

FIRST REGULAR SESSION

[PERFECTED]

HOUSE COMMITTEE SUBSTITUTE FOR

# HOUSE BILL NO. 163

96TH GENERAL ASSEMBLY

0747L.02P

D. ADAM CRUMBLISS, Chief Clerk

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## AN ACT

To repeal sections 288.062, and 288.330, RSMo, and to enact in lieu thereof two new sections relating to unemployment compensation, with an emergency clause.

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

Section A. Sections 288.062, and 288.330, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 288.062, and 288.300, to read as follows:

288.062. 1. As used in this section, unless the context clearly requires otherwise:

(1) "Extended benefit period" means a period which begins with the third week after a week for which there is a state "on" indicator, and ends with either of the following weeks, whichever occurs later:

(a) The third week after the first week for which there is a state "off" indicator; or

(b) The thirteenth consecutive week of such period; provided, that no extended benefit period may begin by reason of a state "on" indicator before the fourteenth week following the end of a prior extended benefit period which was in effect with respect to this state;

(2) There is a "state 'on' indicator" for this state for a week if the director determines, in accordance with the regulations of the United States Secretary of Labor, that for the period consisting of such week and the immediately preceding twelve weeks, the rate of insured unemployment (not seasonally adjusted) under this law:

(a) **a.** Equaled or exceeded one hundred twenty percent of the average of such rates for the corresponding thirteen-week period ending in each of the preceding two calendar years; and

**[(b)] b.** Equaled or exceeded four percent for weeks beginning prior to or on September 25, 1982, or five percent for weeks beginning after September 25, 1982; except that, if the rate of insured unemployment as contemplated in this subdivision equals or exceeds five percent for

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 weeks beginning prior to or on September 25, 1982, or six percent for weeks beginning after  
19 September 25, 1982, the determination of an "on" indicator shall be made under this subdivision  
20 as if this subdivision did not contain the provisions of **subparagraph a. of** paragraph (a) of this  
21 subdivision; or

22 [(c)] **(b)** With respect to weeks of unemployment beginning on or after February 1, 2009,  
23 and ending on or before the week ending four weeks prior to the last week of unemployment for  
24 which one hundred percent federal sharing is available under the provisions of Public Law 111-5,  
25 Section 2005(a) [or March 3, 2011, whichever should occur first]:

26 a. The average rate of total unemployment in the state (seasonally adjusted), as  
27 determined by the United States Secretary of Labor, for the period consisting of the most recent  
28 three months for which data for all states are published before the close of such week equals or  
29 exceeds six and one-half percent; and

30 b. The average rate of total unemployment in the state (seasonally adjusted), as  
31 determined by the United States Secretary of Labor, for the three-month period referred to in  
32 subparagraph a. of this paragraph, equals or exceeds one hundred and ten percent of such average  
33 for either or both of the corresponding three-month periods ending in the two preceding calendar  
34 years; **or**

35 **c. Effective with respect to compensation for weeks of unemployment beginning**  
36 **after the date of enactment of the Tax Relief, Unemployment Insurance Reauthorization,**  
37 **and Job Creation Act of 2010, Public Law 111-312, and ending on or before the last day**  
38 **allowable by the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation**  
39 **Act of 2010, the average rate of total unemployment in the state (seasonally adjusted), as**  
40 **determined by the United States Secretary of Labor, for the three-month period referred**  
41 **to in subparagraph a. of this paragraph, equals or exceeds one hundred and ten percent**  
42 **of such average for any or all of the corresponding three-month periods ending in the three**  
43 **preceding calendar years;**

44 (3) There is a "state 'off' indicator" for this state for a week if the director determines, in  
45 accordance with the regulations of the United States Secretary of Labor, that for the period  
46 consisting of such week and the immediately preceding twelve weeks, the rate of insured  
47 unemployment (not seasonally adjusted) under this law:

48 (a) Was less than one hundred twenty percent of the average of such rates for the  
49 corresponding thirteen-week period ending in each of the preceding two calendar years; or

50 (b) Was less than four percent (five percent for weeks beginning after September 25,  
51 1982); except, there shall not be an "off" indicator for any week in which an "on" indicator as  
52 contemplated in **subparagraph b. of** paragraph [(b)] **(a)** of subdivision (2) of this subsection  
53 exists;

