

House \_\_\_\_\_ Amendment NO. \_\_\_\_\_

Offered By \_\_\_\_\_

1 AMEND Senate Committee Substitute for Senate Bill No. 184, Page 1, Section A, Line 3, by  
2 inserting after all of said section and line the following:

3  
4 "173.2553. 1. There is hereby established a "Fast Track Workforce Incentive Grant", and  
5 any moneys appropriated by the general assembly for this program shall be used to provide grants  
6 for Missouri citizens to attend an approved Missouri postsecondary institution of their choice in  
7 accordance with the provisions of this section.

8 2. The definitions of terms set forth in section 173.1102 shall be applicable to such terms as  
9 used in this section. In addition, the following terms shall mean:

10 (1) "Board", the coordinating board for higher education;

11 (2) "Eligible student", an individual who:

12 (a) Has completed and submitted a FAFSA for the academic year for which the grant is  
13 requested;

14 (b) Is a citizen or permanent resident of the United States;

15 (c) Is a Missouri resident as determined by reference to standards promulgated by the  
16 coordinating board;

17 (d) Is enrolled, or plans to enroll, at least half-time as a student in an eligible undergraduate  
18 program of study offered by an approved public, private, or virtual institution, as defined in section  
19 173.1102;

20 (e) Has an adjusted gross income, as reported on the FAFSA, that does not exceed eighty  
21 thousand dollars for married filing joint taxpayers or forty thousand for all other taxpayers; and

22 (f) Is twenty-five years of age or older at the time of enrollment or has not been enrolled in  
23 an educational program for the prior two academic years;

24 (3) "Eligible program of study", a program of instruction:

25 (a) Resulting in the award of a certificate, undergraduate degree, or other industry-  
26 recognized credential; and

27 (b) That has been designated by the coordinating board as preparing students to enter an  
28 area of occupational shortage as determined by the board;

29 (4) "FAFSA", the Free Application for Federal Student Aid, as maintained by the United  
30 States Department of Education;

31 (5) "Fast track grant", an amount of moneys paid by the state of Missouri to a student under  
32 the provisions of this section;

33 (6) "Graduation", completion of a program of study as indicated by the award of a  
34 certificate, undergraduate degree, or other industry-recognized credential;

35 (7) "Qualifying employment", full-time employment of a Missouri resident at a workplace  
36 located within the state of Missouri, or self-employment while a Missouri resident, with at least fifty

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percent of an individual's annual income coming from self-employment, either of which result in required returns of income in accordance with section 143.481;

(8) "Recipient", an eligible student or renewal student who receives a fast track grant under the provisions of this section;

(9) "Renewal student", an eligible student who remains in compliance with the provisions of this section, has received a grant as an initial recipient, maintains a cumulative grade-point average of at least two and one-half on a four-point scale or the equivalent, makes satisfactory academic degree progress as defined by the institution, with the exception of grade-point average, and has not received a bachelor's degree.

3. Standards of eligibility for renewed assistance shall be the same as for an initial award of financial assistance; except that, for renewal, an applicant shall demonstrate a grade-point average of two and one-half on a four-point scale, or the equivalent on another scale.

4. Eligibility for a grant expires upon the earliest of:

(1) Receipt of the grant for four semesters or the equivalent;

(2) Receipt of a bachelor's degree; or

(3) Reaching two hundred percent of the time typically required to complete the program of study.

5. The coordinating board shall initially designate eligible programs of study by January 1, 2020, in connection with local education institutions, regional business organizations, and other stakeholders. The coordinating board shall annually review the list of eligible programs of study and make changes to the program list as it determines appropriate.

6. The coordinating board shall be the administrative agency for the implementation of the program established by this section. The coordinating board shall promulgate reasonable rules and regulations for the exercise of its functions and the effectuation of the purposes of this section. The coordinating board shall prescribe the form and the time and method of filing applications and supervise the processing thereof. The coordinating board shall determine the criteria for eligibility of applicants and shall evaluate each applicant's eligibility. The coordinating board shall select qualified recipients to receive grants, make such awards of financial assistance to qualified recipients, and determine the manner and method of payment to the recipients.

7. The coordinating board shall determine eligibility for renewed assistance on the basis of annual applications. As a condition to consideration for initial or renewed assistance, the coordinating board may require the applicant and the applicant's spouse to execute forms of consent authorizing the director of revenue to compare financial information submitted by the applicant with the Missouri individual income tax returns of the applicant, and the applicant's spouse, for the taxable year immediately preceding the year for which application is made, and to report any discrepancies to the coordinating board.

8. Grants shall be awarded in an amount equal to the actual tuition and general fees charged of an eligible student, after all federal nonloan aid, state student aid, and any other governmental student financial aid are applied. If a grant amount is reduced to zero due to the receipt of other aid, the eligible student shall receive an award of up to five hundred dollars or the remaining cost of attendance as calculated by the institution after all nonloan student aid has been applied, whichever is less, per academic term.

9. If appropriated funds are insufficient to fund the program as described, students applying for renewed assistance shall be given priority until all funds are expended.

10. A recipient of financial assistance may transfer from one approved public, private, or virtual institution to another without losing eligibility for assistance under this section, but the coordinating board shall make any necessary adjustments in the amount of the award. If a recipient of financial assistance at any time is entitled to a refund of any tuition or fees under the rules and regulations of the institution in which he or she is enrolled, the institution shall pay the portion of

the refund that may be attributed to the grant to the coordinating board. The coordinating board shall use these refunds to make additional awards under the provisions of this section.

