

SECOND REGULAR SESSION

[PERFECTED]

HOUSE BILL NO. 1455

96TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES GATSCHENBERGER (Sponsor), TALBOY, JONES (89),
NOLTE, McCAHERTY, LONG, TILLEY, JONES (63), COLONA, ATKINS, TAYLOR,
McMANUS AND WEBBER (Co-sponsors).

5434H.01P

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 67.1305, 142.869, 620.478, 620.1878, 620.1881, and 620.1910, RSMo, and to enact in lieu thereof eleven new sections relating to the manufacturing jobs act, with a penalty provision for certain sections.

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

Section A. Sections 67.1305, 142.869, 620.478, 620.1878, 620.1881, and 620.1910, RSMo, are repealed and eleven new sections enacted in lieu thereof, to be known as sections 67.1305, 142.869, 620.007, 620.009, 620.019, 620.478, 620.1878, 620.1881, 620.1910, 1 and 2, to read as follows:

67.1305. 1. As used in this section, the term "city" shall mean any incorporated city, town, or village.

2. In lieu of the sales taxes authorized under sections 67.1300 and 67.1303, the governing body of any city or county may impose, by order or ordinance, a sales tax on all retail sales made in the city or county which are subject to sales tax under chapter 144. The tax authorized in this section shall not be more than one-half of one percent. The order or ordinance imposing the tax shall not become effective unless the governing body of the city or county submits to the voters of the city or county at any citywide, county or state general, primary or special election a proposal to authorize the governing body to impose a tax under this section. The tax authorized in this section shall be in addition to all other sales taxes imposed by law, and shall be stated separately from all other charges and taxes. The tax authorized in this section

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.

12 shall not be imposed by any city or county that has imposed a tax under section 67.1300 or
13 67.1303 unless the tax imposed under those sections has expired or been repealed.

14 3. The ballot of submission for the tax authorized in this section shall be in substantially
15 the following form:

16 Shall (insert the name of the city or county) impose a sales tax at a rate of
17 (insert rate of percent) percent for economic development purposes?

18 YES NO

19

20 If a majority of the votes cast on the question by the qualified voters voting thereon are in favor
21 of the question, then the tax shall become effective on the first day of the second calendar quarter
22 following the calendar quarter in which the election was held. If a majority of the votes cast on
23 the question by the qualified voters voting thereon are opposed to the question, then the tax shall
24 not become effective unless and until the question is resubmitted under this section to the
25 qualified voters and such question is approved by a majority of the qualified voters voting on the
26 question, provided that no proposal shall be resubmitted to the voters sooner than twelve months
27 from the date of the submission of the last proposal.

28 4. All sales taxes collected by the director of revenue under this section on behalf of any
29 county or municipality, less one percent for cost of collection which shall be deposited in the
30 state's general revenue fund after payment of premiums for surety bonds as provided in section
31 32.087, shall be deposited in a special trust fund, which is hereby created, to be known as the
32 "Local Option Economic Development Sales Tax Trust Fund".

33 5. The moneys in the local option economic development sales tax trust fund shall not
34 be deemed to be state funds and shall not be commingled with any funds of the state. The
35 director of revenue shall keep accurate records of the amount of money in the trust fund and
36 which was collected in each city or county imposing a sales tax pursuant to this section, and the
37 records shall be open to the inspection of officers of the city or county and the public.

38 6. Not later than the tenth day of each month the director of revenue shall distribute all
39 moneys deposited in the trust fund during the preceding month to the city or county which levied
40 the tax. Such funds shall be deposited with the county treasurer of each such county or the
41 appropriate municipal officer in the case of a municipal tax, and all expenditures of funds arising
42 from the local economic development sales tax trust fund shall be in accordance with this
43 section.

44 7. The director of revenue may authorize the state treasurer to make refunds from the
45 amounts in the trust fund and credited to any city or county for erroneous payments and
46 overpayments made, and may redeem dishonored checks and drafts deposited to the credit of
47 such cities and counties.

48 8. If any county or municipality abolishes the tax, the city or county shall notify the
49 director of revenue of the action at least ninety days prior to the effective date of the repeal and
50 the director of revenue may order retention in the trust fund, for a period of one year, of two
51 percent of the amount collected after receipt of such notice to cover possible refunds or
52 overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of
53 such accounts. After one year has elapsed after the effective date of abolition of the tax in such
54 city or county, the director of revenue shall remit the balance in the account to the city or county
55 and close the account of that city or county. The director of revenue shall notify each city or
56 county of each instance of any amount refunded or any check redeemed from receipts due the
57 city or county.

58 9. Except as modified in this section, all provisions of sections 32.085 and 32.087 shall
59 apply to the tax imposed pursuant to this section.

60 10. (1) No revenue generated by the tax authorized in this section shall be used for any
61 retail development project, except for the redevelopment of downtown areas and historic
62 districts. Not more than twenty-five percent of the revenue generated shall be used annually for
63 administrative purposes, including staff and facility costs.

64 (2) At least twenty percent of the revenue generated by the tax authorized in this section
65 shall be used solely for projects directly related to long-term economic development preparation,
66 including, but not limited to, the following:

- 67 (a) Acquisition of land;
- 68 (b) Installation of infrastructure for industrial or business parks;
- 69 (c) Improvement of water and wastewater treatment capacity;
- 70 (d) Extension of streets;
- 71 (e) Public facilities directly related to economic development and job creation; and
- 72 (f) Providing matching dollars for state or federal grants relating to such long-term
73 projects.

74 (3) The remaining revenue generated by the tax authorized in this section may be used
75 for, but shall not be limited to, the following:

- 76 (a) Marketing;
- 77 (b) Providing grants and loans to companies for job training, equipment acquisition, site
78 development, and infrastructures;
- 79 (c) Training programs to prepare workers for advanced technologies and high skill jobs;
- 80 (d) Legal and accounting expenses directly associated with the economic development
81 planning and preparation process;
- 82 (e) Developing value-added and export opportunities for Missouri agricultural products.

83 11. All revenue generated by the tax shall be deposited in a special trust fund and shall

84 be used solely for the designated purposes. If the tax is repealed, all funds remaining in the
85 special trust fund shall continue to be used solely for the designated purposes. Any funds in the
86 special trust fund which are not needed for current expenditures may be invested by the
87 governing body in accordance with applicable laws relating to the investment of other city or
88 county funds.

89 12. (1) Any city or county imposing the tax authorized in this section shall establish an
90 economic development tax board. The volunteer board shall receive no compensation or
91 operating budget.

