FIRST REGULAR SESSION HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 1350

103RD GENERAL ASSEMBLY

2837H.02C

JOSEPH ENGLER, Chief Clerk

AN ACT

To repeal section 135.1670, RSMo, and to enact in lieu thereof one new section relating to incentives for interstate business relocation.

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

Section A. Section 135.1670, RSMo, is repealed and one new section enacted in lieu 2 thereof, to be known as section 135.1670, to read as follows:

135.1670. 1. As used in this section, the following terms mean:

- (1) "Economic activities", any of the following:
- 3 (a) Jobs;
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- (b) Professional sports teams, franchises, or organizations; or
- 5 (c) Events that use or have used a facility or sports complex used by a 6 professional sports team, franchise, or organization;
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(2) "Kansas border county", Johnson, Miami, or Wyandotte County in Kansas;

8 [(2)] (3) "Missouri border county", any county with a charter form of government and 9 with more than six hundred thousand but fewer than seven hundred thousand inhabitants, any 10 county of the first classification with more than eighty-three thousand but fewer than ninety-11 two thousand inhabitants and with a city of the fourth classification with more than four 12 thousand five hundred but fewer than five thousand inhabitants as the county seat, any county 13 of the first classification with more than two hundred thousand but fewer than two hundred 14 sixty thousand inhabitants, or any county of the first classification with more than ninety-two 15 thousand but fewer than one hundred one thousand inhabitants in Missouri.

16 2. If any job that qualifies for a tax credit under sections 100.700 to 100.850 or under 17 sections 135.100 to 135.258, for funding under section 620.1023, or for a tax credit or 18 retention of state withholding taxes under sections 620.2000 to 620.2020, relocates to a

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19 Missouri border county from a Kansas border county, no tax credits shall be issued, funding 20 provided, or retention of withholding taxes authorized for such job under such sections.

21 3. If the director of the Missouri department of economic development determines 22 that the state of Kansas has enacted legislation or the governor of Kansas issued an executive 23 order or similar action which prohibits the Kansas Department of Commerce or any other Kansas executive department from providing economic incentives for [jobs] economic 24 25 activities that are relocated from a Missouri border county to a Kansas border county, then 26 the director shall execute and deliver to the governor, the speaker of the house of 27 representatives, and the president pro tempore of the senate a written certification of such determination. Upon the execution and delivery of such written certification and the parties 28 29 receiving such certification providing a unanimous written affirmation, the provisions of 30 subsection 2 of this section shall be effective unless otherwise provided in this section. The 31 provisions of subsection 2 of this section shall not apply to incentives reserved on behalf of and awarded to Missouri employers prior to the provisions of subsection 2 of this section 32 33 taking effect.

34 4. If the director of the Missouri department of economic development determines 35 that the Kansas Department of Commerce or any other Kansas executive department is 36 providing economic incentives for [jobs] economic activities that relocate from a Missouri border county to a Kansas border county, then the director shall execute and deliver to the 37 38 governor, the speaker of the house of representatives, and the president pro tempore of the 39 senate a written certification of such determination. Upon the execution and delivery of such 40 written certification and the parties receiving such certification providing a unanimous written affirmation, the provisions of subsection 2 of this section shall not be effective until such time 41 42 as the director determines that the Kansas Department of Commerce or any other Kansas 43 executive department is not providing economic incentives for [jobs] economic activities that relocate from a Missouri border county to a Kansas border county, and the director has 44 executed and delivered to the governor, the speaker of the house of representatives, and the 45 46 president pro tempore of the senate a written certification of such determination and the 47 parties receiving such certification provide an unanimous written affirmation.

48 5. The director of the Missouri department of economic development shall notify the 49 revisor of statutes of all changes in whether subsection 2 of this section is effective.

6. The provisions of this section shall expire August 28, 2021, unless at such time the provisions of subsection 2 of this section are in effect. If the provisions of this section do not expire on August 28, 2021, the provisions of this section shall expire on August 28, [2025] **2035**.