54 (4) "Rate of insured unemployment", for the purposes of subdivisions (2) and (3) of this  
55 subsection, means the percentage derived by dividing:

56 (a) The average weekly number of individuals filing claims for regular compensation in  
57 this state for weeks of unemployment with respect to the most recent thirteen-consecutive-week  
58 period, as determined by the director on the basis of his or her reports to the United States  
59 Secretary of Labor, by

60 (b) The average monthly employment covered under this law for the first four of the  
61 most recent six completed calendar quarters ending before the end of such thirteen-week period;

62 (5) "Regular benefits" means benefits payable to an individual under this law or under  
63 any other state law (including benefits payable to federal civilian employees and ex-servicemen  
64 pursuant to 5 U.S.C. Chapter 85) other than extended benefits;

65 (6) "Extended benefits" means benefits (including benefits payable to federal civilian  
66 employees and to ex-servicemen pursuant to 5 U.S.C. Chapter 85) payable to an individual  
67 under the provisions of this section for weeks of unemployment in his or her eligibility period;

68 (7) "Eligibility period" of an individual means the period consisting of the weeks in his  
69 or her benefit year which begin in an extended benefit period and, if his or her benefit year ends  
70 within such extended benefit period, any weeks thereafter which begin in such period;

71 (8) "Exhaustee" means an individual who, with respect to any week of unemployment  
72 in his or her eligibility period:

73 (a) Has received, prior to such week, all of the regular benefits that were available to him  
74 or her under this law or any other state law (including dependents' allowances and benefits  
75 payable to federal civilian employees and ex-servicemen under 5 U.S.C. Chapter 85) in his or  
76 her current benefit year that includes such week; provided, that, for the purposes of this  
77 paragraph, an individual shall be deemed to have received all of the regular benefits that were  
78 available to him or her although as a result of a pending appeal with respect to wages or  
79 employment, or both, that were not considered in the original monetary determination in his or  
80 her benefit year, he may subsequently be determined to be entitled to added regular benefits; or

81 (b) Has received, prior to such week, all the regular compensation available to him or  
82 her in his or her current benefit year that includes such week under the unemployment  
83 compensation law of the state in which he or she files a claim for extended compensation or the  
84 unemployment compensation law of any other state after a cancellation of some or all of his or  
85 her wage credits or the partial or total reduction of his or her right to regular compensation; or

86 (c) His or her benefit year having expired prior to such week, he or she has insufficient  
87 wages or employment, or both, on the basis of which he or she could establish in any state a new  
88 benefit year that would include such week, or having established a new benefit year that includes  
89 such week, he or she is precluded from receiving regular compensation by reason of a state law

90 provision which meets the requirement of section 3304(a)(7) of the Internal Revenue Code of  
91 1954; and

92 (d) a. Has no right to unemployment benefits or allowances, as the case may be, under  
93 the Railroad Unemployment Insurance Act, the Trade Expansion Act of 1962, the Automotive  
94 Products Trade Act of 1965 and such other federal laws as are specified in regulations issued by  
95 the United States Secretary of Labor; and

96 b. Has not received and is not seeking unemployment benefits under the unemployment  
97 compensation law of Canada; but if he or she is seeking such benefits and the appropriate agency  
98 finally determines that he or she is not entitled to benefits under such law he or she is considered  
99 an exhaustee;

100 (9) "State law" means the unemployment insurance law of any state, approved by the  
101 United States Secretary of Labor under Section 3304 of the Internal Revenue Code of 1954.

102 2. Except when the result would be inconsistent with the other provisions of this section,  
103 as provided in the regulations of the director, the provisions of this law which apply to claims  
104 for, or the payment of, regular benefits shall apply to claims for, and the payment of, extended  
105 benefits.