92 (2) The economic development tax board established by a city shall consist of **at least**
93 **five members, but may be increased to nine members. Either a five-member or nine-**
94 **member board shall be designated in the order or ordinance imposing the sales tax**
95 **authorized by this section, and are** to be appointed as follows:

96 (a) One [member] **or two members** shall be appointed by the school districts included
97 within any economic development plan or area funded by the sales tax authorized in this section.
98 Such member shall be appointed in any manner agreed upon by the affected districts;

99 (b) Three **or five** members shall be appointed by the chief elected officer of the city with
100 the consent of the majority of the governing body of the city;

101 (c) One [member] **or two members** shall be appointed by the governing body of the
102 county in which the city is located.

103 (3) The economic development tax board established by a county shall consist of seven
104 members, to be appointed as follows:

105 (a) One member shall be appointed by the school districts included within any economic
106 development plan or area funded by the sales tax authorized in this section. Such member shall
107 be appointed in any manner agreed upon by the affected districts;

108 (b) Four members shall be appointed by the governing body of the county; and

109 (c) Two members from the cities, towns, or villages within the county appointed in any
110 manner agreed upon by the chief elected officers of the cities or villages.

111

112 Of the members initially appointed, three shall be designated to serve for terms of two years, and
113 the remaining members shall be designated to serve for a term of four years from the date of such
114 initial appointments. **If there are nine members initially appointed, the sixth, seventh,**
115 **eighth, and ninth members shall be designated to serve for terms of two years.** Thereafter,
116 the members appointed shall serve for a term of four years, except that all vacancies shall be
117 filled for unexpired terms in the same manner as were the original appointments.

118 (4) **If an economic development tax board established by a city is already in**
119 **existence on August 28, 2011, any increase in the number of members of the board shall**

120 **be designated in an order or ordinance. The sixth, seventh, eighth, and ninth members**
121 **shall be appointed to a term with an expiration coinciding with the expiration of the terms**
122 **of the three board member positions that were originally appointed to terms of two years.**
123 **Thereafter, the additional members appointed shall serve for a term of four years, except**
124 **that all vacancies shall be filled for unexpired terms in the same manner as were the**
125 **additional appointments.**

126 13. The board, subject to approval of the governing body of the city or county, shall
127 consider economic development plans, economic development projects, or designations of an
128 economic development area, and shall hold public hearings and provide notice of any such
129 hearings. The board shall vote on all proposed economic development plans, economic
130 development projects, or designations of an economic development area, and amendments
131 thereto, within thirty days following completion of the hearing on any such plan, project, or
132 designation, and shall make recommendations to the governing body within ninety days of the
133 hearing concerning the adoption of or amendment to economic development plans, economic
134 development projects, or designations of an economic development area. The governing body
135 of the city or county shall have the final determination on use and expenditure of any funds
136 received from the tax imposed under this section.

137 14. The board may consider and recommend using funds received from the tax imposed
138 under this section for plans, projects or area designations outside the boundaries of the city or
139 county imposing the tax if, and only if:

140 (1) The city or county imposing the tax or the state receives significant economic benefit
141 from the plan, project or area designation; and

142 (2) The board establishes an agreement with the governing bodies of all cities and
143 counties in which the plan, project or area designation is located detailing the authority and
144 responsibilities of each governing body with regard to the plan, project or area designation.

145 15. Notwithstanding any other provision of law to the contrary, the economic
146 development sales tax imposed under this section when imposed within a special taxing district,
147 including but not limited to a tax increment financing district, neighborhood improvement
148 district, or community improvement district, shall be excluded from the calculation of revenues
149 available to such districts, and no revenues from any sales tax imposed under this section shall
150 be used for the purposes of any such district unless recommended by the economic development
151 tax board established under this section and approved by the governing body imposing the tax.

152 16. The board and the governing body of the city or county imposing the tax shall report
153 at least annually to the governing body of the city or county on the use of the funds provided
154 under this section and on the progress of any plan, project, or designation adopted under this
155 section and shall make such report available to the public.

156 17. Not later than the first day of March each year the board shall submit to the joint
 157 committee on economic development a report, not exceeding one page in length, which must
 158 include the following information for each project using the tax authorized under this section:

- 159 (1) A statement of its primary economic development goals;
- 160 (2) A statement of the total economic development sales tax revenues received during
 161 the immediately preceding calendar year;
- 162 (3) A statement of total expenditures during the preceding calendar year in each of the
 163 following categories:
 - 164 (a) Infrastructure improvements;
 - 165 (b) Land and or buildings;
 - 166 (c) Machinery and equipment;
 - 167 (d) Job training investments;
 - 168 (e) Direct business incentives;
 - 169 (f) Marketing;
 - 170 (g) Administration and legal expenses; and
 - 171 (h) Other expenditures.

172 18. The governing body of any city or county that has adopted the sales tax authorized
 173 in this section may submit the question of repeal of the tax to the voters on any date available for
 174 elections for the city or county. The ballot of submission shall be in substantially the following
 175 form:

176 Shall (insert the name of the city or county) repeal the sales tax imposed at a rate
 177 of (insert rate of percent) percent for economic development purposes?

178 YES NO

179

180 If a majority of the votes cast on the proposal are in favor of the repeal, that repeal shall become
 181 effective on December thirty-first of the calendar year in which such repeal was approved. If a
 182 majority of the votes cast on the question by the qualified voters voting thereon are opposed to
 183 the repeal, then the sales tax authorized in this section shall remain effective until the question
 184 is resubmitted under this section to the qualified voters of the city or county, and the repeal is
 185 approved by a majority of the qualified voters voting on the question.

186 19. Whenever the governing body of any city or county that has adopted the sales tax
 187 authorized in this section receives a petition, signed by ten percent of the registered voters of the
 188 city or county voting in the last gubernatorial election, calling for an election to repeal the sales
 189 tax imposed under this section, the governing body shall submit to the voters a proposal to repeal
 190 the tax. If a majority of the votes cast on the question by the qualified voters voting thereon are
 191 in favor of the repeal, that repeal shall become effective on December thirty-first of the calendar

192 year in which such repeal was approved. If a majority of the votes cast on the question by the
193 qualified voters voting thereon are opposed to the repeal, then the tax shall remain effective until
194 the question is resubmitted under this section to the qualified voters and the repeal is approved
195 by a majority of the qualified voters voting on the question.

196 20. If any provision of this section or section 67.1303 or the application thereof to any
197 person or circumstance is held invalid, the invalidity shall not affect other provisions or
198 application of this section or section 67.1303 which can be given effect without the invalid
199 provision or application, and to this end the provisions of this section and section 67.1303 are
200 declared severable.

