

HCS HB 1056 -- MISSOURI BUSINESS RECRUITERS ACT

SPONSOR: Johnson

COMMITTEE ACTION: Voted "Do Pass by Consent" by the Committee on International Trade by a vote of 8 to 0. Voted "Do Pass - Not Consent" by the Committee on Rules.

This bill establishes the Missouri Business Recruiters Act to create private contractor positions for business recruiters to attract out-of-state business owners and companies to Missouri. A business recruiter must receive compensation for any jobs within the business or company that are relocated into Missouri equal to 2% of the salary or wages for each new job. The compensation must be a one-time payment per new job and the new job must pay wages that meet or exceed the average wage in the county to which the job is relocated, be maintained for at least one year, and be a full-time position.

The Department of Economic Development must administer the program and create a business recruiter application process. Any private contracted business recruiter must apply to become a Missouri business recruiter under guidelines developed by the department, which must include a provision requiring the business recruiter to notify the department that he or she is communicating with a particular out-of-state business for the purpose of attracting that business to relocate to Missouri.

Upon relocation, the employer must withhold 2% of the salary or wages for each new job relocated under the program for deposit into the newly created Missouri Business Recruiters Fund. A business recruiter must not receive any compensation under the program unless he or she has obtained a statement from the Department of Revenue that the recruiter owes no sales or withholding taxes due. No more than \$3 million may be paid as compensation under this program per year. The Office of Administration must advertise the position of business recruiter in the same manner as any other job opening or business procurement.

The provisions of the bill will expire four years after the effective date.

PROPONENTS: Supporters say that the bill provides another tool to attract businesses to Missouri.

Testifying for the bill were Representative Johnson and Parker Bena.

OPPONENTS: There was no opposition voiced to the committee.