106 3. An individual shall be eligible to receive extended benefits with respect to any week  
107 of unemployment in his or her eligibility period only if the deputy finds that with respect to such  
108 week:

109 (1) He or she is an exhaustee as defined in subdivision (8) of subsection 1 of this section;

110 (2) He or she has satisfied the requirements of this law for the receipt of regular benefits  
111 that are applicable to individuals claiming extended benefits, including not being subject to a  
112 disqualification for the receipt of benefits; except that, in the case of a claim for benefits filed  
113 in another state, which is acting as an agent state under the Interstate Benefits Payment Plan as  
114 provided by regulation, which claim is based on benefit credits accumulated in this state,  
115 eligibility for extended benefits shall be limited to the first two compensable weeks unless there  
116 is an extended benefit period in effect in both this state and the agent state in which the claim  
117 was filed;

118 (3) The other provisions of this law notwithstanding, as to new extended benefit claims  
119 filed after September 25, 1982, an individual shall be eligible to receive extended benefits with  
120 respect to any week of unemployment in his or her eligibility period only if the deputy finds that  
121 the total wages in the base period of his or her benefit year equal at least one and one-half times  
122 the wages paid during that quarter of his or her base period in which his or her wages were  
123 highest.

124 4. A claimant shall not be eligible for extended benefits following any disqualification  
125 imposed under subsection 1 or 2 of section 288.050, unless subsequent to the effective date of

126 the disqualification, the claimant has been employed during at least four weeks and has earned  
127 wages equal to at least four times his or her weekly benefit amount.

128         5. For the purposes of determining eligibility for extended benefits, the term "suitable  
129 work" means any work which is within such individual's capabilities except that, if the individual  
130 furnishes satisfactory evidence that the prospects for obtaining work in his or her customary  
131 occupation within a reasonably short period are good, the determination of what constitutes  
132 suitable work shall be made in accordance with the provisions of subdivision (3) of subsection  
133 1 of section 288.050. If a deputy finds that a person who is claiming extended benefits has  
134 refused to accept or to apply for suitable work, as defined in this subsection, or has failed to  
135 actively engage in seeking work subsequent to the effective date of his or her claim for extended  
136 benefits, that person shall be ineligible for extended benefits for the period beginning with the  
137 first day of the week in which such refusal or failure occurred. That ineligibility shall remain in  
138 effect until the person has been employed for at least four weeks after the week in which the  
139 refusal or failure occurred and has earned wages equal to at least four times his or her weekly  
140 benefit amount.

141         6. Extended benefits shall not be denied under subsection 5 of this section to any  
142 individual for any week by reason of a failure to accept an offer of or apply for suitable work if:

143             (1) The gross average weekly remuneration for such work does not exceed the  
144 individual's weekly benefit amount plus the amount of any supplemental unemployment benefits,  
145 as defined in section 501(c)(17)(d) of the Internal Revenue Code, payable to such individual for  
146 such week; or

147             (2) The position was not offered to such individual in writing or was not listed with the  
148 state employment service; or

149             (3) If the remuneration for the work offered is less than the minimum wage provided by  
150 Section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended, without regard to any  
151 exemption or any applicable state or local minimum wage, whichever is the greater.

152         7. For the purposes of this section, an individual shall be considered as actively engaged  
153 in seeking work during any week with respect to which the individual has engaged in a  
154 systematic and sustained effort to obtain work as indicated by tangible evidence which the  
155 individual provides to the division.

156         8. Extended benefits shall not be denied for failure to apply for or to accept suitable work  
157 if such failure would not result in a denial of benefits under subdivision (3) of subsection 1 of  
158 section 288.050 to the extent that the provisions of subdivision (3) of subsection 1 of section  
159 288.050 are not inconsistent with the provisions of subsections 5 and 6 of this section.

160         9. The division shall refer any claimant entitled to extended benefits under this law to  
161 any suitable work which meets the criteria established in subsections 5 and 6 of this section.

162           10. Notwithstanding other provisions of this chapter to the contrary, as to claims of  
163 extended benefits, subsections 4 to 9 of this section shall not apply to weeks of unemployment  
164 beginning after March 6, 1993, and before January 1, 1995. Entitlement to extended benefits for  
165 weeks beginning after March 6, 1993, and before January 1, 1995, shall be determined in  
166 accordance with provisions of this chapter not excluded by this subsection.

