

SS SCS SB 7 -- MISSOURI SCIENCE AND INNOVATION REINVESTMENT ACT

This bill establishes the Missouri Science and Innovation Reinvestment Act which:

- (1) Increases, from 10% to 30%, the amount of moneys appropriated to the Life Sciences Research Board that may be used for the construction of physical facilities in any fiscal year and specifies that up to 80% of the moneys must be appropriated to build research capacity at public and private not-for-profit institutions with at least 20% but no more than 50% to be used to promote life science technology transfer and technology commercialization;
- (2) Specifies that the Missouri Technology Corporation will serve as the administrative agent for the board and provides for its perpetual existence;
- (3) Requires the advice and consent of the Senate for the gubernatorial appointments to the board;
- (4) Changes the mandatory annual audit of the corporation by the State Auditor to an audit at the discretion of the State Auditor;
- (5) Specifies the terms of office and the requirements for various designated and appointed board members; how members may be removed from the board; the meeting requirements and the operation of the board; and the powers of the board, including employment and benefits for the president and other corporation employees;
- (6) Requires the corporation to submit an annual report by January 1 to the Governor and General Assembly on the operating and financial condition of the corporation during the prior fiscal year, the distribution of moneys from the Missouri Science and Innovation Reinvestment Fund and from any income of the corporation, information about the growth of science and innovation research and industry in the state, and information regarding financial or performance audits performed during the year including any recommendations for additional necessary legislation or other action to carry out the purposes of the corporation. The provisions are repealed which require the corporation to submit an annual report by November 1 on the corporation's structure, operation, and financial status to the Governor and General Assembly. Beginning with Fiscal Year 2016, the corporation must, within four months of the end of every odd-numbered fiscal year, have an independent firm with expertise in this area conduct a financial and performance evaluation for the prior two fiscal years. A copy of the evaluation must be given to the State Auditor;

(7) Specifies that the corporation will be exempt from certain specified property, income, and sales and use taxes; will have all the powers of a Missouri not-for-profit corporation; will assume all duties and functions, moneys, property, or other remaining assets of the Missouri Seed Capital Investment Board which has been dissolved; and will not be subject to the provisions of Chapter 34;

(8) Requires the board to adopt and maintain a conflict of interest policy and to establish an executive committee, an audit committee, and the research alliance of Missouri and specifies the duties and powers of each committee and the alliance. The board may establish other committees as it deems necessary;

(9) Requires the corporation to report the name of any recipient of financial assistance under the provisions of the bill to the President Pro Tem of the Senate and the Speaker of the House of Representatives and post the information on the corporation's website at least 10 days prior to releasing the funds;

(10) Allows for the closing of certain meetings and records of the corporation's board and committees of the board in addition to the exceptions under the Open Meetings and Records Law, commonly known as the Sunshine Law, when it would be harmful to the competitive position of the corporation;

(11) Renames the Missouri Technology Investment Fund as the Missouri Science and Innovation Reinvestment Fund and specifies that it will be funded, in part, by moneys appropriated by the General Assembly based on the increase in gross wages of science and innovation employees over the base year gross wages as defined in the bill. The Director of the Department of Economic Development, with assistance from the Director of the Department of Revenue, must establish the base year gross wages as soon as practicable after the effective date of the bill and report that amount to the corporation, Governor, and General Assembly. Within 180 days after the end of each fiscal year beginning with Fiscal Year 2011, the department directors must determine the amount of science and innovation employees' gross wages that exceeds the base year gross wages. This difference is multiplied by the applicable percentage to determine the amount that the Director of the Department of Revenue must transfer to the fund for each of the 25 funding years beginning July 1, 2012, subject to appropriation;

(12) Prohibits the board from selling the corporation or substantially all of its assets or merging the corporation with another entity without prior authorization by the General Assembly and specifies that the corporation cannot terminate before the satisfaction of all outstanding financial obligations;

(13) Specifies that if any provision of the bill or the application thereof is held invalid, it will not affect the other provisions or applications of the bill; and

(14) Requires any contract between the corporation and a not-for-profit organization for the operation of an innovation center to provide at least a 100% match by the nonprofit organization of any funds it received from the corporation through appropriations.

The provisions of the bill will only become effective upon the passage and approval of Senate Bill 8 of this extraordinary session.