  
8 **percent, but shall not exceed one-half of one percent, shall not be imposed for**  
9 **longer than three years, and shall be imposed solely for the purpose of**  
10 **funding the construction, operation, and maintenance of capital**  
11 **improvements in the city's center city. The governing body may issue bonds**  
12 **for the funding of such capital improvements, which will be retired by the**

13 revenues received from the sales tax authorized by this section. The order or  
14 ordinance shall not become effective unless the governing body of the city  
15 submits to the voters residing within the city at a state or municipal general,  
16 primary, or special election a proposal to authorize the governing body of the  
17 city to impose a tax under this section. The tax authorized in this section  
18 shall be in addition to all other sales taxes imposed by law, and shall be  
19 stated separately from all other charges and taxes.

20           2. The ballot submission for the tax authorized in this section shall be  
21 in substantially the following form:

22           Shall ..... (insert the name of the city) impose a sales tax at a rate of  
23 .....(insert rate of percent) percent for a capital improvements purposes in  
24 the city's center city for a period of ..... (insert number of years, not to exceed  
25 three) years?

26                            YES                            NO

27 If a majority of the votes cast on the question by the qualified voters voting  
28 thereon are in favor of the question, then the tax shall become effective on  
29 the first day of the second calendar quarter after the director of revenue  
30 receives notice of the adoption of the sales tax. If a majority of the votes cast  
31 on the question by the qualified voters voting thereon are opposed to the  
32 question, then the tax shall not become effective unless and until the question  
33 is resubmitted under this section to the qualified voters and such question is  
34 approved by a majority of the qualified voters voting on the question. In no  
35 case shall a tax be resubmitted to the qualified voters of the city sooner than  
36 twelve months from the date of the proposal under this section.

37           3. Any sales tax imposed under this section shall be administered,  
38 collected, enforced, and operated as required in section 32.087, RSMo. All  
39 revenue generated by the tax shall be deposited in a special trust fund and  
40 shall be used solely for the designated purposes. If the tax is repealed, all  
41 funds remaining in the special trust fund shall continue to be used solely for  
42 the designated purposes. Any funds in the special trust fund which are not  
43 needed for current expenditures shall be invested in the same manner as  
44 other funds are invested. Any interest and moneys earned on such  
45 investments shall be credited to the fund.

46           4. The director of revenue may authorize the state treasurer to make  
47 refunds from the amounts in the trust fund and credited to any city for  
48 erroneous payments and overpayments made, and may redeem dishonored

49 checks and drafts deposited to the credit of such cities. If any city abolishes  
50 the tax, the city shall notify the director of revenue of the action at least  
51 ninety days before the effective date of the repeal, and the director of  
52 revenue may order retention in the trust fund, for a period of one year, of two  
53 percent of the amount collected after receipt of such notice to cover possible  
54 refunds or overpayment of the tax and to redeem dishonored checks and  
55 drafts deposited to the credit of such accounts. After one year has elapsed  
56 after the effective date of abolition of the tax in such city, the director of  
57 revenue shall remit the balance in the account to the city and close the  
58 account of that city. The director of revenue shall notify each city of each  
59 instance of any amount refunded.

60           5. The governing body of any city that has adopted the sales tax  
61 authorized in this section may submit the question of repeal of the tax to the  
62 voters on any date available for elections for the city. The ballot of  
63 submission shall be in substantially the following form:

64           Shall ..... (insert the name of the city) repeal the sales tax imposed at  
65 a rate of ..... (insert rate of percent) percent for capital improvements  
66 purposes in the city's center city?

67                    YES                    NO

68 If a majority of the votes cast on the proposal are in favor of repeal, that  
69 repeal shall become effective on December thirty-first of the calendar year in  
70 which such repeal was approved. If a majority of the votes cast on the  
71 question by the qualified voters voting thereon are opposed to the repeal,  
72 then the sales tax authorized in this section shall remain effective until the  
73 question is resubmitted under this section to the qualified voters, and the  
74 repeal is approved by a majority of the qualified voters voting on the  
75 question.

76           6. Whenever the governing body of any city that has adopted the sales  
77 tax authorized in this section receives a petition, signed by ten percent of the  
78 registered voters of the city voting in the last gubernatorial election, calling  
79 for an election to repeal the sales tax imposed under this section, the  
80 governing body shall submit to the voters of the city a proposal to repeal the  
81 tax. If a majority of the votes cast on the question by the qualified voters  
82 voting thereon are in favor of the repeal, that repeal shall become effective  
83 on December thirty-first of the calendar year in which such repeal was  
84 approved. If a majority of the votes cast on the question by the qualified

85 **voters voting thereon are opposed to the repeal, then the tax shall remain**  
86 **effective until the question is resubmitted under this section to the qualified**  
87 **voters and the repeal is approved by a majority of the qualified voters voting**  
88 **on the question.**

2 100.255. As used in sections 100.250 to 100.297, the following terms mean:

3 (1) "Board", the Missouri development finance board created by section 100.265;

4 (2) "Borrower", any person, partnership, public or private corporation,  
5 association, development agency or any other entity eligible for funding under sections  
6 100.250 to 100.297;

7 (3) "Development agency", any of the following:

8 (a) A port authority established pursuant to chapter 68, RSMo;

9 (b) The bi-state development agencies established pursuant to sections 70.370 to  
10 70.440, RSMo, and sections 238.010 to 238.100, RSMo;

11 (c) A land clearance for redevelopment authority established pursuant to sections  
12 99.300 to 99.660, RSMo;

13 (d) A county, city, incorporated town or village or other political subdivision or  
14 public body of this state;

15 (e) A planned industrial expansion authority established pursuant to sections  
16 100.300 to 100.620;

17 (f) An industrial development corporation established pursuant to sections  
18 349.010 to 349.105, RSMo;

19 (g) A real property tax increment financing commission established pursuant to  
20 sections 99.800 to 99.865, RSMo;

21 (h) Any other governmental, quasi-governmental or quasi-public corporation or  
22 entity created by state law or by resolution adopted by the governing body of a  
23 development agency otherwise described in paragraphs (a) through (g) of this  
24 subdivision;

25 (4) "Development and reserve fund", the industrial development and reserve fund  
26 established pursuant to section 100.260;

27 (5) "Export finance fund", the Missouri export finance fund established pursuant  
28 to section 100.260;

29 (6) "Export trade activities" includes, but is not limited to, consulting,  
30 international market research, advertising, marketing, insurance, product research and  
31 design, legal assistance, transportation, including trade documentation and freight  
32 forwarding, communication, and processing of foreign orders to and for exporters and  
33 foreign purchases and warehousing, when undertaken to export or facilitate the export

34 of goods or services produced or assembled in this state;

35 (7) "Guarantee fund", the industrial development guarantee fund established by  
36 section 100.260;

37 (8) "Infrastructure development fund", the infrastructure development fund  
38 established under section 100.263;

39 (9) "Infrastructure facilities", the highways, streets, bridges, water supply and  
40 distribution systems, mass transportation facilities and equipment, telecommunication  
41 facilities, jails and prisons, sewers and sewage treatment facilities, wastewater  
42 treatment facilities, airports, railroads, reservoirs, dams and waterways in this state,  
43 acquisition of blighted real estate and the improvements thereon, demolition of existing  
44 structures and preparation of sites in anticipation of development, public facilities, and  
45 any other improvements provided by any form of government or development agency;

46 (10) **"Jobs now fund", the jobs now fund established under section**  
47 **100.260;**

48 (11) **"Jobs now projects", the purchase, construction, extension, and**  
49 **improvement of real estate, plants, buildings, structures, or facilities, whether**  
50 **or not now in existence, used or to be used primarily as infrastructure**  
51 **facilities, public facilities, or public higher education infrastructure facilities**  
52 **except when any entity provides a certified design or operation plan which**  
53 **is demonstrably less than the usual and customary average industry**  
54 **determination of cost for installation, construction, purchasing, extension,**  
55 **and improvement of real estate, manufacturing facilities, buildings, structures**  
56 **or facilities, including public facilities, or facilities used in public higher**  
57 **education, then the entity or company providing such service may receive**  
58 **payment in an amount equal to the usual and customary fee for such project**  
59 **plus additional compensation equal to two times the percentage by which the**  
60 **cost of such aforementioned criteria of such facility is less than the usual and**  
61 **customary average industrial determination of cost for installation,**  
62 **construction, materials, extension and improvement of real estate,**  
63 **manufacturing facilities, buildings, structures or facilities, including public**  
64 **facilities, or facilities used in public higher education. Such entity shall also**  
65 **pay to such company providing such aforementioned service compensation**  
66 **equal to twenty-five percent of the amount of any annual operational costs**  
67 **which are lower than the customary average industry determination of cost**  
68 **for operation for such facility, procedure, or service for a period of time equal**  
69 **to one-fourth the design lifetime of such entity or five years whichever is less;**

70           **(12)** "Participating lender", a lender authorized by the board to participate with  
71 the board in the making of a loan or to make loans the repayment of which is secured  
72 by the development and reserve fund;

73           [(11)] **(13)** "Project", the purchase, construction, extension, and improvement of  
74 real estate, plants, buildings, structures or facilities, whether or not now in existence,  
75 used or to be used primarily as a factory, assembly plant, manufacturing plant,  
76 fabricating plant, distribution center, warehouse building, office building, port terminal  
77 or facility, transportation and transfer facility, industrial plant, processing plant,  
78 commercial or agricultural facility, nursing or retirement facility or combination thereof,  
79 recreational facility, cultural facility, public facilities, job training or other vocational  
80 training facility, infrastructure facility, video-audio telecommunication conferencing  
81 facility, office building, facility for the prevention, reduction, disposal or control of  
82 pollution, sewage or solid waste, facility for conducting export trade activities, or  
83 research and development building in connection with any of the facilities defined as a  
84 project in this subdivision. The term "project" shall also include any improvements,  
85 including, but not limited to, road or rail construction, alteration or relocation, and  
86 construction of facilities to provide utility service for any of the facilities defined as a  
87 project under this subdivision, along with any fixtures, equipment, and machinery, and  
88 any demolition and relocation expenses used in connection with any such projects and  
89 any capital used to promote and facilitate such facilities and notes payable from  
90 anticipated revenue issued by any development agency;

91           [(12)] **(14)** "Public facility", any facility or improvements available for use by the  
92 general public including facilities for which user or other fees are charged on a  
93 nondiscriminatory basis;

94           **(15) "Public higher education infrastructure facilities", wet labs,**  
95 **research facilities, eligible research equipment of a two or four-year public**  
96 **college or university of the state of Missouri or of a not-for-profit four-year**  
97 **college or university that is located in the state of Missouri that have been**  
98 **reviewed and recommended for a jobs now project loan or grant by the**  
99 **coordinating board for higher education.**

100.260. 1. There are hereby created [three] **four** special funds, to be known as  
2 the "Industrial Development and Reserve Fund" [and], the "Industrial Development  
3 Guarantee Fund", [and] the "Export Finance Fund", **and the "Jobs Now Fund"**, into  
4 which the following may be deposited as and when received and designated for deposit  
5 in one of such funds:

6           (1) Any moneys appropriated by the general assembly for use by the board in

7 carrying out the powers set forth in sections 100.250 to 100.297;

8 (2) Any moneys made available through the issuance of revenue bonds under the  
9 provisions of sections 100.250 to 100.295;

10 (3) Any moneys received from grants or which are given, donated, or contributed  
11 to the fund from any source;

12 (4) Any moneys received in repayment of loans or from application fees, reserve  
13 participation fees, guarantee fees and premium payments as provided for under sections  
14 100.250 to 100.297;

15 (5) Any moneys received as interest on deposits or as income on approved  
16 investments of the fund;

17 (6) Any moneys obtained from the issuance of revenue bonds or notes by the  
18 board;

19 (7) Any moneys that were in the industrial development fund authorized by this  
20 section, the economic development reserve authorized by section 620.215, RSMo, or the  
21 industrial revenue bond guarantee fund authorized by section 620.240, RSMo,  
22 respectively, as of September 28, 1985; and

23 (8) Any moneys obtained from any other available source.

24 2. The development and reserve fund, the guarantee fund, **the jobs now fund**,  
25 and the export finance fund shall be administered by the board as provided in sections  
26 100.250 to 100.297. Separate accounts may be created within the development and  
27 reserve fund and the guarantee fund for moneys specifically appropriated, donated or  
28 otherwise received for industrial development purposes. The board may also create such  
29 other separate accounts within **any of** such funds as deemed necessary or appropriate  
30 by the board to carry out the duties and purposes of sections 100.250 to 100.297. All  
31 such separate accounts may be administered by a corporate trustee on behalf of the  
32 board upon the terms and conditions established by the board.

33 3. Moneys in the **jobs now fund**, the development and reserve fund, the  
34 guarantee fund, and the export finance fund shall be invested by the board in the  
35 manner prescribed by the board and any interest earned on invested moneys shall accrue  
36 to the benefit of the respective fund.

37 4. **None of the funds and accounts of the board shall be considered a**  
38 **state fund, and money deposited therein may not be appropriated therefrom,**  
39 **nor shall any money deposited therein be subject to** the provisions of section  
40 33.080, RSMo[, to the contrary notwithstanding, the development and reserve fund, the  
41 guarantee fund and the export finance fund, including any moneys in any of such funds  
42 appropriated by the general assembly, shall not lapse at the end of the biennium and the



43 balance shall not be transferred to the general revenue fund].

100.263. 1. An "Infrastructure Development Fund" shall be established from  
2 which moneys shall be used to make low-interest or interest-free loans, loan guarantees,  
3 or grants to local political subdivisions, **not-for-profit economic development**  
4 **entities**, and to state agencies. The fund may receive funds from the federal  
5 government for infrastructure development purposes, but other public or private funds  
6 may be received by the board for deposit in the fund. The general assembly may  
7 appropriate state moneys to the fund. The infrastructure development fund shall be  
8 administered by the board under the provisions of sections 100.250 to 100.297. Any  
9 moneys remaining in the fund at the end of any fiscal year shall not revert to the general  
10 revenue fund.

11 2. A "Technology Facilities Trust Fund" shall be established as a sub-  
12 account of the infrastructure development fund from which moneys shall be  
13 used to guarantee the investment in specialized infrastructure, fixtures, and  
14 equipment for technology development and production space in multi-tenant  
15 rental property. The general assembly may authorize the use of state moneys  
16 to secure the guarantee. The technology facilities trust fund shall be  
17 administered by the board under the provisions of sections 100.250 to  
18 100.297. Any moneys remaining in the fund at the end of any fiscal year shall  
19 not revert to the general revenue fund.

100.270. The board shall have the power to:

- 2 (1) Sue and be sued in its official name;
- 3 (2) Adopt and use an official seal;
- 4 (3) Confer with agencies of the state and development agencies, and with  
5 representatives of business, industry, and labor for the purpose of promoting the  
6 economic development of this state;
- 7 (4) Consider and review applications for loans to be made from the development  
8 and reserve fund or for loans, bonds or notes to be made by or secured by the  
9 development and reserve fund, the guarantee fund, the export finance fund or the  
10 infrastructure development fund or any other available money, under sections 100.250  
11 to 100.297, **and for grants, loans, bonds, or notes to be made by or secured by**  
12 **the jobs now fund**;
- 13 (5) Enter into agreements with development agencies, borrowers, participating  
14 lenders and others to implement any of the provisions of sections 100.250 to 100.297;
- 15 (6) Direct disbursements from the development and reserve fund, the guarantee  
16 fund, the export finance fund, [and] the infrastructure development fund, **and the jobs**

17 **now fund** as provided in sections 100.250 to 100.297;

18 (7) Administer the development and reserve fund, the guarantee fund, the export  
19 finance fund, [and] the infrastructure development fund, **and the jobs now fund** and  
20 invest any portion of such funds not required for immediate disbursement in obligations  
21 of the United States, or any agency or instrumentality of the United States, in  
22 obligations of the state of Missouri and its political subdivisions, in certificates of deposit  
23 and time deposits or other obligations of banks and savings and loan associations or in  
24 such other obligations as may be prescribed by the board;

25 (8) Apply for and accept gifts, grants, appropriations, loans or contributions to  
26 the development and reserve fund, the guarantee fund, the export finance fund, [and]  
27 the infrastructure development fund, **and the jobs now fund** from any source, public  
28 or private, and enter into contracts or other transactions with any federal or state  
29 agency, any development agency, private organization, or any other source in furtherance  
30 of the purposes of sections 100.250 to 100.297, and do any and all things necessary in  
31 order to avail itself of such aid and cooperation;

32 (9) Issue, from time to time, its negotiable revenue bonds or notes in such  
33 principal amounts as, in its opinion, shall be necessary to provide sufficient funds for  
34 achieving its purposes;

35 (10) Establish reserves to secure bonds, notes and loans issued or made by the  
36 board, development agencies or participating lenders;

37 (11) Make, purchase, or participate in the making or purchase, of loans, bonds,  
38 or notes to finance the costs of projects;

39 (12) Procure insurance, letters of credit, or other form of credit enhancement, to  
40 secure the payment of principal and interest on any loans, bonds or notes or other  
41 obligations of the board;

42 (13) Purchase, receive, take by grant, gift, devise, bequest or otherwise, lease, or  
43 otherwise acquire, own, hold, improve, employ, use and otherwise deal in and with, real  
44 or personal property, or any interest therein, wherever situated;

45 (14) Sell, convey, lease, exchange, transfer or otherwise dispose of, all or any of  
46 its property, or any interest therein, wherever situated;

47 (15) Conduct hearings and other methods of examination, and authorize any of  
48 its members to do so, on any matter material for its information and necessary to the  
49 exercise of the duties of the board;

50 (16) Employ and fix the compensation of an executive director and such other  
51 agents or employees as it considers necessary;

52 (17) Adopt, alter, or repeal its own bylaws, rules, and regulations governing the

53 manner in which its business may be transacted;

54 (18) Assess or charge a fee for each application it receives for funding for a  
55 project **or a jobs now project** and assess or charge other fees as the board determines  
56 to be reasonable to carry out its purposes, including, but not limited to, fees or premiums  
57 for loans made from the development and reserve fund and the export finance fund and  
58 for loans, bonds or notes secured by the development and reserve fund, the guarantee  
59 fund, the export finance fund or the infrastructure development fund **or the jobs now**  
60 **fund**;