167           11. "Weekly extended benefit amount." The weekly extended benefit amount payable  
168 to an individual for a week of total unemployment in his or her eligibility period shall be an  
169 amount equal to the weekly benefit amount payable to him or her during his or her applicable  
170 benefit year, reduced by a percentage equal to the percentage of the reduction in federal payments  
171 to states under Section 204 of the Federal State Extended Unemployment Compensation Act of  
172 1970, in accord with any order issued under any law of the United States. Such weekly benefit  
173 amount, if not a multiple of one dollar, shall be reduced to the nearest lower full dollar amount.

174           12. (1) "Total extended benefit amount." The total extended benefit amount payable to  
175 any eligible individual with respect to his or her applicable benefit year shall be the lesser of the  
176 following amounts:

177           (a) Fifty percent of the total amount of regular benefits which were payable to him or her  
178 under this law in his or her applicable benefit year;

179           (b) Thirteen times his or her weekly benefit amount which was payable to him or her  
180 under this law for a week of total unemployment in the applicable benefit year.

181           (2) Notwithstanding subdivision (1) of this subsection, during any fiscal year in which  
182 federal payments to states under Section 204 of the Federal State Extended Unemployment  
183 Compensation Act of 1970 are reduced under any order issued under any law of the United  
184 States, the total extended benefit amount payable to an individual with respect to his or her  
185 applicable benefit year shall be reduced by an amount equal to the aggregate of the reductions  
186 under subsection 11 of this section in the weekly amounts paid to the individual.

187           (3) Notwithstanding the other provisions of this subsection, if the benefit year of any  
188 individual ends within an extended benefit period, the remaining balance of extended benefits  
189 that such individual would, but for this subdivision, be entitled to receive in that extended benefit  
190 period, with respect to weeks of unemployment beginning after the end of the benefit year, shall  
191 be reduced, but not below zero, by the product of the number of weeks for which the individual  
192 received trade readjustment allowances under the Trade Act of 1974, as amended, within that  
193 benefit year, multiplied by the individual's weekly benefit amount for extended benefits.

194           (4) (a) Effective with respect to weeks beginning in a high unemployment period,  
195 subdivision (1) of this subsection shall be applied by substituting:

196           a. Eighty percent for fifty percent in paragraph (a) of subdivision (1) of this subsection;

197 and

198 b. Twenty times for thirteen times in paragraph (b) of subdivision (1) of this subsection.

199 (b) For purposes of paragraph (a) of this subdivision, the term "high unemployment  
200 period" means any period during which an extended benefit period would be in effect if  
201 subparagraph a. of paragraph [(c)] (b) of subdivision (2) of subsection 1 of this section were  
202 applied by substituting eight percent for six and one-half percent.

203 13. (1) Whenever an extended benefit period is to become effective in this state as a  
204 result of a state "on" indicator, or an extended benefit period is to be terminated in this state as  
205 a result of a state "off" indicator, the director shall make an appropriate public announcement.

206 (2) Computations required by the provisions of subdivision (4) of subsection 1 of this  
207 section shall be made by the director, in accordance with regulations prescribed by the United  
208 States Secretary of Labor.

288.330. 1. Benefits shall be deemed to be due and payable only to the extent that  
2 moneys are available to the credit of the unemployment compensation fund and neither the state  
3 nor the division shall be liable for any amount in excess of such sums. The governor is  
4 authorized to apply for an advance to the state unemployment fund and to accept the  
5 responsibility for the repayment of such advance in order to secure to this state and its citizens  
6 the advantages available under the provisions of federal law.

7 2. (1) The purpose of this subsection is to provide a method of providing funds for the  
8 payment of unemployment benefits or maintaining an adequate fund balance in the  
9 unemployment compensation fund, and as an alternative to borrowing or obtaining advances  
10 from the federal unemployment trust fund or for refinancing those loans or advances.

11 (2) For the purposes of this subsection, "credit instrument" means any type of borrowing  
12 obligation issued under this section, including any bonds, commercial line of credit note, tax  
13 anticipation note or similar instrument.