11. Subject to the requirements of subsections 2, 3, and 4 of this section, a student is eligible for a fast track grant under this section if the student meets all of the following criteria:

(1) The student has successfully completed counseling explaining the benefits and obligations of the program under this section, including the terms and conditions of the promissory note under subdivision (2) of this subsection and the consequences of noncompliance specified in section 173.2554; and

(2) The student executes a promissory note acknowledging that the fast track grant moneys awarded under this section will be converted to a loan, and agreeing to repay that loan if he or she fails to satisfy the following conditions:

(a) Maintenance of at least half-time enrollment in an eligible program, with an interruption of qualifying enrollment of no more than twelve consecutive months from the last day of the most recent payment period during which the student received a fast track award;

(b) Graduation from an approved institution; and

(c) Residency within the state of Missouri within twelve months after the date of the student's graduation and for a period of not less than three years. Qualifying employment within twelve months of the student's graduation and for a period of not less than three years. Residency and qualifying employment obligations may be deferred if the recipient's studies continue after graduation.

12. Persons who receive fast track grants under this section shall be required to submit proof of residency and qualifying employment to the coordinating board for higher education within thirty days of completing each twelve months of qualifying employment until the three year employment obligation is fulfilled.

13. Under section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall sunset automatically three years after the effective date of this section, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall sunset automatically six years after the effective date of the reauthorization; and

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

173.2554. 1. Except as provided in subsection 2 of this section, if a student who received a fast track grant under section 173.2553 fails to comply with the terms of the promissory note under subdivision (2) of subsection 11 of section 173.2553, including failure to satisfy the conditions in paragraphs (a), (b), and (c) of such subdivision, the fast track grant shall be converted to a loan. This loan shall accrue interest at the federal direct loan interest rate for Direct Subsidized Undergraduate Loans in effect at the time the student enters the eligible program. Interest shall be calculated from the date the recipient enters repayment. For a recipient who fulfills some, but not all, of his or her three-year residency and employment obligations, the amount of the fast track grant that is converted to a loan shall be reduced by one-third for each period of twelve months of residency and employment as verified by the proof of residency and qualifying employment required in subsection 12 of section 173.2553.

2. The coordinating board shall provide for a waiver under the fast track grant if the grant is not converted to a loan under subsection 1 of this section for a recipient who fails to comply with terms of the agreement under paragraphs (a), (b), and (c) of subdivision (2) of subsection 11 of section 173.2553 due to his or her total and permanent disability or death, the total and permanent disability or death of his or her spouse or child, or if such recipient or recipient's spouse is providing service to any branch of the Armed Forces of the United States and is transferred out of state and is

no longer able to maintain Missouri residency as a result of such service. The waiver shall specify standards for the board's determination of total and permanent disability or death standards for the board's determination of total and permanent disability or death, or military transfer status, and a process for seeking a waiver under this subsection.

3. The coordinating board shall deposit in the fast track program fund all repayments of principal and interest on the loans under subsection 1 of this section.

4. The coordinating board shall establish a procedure and guidelines for granting deferments or forbearances of fast track grants that have converted to loans and are in repayment status for recipients who:

(1) Are enrolled at least half-time at an institution of higher education;

(2) Experience economic hardship;

(3) Have a medical condition limiting their ability to continue repayment including, but not limited to, illness, disability, or pregnancy; or

(4) Are providing service to any branch of the Armed Forces of the United States.

5. The coordinating board shall establish a procedure and guidelines for granting loan discharge for fast track grants that have been converted to loans and are in repayment for recipients who are unable to fulfill the repayment obligation due to their total and permanent disability or death or the total and permanent disability or death of their spouse or child.

6. (1) There is hereby created in the state treasury the "Fast Track Workforce Incentive Grant Fund". The state treasurer shall be custodian of the fund. In accordance with sections 30.170 and 30.180, the state treasurer may approve disbursements. The fund shall be a dedicated fund and, upon appropriation, moneys in the fund shall be used solely by the coordinating board for the purposes of this section and section 173.2553.

(2) Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general revenue fund.

(3) 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.

7. The coordinating board shall have the authority to promulgate rules to implement the provisions of this section and section 173.2553. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, and, if applicable, section 536.028. This section and chapter 536 are nonseverable, and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2019, shall be invalid and void."; and

Further amend said bill, Page 17, Section 620.809, Line 253, by inserting after all of said section and line the following:

"620.2005. As used in sections 620.2000 to 620.2020, the following terms mean:

(1) "Average wage", the new payroll divided by the number of new jobs, or the payroll of the retained jobs divided by the number of retained jobs;

(2) "Commencement of operations", the starting date for the qualified company's first new employee, which shall be no later than twelve months from the date of the approval;

(3) "County average wage", the average wages in each county as determined by the department for the most recently completed full calendar year. However, if the computed county average wage is above the statewide average wage, the statewide average wage shall be deemed the county average wage for such county for the purpose of determining eligibility. The department

1 shall publish the county average wage for each county at least annually. Notwithstanding the  
 2 provisions of this subdivision to the contrary, for any qualified company that in conjunction with  
 3 their project is relocating employees from a Missouri county with a higher county average wage, the  
 4 company shall obtain the endorsement of the governing body of the community from which jobs are  
 5 being relocated or the county average wage for their project shall be the county average wage for the  
 6 county from which the employees are being relocated;

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

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

9 (6) "Employee", a person employed by a qualified company, excluding:

10 (a) Owners of the qualified company unless the qualified company is participating in an  
 11 employee stock ownership plan; or

12 (b) Owners of a noncontrolling interest in stock of a qualified company that is publicly  
 13 traded;

14 (7) "Existing Missouri business", a qualified company that, for the ten-year period  
 15 preceding submission of a notice of intent to the department, had a physical location in Missouri and  
 16 full-time employees who routinely ~~perform~~ performed job duties within Missouri;

