

House _____ Amendment NO. _____

Offered By _____

1 AMEND Senate Committee Substitute for Senate Bill No. 184, Page 18, Section 620.2475, Line 44,
2 by inserting after all of said section and line the following:

3
4 "Section 1. 1. As used in this section , the following terms mean:

5 (1) "Certificate of approval", a document issued by the department that indicates a qualified
6 company qualifies for a benefit under this section;

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

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

12 (4) "NAICS", the same meaning as in section 620.2005;

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

16 (6) "Project facility", the same meaning as in section 620.2005;

17 (7) "Notice of intent", the same meaning as in section 620.2005;

18 (8) "Qualified manufacturing company", a company that:

19 (a) Is a qualified company that manufactures motor vehicles (NAICS group 3361);

20 (b) Manufactures goods at a facility in Missouri;

21 (c) Manufactures a new product or has commenced making a manufacturing capital
22 investment to the project facility necessary for the manufacturing of such new product, or modifies
23 or expands the manufacture of an existing product or has commenced making a manufacturing
24 capital investment for the project facility necessary for the modification or expansion of the
25 manufacture of such existing product; and

26 (d) Continues to satisfy the requirements of paragraphs (a) to (c) of this subdivision for the
27 project period;

28 2. The department may award tax credits against the company's state tax liability to a
29 qualified manufacturing company that makes a manufacturing capital investment of at least five
30 hundred million dollars. The department shall issue the credits no later than three years after the
31 execution of an agreement that satisfies the requirements of subsection 9 of this section. However,
32 the tax credits shall be issued no earlier than January 1, 2023, and may be issued each year for a
33 period of five years. A qualified manufacturing company may qualify for an additional five-year
34 period under this subsection if it makes an additional manufacturing capital investment of at least
35 two hundred fifty million dollars within five years of the certificate of approval.

36 3. The maximum amount of tax credits that any one qualified manufacturing company may

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1 receive under this subsection shall not exceed five million dollars per calendar year. The aggregate
2 amount of tax credits awarded to all qualified manufacturing companies under this subsection shall
3 not exceed ten million dollars per calendar year.

4 4. The company shall immediately cease receiving any benefit awarded under this section
5 for the remainder of the project period and shall forfeit all rights to retain or receive any benefit
6 awarded under this section for the remainder of such period if, at the project facility at any time
7 during the project period, the qualified manufacturing company:

8 (1) Discontinues the manufacturing of the new product and does not replace it with a
9 subsequent or additional new product or with a modification or expansion of an existing product;

10 (2) Discontinues the modification or expansion of an existing product and does not replace
11 it with a new product or a modification or expansion of another existing product; or

12 (3) Fails to retain ninety percent of the amount of employees employed on the date of the
13 execution of the agreement that meets the requirements of subsection 9 of this section.

14 5. Notwithstanding any other provision of law to the contrary, any qualified manufacturing
15 company that is awarded benefits under this section shall not simultaneously receive tax credits or
16 exemption under chapter 100, 135, or 620 for the jobs created or retained or capital improvement
17 that qualified for benefits under this section. Subsection 5 of section 285.530 shall not apply to
18 qualified manufacturing companies which are awarded credits under this section.

19 6. In determining the amount of tax credits to award to a qualified manufacturing company
20 this section, the department shall consider the following factors:

21 (1) The extent of the qualified company's need for program benefits;

22 (2) The projected net fiscal benefit to the state if the benefit is awarded and the period in
23 which the net fiscal benefit would occur;

24 (3) The overall size and quality of the proposed project, including the number of new jobs,
25 new capital investment, manufacturing capital investment, proposed wages, growth potential of the
26 qualified company, potential multiplier effect of the project, and other similar factors;

27 (4) The financial stability and creditworthiness of the qualified company;

28 (5) The level of economic distress in the area;

29 (6) An evaluation of the competitiveness of alternative locations for the project facility, as
30 applicable; and

31 (7) The percent of local incentives committed.

32 7. A company may request an opinion from the department on whether it would qualify for a
33 benefit under this section by submitting a written request to the department. The department shall
34 respond to a written request within five business days of such request. The department's response
35 shall contain either a proposal of benefits for the qualified manufacturing company, or a written
36 response refusing to provide such a proposal and stating the reasons for such refusal.

37 8. A company that intends to seek benefits under the program shall submit to the department
38 a notice of intent. The department may approve the notice of intent by issuing a certificate of
39 approval or reject the notice of intent and inform the company of its action within thirty days.
40 However, that the department may withhold approval or provide a contingent approval if it does not
41 have sufficient documentation to determine eligibility. Failure to respond shall result in the notice of
42 intent being deemed approved.

43 9. Upon issuing a certificate of approval, the department and the qualified manufacturing
44 company shall enter into a written agreement that covers the applicable project period that
45 memorializes the notice of intent, the requirements of this section, and the consequences for failing
46 to satisfy such requirements. The agreement shall specify, at a minimum:

47 (1) The manufacturing capital investment and committed percentage of retained jobs for
48 each year during the project period;

49 (2) The date or time period during which the tax credits shall be issued, consistent with

1 subsection 2 of this section;

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

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

6 (5) If the amount of capital investment made by the qualified manufacturing company is not
7 made within the two-year period provided for such investment, the qualified manufacturing
8 company shall immediately forfeit all rights to retain or receive any benefit awarded under this
9 section; and

10 (6) Any other provisions the department may require.

11 10. The department may promulgate rules to implement the provisions of this section. Any
12 rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority
13 delegated in this section shall become effective only if it complies with and is subject to all of the
14 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are
15 nonseverable and if any of the powers vested with the general assembly under chapter 536 to
16 review, to delay the effective date, or to disapprove and annul a rule are subsequently held
17 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after the
18 effective date of this section shall be invalid and void.

19 11. Prior to March first each year, the department shall provide a report to the general
20 assembly including the names of participating qualified manufacturing companies the annual
21 amount of benefits provided, the estimated net state fiscal impact including direct and indirect new
22 state taxes derived, and the number of new jobs created or jobs retained.

23 12. Under section 23.253 of the Missouri sunset act:

24 (1) The provisions of the program authorized under this section shall be authorized as of
25 August 28, 2019, and shall expire on December 31, 2031; and

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

28 (3) This section shall terminate on September first of the calendar year immediately
29 following the calendar year in which the program authorized under this section is sunset; and

30 (4) The provisions of this subsection shall not be construed to limit or in any way impair the
31 department's ability to redeem tax credits authorized on or before the date the program authorized
32 under this section expires or a taxpayer's ability to redeem such tax credits."; and

33
34 Further amend said bill by amending the title, enacting clause, and intersectional references
35 accordingly.