14 (3) (a) There is hereby created for the purposes of implementing the provisions of this  
15 subsection a body corporate and politic to be known as the "Board of Unemployment Fund  
16 Financing". The powers of the board shall be vested in five board members who shall be the  
17 governor, lieutenant governor, attorney general, director of the department of labor, and the  
18 commissioner of administration. The board shall have all powers necessary to effectuate its  
19 purposes including, without limitation, the power to provide a seal, keep records of its  
20 proceedings, and provide for professional services. The governor shall serve as chair, the  
21 lieutenant governor shall serve as vice chair, and the commissioner of administration shall serve  
22 as secretary. Staff support for the board shall be provided by the commissioner of administration.

23 (b) Notwithstanding the provisions of any other law to the contrary:

24           a. No officer or employee of this state shall be deemed to have forfeited or shall forfeit  
25 his or her office or employment by reason of his or her acceptance of an appointment as a board  
26 member or for his or her service to the board;

27           b. Board members shall receive no compensation for the performance of their duties  
28 under this subsection, but each commissioner shall be reimbursed from the funds of the  
29 commission for his or her actual and necessary expenses incurred in carrying out his or her  
30 official duties under this subsection.

31           (c) In the event that any of the board members or officers of the board whose signatures  
32 or facsimile signatures appear on any credit instrument shall cease to be board members or  
33 officers before the delivery of such credit instrument, their signatures or facsimile signatures  
34 shall be valid and sufficient for all purposes as if such board members or officers had remained  
35 in office until delivery of such credit instrument.

36           (d) Neither the board members executing the credit instruments of the board nor any  
37 other board members shall be subject to any personal liability or accountability by reason of the  
38 issuance of the credit instruments.

39           (4) The board is authorized, by offering for public negotiated sale, to issue, sell, and  
40 deliver credit instruments, bearing interest at a fixed or variable rate as shall be determined by  
41 the board[, which shall mature no later than ten years after issuance,] in the name of the board  
42 in an amount determined by the board. Such credit instruments may be issued, sold, and  
43 delivered for the purposes set forth in subdivision (1) of this subsection. Such credit instrument  
44 may only be issued upon the approval of a resolution authorizing such issuance by a simple  
45 majority of the members of the board, with no other proceedings required.

46           (5) The board shall provide for the payment of the principal of the credit instruments,  
47 any redemption premiums, the interest on the credit instruments, and the costs attributable to the  
48 credit instruments being issued or outstanding as provided in this chapter. Unless the board  
49 directs otherwise, the credit instrument shall be repaid in the same time frame and in the same  
50 amounts as would be required for loans issued pursuant to 42 U.S.C. Section 1321[; however,  
51 in no case shall credit instruments be outstanding for more than ten years].

52           (6) The board may irrevocably pledge money received from the credit instrument and  
53 financing agreement repayment surcharge under subsection 3 of section 288.128, and other  
54 money legally available to it, which is deposited in an account authorized for credit instrument  
55 repayment in the special employment security fund, provided that the general assembly has first  
56 appropriated moneys received from such surcharge and other moneys deposited in such account  
57 for the payment of credit instruments.

58           (7) Credit instruments issued under this section shall not constitute debts of this state or  
59 of the board or any agency, political corporation, or political subdivision of this state and are not

60 a pledge of the faith and credit of this state, the board or of any of those governmental entities  
61 and shall not constitute an indebtedness within the meaning of any constitutional or statutory  
62 limitation upon the incurring of indebtedness. The credit instruments are payable only from  
63 revenue provided for under this chapter. The credit instruments shall contain a statement to the  
64 effect that:

65 (a) Neither the state nor the board nor any agency, political corporation, or political  
66 subdivision of the state shall be obligated to pay the principal or interest on the credit instruments  
67 except as provided by this section; and

68 (b) Neither the full faith and credit nor the taxing power of the state nor the board nor  
69 any agency, political corporation, or political subdivision of the state is pledged to the payment  
70 of the principal, premium, if any, or interest on the credit instruments.

71 (8) The board pledges and agrees with the owners of any credit instruments issued under  
72 this section that the state will not limit or alter the rights vested in the board to fulfill the terms  
73 of any agreements made with the owners or in any way impair the rights and remedies of the  
74 owners until the credit instruments are fully discharged.