61 (19) Make all expenditures which are incident and necessary to carry out its  
62 purposes and powers;

63 (20) Take such action, enter into such agreements and exercise all other powers  
64 and functions necessary or appropriate to carry out the duties and purposes set forth in  
65 sections 100.250 to 100.297;

66 (21) Insure, coinsure, guarantee loans and make loans relating to qualified export  
67 transactions and adopt criteria, by means of rules and regulations, establishing which  
68 exporters shall be eligible for the insurance, coinsurance, loan guarantees and loans  
69 which may be extended by the board;

70 (22) Do all things necessary to ensure full participation by the state of Missouri  
71 in any federal program which may relate to the construction, repair, replacement or  
72 further development of the infrastructure of the state and its political subdivisions;

73 (23) Receive funds from the federal government for deposit into the infrastructure  
74 development fund **or the jobs now fund** and authorize disbursements therefrom [in  
75 accordance with appropriations]. The board may enter into agreements with agencies  
76 of the federal government and may, on behalf of the state of Missouri, do all things  
77 necessary to ensure full participation by the state of Missouri in any federal program  
78 which may relate to the repair, replacement or further development of the infrastructure  
79 of the state and its political subdivisions;

80 (24) Set guidelines and priorities for loans, loan guarantees or grants from the  
81 infrastructure development fund. The board is the sole state agency authorized to set  
82 such guidelines and priorities with respect to the infrastructure development fund on  
83 behalf of the state or any of its political subdivisions, and loans, loan guarantees, or  
84 grants shall only be made upon approval of the board;

85 (25) Make equity investments in or otherwise acquire ownership interests in:  
86 for-profit and not-for-profit federal- or state-authorized community development  
87 corporations; small business investment companies, including minority or specialized  
88 small business investment companies; and microloan corporations and similar lending

89 institutions, when such investments are deemed to enhance the benefit of the public;  
90 [and]

91 (26) Make investments in Missouri certified capital companies, as defined by  
92 subdivision (7) of subsection 2 of section 135.500, RSMo, or other investment companies  
93 for investment in qualified Missouri businesses, as defined by subdivision (14) of  
94 subsection 2 of section 135.500, RSMo. All investments made by the board for the  
95 eventual investment in qualified Missouri businesses shall be matched by an equivalent  
96 investment made by the certified capital company or other investment firm for  
97 investment into qualified Missouri businesses. All investments made into Missouri  
98 qualified businesses under the provisions of this subdivision shall be in the form of  
99 equity or unsecured debt financing. No investment shall be made by the board under  
100 the provisions of this subdivision without the approval of the director of the department  
101 of economic development; **and**

102 **(27) Make loans and grants from the jobs now fund in accordance with**  
103 **the provisions of section 100.293.**

100.275. 1. The board may at any time issue revenue bonds for the purpose of  
2 paying any part of the cost of any project or projects, or part thereof, **for the purpose**  
3 **of initially providing money for the jobs now fund**, and for the purpose of  
4 refunding any of its bonds or the bonds of any development agency. Every issue of its  
5 bonds shall be payable out of the revenues of the board which may be pledged for such  
6 payment, **and in the case of the bonds issued to initially provide money for the**  
7 **jobs now fund, shall be payable from funds appropriated by the general**  
8 **assembly for said purpose**, without preference or priority of the first bonds issued,  
9 subject to any agreement with the holders of any other bonds or pledging any specified  
10 revenues. The bonds shall be authorized by resolution of the board, shall bear such date  
11 or dates, and shall mature at such time or times, but not in excess of thirty years, as the  
12 resolution of the board shall specify. The bonds shall be in such denominations, bear  
13 interest at such rates, be in such form, either coupon or registered, be issued in such  
14 manner, be payable in such place or places and be subject to redemption as such  
15 resolution may provide. The bonds of the board may be sold at public or private sale, as  
16 the board may specify, at such price or prices as the board shall determine, but at not  
17 less than ninety-five percent of the principal amount thereof, and at such interest rate  
18 as the board shall determine, notwithstanding the provisions of section 108.170, RSMo.

19 2. The board may issue notes payable from the proceeds of bonds to be issued in  
20 the future or from such other sources as the board may specify as in the case of  
21 bonds. Such notes shall mature in not more than five years and shall be sold at public

22 or private sale, as the board may specify, at not less than ninety-five percent of the  
23 principal amount thereof and at such interest rate as the board shall determine,  
24 notwithstanding the provisions of section 108.170, RSMo. The other details with respect  
25 to such notes shall be determined by the board as in the case of bonds.

26 3. The state shall not be liable on any notes or bonds of the board. Such notes  
27 or bonds shall not be a debt of the state and shall contain on the faces thereof a  
28 statement to such effect.

29 4. No member of the board nor any person authorized to execute notes or bonds  
30 of the board shall be liable personally on such notes or bonds or shall be subject to any  
31 personal liability or accountability by reason of the issuance thereof.

32 5. The notes and bonds of the board are securities in which all public bodies and  
33 political subdivisions of this state; all insurance companies and associations and all  
34 other persons carrying on an insurance business; all banks, trust companies, saving  
35 associations, savings and loan associations, credit unions, and investment companies; all  
36 administrators, guardians, executors, trustees, and other fiduciaries; and all other  
37 persons who now or may hereafter be authorized to invest in notes and bonds or other  
38 obligations of this state may properly and legally invest funds, including capital, in their  
39 control or belonging to them.

40 6. The board shall not be required to pay any taxes or any assessments  
41 whatsoever to this state, any political subdivision of this state, or any other  
42 governmental agency of this state. The notes and bonds of the board, and the income  
43 therefrom, shall, at all times, be exempt from any taxes and any assessments, except for  
44 estate taxes, gift taxes, and taxes on transfers.

45 7. Nothing contained in sections 100.250 to 100.297 shall be deemed to constitute  
46 a use of state funds or credit in violation of the provisions of article III, sections 37, 38(a)  
47 and 39, of the Missouri Constitution.

48 8. The board shall have the power to contract with any development agency to  
49 perform any governmental service, activity or undertaking which the contracting  
50 development agency is authorized by law to perform or to issue any bonds or notes which  
51 the contracting development agency is authorized by law to issue. Any such contract  
52 shall be authorized by the governing body of the development agency and by the board  
53 and shall state the purpose of the contract and the powers and duties of the parties  
54 thereunder. Any bonds or notes issued by the board on behalf of a development agency  
55 shall be entitled to the same security as if such bonds or notes were issued directly by  
56 the development agency. In addition to any other security for such bonds or notes, the  
57 board may secure such bonds, notes or other indebtedness, **except for bonds issued**

58 **to initially provide money for the jobs now fund**, in the manner described in  
59 section 100.297. **No bonds shall be issued after December 31, 2015, to provide**  
60 **money for the jobs now fund.**

**100.277. Funds expended for projects authorized in sections 100.255 to**  
2 **100.293, shall provide appropriate employment and business opportunities for**  
3 **participation by minority, women, and disadvantaged business enterprises in**  
4 **compliance with all state laws, rules, and regulations.**

100.281. 1. A request for a loan from the development and reserve fund, the  
2 infrastructure development fund or the export finance fund to fund export trade  
3 activities or to carry out a project shall be in the form of an application for the project  
4 to the board, which application shall be in such form as the board may specify. After  
5 reviewing the application and such other information as the board may require, the  
6 board may grant all or a part of the loan request, provided the board determines that:

7 (1) The project will be a benefit to the economy or infrastructure of the state;  
8 (2) The project will generate sufficient revenues or the borrower will otherwise  
9 have sufficient revenues available to enable the borrower to repay the loan to the  
10 development and reserve fund, the infrastructure development fund or the export finance  
11 fund, along with any interest to be charged; and

12 (3) In the case of an infrastructure facility project, the loan will not exceed ten  
13 million dollars.

14 2. [When the board makes a loan under the provisions of sections 100.250 to  
15 100.297, copies of all documents filed in support of the loan application and copies of all  
16 agreements, notes, evidence of debts, or security agreements connected with such loan  
17 may be forwarded to the department of economic development, and if so forwarded, that  
18 department shall thereafter be responsible for the administration of such agreements;  
19 but the board shall not transfer or assign any of its interests under any of such  
20 agreements to the department of economic development. In the event of a substantial  
21 default in the terms of any such agreements, the department of economic development  
22 shall notify the board in order that the board may take whatever steps it deems  
23 necessary to protect its interests.

24 3.] Notwithstanding any other provision of law to the contrary, all development  
25 agencies, as defined in section 100.255, shall have the power to borrow funds from the  
26 board for any project, to contract with the board, and to furnish a security interest in any  
27 of their revenues or properties to the board to secure a loan from the board and to issue  
28 notes in evidence thereof upon such terms as such development agencies shall determine.

29 [4.] 3. When the board issues bonds to provide loans for more than one

30 infrastructure project, the board shall make a reasonable effort to sell the bonds to a  
31 purchaser that represents a group consisting of more than one underwriter.

100.286. 1. Within the discretion of the board, the development and reserve  
2 fund, the infrastructure development fund or the export finance fund may be pledged to  
3 secure the payment of any bonds or notes issued by the board, or to secure the payment  
4 of any loan made by the board or a participating lender which loan:

- 5 (1) Is requested to finance any project or export trade activity;
- 6 (2) Is requested by a borrower who is demonstrated to be financially responsible;
- 7 (3) Can reasonably be expected to provide a benefit to the economy of this state;
- 8 (4) Is otherwise secured by a mortgage or deed of trust on real or personal  
9 property or other security satisfactory to the board; provided that loans to finance export  
10 trade activities may be secured by export accounts receivable or inventories of exportable  
11 goods satisfactory to the board;
- 12 (5) Does not exceed five million dollars;
- 13 (6) Does not have a term longer than [five] **seven** years if such loan is made to  
14 finance export trade activities; and

15 (7) Is, when used to finance export trade activities, made to small or medium size  
16 businesses or agricultural businesses, as may be defined by the board; or

17 **(8) Does not exceed ten million dollars, to secure against the tenant**  
18 **vacating the facility, for the purposes of collateral to guaranty facility**  
19 **improvement costs at the collateralized rates provided in this**  
20 **subdivision. Payment from the fund for a tenant vacating the facility shall**  
21 **only be made if the property is not rented to a similar tenant within one year**  
22 **of the prior tenant vacating the facility. Collateralization for facilities**  
23 **improvement costs shall be at a rate of eighty percent in the first year; at a**  
24 **rate of seventy percent in the second year; at a rate of sixty percent in the**  
25 **third year; at a rate of fifty percent in the fourth year; at a rate of forty**  
26 **percent in the fifth year; at a rate of thirty percent in the sixth year; and at**  
27 **a rate of twenty percent in the seventh year.**

28 2. The board shall prescribe standards for the evaluation of the financial  
29 condition, business history, and qualifications of each borrower and the terms and  
30 conditions of loans which may be secured, and may require each application to include  
31 a financial report and evaluation by an independent certified public accounting firm, in  
32 addition to such examination and evaluation as may be conducted by any participating  
33 lender.

34 3. Each application for a loan secured by the development and reserve fund, the

35 infrastructure development fund or the export finance fund shall be reviewed in the first  
36 instance by any participating lender to whom the application was submitted. If satisfied  
37 that the standards prescribed by the board are met and that the loan is otherwise  
38 eligible to be secured by the development and reserve fund, the infrastructure  
39 development fund or the export finance fund, the participating lender shall certify the  
40 same and forward the application for final approval to the board.

41         4. The securing of any loans by the development and reserve fund, the  
42 infrastructure development fund or the export finance fund shall be conditioned upon  
43 approval of the application by the board, and receipt of an annual reserve participation  
44 fee, as prescribed by the board, submitted by or on behalf of the borrower.

45         5. The securing of any loan by the export finance fund for export trade activities  
46 shall be conditioned upon the board's compliance with any applicable treaties and  
47 international agreements, such as the general agreement on tariffs and trade and the  
48 subsidies code, to which the United States is then a party.

49         6. Any taxpayer shall be entitled to a tax credit against any tax otherwise due  
50 under the provisions of chapter 143, RSMo, excluding withholding tax imposed by  
51 sections 143.191 to 143.261, RSMo, chapter 147, RSMo, or chapter 148, RSMo, in the  
52 amount of fifty percent of any amount contributed in money or property by the taxpayer  
53 to the development and reserve fund, the infrastructure development fund or the export  
54 finance fund during the taxpayer's tax year, provided, however, the total tax credits  
55 awarded in any calendar year beginning after January 1, 1994, shall not be the greater  
56 of ten million dollars or five percent of the average growth in general revenue receipts  
57 in the preceding three fiscal years. This limit may be exceeded only upon joint  
58 agreement by the commissioner of administration, the director of the department of  
59 economic development, and the director of the department of revenue that such action  
60 is essential to ensure retention or attraction of investment in Missouri. If the board  
61 receives, as a contribution, real property, the contributor at such contributor's own  
62 expense shall have two independent appraisals conducted by appraisers certified by the  
63 Master Appraisal Institute. Both appraisals shall be submitted to the board, and the tax  
64 credit certified by the board to the contributor shall be based upon the value of the lower  
65 of the two appraisals. The board shall not certify the tax credit until the property is  
66 deeded to the board. Such credit shall not apply to reserve participation fees paid by  
67 borrowers under sections 100.250 to 100.297. The portion of earned tax credits which  
68 exceeds the taxpayer's tax liability may be carried forward for up to five years.

69         7. Notwithstanding any provision of law to the contrary, any taxpayer may sell,  
70 assign, exchange, convey or otherwise transfer tax credits allowed in subsection 6 of this



71 section under the terms and conditions prescribed in subdivisions (1) and (2) of this  
72 subsection. Such taxpayer, hereinafter the assignor for the purpose of this subsection,  
73 may sell, assign, exchange or otherwise transfer earned tax credits:

74 (1) For no less than seventy-five percent of the par value of such credits; and

75 (2) In an amount not to exceed one hundred percent of annual earned credits.

76 The taxpayer acquiring earned credits, hereinafter the assignee for the purpose of this  
77 subsection, may use the acquired credits to offset up to one hundred percent of the tax  
78 liabilities otherwise imposed by chapter 143, RSMo, excluding withholding tax imposed  
79 by sections 143.191 to 143.261, RSMo, chapter 147, RSMo, or chapter 148,  
80 RSMo. Unused credits in the hands of the assignee may be carried forward for up to five  
81 years, provided all such credits shall be claimed within ten years following the tax years  
82 in which the contribution was made. The assignor shall enter into a written agreement  
83 with the assignee establishing the terms and conditions of the agreement and shall  
84 perfect such transfer by notifying the board in writing within thirty calendar days  
85 following the effective day of the transfer and shall provide any information as may be  
86 required by the board to administer and carry out the provisions of this  
87 section. Notwithstanding any other provision of law to the contrary, the amount received  
88 by the assignor of such tax credit shall be taxable as income of the assignor, and the  
89 excess of the par value of such credit over the amount paid by the assignee for such  
90 credit shall be taxable as income of the assignee.

**100.293. 1. There shall be created a "Jobs Now Recommendation  
2 Committee", comprised of representatives of the department of economic  
3 development, the department of agriculture, the department of natural  
4 resources, and the department of transportation. The committee shall  
5 establish application materials and procedures for development agencies to  
6 apply to the board for grants or low-interest or interest-free loans for the  
7 purpose of funding jobs now projects.**

**8 2. Applications shall be submitted simultaneously to the committee and  
9 the board. The committee shall review the applications and prepare and  
10 submit analyses and recommendations to the board for a determination as to  
11 approval or denial of grants or loans from the jobs now fund.**

**12 3. After reviewing applications and such other information as the  
13 board may require, the board may grant all or a part of a grant or loan  
14 request, provided the board determines:**

**15 (1) The jobs now project:**

**16 (a) Will not happen without the grant or loan from the board; or**

17           **(b) Will have a significant local economic impact; or**

18           **(c) Demonstrates high levels of job creation;**

19           **(2) In the case of a low-interest or interest-free loan, the jobs now**  
20 **project will generate sufficient revenues or the borrower will otherwise have**  
21 **sufficient revenues available to enable the borrower to repay the loan to the**  
22 **jobs now fund, along with any interest to be charged; and**

23           **(3) No loan or grant may exceed five million dollars.**

24           **4. Of the total moneys available for grants and loans for jobs now**  
25 **projects, twenty percent shall be set aside for loans and grants that otherwise**  
26 **meet the requirements of subsection 3 of this section, but that also will be**  
27 **used to leverage additional matching federal or non-state funds.**

28           **5. Of the total moneys available for grants and loans for jobs now**  
29 **projects, twenty percent shall be set aside for loans and grants that otherwise**  
30 **meet the requirements of subsection 3 of this section, but are for public**  
31 **higher education infrastructure facilities that have a high probability of**  
32 **creating jobs for the future in targeted industries.**

33           **6. The set-asides in subsections 4 and 5 of this section shall in no way**  
34 **prohibit such projects to apply for grants or loans from the non set-aside**  
35 **portion of the jobs now fund.**

2           100.710. As used in sections 100.700 to 100.850, the following terms mean:

3           (1) "Assessment", an amount of up to five percent of the gross wages paid in one  
4 year by an eligible industry to all eligible employees in new jobs, or up to ten percent if  
5 the economic development project is located within a distressed community as defined  
6 in section 135.530, RSMo;

7           (2) "Board", the Missouri development finance board as created by section  
8 100.265;

9           (3) "Certificates", the revenue bonds or notes authorized to be issued by the board  
10 pursuant to section 100.840;

11           (4) "Credit", the amount agreed to between the board and an eligible industry,  
12 but not to exceed the assessment attributable to the eligible industry's project;

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

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

15           (7) "Economic development project":

16           (a) The acquisition of any real property by the board, the eligible industry, or its  
17 affiliate; or

18           (b) The fee ownership of real property by the eligible industry or its affiliate; and