17 (8) "Full-time employee", an employee of the qualified company that is scheduled to work  
 18 an average of at least thirty-five hours per week for a twelve-month period, and one for which the  
 19 qualified company offers health insurance and pays at least fifty percent of such insurance  
 20 premiums. An employee that spends less than fifty percent of the employee's work time at the  
 21 facility shall be considered to be located at a facility if the employee receives his or her directions  
 22 and control from that facility, is on the facility's payroll, one hundred percent of the employee's  
 23 income from such employment is Missouri income, and the employee is paid at or above the  
 24 applicable percentage of the county average wage;

25 (9) "Infrastructure projects", highways, roads, streets, bridges, sewers, traffic control  
 26 systems and devices, water distribution and supply systems, curbing, sidewalks, storm water and  
 27 drainage systems, broadband internet infrastructure, and any other similar public improvements, but  
 28 in no case shall infrastructure projects include private structures;

29 (10) "Local incentives", the present value of the dollar amount of direct benefit received by  
 30 a qualified company for a project facility from one or more local political subdivisions, but this term  
 31 shall not include loans or other funds provided to the qualified company that shall be repaid by the  
 32 qualified company to the political subdivision;

33 (11) "Manufacturing capital investment", expenditures made by a qualified manufacturing  
 34 company to retool or reconfigure a manufacturing project facility directly related to the  
 35 manufacturing of a new product or the expansion or modification of the manufacture of an existing  
 36 product;

37 ~~[(10)]~~ (12) "NAICS" or "NAICS industry classification", the classification provided by the  
 38 most recent edition of the North American Industry Classification System as prepared by the  
 39 Executive Office of the President, Office of Management and Budget;

40 ~~[(11)]~~ (13) "New capital investment", shall include costs incurred by the qualified company  
 41 at the project facility after acceptance by the qualified company of the proposal for benefits from the  
 42 department or the approval notice of intent, whichever occurs first, for real or personal property, and  
 43 may include the value of finance or capital leases for real or personal property for the term of such  
 44 lease at the project facility executed after acceptance by the qualified company of the proposal for  
 45 benefits from the department or the approval of the notice of intent;

46 ~~[(12)]~~ (14) "New direct local revenue", the present value of the dollar amount of direct net  
 47 new tax revenues of the local political subdivisions likely to be produced by the project over a ten-  
 48 year period as calculated by the department, excluding local earnings tax, and net new utility  
 49 revenues, provided the local incentives include a discount or other direct incentives from utilities

1 owned or operated by the political subdivision;

2 ~~[(13)]~~ (15) "New job", the number of full-time employees located at the project facility that  
3 exceeds the project facility base employment less any decrease in the number of full-time  
4 employees at related facilities below the related facility base employment. No job that was created  
5 prior to the date of the notice of intent shall be deemed a new job;

6 ~~[(14)]~~ (16) "New payroll", the amount of wages paid for all new jobs, located at the project  
7 facility during the qualified company's tax year that exceeds the project facility base payroll;

8 ~~[(15)]~~ (17) "New product", a new model or line of a manufactured good that has not been  
9 manufactured in Missouri by a qualified manufacturing company at any time prior to the date of the  
10 notice of intent, or an existing brand, model, or line of a manufactured good that is redesigned;

11 (18) "Notice of intent", a form developed by the department and available online, completed  
12 by the qualified company, and submitted to the department stating the qualified company's intent to  
13 request benefits under this program;

14 ~~[(16)]~~ (19) "Percent of local incentives", the amount of local incentives divided by the  
15 amount of new direct local revenue;

16 ~~[(17)]~~ (20) "Program", the Missouri works program established in sections 620.2000 to  
17 620.2020;

18 ~~[(18)]~~ (21) "Project facility", the building or buildings used by a qualified company at which  
19 new or retained jobs and any new capital investment are or will be located or by a qualified  
20 manufacturing company at which a manufacturing capital investment is or will be located. A  
21 project facility may include separate buildings located within sixty miles of each other such that  
22 their purpose and operations are interrelated; provided that where the buildings making up the  
23 project facility are not located within the same county, the average wage of the new payroll shall  
24 exceed the applicable percentage of the highest county average wage among the counties in which  
25 the buildings are located. Upon approval by the department, a subsequent project facility may be  
26 designated if the qualified company demonstrates a need to relocate to the subsequent project  
27 facility at any time during the project period;

28 ~~[(19)]~~ (22) "Project facility base employment", the greater of the number of full-time  
29 employees located at the project facility on the date of the notice of intent or, for the twelve-month  
30 period prior to the date of the notice of intent, the average number of full-time employees located at  
31 the project facility. In the event the project facility has not been in operation for a full twelve-month  
32 period, the average number of full-time employees for the number of months the project facility has  
33 been in operation prior to the date of the notice of intent;

34 ~~[(20)]~~ (23) "Project facility base payroll", the annualized payroll for the project facility base  
35 employment or the total amount of wages paid by the qualified company to full-time employees of  
36 the qualified company located at the project facility in the twelve months prior to the notice of  
37 intent. For purposes of calculating the benefits under this program, the amount of base payroll shall  
38 increase each year based on an appropriate measure, as determined by the department;

39 ~~[(21)]~~ (24) "Project period", the time period within which benefits are awarded to a qualified  
40 company or within which the qualified company is obligated to perform under an agreement with  
41 the department, whichever is greater;

42 ~~[(22)]~~ (25) "Projected net fiscal benefit", the total fiscal benefit to the state less any state  
43 benefits offered to the qualified company, as determined by the department;

44 ~~[(23)]~~ (26) "Qualified company", a firm, partnership, joint venture, association, private or  
45 public corporation whether organized for profit or not, or headquarters of such entity registered to  
46 do business in Missouri that is the owner or operator of a project facility, certifies that it offers  
47 health insurance to all full-time employees of all facilities located in this state, and certifies that it  
48 pays at least fifty percent of such insurance premiums. For the purposes of sections 620.2000 to  
49 620.2020, the term "qualified company" shall not include:

- 1 (a) Gambling establishments (NAICS industry group 7132);  
 2 (b) Store front consumer-based retail trade establishments (under NAICS sectors 44 and 45),  
 3 except with respect to any company headquartered in this state with a majority of its full-time  
 4 employees engaged in operations not within the NAICS codes specified in this subdivision;  
 5 (c) Food and drinking places (NAICS subsector 722);  
 6 (d) Public utilities (NAICS 221 including water and sewer services);  
 7 (e) Any company that is delinquent in the payment of any nonprotested taxes or any other  
 8 amounts due the state or federal government or any other political subdivision of this state;  
 9 (f) Any company requesting benefits for retained jobs that has filed for or has publicly  
 10 announced its intention to file for bankruptcy protection. However, a company that has filed for or  
 11 has publicly announced its intention to file for bankruptcy may be a qualified company provided  
 12 that such company:  
 13 a. Certifies to the department that it plans to reorganize and not to liquidate; and  
 14 b. After its bankruptcy petition has been filed, it produces proof, in a form and at times  
 15 satisfactory to the department, that it is not delinquent in filing any tax returns or making any  
 16 payment due to the state of Missouri, including but not limited to all tax payments due after the  
 17 filing of the bankruptcy petition and under the terms of the plan of reorganization. Any taxpayer  
 18 who is awarded benefits under this subsection and who files for bankruptcy under Chapter 7 of the  
 19 United States Bankruptcy Code, Title 11 U.S.C., shall immediately notify the department and shall  
 20 forfeit such benefits and shall repay the state an amount equal to any state tax credits already  
 21 redeemed and any withholding taxes already retained;  
 22 (g) Educational services (NAICS sector 61);  
 23 (h) Religious organizations (NAICS industry group 8131);  
 24 (i) Public administration (NAICS sector 92);  
 25 (j) Ethanol distillation or production;  
 26 (k) Biodiesel production; or  
 27 (l) Health care and social services (NAICS sector 62).

28  
 29 Notwithstanding any provision of this section to the contrary, the headquarters, administrative  
 30 offices, or research and development facilities of an otherwise excluded business may qualify for  
 31 benefits if the offices or facilities serve a multistate territory. In the event a national, state, or  
 32 regional headquarters operation is not the predominant activity of a project facility, the jobs and  
 33 investment of such operation shall be considered eligible for benefits under this section if the other  
 34 requirements are satisfied;

- 35 [(24)] (27) "Qualified manufacturing company", a company that:  
 36 (a) Is a qualified company that manufactures motor vehicles (NAICS group 3361);  
 37 (b) Manufactures goods at a facility in Missouri;  
 38 (c) Manufactures a new product or has commenced making a manufacturing capital investment  
 39 to the project facility necessary for the manufacturing of such new product, or modifies or expands  
 40 the manufacture of an existing product or has commenced making a manufacturing capital  
 41 investment for the project facility necessary for the modification or expansion of the manufacture of  
 42 such existing product; and  
 43 (d) Continues to meet the requirements of paragraphs (a) to (c) of this subdivision for the  
 44 project period;  
 45 (28) "Related company", shall mean:  
 46 (a) A corporation, partnership, trust, or association controlled by the qualified company;  
 47 (b) An individual, corporation, partnership, trust, or association in control of the qualified  
 48 company; or  
 49 (c) Corporations, partnerships, trusts or associations controlled by an individual,

corporation, partnership, trust, or association in control of the qualified company. As used in this paragraph, "control of a qualified company" shall mean:

a. Ownership, directly or indirectly, of stock possessing at least fifty percent of the total combined voting power of all classes of stock entitled to vote in the case of a qualified company that is a corporation;

b. Ownership of at least fifty percent of the capital or profits interest in such qualified company if it is a partnership or association;

c. Ownership, directly or indirectly, of at least fifty percent of the beneficial interest in the principal or income of such qualified company if it is a trust, and ownership shall be determined as provided in Section 318 of the Internal Revenue Code of 1986, as amended;

~~[(25)]~~ (29) "Related facility", a facility operated by the qualified company or a related company located in this state that is directly related to the operations of the project facility or in which operations substantially similar to the operations of the project facility are performed;

~~[(26)]~~ (30) "Related facility base employment", the greater of the number of full-time employees located at all related facilities on the date of the notice of intent or, for the twelve-month period prior to the date of the notice of intent, the average number of full-time employees located at all related facilities of the qualified company or a related company located in this state;

~~[(27)]~~ (31) "Related facility base payroll", the annualized payroll of the related facility base payroll or the total amount of taxable wages paid by the qualified company to full-time employees of the qualified company located at a related facility in the twelve months prior to the filing of the notice of intent. For purposes of calculating the benefits under this program, the amount of related facility base payroll shall increase each year based on an appropriate measure, as determined by the department;

~~[(28)]~~ (32) "Rural area", a county in Missouri with a population less than seventy-five thousand or that does not contain an individual city with a population greater than fifty thousand according to the most recent federal decennial census;

~~[(29)]~~ (33) "Tax credits", tax credits issued by the department to offset the state taxes imposed by chapters 143 and 148, or which may be sold or refunded as provided for in this program;

~~[(30)]~~ (34) "Withholding tax", the state tax imposed by sections 143.191 to 143.265. For purposes of this program, the withholding tax shall be computed using a schedule as determined by the department based on average wages; and

~~[(31)]~~ (35) This section is subject to the provisions of section 196.1127.