142.869. 1. The tax imposed by this chapter shall not apply to passenger motor vehicles,
2 buses as defined in section 301.010, or commercial motor vehicles registered in this state which
3 are powered by alternative fuel[,] **or hydrogen** and for which a valid **alternative fuel** decal has
4 been acquired as provided in this section. The owners or operators of such motor vehicles shall,
5 in lieu of the tax imposed by section 142.803, pay an annual alternative fuel decal fee as follows:
6 [seventy-five] **one hundred forty** dollars on each passenger motor vehicle, school bus as defined
7 in section 301.010, and commercial motor vehicle with a licensed gross vehicle weight of
8 eighteen thousand pounds or less; one hundred **eighty-five** dollars on each motor vehicle with
9 a licensed gross weight in excess of eighteen thousand pounds but not more than thirty-six
10 thousand pounds used for farm or farming transportation operations and registered with a license
11 plate designated with the letter "F"; [one] **two** hundred [fifty] **eighty** dollars on each motor
12 vehicle with a licensed gross vehicle weight in excess of eighteen thousand pounds but less than
13 or equal to thirty-six thousand pounds, and each passenger-carrying motor vehicle subject to the
14 registration fee provided in sections 301.059, 301.061 and 301.063; [two] **four** hundred [fifty]
15 **seventy** dollars on each motor vehicle with a licensed gross weight in excess of thirty-six
16 thousand pounds used for farm or farming transportation operations and registered with a license
17 plate designated with the letter "F"; and one thousand **eight hundred eighty** dollars on each
18 motor vehicle with a licensed gross vehicle weight in excess of thirty-six thousand pounds.
19 Notwithstanding provisions of this section to the contrary, motor vehicles licensed as historic
20 under section 301.131 which are powered by alternative fuel shall be exempt from both the tax
21 imposed by this chapter and the alternative fuel decal requirements of this section.

22 2. Except interstate fuel users and vehicles licensed under a reciprocity agreement as
23 defined in section 142.617, the tax imposed by section 142.803 shall not apply to motor vehicles
24 registered outside this state which are powered by alternative fuel, and for which a valid
25 temporary alternative fuel decal has been acquired as provided in this section. The owners or
26 operators of such motor vehicles shall, in lieu of the tax imposed by section 142.803, pay a
27 temporary alternative fuel decal fee of [eight] **twelve** dollars on each such vehicle. Such decals

28 shall be valid for a period of fifteen days from the date of issuance and shall be attached to the
29 lower right-hand corner of the front windshield on the motor vehicle for which it was issued.
30 Such **temporary** decal and fee shall not be transferable. [All proceeds from such decal fees shall
31 be deposited as specified in section 142.345.] Alternative fuel dealers selling such decals in
32 accordance with rules and regulations prescribed by the director shall be allowed to retain fifty
33 cents for each decal fee timely remitted to the director.

34 3. The director shall annually, on or before January thirty-first of each year, collect or
35 cause to be collected from owners or operators of the motor vehicles specified in subsection 1
36 of this section the annual decal fee. Applications for such decals shall be **created and** supplied
37 by the department of revenue. In the case of a motor vehicle which is not in operation by January
38 thirty-first of any year, a decal may be purchased for a fractional period of such year, and the
39 amount of the decal fee shall be reduced by one-twelfth for each complete month which shall
40 have elapsed since the beginning of such year.

41 4. Upon the payment of the fee required by subsection 1 of this section, the director shall
42 issue a decal, which shall be valid for the current calendar year and shall be attached to the lower
43 right-hand corner of the front windshield on the motor vehicle for which it was issued.

44 5. The decal fee paid pursuant to subsection 1 of this section for each motor vehicle shall
45 be transferable upon a change of ownership of the motor vehicle and, if the LP gas or natural gas
46 equipment is removed from a motor vehicle upon a change of ownership and is reinstalled in
47 another motor vehicle, upon such reinstallation. Such transfers shall be accomplished in
48 accordance with rules and regulations promulgated by the director.

49 6. It shall be unlawful for any person to operate a motor vehicle required to have an
50 alternative fuel decal upon the highways of this state without a valid decal.

51 7. No person shall cause to be put, or put, LP gas or natural gas into the fuel supply
52 receptacle of a motor vehicle required to have an alternative fuel decal unless the motor vehicle
53 has a valid decal attached to it. Sales of fuel placed in the supply receptacle of a motor vehicle
54 displaying such decal shall be recorded upon an invoice, which invoice shall include the decal
55 number, the motor vehicle license number and the number of gallons placed in such supply
56 receptacle.

57 8. Any person violating any provision of this section is guilty of an infraction and shall,
58 upon conviction thereof, be fined five hundred dollars.

59 9. Motor vehicles displaying a valid alternative fuel decal are exempt from the licensing
60 and reporting requirements of this chapter.

61 **10. For all new alternative fuel or hydrogen-powered vehicles assembled in**
62 **Missouri, the first year's decal fee shall be one-half of the fees as proposed in this section.**

2 **620.007.** The department of economic development shall require start-up
3 companies that apply for economic development incentives, where the incentive is provided
4 up-front, to provide verification of financial information when an application for such
5 incentives is submitted to the department. In complying with this section, the department
6 shall define "start-up company".

2 **620.009.** 1. The department of economic development shall share either by
3 electronic copy of the original source or as close as a reproduction as possible all adverse
4 information it has about a company seeking state and local economic development
5 incentives with all local governments, local not-for-profit economic development
6 organizations, and economic development officials competing for the company's business.

7 2. Local governments, local not-for-profit economic development organizations, and
8 economic development officials working with a company seeking state or local economic
9 development incentives shall also share with the department of economic development all
10 adverse information received about a company.

11 3. In complying with the provisions of this section, all adverse information received
12 about a company seeking state or local economic development incentives shall be subject
13 to the provisions of section 620.014.

14 4. In working with local governments, local not-for-profit economic development
15 organizations, and economic development officials on projects, the department of economic
16 development shall designate one or more persons as the local contact for each project. The
17 designated contacts shall be the persons through whom all information required in this
18 section shall be provided. Such persons shall be required to sign a nondisclosure
19 agreement agreeing not to divulge information, including company name, acquired about
20 an applicant for economic development incentives to the general public.

21 5. In complying with the provisions of this section, no person or entity shall be
22 required to violate terms of another nondisclosure agreement related to the project, except
23 that the department of economic development shall not enter into a nondisclosure
24 agreement that forbids sharing of adverse information under this section.

2 **620.019.** The department of economic development shall develop a rating system
3 to apprise local governments of the department's opinion on proposals for discretionary
4 economic development incentives that combine local and state resources.

