#### FIRST REGULAR SESSION

# **HOUSE BILL NO. 1125**

## 98TH GENERAL ASSEMBLY

#### INTRODUCED BY REPRESENTATIVE JOHNSON.

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D. ADAM CRUMBLISS, Chief Clerk

### **AN ACT**

To amend chapter 620, RSMo, by adding thereto one new section relating to the Missouri Business Recruiters Act.

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

Section A. Chapter 620, RSMo, is amended by adding thereto one new section, to be known as section 620.1600, to read as follows:

620.1600. 1. This section shall be known and may be cited as the "Missouri Business Recruiters Act".

- 2. The program established under this section shall create private contractor positions for business recruiters. A business recruiter that attracts an out-of-state business or company to relocate to Missouri shall receive compensation for every new job in Missouri within the business or company that is relocated to Missouri equal to two percent of the salary or wages for each new job. The compensation shall be a one-time payment per new job in Missouri and shall be subject to the following restrictions:
  - (1) The new job in Missouri shall:
- 10 (a) Pay wages that meet or exceed the average wage in the county to which the job 11 is relocated;
- 12 (b) Be maintained for at least one year before the business recruiter is eligible to 13 receive the compensation identified in this section; and
  - (c) Be a full-time position.
- 3. There is hereby created in the state treasury the "Missouri Business Recruiters Fund", which shall consist of money collected under this section. The state treasurer shall be custodian of the fund. In accordance with sections 30.170 and 30.180, the state

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

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treasurer may approve disbursements. The fund shall be a dedicated fund, and money in the fund shall be used solely for the administration of this section. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

- 4. The department of economic development shall administer the program established in this section. The department shall create a business recruiter application process. A private contracted business recruiter shall apply to become a Missouri business recruiter under guidelines developed by the department. The guidelines shall include a provision whereby a business recruiter notifies the department that he or she is communicating with a particular out-of-state business or company for the purpose of attracting that business or company to relocate to Missouri.
- 5. Upon relocation, the employer shall withhold two percent of the salary or wages for each new job in Missouri relocated under this program and forward the funds to the department to deposit into the Missouri business recruiters fund established in subsection 3 of this section. Funding for the Missouri business recruiters act shall begin to accrue on the day work is performed on the new job in Missouri. The department shall track employer contributions and ensure that any moneys paid to the business recruiter do not exceed the amount that has been deposited by the employer. A business recruiter shall not receive any compensation under the program unless he or she has obtained a statement from the department of revenue that the business recruiter owes no tax due under sections 144.010 to 144.510 or sections 143.191 to 143.261. At the time all requirements of the Missouri business recruiters act have been met, the department shall compensate said business recruiter equal to two percent of the salary or wages for each new job in Missouri within the relocated business or company whose relocation is attributable to the business recruiter. No more than three million dollars in the aggregate may be paid as compensation under this program per year.
- 6. The office of administration shall advertise the position of business recruiter in the same manner as any other job opening or business procurement.
  - 7. Under section 23.253 of the Missouri sunset act:
- (1) The provisions of the new program authorized under this section shall automatically sunset four years after the effective date of this section unless reauthorized by an act of the general assembly;
- (2) If such program is reauthorized, the program authorized under this section shall automatically sunset twelve years after the effective date of the reauthorization of this section; and

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- 53 (3) This section shall terminate on September first of the calendar year immediately
- 54 following the calendar year in which the program authorized under this section is sunset.

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