620.2010. 1. In exchange for the consideration provided by the new tax revenues and other economic stimuli that will be generated by the new jobs created, a qualified company may, for a period of five years from the date the new jobs are created, or for a period of six years from the date the new jobs are created if the qualified company is an existing Missouri business, retain an amount equal to the withholding tax as calculated under subdivision ~~[(30)]~~ (34) of section 620.2005 from the new jobs that would otherwise be withheld and remitted by the qualified company under the provisions of sections 143.191 to 143.265 if:

(1) The qualified company creates ten or more new jobs, and the average wage of the new payroll equals or exceeds ninety percent of the county average wage;

(2) The qualified company creates two or more new jobs at a project facility located in a rural area, the average wage of the new payroll equals or exceeds ninety percent of the county average wage, and the qualified company commits to making at least one hundred thousand dollars of new capital investment at the project facility within two years; or

(3) The qualified company creates two or more new jobs at a project facility located within a zone designated under sections 135.950 to 135.963, the average wage of the new payroll equals or exceeds eighty percent of the county average wage, and the qualified company commits to making

1 at least one hundred thousand dollars in new capital investment at the project facility within two  
2 years of approval.

3 2. In addition to any benefits available under subsection 1 of this section, the department  
4 may award a qualified company that satisfies subdivision (1) of subsection 1 of this section  
5 additional tax credits, issued each year for a period of five years from the date the new jobs are  
6 created, or for a period of six years from the date the new jobs are created if the qualified company  
7 is an existing Missouri business, in an amount equal to or less than six percent of new payroll;  
8 provided that in no event may the total amount of benefits awarded to a qualified company under  
9 this section exceed nine percent of new payroll in any calendar year. The amount of tax credits  
10 awarded to a qualified company under this subsection shall not exceed the projected net fiscal  
11 benefit to the state, as determined by the department, and shall not exceed the least amount  
12 necessary to obtain the qualified company's commitment to initiate the project. In determining the  
13 amount of tax credits to award to a qualified company under this subsection or a qualified  
14 manufacturing company under subsection 3 of this section, the department shall consider the  
15 following factors:

- 16 (1) The significance of the qualified company's need for program benefits;
- 17 (2) The amount of projected net fiscal benefit to the state of the project and the period in  
18 which the state would realize such net fiscal benefit;
- 19 (3) The overall size and quality of the proposed project, including the number of new jobs,  
20 new capital investment, manufacturing capital investment, proposed wages, growth potential of the  
21 qualified company, the potential multiplier effect of the project, and similar factors;
- 22 (4) The financial stability and creditworthiness of the qualified company;
- 23 (5) The level of economic distress in the area;
- 24 (6) An evaluation of the competitiveness of alternative locations for the project facility, as  
25 applicable; and
- 26 (7) The percent of local incentives committed.

27 3. The department may award tax credits to a qualified manufacturing company that makes  
28 a manufacturing capital investment of at least five hundred million dollars not more than three years  
29 following the department's approval of a notice of intent and the execution of an agreement that  
30 meets the requirements of subsection 4 of this section. Such tax credits shall be issued no earlier  
31 than January 1, 2023, and may be issued each year for a period of five years. A qualified  
32 manufacturing company may qualify for an additional five-year period under this subsection if it  
33 makes an additional manufacturing capital investment of at least two hundred fifty million dollars  
34 within five years of the department's approval of the original notice of intent.

35 (1) The maximum amount of tax credits that any one qualified manufacturing company may  
36 receive under this subsection shall not exceed five million dollars per calendar year. The aggregate  
37 amount of tax credits awarded to all qualified manufacturing companies under this subsection shall  
38 not exceed ten million dollars per calendar year.

39 (2) If, at the project facility at any time during the project period, the qualified  
40 manufacturing company discontinues the manufacturing of the new product, or discontinues the  
41 modification or expansion of an existing product, and does not replace it with a subsequent or  
42 additional new product or with a modification or expansion of an existing product, the company  
43 shall immediately cease receiving any benefit awarded under this subsection for the remainder of  
44 the project period and shall forfeit all rights to retain or receive any benefit awarded under this  
45 subsection for the remainder of such period.

46 (3) Notwithstanding any other provision of law to the contrary, any qualified manufacturing  
47 company that is awarded benefits under this section shall not simultaneously receive tax credits or  
48 exemptions under sections 100.700 to 100.850 for the jobs created or retained or capital  
49 improvement that qualified for benefits under this section. The provisions of subsection 5 of section

285.530 shall not apply to a qualified manufacturing company that is awarded benefits under this section.

4. Upon approval of a notice of intent to receive tax credits under ~~subsections 2 and 5~~ subsection 2, 3, 6, or 7 of this section, the department and the qualified company shall enter into a written agreement covering the applicable project period. The agreement shall specify, at a minimum:

(1) The committed number of new jobs, new payroll, and new capital investment, or the manufacturing capital investment and committed percentage of retained jobs for each year during the project period;

(2) The date or time period during which the tax credits shall be issued, which may be immediately or over a period not to exceed two years from the date of approval of the notice of intent;

(3) Clawback provisions, as may be required by the department; ~~and~~

(4) Financial guarantee provisions as may be required by the department, provided that financial guarantee provisions shall be required by the department for tax credits awarded under subsection 7 of this section; and

(5) Any other provisions the department may require.

~~[4.]~~ 5. In lieu of the benefits available under sections 1 and 2 of this section, and in exchange for the consideration provided by the new tax revenues and other economic stimuli that will be generated by the new jobs created by the program, a qualified company may, for a period of five years from the date the new jobs are created, or for a period of six years from the date the new jobs are created if the qualified company is an existing Missouri business, retain an amount equal to the withholding tax as calculated under subdivision ~~[(30)]~~ 34 of section 620.2005 from the new jobs that would otherwise be withheld and remitted by the qualified company under the provisions of sections 143.191 to 143.265 equal to:

(1) Six percent of new payroll for a period of five years from the date the required number of new jobs were created if the qualified company creates one hundred or more new jobs and the average wage of the new payroll equals or exceeds one hundred twenty percent of the county average wage of the county in which the project facility is located; or

(2) Seven percent of new payroll for a period of five years from the date the required number of jobs were created if the qualified company creates one hundred or more new jobs and the average wage of the new payroll equals or exceeds one hundred forty percent of the county average wage of the county in which the project facility is located.