2 **620.478.** 1. There is hereby established in the state treasury a special fund to be known
3 as the "Missouri Job Development Fund". The fund shall consist of all moneys which may be
4 appropriated to it by the general assembly and also any gifts, contributions, grants or bequests
5 received from federal, private or other sources. Appropriations made from the fund shall be for
6 the purpose of providing contractual services through the department of elementary and

6 secondary education for vocational related training or retraining provided by public or private
7 training institutions within Missouri; and for contracted services through the department of
8 economic development for vocational related training or retraining provided by public or private
9 training institutions located outside of Missouri; and for vocational related training or retraining
10 provided on site, within Missouri, by any proprietorship, partnership or corporate entity. Except
11 for state-sponsored preemployment training, no applicant shall receive more than fifty percent
12 of its project training or retraining costs from the development fund. Moneys to operate the new
13 or expanding industry training program, the basic industry retraining program, the industry
14 quality and productivity improvement program and assistance to community college business and
15 technology centers shall be obtained from appropriations made by the general assembly from the
16 fund. No funds shall be awarded or reimbursed to any industry for the training, retraining or
17 upgrading of skills of potential employees with the purpose of replacing or supplanting
18 employees engaged in an authorized work stoppage. **The department shall make efforts to**
19 **prioritize the use of funding available under this section to assist qualified suppliers, as**
20 **such term is defined under section 620.1910.**

21 2. The Missouri job development fund shall be able to receive any block grant or other
22 sources of funding relating to job training, school-to-work transition, welfare reform, vocational
23 and technical training, housing, infrastructure development and human resource investment
24 programs which may be provided by the federal government or other sources.

620.1878. For the purposes of sections 620.1875 to 620.1890, the following terms shall
2 mean:

3 (1) "Approval", a document submitted by the department to the qualified company that
4 states the benefits that may be provided by this program;
5 (2) "Average wage", the new payroll divided by the number of new jobs;
6 (3) "Commencement of operations", the starting date for the qualified company's first
7 new employee, which must be no later than twelve months from the date of the approval;
8 (4) "County average wage", the average wages in each county as determined by the
9 department for the most recently completed full calendar year. However, if the computed county
10 average wage is above the statewide average wage, the statewide average wage shall be deemed
11 the county average wage for such county for the purpose of determining eligibility. The
12 department shall publish the county average wage for each county at least annually.
13 Notwithstanding the provisions of this subdivision to the contrary, for any qualified company
14 that in conjunction with their project is relocating employees from a Missouri county with a
15 higher county average wage, the company shall obtain the endorsement of the governing body
16 of the community from which jobs are being relocated or the county average wage for their

17 project shall be the county average wage for the county from which the employees are being
18 relocated;

19 (5) "Department", the Missouri department of economic development;

20 (6) "Director", the director of the department of economic development;

21 (7) "Employee", a person employed by a qualified company;

22 (8) "Full-time employee", an employee of the qualified company that is scheduled to
23 work an average of at least thirty-five hours per week for a twelve-month period, and one for
24 which the qualified company offers health insurance and pays at least fifty percent of such
25 insurance premiums;

26 (9) "High-impact project", a qualified company that, within two years from
27 commencement of operations, creates one hundred or more new jobs;

28 (10) "Local incentives", the present value of the dollar amount of direct benefit received
29 by a qualified company for a project facility from one or more local political subdivisions, but
30 shall not include loans or other funds provided to the qualified company that must be repaid by
31 the qualified company to the political subdivision;

32 (11) "NAICS", the 1997 edition of the North American Industry Classification System
33 as prepared by the Executive Office of the President, Office of Management and Budget. Any
34 NAICS sector, subsector, industry group or industry identified in this section shall include its
35 corresponding classification in subsequent federal industry classification systems;

36 (12) "New direct local revenue", the present value of the dollar amount of direct net new
37 tax revenues of the local political subdivisions likely to be produced by the project over a
38 ten-year period as calculated by the department, excluding local earnings tax, and net new utility
39 revenues, provided the local incentives include a discount or other direct incentives from utilities
40 owned or operated by the political subdivision;

41 (13) **"New capital investment", shall include costs incurred by the qualified
42 company at the project facility after acceptance by the qualified company of the proposal
43 for benefits from the department or the approval of the notice of intent, whichever occurs
44 first, for real or personal property, and may include the value of finance or capital leases
45 for real or personal property for the term of such lease at the project facility executed after
46 acceptance by the qualified company of the proposal for benefits from the department or
47 approval of the notice of intent;**

48 (14) "New investment", the purchase or leasing of new tangible assets to be placed in
49 operation at the project facility, which will be directly related to the new jobs;

50 [(14)] (15) "New job", the number of full-time employees located at the project facility
51 that exceeds the project facility base employment less any decrease in the number of full-time
52 employees at related facilities below the related facility base employment. No job that was

53 created prior to the date of the notice of intent shall be deemed a new job. An employee that
54 spends less than fifty percent of the employee's work time at the facility is still considered to be
55 located at a facility if the employee receives his or her directions and control from that facility,
56 is on the facility's payroll, one hundred percent of the employee's income from such employment
57 is Missouri income, and the employee is paid at or above the state average wage;

58 [(15)] (16) "New payroll", the amount of taxable wages of full-time employees,
59 excluding owners, located at the project facility that exceeds the project facility base payroll. If
60 full-time employment at related facilities is below the related facility base employment, any
61 decrease in payroll for full-time employees at the related facilities below that related facility base
62 payroll shall also be subtracted to determine new payroll;

63 [(16)] (17) "Notice of intent", a form developed by the department, completed by the
64 qualified company and submitted to the department which states the qualified company's intent
65 to hire new jobs and request benefits under this program;

66 [(17)] (18) "Percent of local incentives", the amount of local incentives divided by the
67 amount of new direct local revenue;

68 [(18)] (19) "Program", the Missouri quality jobs program provided in sections 620.1875
69 to 620.1890;

70 [(19)] (20) "Project facility", the building used by a qualified company at which the new
71 jobs and new investment will be located. A project facility may include separate buildings that
72 are located within fifteen miles of each other or within the same county such that their purpose
73 and operations are interrelated;

74 [(20)] (21) "Project facility base employment", the greater of the number of full-time
75 employees located at the project facility on the date of the notice of intent or for the
76 twelve-month period prior to the date of the notice of intent, the average number of full-time
77 employees located at the project facility. In the event the project facility has not been in
78 operation for a full twelve-month period, the average number of full-time employees for the
79 number of months the project facility has been in operation prior to the date of the notice of
80 intent;

81 [(21)] (22) "Project facility base payroll", the total amount of taxable wages paid by the
82 qualified company to full-time employees of the qualified company located at the project facility
83 in the twelve months prior to the notice of intent, not including the payroll of the owners of the
84 qualified company unless the qualified company is participating in an employee stock ownership
85 plan. For purposes of calculating the benefits under this program, the amount of base payroll
86 shall increase each year based on an appropriate measure, as determined by the department;

87 [(22)] (23) "Project period", the time period that the benefits are provided to a qualified
88 company;

89 **(24) "Projected net fiscal benefit", the total fiscal benefit to the state less any state**
90 **benefits offered to the qualified company;**