75 (9) The board may prescribe the form, details, and incidents of the credit instruments and  
76 make such covenants that in its judgment are advisable or necessary to properly secure the  
77 payment thereof. If such credit instruments shall be authenticated by the bank or trust company  
78 acting as registrar for such by the manual signature of a duly authorized officer or employee  
79 thereof, the duly authorized officers of the board executing and attesting such credit instruments  
80 may all do so by facsimile signature provided such signatures have been duly filed as provided  
81 in the uniform facsimile signature of public officials law, sections 105.273 to 105.278, when  
82 duly authorized by resolution of the board, and the provisions of section 108.175 shall not apply  
83 to such credit instruments. The board may provide for the flow of funds and the establishment  
84 and maintenance of separate accounts within the special employment security fund, including  
85 the interest and sinking account, the reserve account, and other necessary accounts, and may  
86 make additional covenants with respect to the credit instruments in the documents authorizing  
87 the issuance of credit instruments including refunding credit instruments. The resolutions  
88 authorizing the issuance of credit instruments may also prohibit the further issuance of credit  
89 instruments or other obligations payable from appropriated moneys or may reserve the right to  
90 issue additional credit instruments to be payable from appropriated moneys on a parity with or  
91 subordinate to the lien and pledge in support of the credit instruments being issued and may  
92 contain other provisions and covenants as determined by the board, provided that any terms,  
93 provisions or covenants provided in any resolution of the board shall not be inconsistent with the  
94 provisions of this section.

95 (10) The board may issue credit instruments to refund all or any part of the outstanding  
96 credit instruments issued under this section including matured but unpaid interest. As with other  
97 credit instruments issued under this section, such refunding credit instruments may bear interest  
98 at a fixed or variable rate as determined by the board.

99 (11) The credit instruments issued by the board, any transaction relating to the credit  
100 instruments, and profits made from the sale of the credit instruments are free from taxation by  
101 the state or by any municipality, court, special district, or other political subdivision of the state.

102 (12) As determined necessary by the board the proceeds of the credit instruments less  
103 the cost of issuance shall be placed in the state's unemployment compensation fund and may be  
104 used for the purposes for which that fund may otherwise be used. If those net proceeds are not  
105 placed immediately in the unemployment compensation fund they shall be held in the special  
106 employment security fund in an account designated for that purpose until they are transferred to  
107 the unemployment compensation fund provided that the proceeds of refunding credit instruments  
108 may be placed in an escrow account or such other account or instrument as determined necessary  
109 by the board.

110 (13) The board may enter into any contract or agreement deemed necessary or desirable  
111 to effectuate cost-effective financing hereunder. Such agreements may include credit  
112 enhancement, credit support, or interest rate agreements including, but not limited to,  
113 arrangements such as municipal bond insurance; surety bonds; tax anticipation notes; liquidity  
114 facilities; forward agreements; tender agreements; remarketing agreements; option agreements;  
115 interest rate swap, exchange, cap, lock or floor agreements; letters of credit; and purchase  
116 agreements. Any fees or costs associated with such agreements shall be deemed administrative  
117 expenses for the purposes of calculating the credit instrument and financing agreement  
118 repayment surcharge under subsection 3 of section 288.128. The board, with consideration of  
119 all other costs being equal, shall give preference to Missouri-headquartered financial institutions,  
120 or those out-of-state-based financial institutions with at least one hundred Missouri employees.

121 (14) To the extent this section conflicts with other laws the provisions of this section  
122 prevail. This section shall not be subject to the provisions of sections 23.250 to 23.298.

123 (15) If the United States Secretary of Labor holds that a provision of this subsection or  
124 of any provision related to the levy or use of the credit instrument and financial agreement  
125 repayment surcharge does not conform with a federal statute or would result in the loss to the  
126 state of any federal funds otherwise available to it the board, in cooperation with the department  
127 of labor and industrial relations, may administer this subsection, and other provisions related to  
128 the credit instrument and financial agreement repayment surcharge, to conform with the federal  
129 statute until the general assembly meets in its next regular session and has an opportunity to  
130 amend this subsection or other sections, as applicable.