The department shall issue a refundable tax credit for any difference between the amount of benefit allowed under this subsection and the amount of withholding tax retained by the company, in the event the withholding tax is not sufficient to provide the entire amount of benefit due to the qualified company under this subsection.

~~[5.]~~ 6. In addition to the benefits available under subsection ~~[4]~~ 5 of this section, the department may award a qualified company that satisfies the provisions of subsection ~~[4]~~ 5 of this section additional tax credits, issued each year for a period of five years from the date the new jobs are created, or for a period of six years from the date the new jobs are created if the qualified company is an existing Missouri business, in an amount equal to or less than three percent of new payroll; provided that in no event may the total amount of benefits awarded to a qualified company under this section exceed nine percent of new payroll in any calendar year. The amount of tax credits awarded to a qualified company under this subsection shall not exceed the projected net fiscal benefit to the state, as determined by the department, and shall not exceed the least amount necessary to obtain the qualified company's commitment to initiate the project. In determining the amount of tax credits to award to a qualified company under this subsection, the department shall

1 consider the factors provided under subsection 2 of this section.

2 7. In lieu of the benefits available under subsections 1, 2, 5, and 6 of this section, and in  
 3 exchange for the consideration provided by the new tax revenues and other economic stimuli that  
 4 will be generated by the new jobs and new capital investment created by the program, the  
 5 department may award a qualified company that satisfies the provisions of subdivision (1) of  
 6 subsection 1 of this section tax credits, issued within one year following the qualified company's  
 7 acceptance of the department's proposal for benefits, in an amount equal to or less than nine percent  
 8 of new payroll. The amount of tax credits awarded to a qualified company under this subsection  
 9 shall not exceed the projected net fiscal benefit to the state, as determined by the department, and  
 10 shall not exceed the least amount necessary to obtain the qualified company's commitment to initiate  
 11 the project. In determining the amount of tax credits to award to a qualified company under this  
 12 subsection, the department shall consider the factors provided under subsection 2 of this section and  
 13 the qualified company's commitment to new capital investment and new job creation within the state  
 14 for a period of not less than ten years. For the purposes of this subsection, each qualified company  
 15 shall have an average wage of the new payroll that equals or exceeds one hundred percent of the  
 16 county average wage.

17 ~~[6.]~~ 8. No benefits shall be available under this section for any qualified company that has  
 18 performed significant, project-specific site work at the project facility, purchased machinery or  
 19 equipment related to the project, or has publicly announced its intention to make new capital  
 20 investment or manufacturing capital investment at the project facility prior to receipt of a proposal  
 21 for benefits under this section or approval of its notice of intent, whichever occurs first.

22 620.2020. 1. The department shall respond to a written request, by or on behalf of a  
 23 qualified company, for a proposed benefit award under the provisions of this program within five  
 24 business days of receipt of such request. The department shall respond to a written request, by or on  
 25 behalf of a qualified manufacturing company, for a proposed benefit award under the provisions of  
 26 this program within fifteen business days of receipt of such request. Such response shall contain  
 27 either a proposal of benefits for the qualified company, or a written response refusing to provide  
 28 such a proposal and stating the reasons for such refusal. A qualified company that intends to seek  
 29 benefits under the program shall submit to the department a notice of intent. The department shall  
 30 respond within thirty days to a notice of intent with an approval or a rejection, provided that the  
 31 department may withhold approval or provide a contingent approval until it is satisfied that proper  
 32 documentation of eligibility has been provided. Failure to respond on behalf of the department shall  
 33 result in the notice of intent being deemed approved. A qualified company receiving approval for  
 34 program benefits may receive additional benefits for subsequent new jobs at the same facility after  
 35 the full initial project period if the applicable minimum job requirements are met. There shall be no  
 36 limit on the number of project periods a qualified company may participate in the program, and a  
 37 qualified company may elect to file a notice of intent to begin a new project period concurrent with  
 38 an existing project period if the applicable minimum job requirements are achieved, the qualified  
 39 company provides the department with the required annual reporting, and the qualified company is  
 40 in compliance with this program and any other state programs in which the qualified company is  
 41 currently or has previously participated. However, the qualified company shall not receive any  
 42 further program benefits under the original approval for any new jobs created after the date of the  
 43 new notice of intent, and any jobs created before the new notice of intent shall not be included as  
 44 new jobs for purposes of the benefit calculation for the new approval. When a qualified company  
 45 has filed and received approval of a notice of intent and subsequently files another notice of intent,  
 46 the department shall apply the definition of project facility under subdivision ~~[(19)]~~ (21) of section  
 47 620.2005 to the new notice of intent as well as all previously approved notices of intent and shall  
 48 determine the application of the definitions of new job, new payroll, project facility base  
 49 employment, and project facility base payroll accordingly.

2. Notwithstanding any provision of law to the contrary, the benefits available to the qualified company under any other state programs for which the company is eligible and which utilize withholding tax from the new or retained jobs of the company shall first be credited to the other state program before the withholding retention level applicable under this program will begin to accrue. If any qualified company also participates in a job training program utilizing withholding tax, the company shall retain no withholding tax under this program, but the department shall issue a refundable tax credit for the full amount of benefit allowed under this program. The calendar year annual maximum amount of tax credits which may be issued to a qualifying company that also participates in a job training program shall be increased by an amount equivalent to the withholding tax retained by that company under a jobs training program.