91 [(23)] **(25) "Qualified company", a firm, partnership, joint venture, association, private**
92 **or public corporation whether organized for profit or not, or headquarters of such entity**
93 **registered to do business in Missouri that is the owner or operator of a project facility, offers**
94 **health insurance to all full-time employees of all facilities located in this state, and pays at least**
95 **fifty percent of such insurance premiums. For the purposes of sections 620.1875 to 620.1890,**
96 **the term "qualified company" shall not include:**

97 (a) Gambling establishments (NAICS industry group 7132);

98 (b) Retail trade establishments (NAICS sectors 44 and 45);

99 (c) Food and drinking places (NAICS subsector 722);

100 (d) Public utilities (NAICS 221 including water and sewer services);

101 (e) Any company that is delinquent in the payment of any nonprotested taxes or any
102 other amounts due the state or federal government or any other political subdivision of this state;

103 (f) Any company that has filed for or has publicly announced its intention to file for
104 bankruptcy protection. However, a company that has filed for or has publicly announced its
105 intention to file for bankruptcy between January 1, 2009, and December 31, 2009, may be a
106 qualified company provided that such company:

107 a. Certifies to the department that it plans to reorganize and not to liquidate; and

108 b. After its bankruptcy petition has been filed, it produces proof, in a form and at times
109 satisfactory to the department, that it is not delinquent in filing any tax returns or making any
110 payment due to the state of Missouri, including but not limited to all tax payments due after the
111 filing of the bankruptcy petition and under the terms of the plan of reorganization. Any taxpayer
112 who is awarded benefits under this subsection and who files for bankruptcy under Chapter 7 of
113 the United States Bankruptcy Code, Title 11 U.S.C., shall immediately notify the department and
114 shall forfeit such benefits and shall repay the state an amount equal to any state tax credits
115 already redeemed and any withholding taxes already retained;

116 (g) Educational services (NAICS sector 61);

117 (h) Religious organizations (NAICS industry group 8131);

118 (i) Public administration (NAICS sector 92);

119 (j) Ethanol distillation or production; or

120 (k) Biodiesel production. Notwithstanding any provision of this section to the contrary,
121 the headquarters or administrative offices of an otherwise excluded business may qualify for
122 benefits if the offices serve a multistate territory. In the event a national, state, or regional
123 headquarters operation is not the predominant activity of a project facility, the new jobs and

124 investment of such headquarters operation is considered eligible for benefits under this section
125 if the other requirements are satisfied;

126 ~~[(24)]~~ **(26)** "Qualified renewable energy sources" shall not be construed to include
127 ethanol distillation or production or biodiesel production; however, it shall include:

128 (a) Open-looped biomass;

129 (b) Close-looped biomass;

130 (c) Solar;

131 (d) Wind;

132 (e) Geothermal; and

133 (f) Hydropower;

134 ~~[(25)]~~ **(27)** "Related company" means:

135 (a) A corporation, partnership, trust, or association controlled by the qualified company;

136 (b) An individual, corporation, partnership, trust, or association in control of the
137 qualified company; or

138 (c) Corporations, partnerships, trusts or associations controlled by an individual,
139 corporation, partnership, trust or association in control of the qualified company. As used in this
140 subdivision, "control of a corporation" shall mean ownership, directly or indirectly, of stock
141 possessing at least fifty percent of the total combined voting power of all classes of stock entitled
142 to vote, "control of a partnership or association" shall mean ownership of at least fifty percent
143 of the capital or profits interest in such partnership or association, "control of a trust" shall mean
144 ownership, directly or indirectly, of at least fifty percent of the beneficial interest in the principal
145 or income of such trust, and ownership shall be determined as provided in Section 318 of the
146 Internal Revenue Code of 1986, as amended;

147 ~~[(26)]~~ **(28)** "Related facility", a facility operated by the qualified company or a related
148 company located in this state that is directly related to the operations of the project facility;

149 ~~[(27)]~~ **(29)** "Related facility base employment", the greater of the number of full-time
150 employees located at all related facilities on the date of the notice of intent or for the
151 twelve-month period prior to the date of the notice of intent, the average number of full-time
152 employees located at all related facilities of the qualified company or a related company located
153 in this state;

154 ~~[(28)]~~ **(30)** "Related facility base payroll", the total amount of taxable wages paid by the
155 qualified company to full-time employees of the qualified company located at a related facility
156 in the twelve months prior to the filing of the notice of intent, not including the payroll of the
157 owners of the qualified company unless the qualified company is participating in an employee
158 stock ownership plan. For purposes of calculating the benefits under this program, the amount

159 of related facility base payroll shall increase each year based on an appropriate measure, as
160 determined by the department;

161 [(29)] (31) "Rural area", a county in Missouri with a population less than seventy-five
162 thousand or that does not contain an individual city with a population greater than fifty thousand
163 according to the most recent federal decennial census;

164 [(30)] (32) "Small and expanding business project", a qualified company that within two
165 years of the date of the approval creates a minimum of twenty new jobs if the project facility is
166 located in a rural area or a minimum of forty new jobs if the project facility is not located in a
167 rural area and creates fewer than one hundred new jobs regardless of the location of the project
168 facility;

169 [(31)] (33) "Tax credits", tax credits issued by the department to offset the state income
170 taxes imposed by chapters 143 and 148, or which may be sold or refunded as provided for in this
171 program;

172 [(32)] (34) "Technology business project", a qualified company that within two years of
173 the date of the approval creates a minimum of ten new jobs involved in the operations of a
174 company:

175 (a) Which is a technology company, as determined by a regulation promulgated by the
176 department under the provisions of section 620.1884 or classified by NAICS codes;

177 (b) Which owns or leases a facility which produces electricity derived from qualified
178 renewable energy sources, or produces fuel for the generation of electricity from qualified
179 renewable energy sources, but does not include any company that has received the alcohol
180 mixture credit, alcohol credit, or small ethanol producer credit pursuant to 26 U.S.C. Section 40
181 of the tax code in the previous tax year;

182 (c) Which researches, develops, or manufactures power system technology for:
183 aerospace; space; defense; hybrid vehicles; or implantable or wearable medical devices; or

184 (d) Which is a clinical molecular diagnostic laboratory focused on detecting and
185 monitoring infections in immunocompromised patient populations;

186 [(33)] (35) "Withholding tax", the state tax imposed by sections 143.191 to 143.265. For
187 purposes of this program, the withholding tax shall be computed using a schedule as determined
188 by the department based on average wages.