19 (c) For both paragraphs (a) and (b) of this subdivision, "economic development  
20 project" shall also include the development of the real property including construction,  
21 installation, or equipping of a project, including fixtures and equipment, and facilities  
22 necessary or desirable for improvement of the real property, including surveys; site tests  
23 and inspections; subsurface site work; excavation; removal of structures, roadways,  
24 cemeteries and other surface obstructions; filling, grading and provision of drainage,  
25 storm water retention, installation of utilities such as water, sewer, sewage treatment,  
26 gas, electricity, communications and similar facilities; off-site construction of utility  
27 extensions to the boundaries of the real property; and the acquisition, installation, or  
28 equipping of facilities on the real property, for use and occupancy by the eligible industry  
29 or its affiliates;

30 (8) "Eligible employee", a person employed on a full-time basis in a new job at the  
31 economic development project averaging at least thirty-five hours per week who was not  
32 employed by the eligible industry or a related taxpayer in this state at any time during  
33 the twelve-month period immediately prior to being employed at the economic  
34 development project. For an essential industry, a person employed on a full-time basis  
35 in an existing job at the economic development project averaging at least thirty-five  
36 hours per week may be considered an eligible employee for the purposes of the program  
37 authorized by sections 100.700 to 100.850;

38 (9) "Eligible industry", a business located within the state of Missouri which is  
39 engaged in interstate or intrastate commerce for the purpose of manufacturing,  
40 processing or assembling products, conducting research and development, or providing  
41 services in interstate commerce, office industries, or agricultural processing, but  
42 excluding retail, health or professional services. "Eligible industry" does not include a  
43 business which closes or substantially reduces its operation at one location in the state  
44 and relocates substantially the same operation to another location in the state. This  
45 does not prohibit a business from expanding its operations at another location in the  
46 state provided that existing operations of a similar nature located within the state are  
47 not closed or substantially reduced. This also does not prohibit a business from moving  
48 its operations from one location in the state to another location in the state for the  
49 purpose of expanding such operation provided that the board determines that such  
50 expansion cannot reasonably be accommodated within the municipality in which such  
51 business is located, or in the case of a business located in an incorporated area of the  
52 county, within the county in which such business is located, after conferring with the  
53 chief elected official of such municipality or county and taking into consideration any  
54 evidence offered by such municipality or county regarding the ability to accommodate

55 such expansion within such municipality or county. An eligible industry must:

56 (a) Invest a minimum of fifteen million dollars, or ten million dollars for an office  
57 industry, in an economic development project; and

58 (b) Create a minimum of one hundred new jobs for eligible employees at the  
59 economic development project or a minimum of five hundred jobs if the economic  
60 development project is an office industry or a minimum of two hundred new jobs if the  
61 economic development project is an office industry located within a distressed community  
62 as defined in section 135.530, RSMo, **in the case of an approved company for a**  
63 **project for a world headquarters of a business whose primary function is tax**  
64 **return preparation in any home rule city with more than four hundred**  
65 **thousand inhabitants and located in more than one county, create a minimum**  
66 **or one hundred new jobs for eligible employees at the economic development**  
67 **project.** An industry that meets the definition of "essential industry" may be considered  
68 an eligible industry for the purposes of the program authorized by sections 100.700 to  
69 100.850;

70 (10) "Essential industry", a business that otherwise meets the definition of  
71 eligible industry except an essential industry shall:

72 (a) Be a targeted industry;

73 (b) Be located in a home rule city with more than twenty-six thousand but less  
74 than twenty-seven thousand inhabitants located in any county with a charter form of  
75 government and with more than one million inhabitants;

76 (c) Have maintained at least two thousand jobs at the proposed economic  
77 development project site each year for a period of four years preceding the year in which  
78 application for the program authorized by sections 100.700 to 100.850 is made and  
79 during the year in which said application is made;

80 (d) For the duration of the certificates, retain at the proposed economic  
81 development project site the level of employment that existed at the site in the taxable  
82 year immediately preceding the year in which application for the program authorized by  
83 sections 100.700 to 100.850 is made; and

84 (e) Invest a minimum of five hundred million dollars in the economic  
85 development project by the end of the third year after the issuance of the certificates  
86 under this program;

87 (11) "New job", a job in a new or expanding eligible industry not including jobs  
88 of recalled workers, replacement jobs or jobs that formerly existed in the eligible  
89 industry in the state. For an essential industry, an existing job may be considered a new  
90 job for the purposes of the program authorized by sections 100.700 to 100.850;

91 (12) "Office industry", a regional, national or international headquarters, a  
92 telecommunications operation, a computer operation, an insurance company, or a credit  
93 card billing and processing center;

94 (13) "Program costs", all necessary and incidental costs of providing program  
95 services including payment of the principal of premium, if any, and interest on  
96 certificates, including capitalized interest, issued to finance a project, and funding and  
97 maintenance of a debt service reserve fund to secure such certificates. Program costs  
98 shall include:

99 (a) Obligations incurred for labor and obligations incurred to contractors,  
100 subcontractors, builders and materialmen in connection with the acquisition,  
101 construction, installation or equipping of an economic development project;

102 (b) The cost of acquiring land or rights in land and any cost incidental thereto,  
103 including recording fees;

104 (c) The cost of contract bonds and of insurance of all kinds that may be required  
105 or necessary during the course of acquisition, construction, installation or equipping of  
106 an economic development project which is not paid by the contractor or contractors or  
107 otherwise provided for;

108 (d) All costs of architectural and engineering services, including test borings,  
109 surveys, estimates, plans and specifications, preliminary investigations and supervision  
110 of construction, as well as the costs for the performance of all the duties required by or  
111 consequent upon the acquisition, construction, installation or equipping of an economic  
112 development project;

113 (e) All costs which are required to be paid under the terms of any contract or  
114 contracts for the acquisition, construction, installation or equipping of an economic  
115 development project; and

116 (f) All other costs of a nature comparable to those described in this subdivision;

117 (14) "Program services", administrative expenses of the board, including  
118 contracted professional services, and the cost of issuance of certificates;

119 (15) "Targeted industry", an industry or one of a cluster of industries that is  
120 identified by the department as critical to the state's economic security and growth and  
121 affirmed as such by the joint committee on economic development policy and planning  
122 established in section 620.602, RSMo.

2 [100.850. 1. The approved company shall remit to the board a job  
3 development assessment fee, not to exceed five percent of the gross wages  
4 of each eligible employee whose job was created as a result of the economic  
development project, or not to exceed ten percent if the economic

5 development project is located within a distressed community as defined  
6 in section 135.530, RSMo, for the purpose of retiring bonds which fund the  
7 economic development project.

8 2. Any approved company remitting an assessment as provided in  
9 subsection 1 of this section shall make its payroll books and records  
10 available to the board at such reasonable times as the board shall request  
11 and shall file with the board documentation respecting the assessment as  
12 the board may require.

13 3. Any assessment remitted pursuant to subsection 1 of this  
14 section shall cease on the date the bonds are retired.

15 4. Any approved company which has paid an assessment for debt  
16 reduction shall be allowed a tax credit equal to the amount of the  
17 assessment. The tax credit may be claimed against taxes otherwise  
18 imposed by chapters 143 and 148, RSMo, except withholding taxes  
19 imposed under the provisions of sections 143.191 to 143.265, RSMo, which  
20 were incurred during the tax period in which the assessment was made.

21 5. In no event shall the aggregate amount of tax credits authorized  
22 by subsection 4 of this section exceed eleven million dollars annually.

23 6. The director of revenue shall issue a refund to the approved  
24 company to the extent that the amount of credits allowed in subsection 4  
25 of this section exceeds the amount of the approved company's income tax.]

100.850. 1. The approved company shall remit to the board a job development  
2 assessment fee, not to exceed five percent of the gross wages of each eligible employee  
3 whose job was created as a result of the economic development project, or not to exceed  
4 ten percent if the economic development project is located within a distressed community  
5 as defined in section 135.530, RSMo, for the purpose of retiring bonds which fund the  
6 economic development project.

7 2. Any approved company remitting an assessment as provided in subsection 1  
8 of this section shall make its payroll books and records available to the board at such  
9 reasonable times as the board shall request and shall file with the board documentation  
10 respecting the assessment as the board may require.

11 3. Any assessment remitted pursuant to subsection 1 of this section shall cease  
12 on the date the bonds are retired.

13 4. Any approved company which has paid an assessment for debt reduction shall  
14 be allowed a tax credit equal to the amount of the assessment. The tax credit may be  
15 claimed against taxes otherwise imposed by chapters 143 and 148, RSMo, except

16 withholding taxes imposed under the provisions of sections 143.191 to 143.265, RSMo,  
17 which were incurred during the tax period in which the assessment was made.

18 5. In no event shall the aggregate amount of tax credits authorized by subsection  
19 4 of this section exceed [eleven] **fifteen** million dollars annually.

20 6. The director of revenue shall issue a refund to the approved company to the  
21 extent that the amount of credits allowed in subsection 4 of this section exceeds the  
22 amount of the approved company's income tax.

**135.155. For all tax years beginning on or after January 1, 2005, no tax  
2 credits shall be approved, awarded, or issued to any person or entity claiming  
3 any tax credit under sections 135.100 to 135.150.**

135.207. 1. (1) Any city with a population of at least three hundred fifty  
2 thousand inhabitants which is located in more than one county and any city not within  
3 a county, which includes an existing state designated enterprise zone within the  
4 corporate limits of the city may each, upon approval of the local governing authority of  
5 the city and the director of the department of economic development, designate up to  
6 three satellite zones within its corporate limits. A prerequisite for the designation of a  
7 satellite zone shall be the approval by the director of a plan submitted by the local  
8 governing authority of the city describing how the satellite zone corresponds to the city's  
9 overall enterprise zone strategy.

10 (2) Any Missouri community classified as a village whose borders lie adjacent to  
11 a city with a population in excess of three hundred fifty thousand inhabitants as  
12 described in subdivision (1) of this subsection, and which has within the corporate limits  
13 of the village a factory, mining operation, office, mill, plant or warehouse which has at  
14 least three thousand employees and has an investment in plant, machinery and  
15 equipment of at least two hundred million dollars may, upon securing approval of the  
16 director and the local governing authorities of the village and the adjacent city which  
17 contains an existing state-designated enterprise zone, designate one satellite zone to be  
18 located within the corporate limits of the village, such zone to be in addition to the six  
19 authorized in subdivision (1) of this subsection.

20 (3) Any geographical area partially contained within any city not within a county  
21 and partially contained within any county of the first classification with a charter form  
22 of government with a population of nine hundred thousand or more inhabitants, which  
23 area is comprised of a total population of at least four thousand inhabitants but not more  
24 than seventy-two thousand inhabitants, and which area consists of at least one fourth  
25 class city, and has within its boundaries a military reserve facility and a utility pumping  
26 station having a capacity of ten million cubic feet, may, upon securing approval of the

27 director and the appropriate local governing authorities as provided for in section  
28 135.210, be designated as a satellite zone, such zone to be in addition to the six  
29 authorized in subdivision (1) of this subsection.

30 (4) In addition to all other satellite zones authorized in this section, any home  
31 rule city with more than seventy-three thousand but less than seventy-five thousand  
32 inhabitants, which includes an existing state-designated enterprise zone within the  
33 corporate limits of the city, may, upon approval of the local governing authority of the  
34 city and director of the department of economic development, designate a satellite zone  
35 within its corporate limits. A prerequisite for the designation of a satellite zone  
36 pursuant to this subdivision shall be the approval by the director of the department of  
37 economic development of a plan submitted by the local governing authority of such city  
38 describing how the satellite zone corresponds to the city's overall enterprise zone  
39 strategy.

40 (5) In addition to all other satellite zones authorized in this section, any home  
41 rule city with more than one hundred thirteen thousand two hundred but less than one  
42 hundred thirteen thousand three hundred inhabitants, which includes an existing  
43 state-designated enterprise zone within the corporate limits of the city, may, upon  
44 approval of the local governing authority of the city and director of the department of  
45 economic development, designate a satellite zone within its corporate limits along the  
46 southwest corner of any intersection of two United States interstate highways. A  
47 prerequisite for the designation of a satellite zone pursuant to this subdivision shall be  
48 the approval by the director of the department of economic development of a plan  
49 submitted by the local governing authority of such city describing how the satellite zone  
50 corresponds to the city's overall enterprise zone strategy.

51 (6) In addition to all other satellite zones authorized in this section, any home  
52 rule city with more than one hundred fifty-one thousand five hundred but less than one  
53 hundred fifty-one thousand six hundred inhabitants which includes an existing  
54 state-designated enterprise zone within the corporate limits of the city may, upon  
55 approval of the governing authority of the city and the director of the department of  
56 economic development, designate one satellite zone within its corporate limits. No  
57 satellite zone shall be designated pursuant to this subdivision until the governing  
58 authority of the city submits a plan describing how the satellite zone corresponds to the  
59 city's overall enterprise zone strategy and the director approves the plan.

60 **(7) In addition to all other satellite zones authorized in this section,**  
61 **any city of the fourth classification with more than three thousand eight**  
62 **hundred but less than four thousand inhabitants and located in more than**



63 **one county and which city lies adjacent to any home rule city with more than**  
64 **one hundred thirteen thousand two hundred but less than one hundred**  
65 **thirteen thousand three hundred inhabitants and which contains an**  
66 **enterprise zone may, upon approval of the director and the governing**  
67 **authorities of the city of the fourth classification and the home rule city,**  
68 **designate one satellite zone within its corporate limits. The satellite**  
69 **enterprise zone authorized by this subsection shall be designated only if it**  
70 **meets the criteria established by subsection 2 of this section. Retail**  
71 **businesses, as identified by the 1997 North American Industry Classification**  
72 **System (NAICS) sector numbers 44-45, located within the satellite enterprise**  
73 **zone shall be eligible for all benefits provided under the provisions of**  
74 **sections 135.200 to 135.258.**

75           2. For satellite zones designated pursuant to the provisions of subdivisions (1)  
76 and (3) of subsection 1 of this section, the satellite zones, in conjunction with the existing  
77 state-designated enterprise zone shall meet the following criteria:

78           (1) The area is one of pervasive poverty, unemployment, and general distress, or  
79 one in which a large number of jobs have been lost, a large number of employers have  
80 closed, or in which a large percentage of available production capacity is idle. For the  
81 purpose of this subdivision, "large number of jobs" means one percent or more of the  
82 area's population according to the most recent decennial census, and "large number of  
83 employers" means over five;

84           (2) At least fifty percent of the residents living in the area have incomes below  
85 eighty percent of the median income of all residents within the state of Missouri  
86 according to the last decennial census or other appropriate source as approved by the  
87 director;

88           (3) The resident population of the existing state-designated enterprise zone and  
89 its satellite zones must be at least four thousand but not more than seventy-two  
90 thousand at the time of designation;

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

97           3. A qualified business located within a satellite zone shall be subject to the same  
98 eligibility criteria and can be eligible to receive the same benefits as a qualified facility

99 in sections 135.200 to [135.255] 135.258.

135.212. 1. In addition to any other enterprise zones authorized in this  
2 chapter, the department of economic development shall designate one  
3 enterprise zone in any county of the third classification without a township  
4 form of government and with more than thirty-two thousand five hundred but  
5 less than thirty-two thousand six hundred inhabitants. Such enterprise zone  
6 designations shall have the same boundaries as such county, and shall only  
7 be made if the area to be included in the enterprise zone meets all the  
8 requirements of section 135.205.

9 2. In addition to any other enterprise zones authorized in this chapter,  
10 the department of economic development shall designate one enterprise zone  
11 that shall have boundaries that are the same as any city of the fourth  
12 classification with more than one thousand eight hundred but less than one  
13 thousand nine hundred inhabitants and located in three counties. Such  
14 enterprise zone designation shall only be made if the area that is to be  
15 included in the enterprise zone meets all the requirements of section 135.205.

16 3. In addition to any other enterprise zones authorized in this chapter,  
17 the department of economic development shall designate one enterprise zone  
18 that shall have boundaries that are the same as any city of the fourth  
19 classification with more than one thousand but less than one thousand one  
20 hundred inhabitants and located in any county of the third classification  
21 without a township form of government and with more than forty-one  
22 thousand one hundred but less than forty-one thousand two hundred  
23 inhabitants. Such enterprise zone designation shall only be made if the area  
24 that is to be included in the enterprise zone meets all the requirements of  
25 section 135.205.

26 4. In addition to any other enterprise zones authorized in this chapter,  
27 the department of economic development shall designate one enterprise zone  
28 that shall have boundaries that are the same as any city of the fourth  
29 classification with more than twelve thousand one hundred but less than  
30 twelve thousand four hundred inhabitants. Such enterprise zone designation  
31 shall only be made if the area that is to be included in the enterprise zone  
32 meets all the requirements of section 135.205.

33 5. In addition to any other enterprise zones authorized in this chapter,  
34 the department of economic development shall designate one enterprise zone  
35 that shall have boundaries that are the same as any city of the fourth  
36 classification with more than nine thousand six hundred but less than nine

37 thousand seven hundred inhabitants. Such enterprise zone designation shall  
38 only be made if the area that is to be included in the enterprise zone meets  
39 all the requirements of section 135.205.

40       6. In addition to any other enterprise zones authorized pursuant to this  
41 chapter, the department of economic development shall designate one  
42 enterprise zone that shall have boundaries that are the same as any county  
43 of the third classification without a township form of government and with  
44 more than thirteen thousand seventy-five but less than thirteen thousand one  
45 hundred seventy-five inhabitants. Such enterprise zone designation shall  
46 only be made if the area that is to be included in the enterprise zone meets  
47 all the requirements of section 135.205.

48       7. In addition to any other enterprise zones authorized in this chapter,  
49 the department of economic development shall designate one enterprise zone  
50 in the portions of any city of the fourth classification with more than three  
51 thousand eight hundred but less than four thousand inhabitants and located  
52 in more than one county and any home rule city with more than one hundred  
53 thirteen thousand two hundred but less than one hundred thirteen thousand  
54 three hundred inhabitants which include a political subdivision that receives  
55 a portion of its funding from section 163.031, RSMo, and is located in part in  
56 any home rule city with more than four hundred thousand inhabitants and  
57 located in more than one county. Such enterprise zone shall only be made if  
58 the area to be included in the enterprise zone meets all the requirements of  
59 section 135.205.

