

SB 645 -- MISSOURI BUSINESS USE INCENTIVES FOR LARGE-SCALE DEVELOPMENT

SPONSOR: Griesheimer (Richard)

COMMITTEE ACTION: Voted "do pass" by the Committee on Job Creation and Economic Development by a vote of 17 to 0.

This bill expands the definition of "essential industry" to include certain businesses in the City of Fenton. Currently, only certain businesses in the City of Hazelwood are given this designation.

In order to be deemed an essential industry, the business must:

- (1) Be located in the cities of Fenton or Hazelwood;
- (2) Invest \$500 million in an economic development project within three years of receiving bonds or credits from the Missouri Development Finance Board through the Business Use Incentive for Large-Scale Development (BUILD) Program for large-scale economic development projects;
- (3) Have maintained at least 2,000 jobs at the proposed project site for a period of four years prior to applying for participation in the BUILD Program; and
- (4) Maintain the same level of employment at the site for as long as it participates in the BUILD Program.

FISCAL NOTE: No impact on state funds in FY 2007, FY 2008, and FY 2009.

PROPOSERS: Supporters say that the bill will allow DaimlerChrysler to take advantage of the same incentives offered to Ford's Hazelwood plant. In order for DaimlerChrysler to take advantage of these incentives, it must retain a certain number of jobs for 10 years.

Testifying for the bill were Senator Griesheimer; Department of Economic Development; St. Louis Community College; Missouri Chamber of Commerce and Industry; Taxpayers Research Institute of Missouri; Missouri Economic Development Council; and DaimlerChrysler.

OPPOSERS: There was no opposition voiced to the committee.

Alice Hurley, Legislative Analyst