620.1881. 1. The department of economic development shall respond within thirty days
2 to a company who provides a notice of intent with either an approval or a rejection of the notice
3 of intent. The department shall give preference to qualified companies and projects targeted at
4 an area of the state which has recently been classified as a disaster area by the federal
5 government. Failure to respond on behalf of the department of economic development shall
6 result in the notice of intent being deemed an approval for the purposes of this section. A

7 qualified company who is provided an approval for a project shall be allowed a benefit as
8 provided in this program in the amount and duration provided in this section. A qualified
9 company may receive additional periods for subsequent new jobs at the same facility after the
10 full initial period if the minimum thresholds are met as set forth in sections 620.1875 to
11 620.1890. There is no limit on the number of periods a qualified company may participate in the
12 program, as long as the minimum thresholds are achieved and the qualified company provides
13 the department with the required reporting and is in proper compliance for this program or other
14 state programs. A qualified company may elect to file a notice of intent to start a new project
15 period concurrent with an existing project period if the minimum thresholds are achieved and
16 the qualified company provides the department with the required reporting and is in proper
17 compliance for this program and other state programs; however, the qualified company may not
18 receive any further benefit under the original approval for jobs created after the date of the new
19 notice of intent, and any jobs created before the new notice of intent may not be included as new
20 jobs for the purpose of benefit calculation in relation to the new approval. When a qualified
21 company has filed and received approval of a notice of intent and subsequently files another
22 notice of intent, the department shall apply the definition of project facility under subdivision
23 [(19)] **(20)** of section 620.1878 to the new notice of intent as well as all previously approved
24 notices of intent and shall determine the application of the definitions of new job, new payroll,
25 project facility base employment, and project facility base payroll accordingly.

26 2. Notwithstanding any provision of law to the contrary, any qualified company that is
27 awarded benefits under this program may not simultaneously receive tax credits or exemptions
28 under sections 135.100 to 135.150, sections 135.200 to 135.286, section 135.535, or sections
29 135.900 to 135.906 at the same project facility. The benefits available to the company under any
30 other state programs for which the company is eligible and which utilize withholding tax from
31 the new jobs of the company must first be credited to the other state program before the
32 withholding retention level applicable under the Missouri quality jobs act will begin to accrue.
33 These other state programs include, but are not limited to, the new jobs training program under
34 sections 178.892 to 178.896, the job retention program under sections 178.760 to 178.764, the
35 real property tax increment allocation redevelopment act, sections 99.800 to 99.865, or the
36 Missouri downtown and rural economic stimulus act under sections 99.915 to 99.980. If any
37 qualified company also participates in the new jobs training program in sections 178.892 to
38 178.896, the company shall retain no withholding tax, but the department shall issue a refundable
39 tax credit for the full amount of benefit allowed under this [subdivision] **subsection**. The
40 calendar year annual maximum amount of tax credits which may be issued to a qualifying
41 company that also participates in the new job training program shall be increased by an amount
42 equivalent to the withholding tax retained by that company under the new jobs training program.

43 However, if the combined benefits of the quality jobs program and the new jobs training program
44 exceed the projected state benefit of the project, as determined by the department of economic
45 development through a cost-benefit analysis, the increase in the maximum tax credits shall be
46 limited to the amount that would not cause the combined benefits to exceed the projected state
47 benefit. Any taxpayer who is awarded benefits under this program who knowingly hires
48 individuals who are not allowed to work legally in the United States shall immediately forfeit
49 such benefits and shall repay the state an amount equal to any state tax credits already redeemed
50 and any withholding taxes already retained.

51 3. The types of projects and the amount of benefits to be provided are:

52 (1) Small and expanding business projects: in exchange for the consideration provided
53 by the new tax revenues and other economic stimuli that will be generated by the new jobs
54 created by the program, a qualified company may retain an amount equal to the withholding tax
55 as calculated under subdivision [(33)] **(35)** of section 620.1878 from the new jobs that would
56 otherwise be withheld and remitted by the qualified company under the provisions of sections
57 143.191 to 143.265 for a period of three years from the date the required number of new jobs
58 were created if the average wage of the new payroll equals or exceeds the county average wage
59 or for a period of five years from the date the required number of new jobs were created if the
60 average wage of the new payroll equals or exceeds one hundred twenty percent of the county
61 average wage;

62 (2) Technology business projects: in exchange for the consideration provided by the new
63 tax revenues and other economic stimuli that will be generated by the new jobs created by the
64 program, a qualified company may retain an amount equal to a maximum of five percent of new
65 payroll for a period of five years from the date the required number of jobs were created from
66 the withholding tax of the new jobs that would otherwise be withheld and remitted by the
67 qualified company under the provisions of sections 143.191 to 143.265 if the average wage of
68 the new payroll equals or exceeds the county average wage. An additional one-half percent of
69 new payroll may be added to the five percent maximum if the average wage of the new payroll
70 in any year exceeds one hundred twenty percent of the county average wage in the county in
71 which the project facility is located, plus an additional one-half percent of new payroll may be
72 added if the average wage of the new payroll in any year exceeds one hundred forty percent of
73 the average wage in the county in which the project facility is located. The department shall
74 issue a refundable tax credit for any difference between the amount of benefit allowed under this
75 subdivision and the amount of withholding tax retained by the company, in the event the
76 withholding tax is not sufficient to provide the entire amount of benefit due to the qualified
77 company under this subdivision;

78 (3) High impact projects: in exchange for the consideration provided by the new tax
79 revenues and other economic stimuli that will be generated by the new jobs created by the
80 program, a qualified company may retain an amount from the withholding tax of the new jobs
81 that would otherwise be withheld and remitted by the qualified company under the provisions
82 of sections 143.191 to 143.265, equal to three percent of new payroll for a period of five years
83 from the date the required number of jobs were created if the average wage of the new payroll
84 equals or exceeds the county average wage of the county in which the project facility is located.
85 For high-impact projects in a facility located within two adjacent counties, the new payroll shall
86 equal or exceed the higher county average wage of the adjacent counties. The percentage of
87 payroll allowed under this subdivision shall be three and one-half percent of new payroll if the
88 average wage of the new payroll in any year exceeds one hundred twenty percent of the county
89 average wage in the county in which the project facility is located. The percentage of payroll
90 allowed under this subdivision shall be four percent of new payroll if the average wage of the
91 new payroll in any year exceeds one hundred forty percent of the county average wage in the
92 county in which the project facility is located. An additional one percent of new payroll may be
93 added to these percentages if local incentives equal between ten percent and twenty-four percent
94 of the new direct local revenue; an additional two percent of new payroll is added to these
95 percentages if the local incentives equal between twenty-five percent and forty-nine percent of
96 the new direct local revenue; or an additional three percent of payroll is added to these
97 percentages if the local incentives equal fifty percent or more of the new direct local revenue.
98 The department shall issue a refundable tax credit for any difference between the amount of
99 benefit allowed under this subdivision and the amount of withholding tax retained by the
100 company, in the event the withholding tax is not sufficient to provide the entire amount of benefit
101 due to the qualified company under this subdivision;