60       8. In addition to any other enterprise zones authorized pursuant to this  
61 chapter, the department of economic development shall designate one  
62 enterprise zone that shall have boundaries that are the same as any city of  
63 the fourth classification with more than four thousand three hundred but less  
64 than four thousand five hundred located in a county of the first classification  
65 with more than ninety-three thousand eight hundred but less than  
66 ninety-three thousand nine hundred inhabitants. Such enterprise zone  
67 designation shall only be made if the area that is to be included in the  
68 enterprise zone meets all the requirements of section 135.205.

69       9. In addition to any other enterprise zones authorized pursuant to this  
70 chapter, the department of economic development shall designate one  
71 enterprise zone that shall have boundaries that are the same as any city of  
72 the fourth classification with more than five thousand four hundred but less  
73 than five thousand five hundred inhabitants and located in more than one

74 county. Such enterprise zone designation shall only be made if the area that  
75 is to be included in the enterprise zone meets all the requirements of section  
76 135.205.

77 10. In addition to any other enterprise zones authorized in this  
78 chapter, the department of economic development shall designate one  
79 enterprise zone that shall be located partially in any city of the fourth  
80 classification with more than twelve thousand one hundred but less than  
81 twelve thousand four hundred inhabitants and partially in any city of the  
82 fourth classification with more than nine thousand six hundred but less than  
83 nine thousand seven hundred inhabitants and shall include all area in  
84 between any city of the fourth classification with more than twelve thousand  
85 one hundred but less than twelve thousand four hundred inhabitants and any  
86 city of the fourth classification with more than nine thousand six hundred but  
87 less than nine thousand seven hundred inhabitants with specific boundaries  
88 to be determined by the department of economic development in conjunction  
89 with the governing authority of the county. Such enterprise zone designation  
90 shall only be made if the area that is to be included in the enterprise zone  
91 meets all the requirements of section 135.205.

92 11. In addition to any other enterprise zones authorized in this  
93 chapter, the department of economic development shall designate one  
94 enterprise zone within any county of the third classification without a  
95 township form of government and with more than thirty-one thousand but  
96 less than thirty-one thousand one hundred inhabitants. Such enterprise zone  
97 designation shall only be made if the area that is to be included in the  
98 enterprise zone meets all the requirements of section 135.205.

99 12. Notwithstanding the provisions of section 135.230, to the contrary,  
100 any enterprise zone designated in any county of the third classification with  
101 a township form of government and with more than thirteen thousand seven  
102 hundred but less than thirteen thousand eight hundred inhabitants or  
103 designated in any county of the third classification without a township form  
104 of government and with more than fifteen thousand seven hundred but less  
105 than fifteen thousand eight hundred inhabitants shall not expire before  
106 December 31, 2015.

107 13. In addition to the number of enterprise zones authorized by the  
108 provisions of sections 135.200 to 135.270, the department of economic  
109 development shall designate one such zone in every county of the third  
110 classification without a township form of government and with more than six

111 **thousand seven hundred fifty but less than six thousand eight hundred fifty**  
112 **inhabitants. Such designation shall only be made if the area in the county**  
113 **which is to be included in the enterprise zone meets all the requirements of**  
114 **section 135.205.**

115 **14. In addition to the number of enterprise zones authorized by the**  
116 **provisions of this chapter the department of economic development shall**  
117 **designate one such zone in every city of the fourth classification with more**  
118 **than thirteen thousand six hundred but less than thirteen thousand eight**  
119 **hundred inhabitants which shall have boundaries abutting an international**  
120 **airport and an interstate highway with specific boundaries to be determined**  
121 **by the department of economic development in conjunction with the**  
122 **governing authority of the city. Such designation shall only be made if the**  
123 **area in the city which is to be included in the enterprise zone meets all the**  
124 **requirements of section 135.205.**

125 **15. In addition to any other enterprise zones authorized in this**  
126 **chapter, the department of economic development shall designate one such**  
127 **zone in a city of the fourth classification with more than thirty thousand**  
128 **three hundred but less than thirty thousand seven hundred inhabitants. Such**  
129 **enterprise zone shall only be made if the area to be included in the enterprise**  
130 **zone meets all the requirements of section 135.205.**

135.215. 1. Improvements made to "real property" as such term is defined in  
2 section 137.010, RSMo, which are made in an enterprise zone subsequent to the date  
3 such zone or expansion thereto was designated, may upon approval of an authorizing  
4 resolution by the governing authority having jurisdiction of the area in which the  
5 improvements are made, be exempt, in whole or in part, from assessment and payment  
6 of ad valorem taxes of one or more affected political subdivisions, provided that, except  
7 as to the exemption allowed under subsection 3 of this section, at least fifty new jobs  
8 that provide an average of at least thirty-five hours of employment per week per job are  
9 created and maintained at the new or expanded facility. Such authorizing resolution  
10 shall specify the percent of the exemption to be granted, the duration of the exemption  
11 to be granted, and the political subdivisions to which such exemption is to apply and any  
12 other terms, conditions or stipulations otherwise required. A copy of the resolution shall  
13 be provided the director within thirty calendar days following adoption of the resolution  
14 by the governing authority.

15 **2. No exemption shall be granted until the governing authority holds a public**  
16 **hearing for the purpose of obtaining the opinions and suggestions of residents of political**

17 subdivisions to be affected by the exemption from property taxes. The governing  
18 authority shall send, by certified mail, a notice of such hearing to each political  
19 subdivision in the area to be affected and shall publish notice of such hearing in a  
20 newspaper of general circulation in the area to be affected by the exemption at least  
21 twenty days prior to the hearing but not more than thirty days prior to the  
22 hearing. Such notice shall state the time, location, date and purpose of the hearing.

23         3. Notwithstanding subsection 1 of this section, at least one-half of the ad  
24 valorem taxes otherwise imposed on subsequent improvements to real property located  
25 in an enterprise zone shall become and remain exempt from assessment and payment  
26 of ad valorem taxes of any political subdivision of this state or municipality thereof for  
27 a period of not less than ten years following the date such improvements were assessed,  
28 provided the improved properties are used for assembling, fabricating, processing,  
29 manufacturing, mining, warehousing or distributing properties.

30         4. No exemption shall be granted for a period more than twenty-five years  
31 following the date on which the original enterprise zone was designated by the  
32 department **except for any enterprise zone within any home rule city with more**  
33 **than one hundred fifty-one thousand five hundred but less than one hundred**  
34 **fifty-one thousand six hundred inhabitants provided in any instance the**  
35 **exemption shall not be granted for a period longer than twenty-five years**  
36 **from the date on which the exemption was granted.**

37         5. The provisions of subsection 1 of this section shall not apply to improvements  
38 made to real property which have been started prior to August 28, 1991.

39         6. The mandatory abatement referred to in this section shall not relieve the  
40 assessor or other responsible official from ascertaining the amount of the equalized  
41 assessed value of all taxable property annually as required by section 99.855, RSMo, and  
42 shall not have the effect of reducing the payments in lieu of taxes referred to in  
43 subdivision (2) of section 99.845, RSMo, unless such reduction is set forth in the plan  
44 approved by the governing body of the municipality pursuant to subdivision (1) of section  
45 99.820, RSMo.

46         7. **Any business existing in an enterprise zone on the effective date of**  
47 **this section shall recertify for the abatement and exemption. Effective August**  
48 **28, 2004, any abatement or exemption provided for in this section on an**  
49 **individual parcel of real property shall cease after a period of thirty days of**  
50 **business closure, work stoppage, major reduction in force, or a significant**  
51 **change in the type of business conducted at that location. For the purposes**  
52 **of this subsection, "work stoppage" shall not include strike or lockout or time**

53 necessary to retool a plant, and "major reduction in force" is defined as a  
54 seventy-five percent or greater reduction. Any owner or new owner may  
55 reapply, but cannot receive the abatement or exemption for any period of  
56 time beyond the original life of the enterprise zone.

135.262. In addition to the number of enterprise zones authorized  
2 under the provisions of sections 135.206 to 135.260, the department of  
3 economic development shall designate any area that meets all the  
4 requirements of section 135.205 as an enterprise zone.

135.286. 1. Notwithstanding any provision of law to the contrary, no  
2 revenue-producing enterprise shall receive the state tax exemption, state tax  
3 credits, or state tax refund as provided in sections 135.200 to 135.283 for  
4 facilities commencing operations on or after January 1, 2005. This provision  
5 is not intended to affect in any way the local real property tax abatement  
6 authorized by section 135.215.

7 2. Notwithstanding subsection 4 of section 135.215 to the contrary, if  
8 an exemption pursuant to section 135.215 is granted on property prior to the  
9 expiration of the twenty-five year anniversary of the designation of the  
10 enterprise zone, the property may continue to receive that exemption for up  
11 to twenty-five years following the date the exemption on that property was  
12 granted, provided that the total number of years of exemption on that  
13 property shall not exceed twenty-five.

135.288. For all tax years beginning on or after January 1, 2005, no tax  
2 credits shall be approved, awarded, or issued to any person or entity claiming  
3 any tax credit under sections 135.200 to 135.258.

135.530. For the purposes of sections 100.010, 100.710 and 100.850, RSMo,  
2 sections 135.110, 135.200, 135.258, 135.313, 135.403, 135.405, 135.503, 135.530 and  
3 135.545, section 215.030, RSMo, sections 348.300 and 348.302, RSMo, and sections  
4 620.1400 to 620.1460, RSMo, "distressed community" means either a Missouri  
5 municipality within a metropolitan statistical area which has a median household  
6 income of under seventy percent of the median household income for the metropolitan  
7 statistical area, according to the last decennial census, or a United States census block  
8 group or contiguous group of block groups within a metropolitan statistical area which  
9 has a population of at least [two thousand] five hundred, and each block group having  
10 a median household income of under seventy percent of the median household income  
11 for the metropolitan area in Missouri, according to the last decennial census. In addition  
12 the definition shall include municipalities not in a metropolitan statistical area, with a  
13 median household income of under seventy percent of the median household income for

14 the nonmetropolitan areas in Missouri according to the last decennial census or a census  
15 block group or contiguous group of block groups which has a population of at least two  
16 thousand five hundred each block group having a median household income of under  
17 seventy percent of the median household income for the nonmetropolitan areas of  
18 Missouri, according to the last decennial census. **In metropolitan statistical areas,**  
19 **the definition shall include areas that are designated as either a federal**  
20 **empowerment zone; or a federal enhanced enterprise community; or a state**  
21 **enterprise zone that was originally designated before January 1, 1986, but**  
22 **shall not include expansions of such state enterprise zones done after March**  
23 **16, 1988.**

135.610. 1. This section shall be known and cited as the "Betty L.  
2 Thompson Scholarship Charity Tax Credit Act".

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

4 (1) "Administrator", the administrator of the designated nonprofit  
5 oversight organization;

6 (2) "Designated nonprofit oversight organization", a charitable  
7 organization in this state that is exempt from federal taxation pursuant to the  
8 Internal Revenue Code, as amended, designated to certify nonprofit  
9 educational assistance organizations, approve applications for the tax credit  
10 allowed by this section, and coordinate with the director in administering the  
11 tax credit allowed by this section;

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

13 (4) "Income eligible student", any elementary or secondary school  
14 student who attends a school located in any school district in any county with  
15 a charter form of government and with more than two hundred fifty thousand  
16 but less than three hundred fifty thousand inhabitants, or in a metropolitan  
17 or urban school district containing the greater part of the population of any  
18 home rule city with more than four hundred thousand inhabitants and located  
19 in more than one county or in any city not within a county whose parents' or  
20 guardians' income is no more than one hundred seventy-five percent of the  
21 level that would make the student eligible for a free or reduced price school  
22 lunch pursuant to the National School Lunch Act;

23 (5) "Nonprofit educational assistance organization", a charitable  
24 organization in this state that is exempt from federal taxation pursuant to the  
25 Internal Revenue Code, as amended, is certified by the director, and that  
26 allocates at least ninety percent of its annual revenue derived from  
27 contributions for which a credit is claimed pursuant to this section for



28 educational assistance. The term nonprofit educational assistance  
29 organization does not include an organization that only provides scholarships  
30 to students of one particular school;

31 (6) "Qualified school", any elementary or secondary school situated in  
32 this state which a child may attend to satisfy the requirements of section  
33 167.031, RSMo, and is not in violation of the Civil Rights Act of 1964;

34 (7) "Qualified student", an income eligible student who in the previous  
35 school year was enrolled in a state-funded school or who had received a  
36 scholarship as a qualified student and is not enrolled in a state-funded public  
37 school in the year in which the nonprofit educational assistance organization  
38 is providing a scholarship to that student. The term shall include all income  
39 eligible kindergarten students;

40 (8) "Qualifying contribution", a donation of cash, stock, bonds, or other  
41 marketable securities for purposes of claiming a tax credit pursuant to this  
42 section;

43 (9) "State tax liability", any liability incurred by a taxpayer pursuant  
44 to chapters 143, 147, and 153, RSMo, excluding withholding taxes pursuant to  
45 sections 143.191 to 143.265, RSMo, and related provisions;

46 (10) "Taxpayer", an individual subject to the state income tax imposed  
47 in chapter 143, RSMo, an individual, a firm, a partner in a firm, corporation,  
48 or a shareholder in an S corporation doing business in this state and subject  
49 to the state income tax imposed by chapter 143, RSMo, or a corporation  
50 subject to the annual corporation franchise tax imposed by chapter 147,  
51 RSMo, or an express company which pays an annual tax on its gross receipts  
52 in this state pursuant to chapter 153, RSMo.

53 3. For all tax years beginning on or after January 1, 2004, any taxpayer  
54 who makes contributions to a nonprofit educational assistance organization  
55 may claim a credit against the tax otherwise due pursuant to chapter 143,  
56 RSMo, other than taxes withheld pursuant to sections 143.191 to 143.265,  
57 RSMo, and chapters 147 and 153, RSMo, in an amount equal to seventy  
58 percent of the amount the taxpayer contributed during the tax year for which  
59 the credit is claimed; except that, no taxpayer shall claim a credit pursuant  
60 to this section for any contribution made by the taxpayer, or an agent of the  
61 taxpayer, on behalf of the taxpayer's dependent, or in the case of a business  
62 taxpayer, on behalf of the business's agent's dependent. Any amount of  
63 contribution subtracted from federal adjusted gross income or federal taxable  
64 income shall be added back in the determination of Missouri adjusted gross

65 income or Missouri taxable income before the credit can be claimed.

66           4. The amount of the tax credit claimed shall not exceed the amount of  
67 the taxpayer's state tax liability for the tax year that the credit is  
68 claimed. Any amount of credit that the taxpayer is prohibited by this section  
69 from claiming in a tax year may be carried forward to any of the taxpayer's  
70 four subsequent taxable years. The tax credit authorized in this section shall  
71 be limited to those claims related to actual tax liabilities that are excluded  
72 from the definition of total state revenues in section 17, article X,  
73 Constitution of Missouri, which require no appropriation by the general  
74 assembly from the state treasury, and which serve the public purpose of  
75 providing educational opportunities for students under subsection 6 of this  
76 section. Except for any credit carried over pursuant to this section, no  
77 taxpayer shall claim a credit pursuant to this section unless the amount  
78 contributed to a nonprofit educational assistance organization is two hundred  
79 dollars or more.

80           5. The cumulative amount of tax credits which may be allocated to all  
81 taxpayers contributing to a nonprofit educational assistance organization in  
82 any one fiscal year shall not exceed ten million dollars. The director shall  
83 establish a procedure by which, from the beginning of the fiscal year until  
84 some point in time later in the fiscal year to be determined by the director,  
85 the cumulative amount of tax credits are apportioned among all nonprofit  
86 educational assistance organizations. To the maximum extent possible, the  
87 director shall establish the procedure described in this subsection in such a  
88 manner as to ensure that taxpayers can claim all the tax credits possible up  
89 to the cumulative amount of tax credits available for the fiscal year. The  
90 director shall certify to the organizations the amount of eligible tax credits  
91 that can be taken by the organizations.

92           6. The director shall determine, at least annually, which organizations  
93 in this state may be classified as a nonprofit educational assistance  
94 organization. The director may require a charity seeking classification as a  
95 nonprofit educational assistance organization to provide any information  
96 reasonably necessary to make such a determination. The director shall  
97 classify an organization as a nonprofit educational assistance organization if  
98 the organization qualifies as a nonprofit educational assistance organization  
99 as defined in this section. To qualify as a nonprofit educational assistance  
100 organization, the organization shall meet the following conditions:

101           (1) At least seventy percent of all qualifying contributions it receives

102 during any given state fiscal year are allocated for the purpose of providing  
103 scholarships to any qualified student who attends a qualified school, and the  
104 organization gives priority in awarding scholarships to those students who  
105 demonstrate the greatest need for such scholarships. Greatest need shall be  
106 defined as follows: children of inmates; children residing in a low-performing  
107 schools area; children residing within the boundaries of schools targeted for  
108 improvement under the No Child Left Behind Act of 2001 pursuant to P.L.  
109 107-110; children residing within the boundaries of concerned schools and  
110 academically deficient schools pursuant to section 160.538, RSMo; children of  
111 schools in provisionally accredited districts; students with a current grade  
112 point average of 2.5 or less on a 4.0 scale; or, children enrolled in classes that  
113 do not meet the Missouri school improvement minimum standards for class  
114 size used for accreditation purposes. Scholarship moneys may be used to  
115 cover applicable tuition, transportation, textbooks, supplies, and other  
116 related educational or extracurricular expenses. Any qualifying contributions  
117 not required to be allocated in accordance with this subdivision may be used  
118 to provide scholarships for income eligible students who attend qualified  
119 schools or may be used for the purposes set forth in subdivision (3) of this  
120 subsection;

121 (2) Does not provide any scholarship to any qualified student for a  
122 single school year that exceeds three thousand eight hundred dollars, which  
123 amount shall annually be increased for inflation based on increases in the  
124 Consumer Price Index rounded to the nearest fifty dollar increment, except  
125 that the nonprofit educational assistance organization may award  
126 scholarships to children with disabilities who are age three or older in any  
127 amount that is substantially comparable to the amount the state would have  
128 paid for such child, and except that scholarships may be awarded in amounts  
129 in excess of the limitation if the increased amount of any such scholarship is  
130 offset by a reduction in the monetary amount of the scholarships provided by  
131 the nonprofit educational assistance organization to nonqualifying students. To  
132 qualify for a scholarship, children with disabilities are not required to meet  
133 the income eligible student definition if the disabled child's parents or  
134 guardians have unreimbursed medical expenses in excess of seven and one-  
135 half percent of federal adjusted gross income;

136 (3) A nonprofit education assistance organization may allocate up to  
137 thirty percent of any qualifying contributions it receives during any given  
138 state fiscal year that are not required to be allocated pursuant to subdivisions

139 (1) and (2) of this subsection to directly assist any income eligible student  
140 who attends a public school in defraying the costs of private instructional  
141 assistance, including any related private educational supplies; for  
142 transportation to any public school to the extent that such transportation is  
143 not paid for by a school district or the state; for offsetting fees for  
144 out-of-school programs; for apprenticeship programs; for scholarship  
145 assistance for dropouts to pursue a GED or its equivalent; for grants for  
146 public school academic or extracurricular programs or for income eligible or  
147 qualified students to attend a qualified school;

148 (4) All interest accruing from contributions shall be used for  
149 educational assistance; and

150 (5) All marketing and administrative expenses for the nonprofit  
151 educational assistance organization shall be no more than eight percent of the  
152 qualifying contributions it raises.

