

HB 670 -- Compete Missouri Programs

Sponsor: Hough

This bill establishes the Compete Missouri Program and the Compete Missouri Training Program within the Department of Economic Development.

COMPETE MISSOURI PROGRAM

The Compete Missouri Program is established to provide financial assistance to qualified companies that create a specified number of new jobs or retain existing jobs and make a specified amount of new capital investments. The financial assistance can be in the form of retaining taxes otherwise withheld from new employees' wages, tax credits, or sales and use tax exemptions. A qualified company may be eligible for an exemption of up to 100% of state and local sales and use taxes for a specified period of time for materials for constructing, repairing, or remodeling a project facility or used at a project facility or for a qualified company that is an information technology company for purchases of electrical energy, gas, water, and other utilities including telecommunications services for the project facility. The bill specifies the requirements for a qualified company to receive benefits under the program, how the benefits will be calculated, and penalties for failure to meet any requirements under the program. Tax credits per fiscal year are capped depending upon whether the qualified company created new jobs, was a qualified company in a targeted industry that created new jobs, or retained jobs and made new capital investments.

COMPETE MISSOURI TRAINING PROGRAM

The Compete Missouri Training Program is established to provide financial assistance for qualified companies that create new jobs resulting in the need for training of employees or that make new capital investment relating directly to the retention of jobs which result in the need for the retraining or upgrading of skills for full-time employees in the retained jobs. The program will be funded through appropriations from the Compete Missouri Job Development Fund which was formerly named the Missouri Job Development Fund; the Compete Missouri Community College New Jobs Training Fund which was formerly named the Missouri Community College Job Training Program Fund; and the Compete Missouri Community College Job Retention Training Fund which was formerly named the Missouri Community College Job Retention Training Program Fund. The bill specifies the requirements for a qualified company to receive benefits under the program, how the benefits will be calculated, and the penalties for failure to meet any requirements under the program.

The Compete Missouri Job Training Joint Legislative Oversight Committee is established consisting of three members of the House of Representatives appointed by the Speaker and three members of the Senate appointed by the President Pro Tem. An annual report must be submitted by October 1 to the Governor, Speaker, and President Pro Tem regarding all assistance provided to industries during the preceding fiscal year.

ELIMINATION OF CERTAIN PROJECTS AND TAX CREDITS

Beginning August 28, 2011, no new project will be approved and no new tax credits will be authorized for the:

(1) Business Facility Tax Credit Program under Sections 135.110 - 135.150 and Section 135.258;

(2) Business Use Incentives for Large Scale Development Program under Sections 100.700 - 100.850;

(3) Development Tax Credit Program under Sections 32.100 - 32.125;

(4) Rebuilding Communities Tax Credit Program under Section 135.535;

(5) Enhanced Enterprise Zone Tax Credit Program under Sections 135.950 - 135.973; and

(6) Missouri Quality Jobs Program under Sections 620.1875 - 620.1890.

The provisions regarding the Compete Missouri Program expire six years from the effective date.