131 (16) Nothing in this chapter shall be construed to prohibit the officials of the state from  
132 borrowing from the government of the United States in order to pay unemployment benefits  
133 under subsection 1 of this section or otherwise.

134 (17) (a) As used in this subdivision the term "lender" means any state or national bank.

135 (b) The board is authorized to enter financial agreements with any lender for the  
136 purposes set forth in subdivision (1) of this subsection, or to refinance other financial agreements  
137 in whole or in part, upon the approval of the simple majority of the members of the board of a  
138 resolution authorizing such financial agreements, with no other proceedings required. [In no  
139 instance shall the outstanding obligation under any financial agreement continue for more than  
140 ten years.] Repayment of obligations to lenders shall be made from the special employment  
141 security fund, section 288.310, subject to appropriation by the general assembly.

142 (c) Financial agreements entered into under this subdivision shall not constitute debts  
143 of this state or of the board or any agency, political corporation, or political subdivision of this  
144 state and are not a pledge of the faith and credit of this state, the board or of any of those  
145 governmental entities and shall not constitute an indebtedness within the meaning of any  
146 constitutional or statutory limitation upon the incurring of indebtedness. The financial  
147 agreements are payable only from revenue provided for under this chapter. The financial  
148 agreements shall contain a statement to the effect that:

149 a. Neither the state nor the board nor any agency, political corporation, or political  
150 subdivision of the state shall be obligated to pay the principal or interest on the financial  
151 agreements except as provided by this section; and

152 b. Neither the full faith and credit nor the taxing power of the state nor the board nor any  
153 agency, political corporation, or political subdivision of the state is pledged to the payment of  
154 the principal, premium, if any, or interest on the financial agreements.

155 (d) Neither the board members executing the financial agreements nor any other board  
156 members shall be subject to any personal liability or accountability by reason of the execution  
157 of such financial agreements.

158 (e) The board may prescribe the form, details and incidents of the financing agreements  
159 and make such covenants that in its judgment are advisable or necessary to properly secure the  
160 payment thereof provided that any terms, provisions or covenants provided in any such financing  
161 agreement shall not be inconsistent with the provisions of this section. If such financing  
162 agreements shall be authenticated by the bank or trust company acting as registrar for such by  
163 the manual signature of a duly authorized officer or employee thereof, the duly authorized  
164 officers of the board executing and attesting such financing agreements may all do so by  
165 facsimile signature provided such signatures have been duly filed as provided in the uniform  
166 facsimile signature of public officials law, sections 105.273 to 105.278, when duly authorized

167 by resolution of the board and the provisions of section 108.175 shall not apply to such financing  
168 agreements.

169 (18) The commission may issue credit instruments to refund all or any part of the  
170 outstanding borrowing issued under this section including matured but unpaid interest.

171 (19) The credit instruments issued by the commission, any transaction relating to the  
172 credit instruments, and profits made from the issuance of credit are free from taxation by the  
173 state or by any municipality, court, special district, or other political subdivision of the state.

174 3. In event of the suspension of this law, any unobligated funds in the unemployment  
175 compensation fund, and returned by the United States Treasurer because such Federal Social  
176 Security Act is inoperative, shall be held in custody by the treasurer and under supervision of the  
177 division until the legislature shall provide for the disposition thereof. In event no disposition is  
178 made by the legislature at the next regular meeting subsequent to suspension of said law, then  
179 all unobligated funds shall be returned ratably to those who contributed thereto.

180 4. For purposes of this section, as contained in senate substitute no. 2 for senate  
181 committee substitute for house substitute for house committee substitute for house bill nos. 1268  
182 and 1211, ninety-second general assembly, second regular session, the revisor of statutes shall  
183 renumber subdivision (16) of subsection 2 of such section as subdivision (17) of such subsection  
184 and renumber subdivision (17) of subsection 2 of such section as subdivision (16) of such  
185 subsection.

Section B. Because immediate action is necessary to help Missourians during economic  
2 hardship, section A of this act is deemed necessary for the immediate preservation of the public  
3 health, welfare, peace, and safety, and is hereby declared to be an emergency act within the  
4 meaning of the constitution, and section A of this act shall be in full force and effect upon its  
5 passage and approval.