153 7. A nonprofit education assistance organization shall report annually  
154 to the director the names of the participating qualified schools.

155 8. The director shall establish a procedure by which a taxpayer can  
156 determine if an organization has been classified as a nonprofit educational  
157 assistance organization, and by which taxpayers can claim the tax credit  
158 pursuant to this section.

159 9. The funding authorized in this section shall be considered private,  
160 voluntary, nongovernmental funding. The providing of assistance by a  
161 nonprofit educational assistance organization shall not be construed to be a  
162 public appropriation or the providing of public assistance to any school.

163 10. The director may certify and enter into a contract with a  
164 designated nonprofit organization for the purpose of administering this  
165 section. A designated nonprofit oversight organization may be subject to an  
166 audit by the director. To qualify for designation, a nonprofit organization  
167 shall:

168 (1) Have the administrative capability to promote the success of the tax  
169 credit allowed by this section by recruiting and coordinating activities with  
170 all interested nonprofit educational assistance organizations in this state and  
171 certifying those nonprofit educational assistance organizations that meet the  
172 certification criteria set forth in subsection 6 of this section;

173 (2) Demonstrate the ability to handle large volumes of and amounts of  
174 financial transactions and be able to resolve Internal Revenue Service  
175 compliance issues;

176           **(3) Review the staff qualifications, evaluate fundraising capabilities,**  
177 **and confirm exempt status of the nonprofit educational assistance**  
178 **organizations;**

179           **(4) Create a standardized application for use by nonprofit educational**  
180 **assistance organizations;**

181           **(5) Produce an annual report for the general assembly;**

182           **(6) Complete other duties as required by the director; and**

183           **(7) The designated nonprofit oversight organization shall receive no**  
184 **more than two percent of the qualifying contributions for marketing and**  
185 **administrative expenses or the costs incurred in administering the program,**  
186 **whichever is less, or if a designated nonprofit oversight organization is not**  
187 **selected, up to two percent shall be received by the department of economic**  
188 **development for administering the program. The remaining funds shall be**  
189 **distributed to the educational assistance organizations for student**  
190 **scholarships.**

191           **11. This section is subject to the provisions of section 1.140, RSMo. The**  
192 **department of revenue and the department of economic development may**  
193 **promulgate rules and regulations for the administration of this section. Any**  
194 **rule or portion of a rule, as that term is defined in section 536.010, RSMo, that**  
195 **is created under the authority delegated in this section shall become effective**  
196 **only if it complies with and is subject to all of the provisions of chapter 536,**  
197 **RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536,**  
198 **RSMo, are nonseverable and if any of the powers vested with the general**  
199 **assembly pursuant to chapter 536, RSMo, to review, to delay the effective**  
200 **date, or to disapprove and annul a rule are subsequently held**  
201 **unconstitutional, then the grant of rulemaking authority and any rule**  
202 **proposed or adopted after August 28, 2004, shall be invalid and void.**

203           **12. Any school district that is not a metropolitan or urban school**  
204 **district in any city not within a county or containing the greater part of the**  
205 **population of any home rule city with more than four hundred thousand**  
206 **inhabitants and located in more than one county may opt to participate in the**  
207 **program authorized in this section upon the adoption of a resolution by a**  
208 **majority of the school board members present and the submission of the**  
209 **resolution to the department of elementary and secondary education.**

**135.1050. The following terms, whenever used in sections 135.1050 to**  
2 **135.1075 mean:**

3           **(1) "Blighted area", an area which, by reason of the predominance of**

4 defective or inadequate street layout, unsanitary or unsafe conditions,  
5 deterioration of site improvements, improper subdivision or obsolete platting,  
6 or the existence of conditions which endanger life or property by fire and  
7 other causes, or any combination of such factors, retards the provision of  
8 housing accommodations or constitutes an economic or social liability or a  
9 menace to the public health, safety, morals, or welfare in its present condition  
10 and use;

11 (2) "Board", an enhanced enterprise zone board established pursuant  
12 to section 135.1057;

13 (3) "Commencement of commercial operations", shall be deemed to  
14 occur during the first taxable year for which the new business facility is first  
15 put into use by the taxpayer in the enhanced business enterprise in which the  
16 taxpayer intends to use the new business facility;

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

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

19 (6) "Employee", a person employed by the enhanced business enterprise  
20 on:

21 (a) A regular, full-time basis;

22 (b) A part-time basis, provided such person is customarily performing  
23 such duties an average of at least twenty hours per week; or

24 (c) A seasonal basis, provided such person performs such duties for at  
25 least eighty percent of the season customary for the position in which such  
26 person is employed;

27 (7) "Enhanced business enterprise", an industry or one of a cluster of  
28 industries that is either:

29 (a) Identified by the department as critical to the state's economic  
30 security and growth; or

31 (b) Will have an impact on industry cluster development, as identified  
32 by the governing authority in its application for designation of an enhanced  
33 enterprise zone and approved by the department; but excluding gambling  
34 establishments (NAICS industry group 7132), retail trade (NAICS sectors 44  
35 and 45) and food and drinking places (NAICS subsector 722). Service  
36 industries may be eligible only if a majority of its annual revenues will be  
37 derived from services provided out of the state.

38 (8) "Existing business facility", any facility in this state which was  
39 employed by the taxpayer claiming the credit in the operation of an enhanced  
40 business enterprise immediately prior to an expansion, acquisition, addition,

41 or replacement;

42 (9) "Facility", any building used as an enhanced business enterprise  
43 located within an enhanced enterprise zone, including the land on which the  
44 facility is located and all machinery, equipment, and other real and  
45 depreciable tangible personal property acquired for use at and located at or  
46 within such facility and used in connection with the operation of such  
47 facility;

48 (10) "Governing authority", the body holding primary legislative  
49 authority over a county or incorporated municipality;

50 (11) "NAICS", the 1997 edition of the North American Industry  
51 Classification System as prepared by the Executive Office of the President,  
52 Office of Management and Budget. Any NAICS sector, subsector, industry  
53 group or industry identified in this section shall include its corresponding  
54 classification in subsequent federal industry classification systems;

55 (12) "New business facility", a facility that satisfies the following  
56 requirements:

57 (a) Such facility is employed by the taxpayer in the operation of an  
58 enhanced business enterprise. Such facility shall not be considered a new  
59 business facility in the hands of the taxpayer if the taxpayer's only activity  
60 with respect to such facility is to lease it to another person or persons. If the  
61 taxpayer employs only a portion of such facility in the operation of an  
62 enhanced business enterprise, and leases another portion of such facility to  
63 another person or persons or does not otherwise use such other portions in  
64 the operation of an enhanced business enterprise, the portion employed by  
65 the taxpayer in the operation of an enhanced business enterprise shall be  
66 considered a new business facility, if the requirements of paragraphs (b), (c),  
67 and (d) of this subdivision are satisfied;

68 (b) Such facility is acquired by, or leased to, the taxpayer after  
69 December 31, 2004. A facility shall be deemed to have been acquired by, or  
70 leased to, the taxpayer after December 31, 2004, if the transfer of title to the  
71 taxpayer, the transfer of possession pursuant to a binding contract to transfer  
72 title to the taxpayer, or the commencement of the term of the lease to the  
73 taxpayer occurs after December 31, 2004;

74 (c) If such facility was acquired by the taxpayer from another taxpayer  
75 and such facility was employed immediately prior to the acquisition by  
76 another taxpayer in the operation of an enhanced business enterprise, the  
77 operation of the same or a substantially similar enhanced business enterprise

78 is not continued by the taxpayer at such facility; and

79 (d) Such facility is not a replacement business facility, as defined in  
80 subdivision (16) of this section;

81 (13) "New business facility employee", an employee of the taxpayer in  
82 the operation of a new business facility during the taxable year for which the  
83 credit allowed by section 135.1070 is claimed, except that truck drivers and  
84 rail and barge vehicle operators and other operators of rolling stock for hire  
85 shall not constitute new business facility employees.

86 (14) "New business facility investment", the value of real and  
87 depreciable tangible personal property, acquired by the taxpayer as part of  
88 the new business facility, which is used by the taxpayer in the operation of  
89 the new business facility, during the taxable year for which the credit allowed  
90 by section 135.1070 is claimed, except that trucks, truck-trailers, truck  
91 semitrailers, rail vehicles, barge vehicles, aircraft and other rolling stock for  
92 hire, track, switches, barges, bridges, tunnels, and rail yards and spurs shall  
93 not constitute new business facility investments. The total value of such  
94 property during such taxable year shall be:

95 (a) Its original cost if owned by the taxpayer; or

96 (b) Eight times the net annual rental rate, if leased by the  
97 taxpayer. The net annual rental rate shall be the annual rental rate paid by  
98 the taxpayer less any annual rental rate received by the taxpayer from  
99 subrentals. The new business facility investment shall be determined by  
100 dividing by twelve the sum of the total value of such property on the last  
101 business day of each calendar month of the taxable year. If the new business  
102 facility is in operation for less than an entire taxable year, the new business  
103 facility investment shall be determined by dividing the sum of the total value  
104 of such property on the last business day of each full calendar month during  
105 the portion of such taxable year during which the new business facility was  
106 in operation by the number of full calendar months during such period;

107 (15) "Related taxpayer":

108 (a) A corporation, partnership, trust, or association controlled by the  
109 taxpayer;

110 (b) An individual, corporation, partnership, trust, or association in  
111 control of the taxpayer; or

112 (c) A corporation, partnership, trust or association controlled by an  
113 individual, corporation, partnership, trust or association in control of the  
114 taxpayer. "Control of a corporation" shall mean ownership, directly or



115 indirectly, of stock possessing at least fifty percent of the total combined  
116 voting power of all classes of stock entitled to vote, "control of a partnership  
117 or association" shall mean ownership of at least fifty percent of the capital or  
118 profits interest in such partnership or association, and "control of a trust"  
119 shall mean ownership, directly or indirectly, of at least fifty percent of the  
120 beneficial interest in the principal or income of such trust; ownership shall  
121 be determined as provided in Section 318 of the Internal Revenue Code of  
122 1986, as amended;

123 (16) "Replacement business facility", a facility otherwise described in  
124 subdivision (12) of this section, hereafter referred to in this subdivision as  
125 "new facility", which replaces another facility, hereafter referred to in this  
126 subdivision as "old facility", located within the state, which the taxpayer or  
127 a related taxpayer previously operated but discontinued operating on or  
128 before the close of the first taxable year for which the credit allowed by this  
129 section is claimed. A new facility shall be deemed to replace an old facility  
130 if the following conditions are met:

131 (a) The old facility was operated by the taxpayer or a related taxpayer  
132 during the taxpayer's or related taxpayer's taxable period immediately  
133 preceding the taxable year in which commencement of commercial operations  
134 occurs at the new facility; and

135 (b) The old facility was employed by the taxpayer or a related taxpayer  
136 in the operation of an enhanced business enterprise and the taxpayer  
137 continues the operation of the same or substantially similar enhanced  
138 business enterprise at the new facility.

139 Notwithstanding the preceding provisions of this subdivision, a facility shall  
140 not be considered a replacement business facility if the taxpayer's new  
141 business facility investment, as computed in subdivision (14) of this section,  
142 in the new facility during the tax period for which the credits allowed in  
143 section 135.1070 are claimed exceed one million dollars and if the total  
144 number of employees at the new facility exceeds the total number of  
145 employees at the old facility by at least two;

146 (17) "Same or substantially similar enhanced business enterprise", an  
147 enhanced business enterprise in which the nature of the products produced  
148 or sold, or activities conducted, are similar in character and use or are  
149 produced, sold, performed, or conducted in the same or similar manner as in  
150 another enhanced business enterprise.

135.1055. 1. For purposes of sections 135.1050 to 135.1075, an area must

2 meet the following criteria in order to qualify as an enhanced enterprise  
3 zone:

4 (1) The area must be a blighted area, have pervasive poverty,  
5 unemployment and general distress; and

6 (2) At least sixty percent of the residents living in the area have  
7 incomes below ninety percent of the median income of all residents:

8 (a) Within the state of Missouri, according to the last decennial census  
9 or other appropriate source as approved by the director; or

10 (b) Within the county or city not within a county in which the area is  
11 located, according to the last decennial census or other appropriate source  
12 as approved by the director; and

13 (3) The resident population of the area must be at least five hundred  
14 but not more than one hundred thousand at the time of designation as an  
15 enhanced enterprise zone if the area lies within a metropolitan statistical  
16 area, as established by the United States Census Bureau, or if the area does  
17 not lie within a metropolitan statistical area, the resident population of the  
18 area at the time of designation must be at least five hundred but not more  
19 than forty thousand inhabitants. If the population of the jurisdiction of the  
20 governing authority does not meet the minimum population requirements set  
21 forth in this subdivision, the population of the area must be at least fifty  
22 percent of the population of the jurisdiction. However, no enhanced  
23 enterprise zone shall be created which consists of the total area within the  
24 political boundaries of a county; and

25 (4) The level of unemployment of persons, according to the most recent  
26 data available from the United States Bureau of Census and approved by the  
27 director, within the area is equal to or exceeds the average rate of  
28 unemployment for:

29 (a) The state of Missouri over the previous twelve months; or

30 (b) The county or city not within a county over the previous twelve  
31 months.

32 2. Notwithstanding the requirements of subsection 1 of this section to  
33 the contrary, an enhanced enterprise zone may be established in an area  
34 located within a county for which public and individual assistance has been  
35 requested by the governor pursuant to Section 401 of the Robert T. Stafford  
36 Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq., for an  
37 emergency proclaimed by the governor pursuant to section 44.100, RSMo, due  
38 to a natural disaster of major proportions, if the area to be designated is

39 blighted and sustained severe damage as a result of such natural disaster, as  
40 determined by the state emergency management agency. An application for  
41 designation as an enhanced enterprise zone pursuant to this subsection must  
42 be made before the expiration of one year from the date the governor  
43 requested federal relief for the area sought to be designated.

44 3. Notwithstanding the requirements of subsection 1 of this section to  
45 the contrary, an enhanced enterprise zone may be designated in a "county of  
46 declining population" if it meets the requirements of subdivisions (1), (3) and  
47 either (2) or (4) of subsection 1 of this section. For the purposes of this  
48 subsection, a "county of declining population" is one that has lost one percent  
49 or more of its population as demonstrated by comparing the most recent  
50 decennial census population to the next most recent decennial census  
51 population for the county.

52 4. In addition to meeting the requirements of subsection 1, 2, or 3 of  
53 this section, an area, to qualify as an enhanced enterprise zone, must be  
54 demonstrated by the governing authority to have either:

- 55 (1) The potential to create sustainable jobs in a targeted industry; or  
56 (2) A demonstrated impact on local industry cluster development.

135.1057. 1. A governing authority planning to seek designation of an  
2 enhanced enterprise zone shall establish an enhanced enterprise zone  
3 board. The number of members on the board shall be seven. One member of  
4 the board shall be appointed by the school district or districts located within  
5 the area proposed for designation as an enhanced enterprise zone. One  
6 member of the board shall be appointed by other affected taxing  
7 districts. The remaining five members shall be chosen by the chief elected  
8 official of the county or municipality.

9 2. The school district member and the affected taxing district member  
10 shall each have initial terms of five years. Of the five members appointed by  
11 the chief elected official, two shall have initial terms of four years, two shall  
12 have initial terms of three years, and one shall have an initial term of two  
13 years. Thereafter, members shall serve terms of five years. Each  
14 commissioner shall hold office until a successor has been appointed. All  
15 vacancies shall be filled in the same manner as the original appointment. For  
16 inefficiency or neglect of duty or misconduct in office, a member of the board  
17 may be removed by the applicable appointing authority.

18 3. A majority of the members shall constitute a quorum of such board  
19 for the purpose of conducting business and exercising the powers of the board

20 and for all other purposes. Action may be taken by the board upon a vote of  
21 a majority of the members present.

22 4. The members of the board annually shall elect a chair from among  
23 the members.

24 5. The role of the board shall be to conduct the activities necessary to  
25 advise the governing authority on the designation of an enhanced enterprise  
26 zone and any other advisory duties as determined by the governing  
27 authority. The role of the board after the designation of an enhanced  
28 enterprise zone shall be review and assessment of zone activities as it relates  
29 to the annual reports as set forth in section 135.1060.

135.1060. 1. Any governing authority that desires to have any portion  
2 of a city or unincorporated area of a county under its control designated as  
3 an enhanced enterprise zone shall hold a public hearing for the purpose of  
4 obtaining the opinion and suggestions of those persons who will be affected  
5 by such designation. The governing authority shall notify the director of such  
6 hearing at least thirty days prior thereto and shall publish notice of such  
7 hearing in a newspaper of general circulation in the area to be affected by  
8 such designation at least twenty days prior to the date of the hearing but not  
9 more than thirty days prior to such hearing. Such notice shall state the time,  
10 location, date, and purpose of the hearing. The director, or the director's  
11 designee, shall attend such hearing.