3. A qualified company receiving benefits under this program shall provide an annual report of the number of jobs and such other information as may be required by the department to document the basis for program benefits available no later than ninety days prior to the end of the qualified company's tax year immediately following the tax year for which the benefits provided under the program are attributed. In such annual report, if the average wage is below the applicable percentage of the county average wage, the qualified company has not maintained the employee insurance as required, or if the number of jobs is below the number required, the qualified company shall not receive tax credits or retain the withholding tax for the balance of the project period. Failure to timely file the annual report required under this section shall result in the forfeiture of tax credits attributable to the year for which the reporting was required and a recapture of withholding taxes retained by the qualified company during such year.

4. The department may withhold the approval of any benefits under this program until it is satisfied that proper documentation has been provided, and shall reduce the benefits to reflect any reduction in full-time employees or payroll. Upon approval by the department, the qualified company may begin the retention of the withholding taxes when it reaches the required number of jobs and the average wage meets or exceeds the applicable percentage of county average wage. Tax credits, if any, may be issued upon satisfaction by the department that the qualified company has exceeded the applicable percentage of county average wage and the required number of jobs; provided that, tax credits awarded under subsection 7 of section 620.2010 may be issued following the qualified company's acceptance of the department's proposal and pursuant to the requirements set forth in the written agreement between the department and the qualified company under subsection 3 of section 620.2010.

5. Any qualified company approved for benefits under this program shall provide to the department, upon request, any and all information and records reasonably required to monitor compliance with program requirements. This program shall be considered a business recruitment tax credit under subdivision (4) of subsection 2 of section 135.800, and any qualified company approved for benefits under this program shall be subject to the provisions of sections 135.800 to 135.830.

6. Any taxpayer who is awarded benefits under this program who knowingly hires individuals who are not allowed to work legally in the United States shall immediately forfeit such benefits and shall repay the state an amount equal to any state tax credits already redeemed and any withholding taxes already retained.

7. (1) The maximum amount of tax credits that may be authorized under this program for any fiscal year shall be limited as follows, less the amount of any tax credits previously obligated for that fiscal year under any of the tax credit programs referenced in subsection ~~[13]~~ 14 of this section:

~~[(1)]~~ (a) For the fiscal year beginning on July 1, 2013, but ending on or before June 30, 2014, no more than one hundred six million dollars in tax credits may be authorized;

~~[(2)]~~ (b) For the fiscal year beginning on July 1, 2014, but ending on or before June 30,

2015, no more than one hundred eleven million dollars in tax credits may be authorized; ~~and~~  
~~[(3)] (c) For [any] fiscal [year] years beginning on or after July 1, 2015, but ending on or~~  
~~before June 30, 2020, no more than one hundred sixteen million dollars in tax credits may be~~  
~~authorized for each fiscal year; and~~

(d) For all fiscal years beginning on or after July 1, 2020, no more than one hundred six  
million dollars in tax credits may be authorized for each fiscal year. The provisions of this  
paragraph shall not apply to tax credits issued to qualified companies under a notice of intent filed  
prior to July 1, 2020.

(2) For all fiscal years beginning on or after July 1, 2020, in addition to the amount of tax  
credits that may be authorized under paragraph (d) of subdivision (1) of this subsection, an  
additional ten million dollars in tax credits may be authorized for each fiscal year for the purpose of  
the completion of infrastructure projects directly connected with the creation or retention of jobs  
under the provisions of sections 620.2000 to 620.2020 and an additional ten million dollars in tax  
credits may be authorized for each fiscal year for a qualified manufacturing company based on a  
manufacturing capital investment as set forth in section 620.2010.

8. For all fiscal years beginning on or after July 1, 2020, the maximum total amount of  
withholding tax that may be authorized for retention for the creation of new jobs under the  
provisions of sections 620.2000 to 620.2020 by qualified companies with a project facility base  
employment of at least fifty shall not exceed seventy-five million dollars for each fiscal year. The  
provisions of this subsection shall not apply to withholding tax authorized for retention for the  
creation of new jobs by qualified companies with a project facility base employment of less than  
fifty.

9. For tax credits for the creation of new jobs under section 620.2010, the department shall  
allocate the annual tax credits based on the date of the approval, reserving such tax credits based on  
the department's best estimate of new jobs and new payroll of the project, and any other applicable  
factors in determining the amount of benefits available to the qualified company under this program;  
provided that, the department may reserve up to twenty-one and one-half percent of the maximum  
annual amount of tax credits that may be authorized under subsection 7 of this section for award  
under subsection 7 of section 620.2010. However, the annual issuance of tax credits shall be subject  
to annual verification of actual payroll by the department. Any authorization of tax credits shall  
expire if, within two years from the date of commencement of operations, or approval if applicable,  
the qualified company has failed to meet the applicable minimum job requirements. The qualified  
company may retain authorized amounts from the withholding tax under the project once the  
applicable minimum job requirements have been met for the duration of the project period. No  
benefits shall be provided under this program until the qualified company meets the applicable  
minimum new job requirements or, for benefits awarded under subsection 7 of section 620.2010,  
until the qualified company has satisfied the requirements set forth in the written agreement between  
the department and the qualified company under subsection 4 of section 620.2010. In the event the  
qualified company does not meet the applicable minimum new job requirements, the qualified  
company may submit a new notice of intent or the department may provide a new approval for a  
new project of the qualified company at the project facility or other facilities.

[9-] 10. Tax credits provided under this program may be claimed against taxes otherwise  
imposed by chapters 143 and 148, and may not be carried forward, but shall be claimed within one  
year of the close of the taxable year for which they were issued. Tax credits provided under this  
program may be transferred, sold, or assigned by filing a notarized endorsement thereof with the  
department that names the transferee, the amount of tax credit transferred, and the value received for  
the credit, as well as any other information reasonably requested by the department. For a qualified  
company with flow-through tax treatment to its members, partners, or shareholders, the tax credit  
shall be allowed to members, partners, or shareholders in proportion to their share of ownership on

1 the last day of the qualified company's tax period.