102 (4) Job retention projects: a qualified company may receive a tax credit for the retention
103 of jobs in this state, provided the qualified company and the project meets all of the following
104 conditions:

105 (a) For each of the twenty-four months preceding the year in which application for the
106 program is made the qualified company must have maintained at least one thousand full-time
107 employees at the employer's site in the state at which the jobs are based, and the average wage
108 of such employees must meet or exceed the county average wage;

109 (b) The qualified company retained at the project facility the level of full-time employees
110 that existed in the taxable year immediately preceding the year in which application for the
111 program is made;

112 (c) The qualified company is considered to have a significant statewide effect on the
113 economy, and has been determined to represent a substantial risk of relocation **or quality job**

114 **loss** from the state by the quality jobs advisory task force established in section 620.1887;
115 provided, however, until such time as the initial at-large members of the quality jobs advisory
116 task force are appointed, this determination shall be made by the director of the department of
117 economic development;

118 (d) The qualified company in the project facility will cause to be invested a minimum
119 of [seventy] **fifty** million dollars in new investment prior to the end of [two] **five** years or will
120 cause to be invested a minimum of thirty million dollars in new investment prior to the end of
121 two years and maintain an annual payroll of at least seventy million dollars during each of the
122 years for which a credit is claimed; and

123 (e) The local taxing entities shall provide local incentives of at least fifty percent of the
124 new direct local revenues created by the project over a ten-year period. The quality jobs advisory
125 task force may recommend to the department of economic development that appropriate
126 penalties be applied to the company for violating the agreement. The amount of the job retention
127 credit granted may be equal to up to fifty percent of the amount of withholding tax generated by
128 the full-time jobs at the project facility for a period of five years. The calendar year annual
129 maximum amount of tax credit that may be issued to any qualified company for a job retention
130 project or combination of job retention projects shall be seven hundred fifty thousand dollars per
131 year, but the maximum amount may be increased up to one million dollars if such action is
132 proposed by the department and approved by the quality jobs advisory task force established in
133 section 620.1887; provided, however, until such time as the initial at-large members of the
134 quality jobs advisory task force are appointed, this determination shall be made by the director
135 of the department of economic development. In considering such a request, the task force shall
136 rely on economic modeling and other information supplied by the department when requesting
137 the increased limit on behalf of the job retention project. In no event shall the total amount of
138 all tax credits issued for the entire job retention program under this subdivision exceed three
139 million dollars annually. Notwithstanding the above, no tax credits shall be issued for job
140 retention projects approved by the department after August 30, [2013] **2018**;

141 **(5) Job retention projects: In lieu of the benefits provided under subdivision (4) of**
142 **this subsection and in exchange for the consideration provided by the tax revenues and**
143 **other economic stimuli that will be generated by the retention of jobs and new capital**
144 **investment in this state, a qualified company may be eligible to receive the benefits**
145 **described in this subdivision if the department determines that there is a significant**
146 **probability that the qualified company would relocate to another state in the absence of**
147 **the benefits authorized under this subdivision;**

148 **(a) A qualified company meeting the requirements of this subdivision may be**
149 **authorized to retain an amount not to exceed one hundred percent of the withholding tax**

150 from full-time jobs that would otherwise be withheld and remitted by the qualified
151 company under the provisions of sections 143.191 to 143.265, for a period of ten years if
152 the average wage of the retained jobs equals or exceeds ninety percent of the county
153 average wage. In order to receive benefits under this subdivision, a qualified company
154 shall enter into a written agreement, with the department, containing detailed performance
155 requirements and repayment penalties in the event of nonperformance. The amount of
156 benefits awarded to a qualified company under this subdivision shall not exceed the
157 projected net fiscal benefit and shall not exceed the least amount necessary to obtain the
158 qualified company's commitment to retain the necessary number of jobs and make the
159 required new capital investment;

160 (b) In order to be eligible to receive benefits under this subdivision, the qualified
161 company shall meet each of the following conditions:

162 a. The qualified company shall agree to retain, for a period of ten years from the
163 date of approval of the notice of intent, at least one hundred and twenty-five full-time
164 employees; and

165 b. The qualified company shall agree to make a new capital investment at the
166 project facility within three years from the approval of the notice of intent in an amount
167 equal to one half the total benefits provided under this subdivision, which are offered to
168 the qualified company by the department;

169 (c) In awarding benefits under this subdivision, the department shall consider the
170 following factors:

171 a. The significance of the qualified company's need for program benefits;

172 b. The amount of projected net fiscal benefit to the state of the project and the
173 period in which the state would realize such net fiscal benefit;

174 c. The overall size and quality of the proposed project, including the number of new
175 jobs, new capital investment, proposed wages, growth potential of the qualified company,
176 the potential multiplier effect of the project, and similar factors;

177 d. The financial stability and creditworthiness of the qualified company;

178 e. The level of economic distress in the area;

179 f. An evaluation of the competitiveness of alternative locations for the project
180 facility, as applicable;

181 (d) Upon approval of a notice of intent to request benefits under this subdivision,
182 the department and the qualified company shall enter into a written agreement covering
183 the applicable project period. The agreement shall specify, at a minimum:

184 a. The committed number of full-time employees, payroll, and new capital
185 investment for each year during the project period;

- 186 **b. Clawback provisions, as may be required by the department; and**
187 **c. Any other provisions the department may require;**
- 188 **(6) In no event shall the total amount of all benefits provided in subdivisions (5) and**
189 **(7) of this subsection for all qualified companies under this subdivision exceed six million**
190 **dollars for any fiscal year beginning on or after July 1, 2012;**
- 191 **(7) A qualified company meeting the requirements of subdivision (5) of this**
192 **subsection may elect a one-time issuance of tax credits in an amount not to exceed eighty**
193 **percent of the amount the qualified company may otherwise be eligible to retain for a**
194 **period of ten years under subdivision (5) of this subsection;**
- 195 **(a) In addition to satisfying each of the requirements of subdivision (5) of this**
196 **subsection, a qualified company requesting tax credits under this subdivision shall provide**
197 **to the department, prior to approval, evidence of commitments for the financing of any**
198 **applicable new capital investment. The new capital investment shall be made at the project**
199 **facility within three years of the date of approval;**
- 200 **(b) Upon approval of a notice of intent to request tax credits under this subdivision,**
201 **the department and the qualified company shall enter into a written agreement covering**
202 **the applicable project period. The agreement shall specify, at a minimum:**
- 203 **a. The committed number of jobs, payroll, and new capital investment for each**
204 **year during the project period;**
- 205 **b. The date or time period during which the tax credits shall be issued, which may**
206 **be immediately or over a period not to exceed three years from the date of approval;**
- 207 **c. Penalties, including the recapture of tax credits awarded under this subdivision,**
208 **for failure to satisfy the requirements provided under this subdivision and subdivision (5)**
209 **of this subsection; and**
- 210 **d. Any other provisions the department may require;**
- 211 **(8) Prior to the award of benefits under subdivision (5) or (7) of this subsection, the**
212 **director of the department shall notify the president pro tem of the senate and the speaker**
213 **of the house of representatives of the amount of the proposed award, including the county**
214 **and city in which the project facility is located, the number of retained jobs and the**
215 **average wages for such retained jobs, the estimated amount of new capital investment, and**
216 **the amount of the projected net fiscal benefit to the state from the project; provided that,**
217 **nothing herein shall require the disclosure of information otherwise protected from**
218 **disclosure by law;**
- 219 **[(5)] (9) Small business job retention and flood survivor relief: a qualified company may**
220 **receive a tax credit under sections 620.1875 to 620.1890 for the retention of jobs and flood**
221 **survivor relief in this state for each job retained over a three-year period, provided that:**

