

HB 2441 -- Good Jobs First Act

Sponsor: Oxford

This bill establishes the Good Jobs First Act which provides development subsidies to certain corporations. In its main provisions, the bill:

(1) Requires the Department of Revenue to submit an annual unified economic development budget to the General Assembly within three months of the end of the state's fiscal year. The report must present all types of expenditures for economic development during the prior fiscal year, including:

(a) The amount of uncollected state tax revenues resulting from every corporate tax credit, abatement, exemption, and reduction provided by the state or a local governmental unit, including gross receipts and income, sales, use, raw materials, excise, property, utility, and inventory taxes;

(b) The name of each corporation that claimed any tax credit, abatement, exemption, or reduction of \$5,000 or more, together with the dollar amount received by each corporation;

(c) The total dollar amount of any tax credit, abatement, exemption, or reduction received by a corporation of less than \$5,000 and the total number of companies for each tax expenditure; and

(d) All state appropriated expenditures for economic development, including line-item budgets for every state-funded entity concerned with economic development;

(2) Requires each property-taxing entity to submit an annual report within three months of the end of the fiscal year to the Department of Revenue regarding any real property in the entity's jurisdiction that has received a property tax abatement or reduction during the fiscal year and an annual report due by the same time specifying the amount of property tax revenue which was not paid to the entity because of the abatements and reductions and other specified information. The Department of Revenue must annually compile and publish all of the data in the reports in a written and electronic form, including on its web site. If an entity fails to submit its reports in a timely manner, the Department of Revenue must withhold further development subsidy payments to the entity until it files its reports;

(3) Requires entities which grant development subsidies and the applicants who wish to receive them to complete an application. The bill specifies the application's requirements, including the

average hourly wage to be paid and the type and cost of health care coverage to be provided to new employees at the project site. The granting body must send a copy of an approved application to the Department of Economic Development within 15 days of the approval;

(4) Requires a granting body to file an annual progress report with the department by February 1 for each project that has received a development subsidy. The bill specifies the required information of each progress report;

(5) Requires the Department of Economic Development to compile and publish all data from the progress reports in a written and electronic form, including on its web site;

(6) Authorizes the Department of Economic Development and the granting body access at all reasonable times to the project site and the records of the recipient corporation in order to monitor the project and prepare progress reports. A recipient corporation that does not provide information or access will be subject to a specified fine;

(7) Prohibits a granting body from awarding a development subsidy if the cost per job is greater than \$35,000 or if the wages paid to employees at the project site do not meet specified thresholds;

(8) Requires the recipient corporation to fulfill its job creation, wage, health care, and other benefit requirements for the project site within two years of the date of the subsidy and to maintain its wage and benefit goals as long as the subsidy is in effect or for five years, whichever is longer;

(9) Requires the corporate parent of a recipient corporation to maintain at least 90% of its employment in Missouri for as long as the development subsidy is in effect or five years, whichever is longer;

(10) Specifies recapture procedures the granting body must follow if the recipient corporation does not fulfill its obligations;

(11) Authorizes any individual who paid personal income taxes, or an organization representing these individuals, in the calendar year prior to any year in which the granting body fails to enforce these provisions to bring a civil action in state court to compel enforcement;

(12) Prohibits any recipient corporation that is awarded benefits under this act from simultaneously receiving any other

benefit provided by law, including bonds, grants, loans, loan guarantees, tax increment financing, fee waivers, land price subsidies, matching funds, tax abatements, tax exemptions, and tax credits; and

(13) Prohibits any recipient corporation from reducing wages or benefits under any collective bargaining agreement or any state or prevailing wage law.