2 ~~[40.]~~ 11. Prior to the issuance of tax credits or the qualified company beginning to retain  
3 withholding taxes, the department shall verify through the department of revenue and any other  
4 applicable state department that the tax credit applicant does not owe any delinquent income, sales,  
5 or use tax or interest or penalties on such taxes, or any delinquent fees or assessments levied by any  
6 state department and through the department of insurance, financial institutions and professional  
7 registration that the applicant does not owe any delinquent insurance taxes or other fees. Such  
8 delinquency shall not affect the approval, except that any tax credits issued shall be first applied to  
9 the delinquency and any amount issued shall be reduced by the applicant's tax delinquency. If the  
10 department of revenue, the department of insurance, financial institutions and professional  
11 registration, or any other state department concludes that a taxpayer is delinquent after June fifteenth  
12 but before July first of any year and the application of tax credits to such delinquency causes a tax  
13 deficiency on behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy  
14 the deficiency in which interest, penalties, and additions to tax shall be tolled. After applying all  
15 available credits toward a tax delinquency, the administering agency shall notify the appropriate  
16 department and that department shall update the amount of outstanding delinquent tax owed by the  
17 applicant. If any credits remain after satisfying all insurance, income, sales, and use tax  
18 delinquencies, the remaining credits shall be issued to the applicant, subject to the restrictions of  
19 other provisions of law.

20 ~~[41.]~~ 12. The director of revenue shall issue a refund to the qualified company to the extent  
21 that the amount of tax credits allowed under this program exceeds the amount of the qualified  
22 company's tax liability under chapter 143 or 148.

23 ~~[42.]~~ 13. An employee of a qualified company shall receive full credit for the amount of tax  
24 withheld as provided in section 143.211.

25 ~~[43.]~~ 14. Notwithstanding any provision of law to the contrary, beginning August 28, 2013,  
26 no new benefits shall be authorized for any project that had not received from the department a  
27 proposal or approval for such benefits prior to August 28, 2013, under the development tax credit  
28 program created under sections 32.100 to 32.125, the rebuilding communities tax credit program  
29 created under section 135.535, the enhanced enterprise zone tax credit program created under  
30 sections 135.950 to 135.973, and the Missouri quality jobs program created under sections 620.1875  
31 to 620.1890. The provisions of this subsection shall not be construed to limit or impair the ability of  
32 any administering agency to authorize or issue benefits for any project that had received an approval  
33 or a proposal from the department under any of the programs referenced in this subsection prior to  
34 August 28, 2013, or the ability of any taxpayer to redeem any such tax credits or to retain any  
35 withholding tax under an approval issued prior to that date. The provisions of this subsection shall  
36 not be construed to limit or in any way impair the ability of any governing authority to provide any  
37 local abatement or designate a new zone under the enhanced enterprise zone program created by  
38 sections 135.950 to 135.963. Notwithstanding any provision of law to the contrary, no qualified  
39 company that is awarded benefits under this program shall:

40 (1) Simultaneously receive benefits under the programs referenced in this subsection at the  
41 same capital investment; or

42 (2) Receive benefits under the provisions of section 620.1910 for the same jobs.

43 ~~[44.]~~ 15. If any provision of sections 620.2000 to 620.2020 or application thereof to any  
44 person or circumstance is held invalid, the invalidity shall not affect other provisions or application  
45 of these sections which can be given effect without the invalid provisions or application, and to this  
46 end, the provisions of sections 620.2000 to 620.2020 are hereby declared severable.

47 ~~[45.]~~ 16. By no later than January 1, 2014, and the first day of each calendar quarter  
48 thereafter, the department shall present a quarterly report to the general assembly detailing the  
49 benefits authorized under this program during the immediately preceding calendar quarter to the

1 extent such information may be disclosed under state and federal law. The report shall include, at a  
2 minimum:

- 3 (1) A list of all approved and disapproved applicants for each tax credit;
- 4 (2) A list of the aggregate amount of new or retained jobs that are directly attributable to the  
5 tax credits authorized;
- 6 (3) A statement of the aggregate amount of new capital investment directly attributable to  
7 the tax credits authorized;
- 8 (4) Documentation of the estimated net state fiscal benefit for each authorized project and,  
9 to the extent available, the actual benefit realized upon completion of such project or activity; and
- 10 (5) The department's response time for each request for a proposed benefit award under this  
11 program.

12 ~~[46.]~~ 17. The department may adopt such rules, statements of policy, procedures, forms, and  
13 guidelines as may be necessary to carry out the provisions of sections 620.2000 to 620.2020. Any  
14 rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority  
15 delegated in this section shall become effective only if it complies with and is subject to all of the  
16 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are  
17 nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to  
18 review, to delay the effective date, or to disapprove and annul a rule are subsequently held  
19 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after  
20 August 28, 2013, shall be invalid and void.

21 ~~[47.]~~ 18. Under section 23.253 of the Missouri sunset act:

- 22 (1) The provisions of the program authorized under sections 620.2000 to 620.2020 shall be  
23 reauthorized as of August 28, 2018, and shall expire on August 28, 2030; and
- 24 (2) If such program is reauthorized, the program authorized under this section shall  
25 automatically sunset twelve years after the effective date of ~~[this]~~ the reauthorization of sections  
26 620.2000 to 620.2020; and
- 27 (3) Sections 620.2000 to 620.2020 shall terminate on September first of the calendar year  
28 immediately following the calendar year in which the program authorized under sections 620.2000  
29 to 620.2020 is sunset.

30  
31 Further amend said bill by amending the title, enacting clause, and intersectional references  
32 accordingly.  
33