12 2. After a public hearing is held as required in subsection 1 of this  
13 section, the governing authority may file a petition with the department  
14 requesting the designation of a specific area as an enhanced enterprise  
15 zone. Such petition shall include, in addition to a description of the physical,  
16 social, and economic characteristics of the area:

17 (1) A plan to provide adequate police protection within the area;

18 (2) A specific and practical process for individual businesses to obtain  
19 waivers from burdensome local regulations, ordinances, and orders which  
20 serve to discourage economic development within the area to be designated  
21 an enhanced enterprise zone, except that such waivers shall not substantially  
22 endanger the health or safety of the employees of any such business or the  
23 residents of the area;

24 (3) A description of what other specific actions will be taken to support  
25 and encourage private investment within the area;

26 (4) A plan to ensure that resources are available to assist area  
27 residents to participate in increased development through self-help efforts

28 and in ameliorating any negative effects of designation of the area as an  
29 enhanced enterprise zone;

30 (5) A statement describing the projected positive and negative effects  
31 of designation of the area as an enhanced enterprise zone;

32 (6) A specific plan to provide assistance to any person or business  
33 dislocated as a result of activities within the enhanced enterprise zone. Such  
34 plan shall determine the need of dislocated persons for relocation assistance;  
35 provide, prior to displacement, information about the type, location, and price  
36 of comparable housing or commercial property; provide information  
37 concerning state and federal programs for relocation assistance and provide  
38 other advisory services to displaced persons. Public agencies may choose to  
39 provide assistance under the Uniform Relocation and Real Property  
40 Acquisition Act, 42 U.S.C. section 4601, et seq., to meet the requirements of  
41 this subdivision; and

42 (7) A description or plan that demonstrates the requirements of  
43 subsection 2 of section 135.1055.

44 3. An enhanced enterprise zone designation shall be effective upon  
45 such approval by the department and shall expire in twenty-five years.

46 4. Each designated enhanced enterprise zone board must report to the  
47 director on an annual basis regarding the status of the zone and business  
48 activity within the zone.

135.1065. 1. Improvements made to "real property" as such term is  
2 defined in section 137.010, RSMo, which are made in an enhanced enterprise  
3 zone subsequent to the date such zone or expansion thereto was designated,  
4 may, upon approval of an authorizing resolution by the governing authority  
5 having jurisdiction of the area in which the improvements are made, be  
6 exempt, in whole or in part, from assessment and payment of ad valorem  
7 taxes of one or more affected political subdivisions.

8 2. Such authorizing resolution shall specify the percent of the  
9 exemption to be granted, the duration of the exemption to be granted, and the  
10 political subdivisions to which such exemption is to apply and any other  
11 terms, conditions, or stipulations otherwise required. A copy of the resolution  
12 shall be provided to the director within thirty calendar days following  
13 adoption of the resolution by the governing authority.

14 3. No exemption shall be granted until the governing authority holds  
15 a public hearing for the purpose of obtaining the opinions and suggestions of  
16 residents of political subdivisions to be affected by the exemption from

17 **property taxes. The governing authority shall send, by certified mail, a notice**  
18 **of such hearing to each political subdivision in the area to be affected and**  
19 **shall publish notice of such hearing in a newspaper of general circulation in**  
20 **the area to be affected by the exemption at least twenty days prior to the**  
21 **hearing but not more than thirty days prior to the hearing. Such notice shall**  
22 **state the time, location, date, and purpose of the hearing.**

23 **4. Notwithstanding subsection 1 of this section, at least one-half of the**  
24 **ad valorem taxes otherwise imposed on subsequent improvements to real**  
25 **property located in an enhanced enterprise zone shall become and remain**  
26 **exempt from assessment and payment of ad valorem taxes of any political**  
27 **subdivision of this state or municipality thereof for a period of not less than**  
28 **ten years following the date such improvements were assessed, provided the**  
29 **improved properties are used for enhanced business enterprises.**

30 **5. No exemption shall be granted for a period more than twenty-five**  
31 **years following the date on which the original enhanced enterprise zone was**  
32 **designated by the department.**

33 **6. The provisions of subsection 1 of this section shall not apply to**  
34 **improvements made to real property begun prior to August 28, 2004.**

35 **7. The abatement referred to in this section shall not relieve the**  
36 **assessor or other responsible official from ascertaining the amount of the**  
37 **equalized assessed value of all taxable property annually as required by**  
38 **sections 99.855, 99.957, or 99.1042, RSMo, and shall not have the effect of**  
39 **reducing the payments in lieu of taxes referred to in subdivision (2) of**  
40 **subsection 1 of section 99.845, RSMo, subdivision (2) of subsection 3 of section**  
41 **99.957, RSMo, or subdivision (2) of subsection 3 of section 99.1042, RSMo,**  
42 **unless such reduction is set forth in the plan approved by the governing body**  
43 **of the municipality pursuant to subdivision (1) of section 99.820, section**  
44 **99.942, or section 99.1027, RSMo.**

**135.1070. 1. A taxpayer who establishes a new business facility may,**  
2 **upon approval by the department, be allowed a credit, each tax year for up**  
3 **to ten tax years, in an amount determined as set forth in this section, against**  
4 **the tax imposed by chapter 143, RSMo, excluding withholding tax imposed by**  
5 **sections 143.191 to 143.265, RSMo. No taxpayer shall receive multiple ten-year**  
6 **periods for subsequent expansions at the same facility.**

7 **2. Notwithstanding any provision of law to the contrary, any taxpayer**  
8 **who establishes a new business facility in an enhanced enterprise zone and**  
9 **is awarded state tax credits under this section may not also receive tax**

10 credits under sections 135.100 to 135.150, sections 135.200 to 135.268, or  
11 section 135.535.

12 3. No credit shall be issued pursuant to this section unless:

13 (1) The number of new business facility employees engaged or  
14 maintained in employment at the new business facility for the taxable year  
15 for which the credit is claimed equals or exceeds two; and

16 (2) The new business facility investment for the taxable year for which  
17 the credit is claimed equals or exceeds one hundred thousand dollars.

18 4. The annual amount of credits allowed for an approved enhanced  
19 business enterprise shall be the lesser of:

20 (1) The annual amount authorized by the department for the enhanced  
21 business enterprise, which shall be limited to the projected state economic  
22 benefit, as determined by the department; or

23 (2) The sum calculated based upon the following:

24 (a) A credit of four hundred dollars for each new business facility  
25 employee employed within an enhanced enterprise zone;

26 (b) An additional credit of four hundred dollars for each new business  
27 facility employee who is a resident of an enhanced enterprise zone;

28 (c) An additional credit of four hundred dollars for each new business  
29 facility employee who is paid by the enhanced business enterprise a wage  
30 that exceeds the average wage paid within the county in which the facility is  
31 located, as determined by the department; and

32 (d) A credit equal to two percent of new business facility investment  
33 within an enhanced enterprise zone.

34 5. In no event shall the department authorize more than four million  
35 dollars annually to be issued for all enhanced business enterprises.

36 6. If a facility, which does not constitute a new business facility, is  
37 expanded by the taxpayer, the expansion shall be considered eligible for the  
38 credit allowed by this section if:

39 (1) The taxpayer's new business facility investment in the expansion  
40 during the tax period in which the credits allowed in this section are claimed  
41 exceeds one hundred thousand dollars and if the number of new business  
42 facility employees engaged or maintained in employment at the expansion  
43 facility for the taxable year for which credit is claimed equals or exceeds two,  
44 and the total number of employees at the facility after the expansion is at  
45 least two greater than the total number of employees before the expansion;  
46 and

47           **(2) The taxpayer's investment in the expansion and in the original**  
48 **facility prior to expansion shall be determined in the manner provided in**  
49 **subdivision (12) of section 135.1050.**

50           **7. The number of new business facility employees during any taxable**  
51 **year shall be determined by dividing by twelve the sum of the number of**  
52 **individuals employed on the last business day of each month of such taxable**  
53 **year. If the new business facility is in operation for less than the entire**  
54 **taxable year, the number of new business facility employees shall be**  
55 **determined by dividing the sum of the number of individuals employed on the**  
56 **last business day of each full calendar month during the portion of such**  
57 **taxable year during which the new business facility was in operation by the**  
58 **number of full calendar months during such period. For the purpose of**  
59 **computing the credit allowed by this section in the case of a facility which**  
60 **qualifies as a new business facility under subsection 6 of this section, and in**  
61 **the case of a new business facility which satisfies the requirements of**  
62 **paragraph (c) of subdivision (10) of section 135.1050, or subdivision (14) of**  
63 **section 135.1050, the number of new business facility employees at such**  
64 **facility shall be reduced by the average number of individuals employed,**  
65 **computed as provided in this subsection, at the facility during the taxable**  
66 **year immediately preceding the taxable year in which such expansion,**  
67 **acquisition, or replacement occurred and shall further be reduced by the**  
68 **number of individuals employed by the taxpayer or related taxpayer that was**  
69 **subsequently transferred to the new business facility from another Missouri**  
70 **facility and for which credits authorized in this section are not being earned,**  
71 **whether such credits are earned because of an expansion, acquisition,**  
72 **relocation, or the establishment of a new facility.**

73           **8. In the case where a new business facility employee is a resident of**  
74 **an enhanced enterprise zone for less than a twelve-month period is employed**  
75 **for less than a twelve-month period, the credits allowed by paragraph (b) of**  
76 **subdivision (2) of subsection 4 of this section shall be determined by**  
77 **multiplying four hundred dollars by a fraction, the numerator of which is the**  
78 **number of calendar days during the taxpayer's tax year for which such**  
79 **credits are claimed, in which the employee was a resident of an enhanced**  
80 **enterprise zone, and the denominator of which is three hundred and sixty-**  
81 **five.**

82           **9. For the purpose of computing the credit allowed by this section in**  
83 **the case of a facility which qualifies as a new business facility pursuant to**



84 subsection 6 of this section, and in the case of a new business facility which  
85 satisfies the requirements of paragraph (c) of subdivision (12) of section  
86 135.1050 or subdivision (16) of section 135.1050, the amount of the taxpayer's  
87 new business facility investment in such facility shall be reduced by the  
88 average amount, computed as provided in subdivision (12) of section 135.1050  
89 for new business facility investment, of the investment of the taxpayer, or  
90 related taxpayer immediately preceding such expansion or replacement or at  
91 the time of acquisition. Furthermore, the amount of the taxpayer's new  
92 business facility investment shall also be reduced by the amount of  
93 investment employed by the taxpayer or related taxpayer which was  
94 subsequently transferred to the new business facility from another Missouri  
95 facility and for which credits authorized in this section are not being earned,  
96 whether such credits are earned because of an expansion, acquisition,  
97 relocation, or the establishment of a new facility.

98 10. For a taxpayer with flow-through tax treatment to its members,  
99 partners, or shareholders, the credit shall be allowed to members, partners,  
100 or shareholders in proportion to their share of ownership on the last day of  
101 the taxpayer's tax period.

102 11. Credits may not be carried forward but shall be claimed for the  
103 taxable year during which commencement of commercial operations occurs  
104 at such new business facility, and for each of the nine succeeding taxable  
105 years for which the credit is issued.

106 12. Certificates of tax credit authorized by this section may be  
107 transferred, sold, or assigned by filing a notarized endorsement thereof with  
108 the department that names the transferee, the amount of tax credit  
109 transferred, and the value received for the credit, as well as any other  
110 information reasonably requested by the department. The sale price cannot  
111 be less than seventy-five percent of the par value of such credits.

112 13. The director of revenue shall issue a refund to the taxpayer to the  
113 extent that the amount of credits allowed in this section exceeds the amount  
114 of the taxpayer's income tax.

135.1075. The department may adopt such rules, statements of policy,  
2 procedures, forms, and guidelines as may be necessary to carry out the  
3 provisions of sections 135.1050 to 135.1075. Any rule or portion of a rule, as  
4 that term is defined in section 536.010, RSMo, that is created under the  
5 authority delegated in this section shall become effective only if it complies  
6 with and is subject to all of the provisions of chapter 536, RSMo, and, if

7 applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are  
8 nonseverable and if any of the powers vested with the general assembly  
9 pursuant to chapter 536, RSMo, to review, to delay the effective date, or to  
10 disapprove and annul a rule are subsequently held unconstitutional, then the  
11 grant of rulemaking authority and any rule proposed or adopted after August  
12 28, 2004, shall be invalid and void.

163.036. 1. In computing the amount of state aid a school district is entitled to  
2 receive under section 163.031, a school district may use an estimate of the number of  
3 eligible pupils for the ensuing year, the number of eligible pupils for the immediately  
4 preceding year or the number of eligible pupils for the second preceding school year,  
5 whichever is greater, **except that the eligible pupil count shall be adjusted such**  
6 **that no school district shall receive state aid for any pupil who is no longer**  
7 **enrolled in the school district as the result of using the proceeds of an**  
8 **educational scholarship to transfer to another qualified school provided**  
9 **pursuant to section 135.610, RSMo.** Except as otherwise provided in subsection 3  
10 of this section, any error made in the apportionment of state aid because of a difference  
11 between the actual number of eligible pupils and the estimated number of eligible pupils  
12 shall be corrected as provided in section 163.091, except that if the amount paid to a  
13 district estimating eligible pupils exceeds the amount to which the district was actually  
14 entitled by more than five percent, interest at the rate of six percent shall be charged  
15 on the excess and shall be added to the amount to be deducted from the district's  
16 apportionment the next succeeding year.

17 2. Notwithstanding the provisions of subsection 1 of this section or any other  
18 provision of law, the state board of education shall make an adjustment for the  
19 immediately preceding year for any increase in the actual number of eligible pupils  
20 above the number on which the state aid in section 163.031 was calculated. Said  
21 adjustment shall be made in the manner providing for correction of errors under  
22 subsection 1 of this section.

23 3. (1) For any district which has, for at least five years immediately preceding  
24 the year in which the error is discovered, adopted a calendar for the school term in which  
25 elementary schools are in session for twelve months of each calendar year, any error  
26 made in the apportionment of state aid to such district because of a difference between  
27 the actual number of eligible pupils and the estimated number of eligible pupils shall be  
28 corrected as provided in section 163.091 and subsection 1 of this section, except that if  
29 the amount paid exceeds the amount to which the district was actually entitled by more  
30 than five percent and the district provides written application to the state board

31 requesting that the deductions be made pursuant to subdivision (2) of this subsection,  
32 then the amounts shall be deducted pursuant to subdivision (2) of this subsection.

33 (2) For deductions made pursuant to this subdivision, interest at the rate of six  
34 percent shall be charged on the excess and shall be included in the amount deducted and  
35 the total amount of such excess plus accrued interest shall be deducted from the  
36 district's apportionment in equal monthly amounts beginning with the succeeding school  
37 year and extending for a period of months specified by the district in its written request  
38 and no longer than sixty months.

39 4. For the purposes of distribution of state school aid pursuant to section 163.031,  
40 a school district may elect to use the district's equalized assessed valuation for the  
41 preceding year, or an estimate of the current year's assessed valuation if the current  
42 year's equalized assessed valuation is estimated to be more than ten percent less than  
43 the district's equalized assessed valuation for the preceding year. A district shall give  
44 prior notice to the department of its intention to use the current year's assessed  
45 valuation pursuant to this subsection. Any error made in the apportionment of state aid  
46 because of a difference between the actual equalized assessed valuation for the current  
47 year and the estimated equalized assessed valuation for the current year shall be  
48 corrected as provided in section 163.091, except that if the amount paid to a district  
49 estimating current equalized assessed valuation exceeds the amount to which the district  
50 was actually entitled, interest at the rate of six percent shall be charged on the excess  
51 and shall be added to the amount to be deducted from the district's apportionment the  
52 next succeeding year.

53 5. For the purposes of distribution of state school aid pursuant to section 163.031,  
54 a school district with ten percent or more of its assessed valuation that is owned by one  
55 person or corporation as commercial or personal property who is delinquent in a property  
56 tax payment may elect, after receiving notice from the county clerk on or before March  
57 fifteenth, except in the year enacted, that more than ten percent of its current taxes due  
58 the preceding December thirty-first by a single property owner are delinquent, to use on  
59 line 2 of the state aid formula the district's equalized assessed valuation for the  
60 preceding year or the actual assessed valuation of the year for which the taxes are  
61 delinquent less the assessed valuation of property for which the current year's property  
62 tax is delinquent. To qualify for use of the actual assessed valuation of the year for  
63 which the taxes are delinquent less the assessed valuation of property for which the  
64 current year's property tax is delinquent, a district must notify the department of  
65 elementary and secondary education on or before April first, except in the year enacted,  
66 of the current year amount of delinquent taxes, the assessed valuation of such property

67 for which delinquent taxes are owed and the total assessed valuation of the district for  
68 the year in which the taxes were due but not paid. Any district giving such notice to the  
69 department of elementary and secondary education shall present verification of the  
70 accuracy of such notice obtained from the clerk of the county levying delinquent  
71 taxes. When any of the delinquent taxes identified by such notice are paid during a  
72 four-year period following the due date, the county clerk shall give notice to the district  
73 and the department of elementary and secondary education, and state aid paid to the  
74 district shall be reduced by an amount equal to the delinquent taxes received plus  
75 interest. The reduction in state aid shall occur over a period not to exceed five years and  
76 the interest rate on excess state aid not refunded shall be six percent annually.

77 6. If a district receives state aid based on equalized assessed valuation as  
78 determined by subsection 5 of this section and if prior to such notice the district was  
79 paid state aid pursuant to subdivision (2) of subsection 5 of section 163.031, the amount  
80 of state aid paid during the year of such notice and the first year following shall equal  
81 the sum of state aid paid pursuant to line 1 minus line 10 as defined in subsections 1,  
82 2, 3 and 6 of section 163.031 plus the difference between the state aid amount being paid  
83 after such notice minus the amount of state aid the district would have received  
84 pursuant to line 1 minus line 10 as defined in subsections 1, 2, 3 and 6 of section 163.031  
85 before such notice. To be eligible to receive state aid based on this provision the district  
86 must levy during the first year following such notice at least the maximum levy  
87 permitted school districts by article X, section 11(b) of the Missouri Constitution and  
88 have a voluntary rollback of its tax rate which is no greater than one cent per one  
89 hundred dollars assessed valuation.

