

## SB 573 -- ARMED SERVICES

This bill modifies the provision relating to the armed services.

### DISPLAY OF THE POW/MIA FLAG

The bill requires all state buildings and state parks to fly the POW/MIA flag along with the United States flag and the Missouri flag. If a state building or state park does not possess a POW/MIA flag, a flag must be requested from a local veterans organization. If a donated flag is unavailable or if displaying the flag under any circumstance would be inconsistent with the state policy for display of national and state flags the state building or state park must be exempt from the provisions of the bill (Sections 8.012 and 253.048, RSMo).

### VETERANS SMALL BUSINESS LOANS

The bill allows veteran-owned small businesses to participate in the Missouri Linked Deposit Program. An "eligible veteran-owned small business" is defined as any business owned by an honorably discharged veteran and Missouri resident who has agreed to locate his or her business in the state for at least three years and employs less than 100 employees, a majority of whom are Missouri residents. In considering which small businesses should receive reduced-rate loans through the Linked Deposit Program, a lending institution must give priority to those owned by veterans.

Any veteran who receives a small business loan through the Linked Deposit Program must also complete a boots-to-business program approved by the Department of Economic Development and be assigned a mentor for 365 days following the loan approval date. The owner and his or her mentor must meet at least once every 90 days (Sections 30.750, 30.756, and 620.3250).

### MILITARY COMMUNITY REINVESTMENT

The bill creates the "Missouri Military Community Reinvestment Program Act" within the Department of Economic Development to assist military communities in supporting and sustaining their installations, to encourage communities to initiate coordinated response programs and action plans in advance of federal government realignment and closure decisions, and to support community efforts to attract new or expanded military missions and specifies that the appropriation for the program may not exceed \$300,000.

The department and the Missouri Military Preparedness and Enhancement Commission must invite public comments on the administration of the program and jointly develop and establish

procedures for implementation of the program. The department must evaluate each application and make recommendations to the commission, which will approve or reject any recommended application. Upon approval, the department will administer grant awards, including tracking and monitoring the administration of the grant funds and whether grantees have achieved the goals set forth in the application.

Eligible amounts for grants include certain match requirements based on an applicant's years in operation. Applications must include a coordinated program of work or a plan of action specifying how the project will be administered and accomplished, including a plan for ensuring cooperation between civilian and military authorities in the conduct of activities and a plan for public participation. The grants may be used for public-to-public partnerships with military installations, local or regional marketing to communicate the value of military installations and military service, programs to assist with the diversification of the economy of the community, performing research regarding factors that affect attractiveness of the community for future military investments, programs to develop or improve the quality of life in military communities, and developing plans to reuse closed or realigned military installations or facilities (Sections 41.1010 and 620.3300).

#### VETERANS' BILL OF RIGHTS

The bill creates the "Veterans' Bill of Rights," which specifies certain rights to which Missouri veterans are entitled (Section 42.380).

#### MILITARY INCOME TAX DEDUCTION

The bill allows members of the National Guard or reserve components of the Armed Forces of the United States to deduct such military income from his or her Missouri adjusted gross income to determine such taxpayer's Missouri taxable income. The percentage of such income that may be deducted will be phased in between tax years 2020 and 2024 in 20% increments.

The income tax deduction will only apply to income received as salary or compensation in performance of Inactive Duty for Training (IDT) of the National Guard, Annual Training Status (AT) of the National Guard, or in reserve components of the Armed Forces of the United States. The deduction does not apply to income received while engaging in civilian federal service, including civil service positions requiring the wearing of military uniform and military affiliation (Section 143.175).

## HIRING PREFERENCE FOR VETERANS

The bill allows private, nonpublic employers to grant preference to a veteran, the spouse of a disabled veteran with a service-connected disability, or a surviving spouse of a deceased veteran when hiring and promoting employees (Section 285.250).

## SHOW-ME HEROES PROGRAM

Currently, the spouses of active duty National Guard or reservists and active duty military personnel, and returning National Guard troops and reservists can participate in the Department of Economic Development's Show-Me Heroes Program for one year following discharge of deployment. The bill extends eligibility in the program to five years from discharge of deployment (Section 620.515).