**178.980. As used in sections 178.980 to 178.985, the following terms  
2 mean:**

3 **(1) "Agreement", the agreement between an employer and a junior**  
4 **college district concerning a project. An agreement may be for a period not**  
5 **to exceed ten years when the program services associated with a project are**  
6 **not in excess of five hundred thousand dollars. For a project where the**  
7 **associated program costs are greater than five hundred thousand dollars, the**  
8 **agreement may not exceed a period of eight years;**

9 **(2) "Board of trustees", the board of trustees of a junior college district;**

10 **(3) "Capital investment", an investment in research and development,**  
11 **working capital, and real and tangible personal business property except**  
12 **inventory or property intended for sale to customers. Trucks, truck trailers,**  
13 **truck semi-trailers, rail and barge vehicles and other rolling stock for hire,**

14 track, switches, barges, bridges, tunnels, rail yards, and spurs shall not  
15 qualify as a capital investment. The amount of such investment shall be the  
16 original cost of the property if owned, or eight times the net annual rental  
17 rate if leased;

18 (4) "Certificate", industrial retained jobs training certificates issued  
19 under section 178.983;

20 (5) "Date of commencement of the project", the date of the agreement;

21 (6) "Employee", the person employed in a retained job;

22 (7) "Employer", the person maintaining retained jobs in conjunction  
23 with a project;

24 (8) "Industry", a business located within this state which enters into an  
25 agreement with a community college district and which is engaged in  
26 interstate or intrastate commerce for the purpose of manufacturing,  
27 processing, or assembling products, conducting research and development, or  
28 providing services in interstate commerce, but excluding retail services;

29 (9) "Program costs", all necessary and incidental costs of providing  
30 program services, including payment of the principal, premium, and interest  
31 on certificates, including capitalized interest, issued to finance a project,  
32 funding and maintenance of a debt service reserve fund to secure such  
33 certificates and wages, salaries and benefits of employees participating in on-  
34 the-job training;

35 (10) "Program services" includes, but is not limited to, the following:

36 (a) Retained jobs training;

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

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

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

40 (e) On-the-job training;

41 (f) Administrative expenses equal to seventeen percent of the total  
42 training costs, two percent to be paid to the department of economic  
43 development for deposit into the Missouri job development fund created  
44 under section 620.478, RSMo;

45 (g) Subcontracted services with state institutions of higher education,  
46 private colleges or universities, or other federal, state, or local agencies;

47 (h) Contracted or professional services; and

48 (i) Issuance of certificates;

49 (11) "Project", a training arrangement which is the subject of an  
50 agreement entered into between the community college district and an

51 employer to provide program services that is not also the subject of an  
52 agreement entered into between a community college district and an  
53 employer to provide program services under sections 178.892 to 178.896;

54 (12) "Retained job", a job in a stable industry, not including jobs for  
55 recalled workers, which was in existence for at least two consecutive calendar  
56 years preceding the year in which the application for the retained jobs  
57 training program was made;

58 (13) "Retained jobs credit from withholding", the credit as provided in  
59 section 178.982;

60 (14) "Retained jobs training program", or "program", the project or  
61 projects established by a community college district for the retention of jobs,  
62 by providing education and training of workers for existing jobs for stable  
63 industry in the state;

64 (15) "Stable industry", a business that otherwise meets the definition  
65 of industry and retains existing jobs. To be a stable industry, the business  
66 shall have:

67 (a) Maintained at least one hundred employees per year at the  
68 employer's site in the state at which the jobs are based, for each of the two  
69 calendar years preceding the year in which application for the program is  
70 made;

71 (b) Retained at that site the level of employment that existed in the  
72 taxable year immediately preceding the year in which application for the  
73 program is made; and

74 (c) Made or agree to make a capital investment aggregating at least one  
75 million dollars to acquire or improve long-term assets (including leased  
76 facilities) such as property, plant, or equipment (excluding program costs) at  
77 the employer's site in the state at which jobs are based over a period of three  
78 consecutive calendar years, as certified by the employer and:

79 a. Have made substantial investment in new technology requiring the  
80 upgrading of worker's skills; or

81 b. Be located in a border county of the state and represent a potential  
82 risk of relocation from the state; or

83 c. Be determined to represent a substantial risk of relocation from the  
84 state by the director of the department of economic development;

85 (16) "Total training costs", costs of training, including supplies, wages  
86 and benefits of instructors, subcontracted services, on-the-job training,  
87 training facilities, equipment, skill assessment, and all program services

88 **excluding issuance of certificates.**

178.981. A community college district, with the approval of the  
2 department of economic development in consultation with the office of  
3 administration, may enter into an agreement to establish a project and  
4 provide program services to an employer. As soon as possible after initial  
5 contact between a community college district and a potential employer  
6 regarding the possibility of entering into an agreement, the district shall  
7 inform the division of workforce development of the department of economic  
8 development and the office of administration about the potential project. The  
9 division of workforce development shall evaluate the proposed project within  
10 the overall job training efforts of the state to ensure that the project will not  
11 duplicate other job training programs. The department of economic  
12 development shall have fourteen days from receipt of the application to  
13 approve or disapprove projects. If no response is received by the community  
14 college within fourteen days, the projects are approved. Any project that is  
15 disapproved must be in writing stating the reasons for the disapproval. If an  
16 agreement is entered into, the district and the employer shall notify the  
17 department of revenue within fifteen calendar days. An agreement may  
18 provide, but is not limited to:

19 (1) Payment of program costs, including deferred costs, which may be  
20 paid from one or a combination of the following sources:

21 (a) Funds appropriated by the general assembly from the Missouri  
22 community college job retention program fund and disbursed by the division  
23 of workforce development in respect of retained jobs credit from withholding  
24 to be received or derived from retained employment resulting from the  
25 project;

26 (b) Tuition, student fees, or special charges fixed by the board of  
27 trustees to defray program costs in whole or in part;

28 (c) Guarantee of payments to be received under paragraph (a) or (b) of  
29 this subdivision;

30 (2) Payment of program costs shall not be deferred for a period longer  
31 than ten years if program costs do not exceed five hundred thousand dollars,  
32 or eight years if program costs exceed five hundred thousand dollars from the  
33 date of commencement of the project;

34 (3) Costs of on-the-job training for employees shall include wages or  
35 salaries of participating employees. Payments for on-the-job training shall  
36 not exceed the average of fifty percent of the total percent of the total wages

37 paid by the employer to each participant during the period of  
38 training. Payment for on-the-job training may continue for up to six months  
39 from the date of the employer's capital investment;

40 (4) A provision which fixes the minimum amount of retained jobs credit  
41 from withholding, or tuition and fee payments which shall be paid for  
42 program costs;

43 (5) Any payment required to be made by an employer is a lien upon the  
44 employer's business property until paid and has equal precedence with  
45 ordinary taxes and shall not be divested by a judicial sale. Property subject  
46 to the lien may be sold for sums due and delinquent at a tax sale, with the  
47 same forfeitures, penalties, and consequences as for the nonpayment of  
48 ordinary taxes. The purchasers at tax sale obtain the property subject to the  
49 remaining payments.

178.982. If an agreement provides that all or part of program costs are  
2 to be met by receipt of retained jobs credit from withholding, such retained  
3 jobs credit from withholding shall be determined and paid as follows:

4 (1) Retained jobs credit from withholding shall be based upon the  
5 wages paid to the employees in the retained jobs;

6 (2) A portion of the total payments made by the employer under section  
7 143.221, RSMo, shall be designated as the retained jobs credit from  
8 withholding. Such portion shall be an amount equal to two and one-half  
9 percent of the gross wages paid by the employer for each of the first one  
10 hundred jobs included in the project and one and one-half percent of the  
11 gross wages paid by the employer for each of the remaining jobs included in  
12 the project. If business or employment conditions cause the amount of the  
13 retained jobs credit from withholding to be less than the amount projected in  
14 the agreement for any time period, then other withholding tax paid by the  
15 employer under section 143.221, RSMo, shall be credited to the Missouri  
16 junior college retained job training fund by the amount of such  
17 difference. The employer shall remit the amount of the retained jobs credit  
18 to the department of revenue in the manner prescribed in section  
19 178.984. When all program costs, including the principal, premium, and  
20 interest on the certificates have been paid, the employer credits shall cease;

21 (3) The community college district participating in a project shall  
22 establish a special fund for and in the name of the project. All funds  
23 appropriated by the general assembly from the Missouri community college  
24 job training retention program fund and disbursed by the division of



25 workforce development for the project and other amounts received by the  
26 district in respect of the project and required by the agreement to be used to  
27 pay program costs for the project shall be deposited in the special  
28 fund. Amounts held in the special fund may be used and disbursed by the  
29 district only to pay program costs for the project. The special fund may be  
30 divided into such accounts and subaccounts as shall be provided in the  
31 agreement, and amounts held therein may be invested in investments which  
32 are legal for the investment of the district's other funds;

33 (4) Any disbursement in respect of a project received from the division  
34 of workforce development under sections 178.980 to 178.985 and the special  
35 fund into which it is paid may be irrevocably pledged by a junior college  
36 district for the payment of the principal, premium, and interest on the  
37 certificate issued by a junior college district to finance or refinance, in whole  
38 or in part, the project;

39 (5) The employer shall certify to the department of revenue that the  
40 credit from withholding is in accordance with an agreement and shall provide  
41 other information the department may require;

42 (6) An employee participating in a project will receive full credit for  
43 the amount designated as a retained jobs credit from withholding and  
44 withheld as provided in section 143.221, RSMo;

45 (7) If an agreement provides that all or part of program costs are to be  
46 met by receipt of retained jobs credit from withholding, the provisions of this  
47 subsection shall also apply to any successor to the original employer until  
48 such time as the principal and interest on the certificates have been paid.

178.983. 1. To provide funds for the present payment of the costs of  
2 retained jobs training programs, a community college district may borrow  
3 money and issue and sell certificates payable from a sufficient portion of the  
4 future receipts of payments authorized by the agreement including  
5 disbursements from the Missouri community college job retention training  
6 program to the special fund established by the district for each project. The  
7 total amount of outstanding certificates sold by all junior college districts  
8 shall not exceed fifteen million dollars, unless an increased amount is  
9 authorized in writing by a majority of members of the Missouri job training  
10 joint legislative oversight committee. The certificates shall be marketed  
11 through financial institutions authorized to do business in Missouri. The  
12 receipts shall be pledged to the payment of principal of and interest on the  
13 certificates. Certificates may be sold at public sale or at private sale at par,

14 premium, or discount of not less than ninety-five percent of the par value  
15 thereof, at the discretion of the board of trustees, and may bear interest at  
16 such rate or rates as the board of trustees shall determine, notwithstanding  
17 the provisions of section 108.170, RSMo, to the contrary. However, chapter  
18 176, RSMo, does not apply to the issuance of these certificates. Certificates  
19 may be issued with respect to a single project or multiple projects and may  
20 contain terms or conditions as the board of trustees may provide by  
21 resolution authorizing the issuance of the certificates.

22       2. Certificates issued to refund other certificates may be sold at public  
23 sale or at private sale as provided in this section with the proceeds from the  
24 sale to be used for the payment of the certificates being refunded. The  
25 refunding certificates may be exchanged in payment and discharge of the  
26 certificates being refunded, in installments at different times or an entire  
27 issue or series at one time. Refunding certificates may be sold or exchanged  
28 at any time on, before, or after the maturity of the outstanding certificates to  
29 be refunded. They may be issued for the purpose of refunding a like, greater,  
30 or lesser principal amount of certificates and may bear a higher, lower, or  
31 equivalent rate of interest than the certificates being renewed or refunded.

32       3. Before certificates are issued, the board of trustees shall publish  
33 once a notice of its intention to issue the certificates, stating the amount, the  
34 purpose, and the project or projects for which the certificates are to be  
35 issued. A person may, within fifteen days after the publication of the notice,  
36 by action in the circuit court of a county in the district, appeal the decision  
37 of the board of trustees to issue the certificates. The action of the board of  
38 trustees in determining to issue the certificates is final and conclusive unless  
39 the circuit court finds that the board of trustees has exceeded its legal  
40 authority. An action shall not be brought which questions the legality of the  
41 certificates, the power of the board of trustees to issue the certificates, the  
42 effectiveness of any proceedings relating to the authorization of the project,  
43 or the authorization and issuance of the certificates from and after fifteen  
44 days from the publication of the notice of intention to issue.

45       4. The board of trustees shall make a finding based on information  
46 supplied by the employer that revenues provided in the agreement are  
47 sufficient to secure the faithful performance of obligations in the agreement.

48       5. Certificates issued under this section shall not be deemed to be an  
49 indebtedness of the state or the community college district or of any other  
50 political subdivision of the state, and the principal and interest on such

51 certificates shall be payable only from the sources provided in subdivision (1)  
52 of section 178.981 which are pledged in the agreement.

53         6. The department of economic development shall coordinate the  
54 retained jobs training program, and may promulgate rules that districts will  
55 use in developing projects with industrial retained jobs training proposals  
56 which shall include rules providing for the coordination of such proposals  
57 with the service delivery areas established in the state to administer federal  
58 funds pursuant to the federal Workforce Investment Act. No rule or portion  
59 of a rule promulgated pursuant to the authority of this section shall become  
60 effective unless it has been promulgated pursuant to chapter 536, RSMo.

61         7. No community college district may sell certificates as described in  
62 this section after July 1, 2014.

178.984. 1. There is hereby established within the state treasury a  
2 special fund, to be known as the "Missouri Community College Job Retention  
3 Training Program Fund", to be administered by the division of workforce  
4 development. The department of revenue shall credit to the community  
5 college job retention training program fund, as received, all retained jobs  
6 credit from withholding remitted by employers pursuant to section  
7 178.982. The fund shall also consist of any gifts, contributions, grants, or  
8 bequests received from federal, private, or other sources. The general  
9 assembly, however, shall not provide for any transfer of general revenue  
10 funds into the community college job retention training program  
11 fund. Moneys in the Missouri community college job retention training  
12 program fund shall be disbursed to the division of workforce development  
13 pursuant to regular appropriations by the general assembly. The division  
14 shall disburse such appropriated funds in a timely manner into the special  
15 funds established by community college districts for projects, which funds  
16 shall be used to pay program costs, including the principal, premium, and  
17 interest on certificates issued by the district to finance or refinance, in whole  
18 or in part, a project. Such disbursements by the division of workforce  
19 development shall be made to the special fund for each project in the same  
20 proportion as the retained jobs credit from withholding remitted by the  
21 employer participating in such project bears to the total retained jobs credit  
22 from withholding remitted by all employers participating in projects during  
23 the period for which the disbursement is made. Moneys for retained jobs  
24 training programs established under sections 178.980 to 178.985 shall be  
25 obtained from appropriations made by the general assembly from the

26 Missouri community college job retention training program fund. All moneys  
27 remaining in the Missouri community college job retention training program  
28 fund at the end of any fiscal year shall not lapse to the general revenue fund,  
29 as provided in section 33.080, RSMo, but shall remain in the Missouri  
30 community college job retention training program fund.

31 2. The department of revenue shall develop such forms as are necessary  
32 to demonstrate accurately each employer's retained jobs credit from  
33 withholding paid into the Missouri community college job retention training  
34 program fund. The retained jobs credit from withholding shall be accounted  
35 as separate from the normal withholding tax paid to the department of  
36 revenue by the employer. Reimbursements made by all employers to the  
37 Missouri community college job retention training program fund shall be no  
38 less than all allocations made by the division of workforce development to all  
39 community college districts for all job retention projects. The employer shall  
40 remit the amount of the retained job credit to the department of revenue in  
41 the same manner as provided in sections 143.191 to 143.265, RSMo.

2 178.985. Pursuant to section 23.253, RSMo, of the Missouri Sunset Act:

3 (1) The provisions of the new program authorized under sections  
4 178.980 to 178.985 shall automatically sunset six years after the effective date  
5 of sections 178.980 to 178.985 unless reauthorized by an act of the general  
6 assembly; and

7 (2) If such program is reauthorized, the program authorized under  
8 sections 178.980 to 178.985 shall automatically sunset four years after the  
9 effective date of the reauthorization of sections 178.980 to 178.985; and

10 (3) Sections 178.980 to 178.985 shall terminate on September first of the  
11 calendar year immediately following the calendar year in which the program  
12 authorized under sections 178.980 to 178.985 is sunset.

190.304. 1. In addition to its other powers for the protection of the  
2 public health, a governing body of a county of the first classification with  
3 more than two hundred forty thousand three hundred but less than two  
4 hundred forty thousand four hundred inhabitants may, by a majority vote of  
5 its members, choose to submit to a vote of the qualified voters of the county  
6 a ballot containing either of the two proposals pursuant to subdivisions (1)  
7 and (2) of this subsection to provide for the operation of an emergency  
8 telephone service. In no case shall a governing body be permitted to enact  
9 provisions of both subdivisions (1) and (2) of this subsection, whether in  
10 simultaneous elections or by separate elections. If the governing body so

11 chooses, by a majority vote of its members, it may submit:

12 (1) A proposition to the qualified voters of the county to levy a tax in  
13 an amount equal to the average levied tax per line for wire lines in such  
14 county or such city not within a county in the current year based on the tax  
15 on the tariff rate authorized in section 190.305 for each access line or device  
16 which has an assigned mobile identification number containing an area code  
17 assigned to Missouri by the North American Numbering Plan Administrator  
18 in such county or a city not within a county. If a majority of the qualified  
19 voters of the county adopt the provision in this subdivision, such tax shall be  
20 in addition to the tax authorized pursuant to section 190.305. The tax  
21 authorized pursuant to this subdivision shall be in lieu of any tax authorized  
22 and adopted pursuant to sections 190.325 to 190.329. The governing body of  
23 the county shall certify to the office of administration the amount of the  
24 average levied tax per line for wire lines in such county; or

25 (2) A proposition to the qualified voters of the county to levy a tax in  
26 an amount up to fifty cents per month on each access line user or device  
27 which has an assigned mobile identification number containing an area code  
28 assigned to Missouri by the North American Numbering Plan Administrator  
29 in such county or a city not within a county, plus a tax of up to fifty cents per  
30 access line per month for wired telephone services in such county. If a  
31 majority of the qualified voters of the county adopt the provision in this  
32 subdivision, the approved taxes shall be in lieu of the tax authorized pursuant  
33 to section 190.305 and in lieu of the tax authorized pursuant to sections  
34 190.325 to 190.329. The taxes authorized pursuant to this subdivision shall not  
35 exceed fifty cents and shall be equal to one another.

36 2. The taxes collected pursuant to this section shall be utilized to pay  
37 for the operation of emergency telephone service and the operational costs  
38 associated with the answering and dispatching of emergency calls as deemed  
39 appropriate by the governing body and for no other purpose; however,  
40 collection of such taxes shall not begin prior to twelve months before the  
41 operation upgraded to facilities which implement phase I enhanced 911  
42 services as described in Federal Communications Docket 94-102, or in  
43 counties which do not have a functioning emergency telephone service and  
44 dispatch center the collection of such taxes shall not begin prior to twenty-  
45 seven months before operation of such emergency telephone service and  
46 dispatch center.

47 3. Any county which has not implemented service pursuant to the

48 requirements of subsection 2 of this section shall immediately cease collection  
49 of such tax, and if the county fails to implement such service within twelve  
50 months thereafter, the governing body of such county shall remit all taxes  
51 collected pursuant to this section to the state treasurer to be deposited in the  
52 911 emergency services fund created pursuant to section 190.312.

53 4. Every billed service user or wireless service user is liable for the  
54 taxes until it has been paid to the service supplier.

55 5. The duty to collect the tax from a service user or wireless service  
56 user shall commence at such time as specified by the governing body in  
57 accordance with the provisions of sections 190.300 to 190.320. The tax  
58 required to be collected by the service supplier or wireless service supplier  
59 shall be added to and shall be stated separately in the billings to the service  
60 user or wireless service user.

61 6. Nothing in this section imposes any obligation upon a service  
62 supplier or wireless service supplier to take any legal action to enforce the  
63 collection of the tax imposed by this section unless the charges for wireless  
64 service are unpaid. The service supplier or wireless service supplier shall  
65 provide the governing body with a list of amounts uncollected along with the  
66 names and addresses of the service users or wireless service users refusing  
67 to pay the tax imposed by this section, if any.

68 7. The tax imposed by this section shall be collected insofar as  
69 practicable at the same time as, and along with, the charges for the tariff rate  
70 in accordance with the regular billing practice of the service supplier.

71 8. The state auditor shall have the authority to perform audits of  
72 receipts and expenditures of taxes collected pursuant to this section to  
73 determine whether such taxes are being properly administered for the  
74 operational costs of administering emergency telephone services.

620.472. 1. The department shall establish a new or expanding industry training  
2 program, the purpose of which is to provide assistance for new or expanding industries  
3 for the training, retraining or upgrading of the skills of potential employees. Such  
4 program may also provide assistance in the locating of skilled employees and in the  
5 locating of additional sources of job training funds. Such program shall be operated with  
6 appropriations made by the general assembly from the fund, or in the case of  
7 training provided by third-party training providers, with the proceeds of tax  
8 credits redeemed by qualified entities.

9 2. Assistance under the new or expanding industry training program may be  
10 available only for industries whose investments relate directly to a projected increase in

11 employment which will result in the need for training of newly hired employees or the  
12 retraining or upgrading of the skills of existing employees for new jobs created by the  
13 new or expanding industry's investment.

14 3. The department shall issue rules and regulations governing the awarding of  
15 funds administered through the new or expanding industry training program. When  
16 promulgating these rules and regulations, the department shall consider such factors as  
17 the potential number of new permanent jobs to be created, the amount of private sector  
18 investment in new facilities and equipment, the significance of state funding to the  
19 industry's decision to locate or expand in Missouri, the economic need of the affected  
20 community, and the importance of the industry to the economic development of Missouri.

620.474. 1. The department shall establish a basic industry retraining program,  
2 the purpose of which is to provide assistance for industries in Missouri for the retraining  
3 and upgrading of employees' skills which are required to support new investment. Such  
4 program shall be operated with appropriations made by the general assembly from the  
5 fund **or in the case of training provided by third-party training providers,**  
6 **with the proceeds of tax credits redeemed by qualified entities.**

7 2. Assistance under the basic industry retraining program may be made available  
8 for industries in Missouri which make new investments without the creation of new  
9 employment.

10 3. The department shall issue rules and regulations governing the awarding of  
11 funds administered through the basic industry retraining fund. When promulgating  
12 these rules and regulations, the department shall consider such factors as the number  
13 of jobs in jeopardy of being lost if retraining does not occur, the amount of private sector  
14 investment in new facilities and equipment, the ratio of jobs retained versus investment,  
15 the cost of normal, ongoing training required for the industry, the economic need of the  
16 affected community, and the importance of the industry to the economic development of  
17 Missouri.

**620.484. For any taxable year beginning after December 31, 2004, a**  
2 **taxpayer shall be entitled to a tax credit against any tax otherwise due under**  
3 **the provisions of chapter 143, RSMo, or chapter 147, RSMo, or chapter 148,**  
4 **RSMo, excluding withholding tax imposed by sections 143.191 to 143.265,**  
5 **RSMo, in the amount of fifty percent of costs arising from employment of an**  
6 **approved third-party training provider engaged in new or expanding industry**  
7 **training or basic industry retraining programs under the authority of**  
8 **sections 620.470 to 620.481 during the taxpayer's tax year. Costs shall only be**  
9 **incurred after the department has approved any such third-party training**

10 **provider. The tax credit allowed by this subsection shall be claimed by the**  
11 **taxpayer at the time of filing the taxpayer's return and shall be applied**  
12 **against the income tax liability imposed by chapter 143, RSMo, or chapter 147,**  
13 **RSMo, or chapter 148, RSMo, after all other credits provided by law have been**  
14 **applied. That portion of earned tax credits which exceeds the taxpayer's tax**  
15 **liability may be carried forward for up to five years and carried back for up**  
16 **to three years. The aggregate of all tax credits authorized under this section**  
17 **shall not exceed five hundred thousand dollars in any fiscal year. Any**  
18 **taxpayer may sell, assign, exchange, convey or otherwise transfer tax credits**  
19 **created by this section.**

620.1039. 1. As used in this section, the term "taxpayer" means an individual,  
2 a partnership, or a corporation as described in section 143.441 or 143.471, RSMo, or  
3 section 148.370, RSMo, and the term "qualified research expenses" has the same  
4 meaning as prescribed in 26 U.S.C. 41.

5 2. For tax years beginning on or after January 1, 2001, the director of the  
6 department of economic development may authorize a taxpayer to receive a tax credit  
7 against the tax otherwise due pursuant to chapter 143, RSMo, or chapter 148, RSMo,  
8 other than the taxes withheld pursuant to sections 143.191 to 143.265, RSMo, in an  
9 amount up to six and one-half percent of the excess of the taxpayer's qualified research  
10 expenses, as certified by the director of the department of economic development, within  
11 this state during the taxable year over the average of the taxpayer's qualified research  
12 expenses within this state over the immediately preceding three taxable years; except  
13 that, no tax credit shall be allowed on that portion of the taxpayer's qualified research  
14 expenses incurred within this state during the taxable year in which the credit is being  
15 claimed, to the extent such expenses exceed two hundred percent of the taxpayer's  
16 average qualified research expenses incurred during the immediately preceding three  
17 taxable years.

18 3. The director of economic development shall prescribe the manner in which the  
19 tax credit may be applied for. The tax credit authorized by this section may be claimed  
20 by the taxpayer to offset the tax liability imposed by chapter 143, RSMo, or chapter 148,  
21 RSMo, that becomes due in the tax year during which such qualified research expenses  
22 were incurred. Where the amount of the credit exceeds the tax liability, the difference  
23 between the credit and the tax liability may only be carried forward for the next five  
24 succeeding taxable years or until the full credit has been claimed, whichever first  
25 occurs. The application for tax credits authorized by the director pursuant to subsection  
26 2 of this section shall be made no later than the end of the taxpayer's tax period



27 immediately following the tax period for which the credits are being claimed.

28           4. Certificates of tax credit issued pursuant to this section may be transferred,  
29 sold or assigned by filing a notarized endorsement thereof with the department which  
30 names the transferee and the amount of tax credit transferred. The director of economic  
31 development may allow a taxpayer to transfer, sell or assign up to forty percent of the  
32 amount of the certificates of tax credit issued to and not claimed by such taxpayer  
33 pursuant to this section during any tax year commencing on or after January 1, 1996,  
34 and ending not later than December 31, 1999. Such taxpayer shall file, by December 31,  
35 2001, an application with the department which names the transferee, the amount of tax  
36 credit desired to be transferred, and a certification that the funds received by the  
37 applicant as a result of the transfer, sale or assignment of the tax credit shall be  
38 expended within three years at the state university for the sole purpose of conducting  
39 research activities agreed upon by the department, the taxpayer and the state  
40 university. Failure to expend such funds in the manner prescribed pursuant to this  
41 section shall cause the applicant to be subject to the provisions of section 620.017.

42           5. No rule or portion of a rule promulgated under the authority of this section  
43 shall become effective unless it has been promulgated pursuant to the provisions of  
44 chapter 536, RSMo. All rulemaking authority delegated prior to June 27, 1997, is of no  
45 force and effect and repealed; however, nothing in this section shall be interpreted to  
46 repeal or affect the validity of any rule filed or adopted prior to June 27, 1997, if such  
47 rule complied with the provisions of chapter 536, RSMo. The provisions of this section  
48 and chapter 536, RSMo, are nonseverable and if any of the powers vested with the  
49 general assembly pursuant to chapter 536, RSMo, including the ability to review, to  
50 delay the effective date, or to disapprove and annul a rule or portion of a rule, are  
51 subsequently held unconstitutional, then the purported grant of rulemaking authority  
52 and any rule so proposed and contained in the order of rulemaking shall be invalid and  
53 void.

54           6. The aggregate of all tax credits authorized pursuant to this section shall not  
55 exceed nine million seven hundred thousand dollars in any year.

56           **7. For all tax years beginning on or after January 1, 2005, no tax**  
57 **credits shall be approved, awarded, or issued to any person or entity claiming**  
58 **any tax credit under this section.**

                  [620.1400. Sections 620.1400 to 620.1460 shall be known and may  
2           be cited as the "Missouri Individual Training Account Program Act" and  
3           its provisions shall be effective only within distressed communities as  
4           defined by section 135.530, RSMo.]

2           [620.1410. There is hereby established an "Individual Training  
3           Account Program" within the department of economic development. Job  
4           training and retraining activities conducted pursuant to the provisions of  
5           sections 620.1400 to 620.1460 shall be directed to employee advancement,  
6           where jobs are linked to training before the training commences, and shall  
7           emphasize upgrade training where current or potential employers, by  
8           means of educational programs, provide existing employees with training  
9           for higher skilled positions. Job training activities provided pursuant to  
10          the provisions of the individual training account program shall attempt to  
11          prepare employed workers, including those with obsolete or inadequate job  
12          skills, for positions that remain unfilled or that may be created by current  
          or potential employers.]

          [620.1420. As used in sections 620.1400 to 620.1460, the following  
2          terms mean:

3           (1) "Costs of classroom training", the normal costs incurred in the  
4           provision of classroom training which may also include specifically  
5           identified costs incurred for instructors, classroom space and facilities,  
6           administrative support services, and directly related expenses, that  
7           together do not exceed the amount normally allowed for support of  
8           vocational and technical classes;

9           (2) "Department", the department of economic development;

10          (3) "Employee", a full-time or part-time employed worker whose  
11          salary is equal to or less than two hundred percent of the federal poverty  
12          level;

13          (4) "Employee upgrade training", the progressive development of  
14          skills associated with the defined set of work processes. Such training  
15          shall be consistent with a career pattern of advancement, as measured by  
16          skill proficiency and the progressive earnings and related benefits, that  
17          are recognized within an occupation, trade or industry;

18          (5) "Individual training account", an account funded by the tax  
19          credits provided for in section 620.1440 for the provision of employee  
20          upgrade training to employees through their participation in classroom  
21          training provided by educational institutions;

22          (6) "Local educational institution", a publicly funded or privately  
23          funded local educational institution which is certified by a recognized  
24          accrediting association as capable of providing adequate classroom

25 training to accomplish the purpose of sections 620.1400 to 620.1460.]

2 [620.1430. 1. A Missouri employer who desires to participate in  
3 the individual training account program shall provide the department of  
4 economic development with notification of intent to participate. The  
5 notification shall include, but need not be limited to, the names and  
6 occupations of employees whom the employer has selected to be trained,  
7 whether or not the employees are currently working for the employer, the  
8 name of the local educational institution that will provide the training,  
9 and a brief description of the training to be given by the institution.

10 2. The employer shall have complete discretion in the selection of  
11 the local educational institution or institutions to provide training and  
shall be responsible for the payment of the costs of classroom training.]

2 [620.1440. 1. Employers may be reimbursed for the costs of  
3 training provided pursuant to the provisions of the individual training  
4 account program. Such reimbursement shall be in the form of tax credits  
5 as authorized in subsection 2 of this section. The tax credits may be  
6 claimed for courses provided in no more than two calendar years for each  
7 employee. For each year, the maximum amount of credit per employee  
8 which can be certified by the department of economic development shall  
9 be the lesser of fifty percent of the costs of classroom training or one  
thousand five hundred dollars.

10 2. Tax credits may be claimed against any liability incurred by the  
11 employer pursuant to the provisions of chapter 143, RSMo, and chapter  
12 148, RSMo, exclusive of the provisions relating to the withholding of tax  
13 as provided for in sections 143.191 to 143.265, RSMo. Earned tax credits  
14 may be carried forward for a period not to exceed five years and may be  
15 sold or transferred.

16 3. No claim for tax credits submitted to the department by an  
17 employer shall be certified until the employer provides documentation that  
18 an employee has successfully completed the employee's course training  
19 and has been employed by the employer in a new, full-time position for a  
20 period of at least three months. It must be demonstrated satisfactorily to  
21 the department that the new position in which the employee located is an  
22 upgrade in employment, in terms of salary and responsibilities, from the  
23 previously held position. All such increases in salary shall be in addition  
24 to normal cost-of-living increases provided for in authorized

25 labor-management contracts. If the employee was previously employed in  
26 a part-time position, the base salary for the position shall be calculated as  
27 if it were a full-time position.]

[620.1450. The maximum amount of tax credits allowable pursuant  
2 to the provisions of the individual training account program shall not  
3 annually exceed six million dollars.]

[620.1460. The department of economic development may  
2 promulgate necessary rules and regulations to carry out the provisions of  
3 sections 620.1400 to 620.1460. No rule or portion of a rule promulgated  
4 pursuant to the authority of sections 620.1400 to 620.1460 shall become  
5 effective unless it has been promulgated pursuant to the provisions of  
6 chapter 536, RSMo.]

[620.1560. 1. For purposes of this section, the following terms  
2 mean:

- 3 (1) "Department", the department of economic development;  
4 (2) "Disadvantaged", an individual shall be considered  
5 disadvantaged and eligible to participate in the program if such individual  
6 meets any one of the following elements:  
7 (a) The family income is at or below one hundred fifty percent of  
8 the poverty line;  
9 (b) The individual is receiving public support for the care of a  
10 foster child;  
11 (c) The individual faces serious barriers to employment including  
12 displaced homemakers; dislocated workers; veterans; or individuals who  
13 possess outdated skills;  
14 (3) "Program", the mature worker child care program.

15 2. There is hereby established within the department of economic  
16 development a program to be known as the "Mature Worker Child Care  
17 Program". The program will administer a statewide community service,  
18 in cooperation with the neighborhood assistance program, to enroll  
19 disadvantaged individuals, who are fifty years of age or older, to work in  
20 child-care assignments. Enrollees may include qualified individuals who  
21 are currently participating in existing community service programs.

22 3. The department shall solicit proposals from organizations  
23 seeking to contract to supervise the participants. Organizations that are  
24 awarded a contract will be responsible for recruiting and training

25 participants, locating child-care assignments, and paying  
26 participants. Contract proposals shall include:

27 (1) A requirement that participants in the program be paid the  
28 federal minimum wage;

29 (2) A process that allows participants to work an average of  
30 twenty- four hours a week for public and not-for-profit day care providers  
31 and for school latch-key programs that provide before- and after-school  
32 care;

33 (3) A description of the range of services to be performed by  
34 program participants, including, but not limited to, child care, food  
35 preparation, transportation, activity coordination, and clerical duties;

36 (4) A requirement that the participating facilities provide proof of  
37 required licensure under sections 210.201 to 210.259, RSMo, with the  
38 exception of the public school system.

39 4. The program shall be implemented by July 1, 2000, and shall be  
40 funded through general revenue funds with no more than twelve percent  
41 of the funds to be used for administrative purposes.

42 5. In addition to tax credits currently available under the  
43 neighborhood assistance program, a participating facility shall be allowed  
44 a credit against the tax imposed by chapter 143, RSMo, excluding  
45 withholding tax imposed by sections 143.191 to 143.265, RSMo, and  
46 chapter 147, 148 or 153, RSMo, pursuant to this section. The amount of  
47 tax credit claimed shall not exceed the amount of the taxpayer's state tax  
48 liability for the taxable year that the credit is claimed. Taxpayers eligible  
49 for such tax credit may transfer, sell or assign them. Individual salaries  
50 up to ten thousand dollars per program participant each taxable year are  
51 eligible for the tax credit which shall not exceed twenty-five percent of the  
52 eligible salary amount. Total tax credits taken through the program shall  
53 not exceed two million dollars.

54 6. The department of economic development shall verify all tax  
55 credit claims by participating facilities. The tax credit allowed by this  
56 section shall apply to all taxable years beginning after December 31, 1999.

57 7. Subject to appropriations and to the provisions of chapter 34,  
58 RSMo, the oversight division of the committee on legislative research shall  
59 award up to thirty thousand dollars every two years for an independent  
60 evaluation of the program. Based on this program evaluation, the

61 department shall provide a comprehensive report on the program to the  
62 speaker of the house and the president pro tem of the senate by March  
63 first of each year, beginning in 2001.]

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