222 (a) The qualified company did not receive any state or federal benefits, incentives, or tax
223 relief or abatement in locating its facility in a flood plain;

224 (b) The qualified company and related companies have fewer than one hundred
225 employees at the time application for the program is made;

226 (c) The average wage of the qualified company's and related companies' employees must
227 meet or exceed the county average wage;

228 (d) All of the qualified company's and related companies' facilities are located in this
229 state;

230 (e) The facilities at the primary business site in this state have been directly damaged by
231 floodwater rising above the level of a five hundred year flood at least two years, but fewer than
232 eight years, prior to the time application is made;

233 (f) The qualified company made significant efforts to protect the facilities prior to any
234 impending danger from rising floodwaters;

235 (g) For each year it receives tax credits under sections 620.1875 to 620.1890, the
236 qualified company and related companies retained, at the company's facilities in this state, at
237 least the level of full-time, year-round employees that existed in the taxable year immediately
238 preceding the year in which application for the program is made; and

239 (h) In the years it receives tax credits under sections 620.1875 to 620.1890, the company
240 cumulatively invests at least two million dollars in capital improvements in facilities and
241 equipment located at such facilities that are not located within a five hundred year flood plain
242 as designated by the Federal Emergency Management Agency, and amended from time to time.
243 The amount of the small business job retention and flood survivor relief credit granted may be
244 equal to up to one hundred percent of the amount of withholding tax generated by the full-time
245 jobs at the project facility for a period of three years. The calendar year annual maximum
246 amount of tax credit that may be issued to any qualified company for a small business job
247 retention and survivor relief project shall be two hundred fifty thousand dollars per year, but the
248 maximum amount may be increased up to five hundred thousand dollars if such action is
249 proposed by the department and approved by the quality jobs advisory task force established in
250 section 620.1887. In considering such a request, the task force shall rely on economic modeling
251 and other information supplied by the department when requesting an increase in the limit on
252 behalf of the small business job retention and flood survivor relief project. In no event shall the
253 total amount of all tax credits issued for the entire small business job retention and flood survivor
254 relief program under this subdivision exceed five hundred thousand dollars annually.
255 Notwithstanding the provisions of this subdivision to the contrary, no tax credits shall be issued
256 for small business job retention and flood survivor relief projects approved by the department
257 after August 30, 2010.

258 4. The qualified company shall provide an annual report of the number of jobs and such
259 other information as may be required by the department to document the basis for the benefits
260 of this program. The department may withhold the approval of any benefits until it is satisfied
261 that proper documentation has been provided, and shall reduce the benefits to reflect any
262 reduction in full-time employees or new payroll. Upon approval by the department, the qualified
263 company may begin the retention of the withholding taxes when it reaches the minimum number
264 of new jobs and the average wage exceeds the county average wage. Tax credits, if any, may be
265 issued upon satisfaction by the department that the qualified company has exceeded the county
266 average wage and the minimum number of new jobs. In such annual report, if the average wage
267 is below the county average wage, the qualified company has not maintained the employee
268 insurance as required, or if the number of new jobs is below the minimum, the qualified
269 company shall not receive tax credits or retain the withholding tax for the balance of the benefit
270 period. In the case of a qualified company that initially filed a notice of intent and received an
271 approval from the department for high-impact benefits and the minimum number of new jobs
272 in an annual report is below the minimum for high-impact projects, the company shall not
273 receive tax credits for the balance of the benefit period but may continue to retain the
274 withholding taxes if it otherwise meets the requirements of a small and expanding business under
275 this program.

276 5. The maximum calendar year annual tax credits issued for the entire program shall not
277 exceed eighty million dollars, **with ten million dollars reserved to be awarded under**
278 **subsection 14 of this section.** Notwithstanding any provision of law to the contrary, the
279 maximum annual tax credits authorized under section 135.535 are hereby reduced from ten
280 million dollars to eight million dollars, with the balance of two million dollars transferred to this
281 program. There shall be no limit on the amount of withholding taxes that may be retained by
282 approved companies under this program.

283 6. The department shall allocate the annual tax credits based on the date of the approval,
284 reserving such tax credits based on the department's best estimate of new jobs and new payroll
285 of the project, and the other factors in the determination of benefits of this program. However,
286 the annual issuance of tax credits is subject to the annual verification of the actual new payroll.
287 The allocation of tax credits for the period assigned to a project shall expire if, within two years
288 from the date of commencement of operations, or approval if applicable, the minimum
289 thresholds have not been achieved. The qualified company may retain authorized amounts from
290 the withholding tax under this section once the minimum new jobs thresholds are met for the
291 duration of the project period. No benefits shall be provided under this program until the
292 qualified company meets the minimum new jobs thresholds. In the event the qualified company
293 does not meet the minimum new job threshold, the qualified company may submit a new notice

294 of intent or the department may provide a new approval for a new project of the qualified
295 company at the project facility or other facilities.

296 7. For a qualified company with flow-through tax treatment to its members, partners, or
297 shareholders, the tax credit shall be allowed to members, partners, or shareholders in proportion
298 to their share of ownership on the last day of the qualified company's tax period.

299 8. Tax credits may be claimed against taxes otherwise imposed by chapters 143 and 148,
300 and may not be carried forward but shall be claimed within one year of the close of the taxable
301 year for which they were issued, except as provided under subdivision (4) of subsection 3 of this
302 section.

303 9. Tax credits authorized by this section may be transferred, sold, or assigned by filing
304 a notarized endorsement thereof with the department that names the transferee, the amount of
305 tax credit transferred, and the value received for the credit, as well as any other information
306 reasonably requested by the department.

307 10. Prior to the issuance of tax credits, the department shall verify through the
308 department of revenue, or any other state department, that the tax credit applicant does not owe
309 any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent
310 fees or assessments levied by any state department and through the department of insurance,
311 financial institutions and professional registration that the applicant does not owe any delinquent
312 insurance taxes. Such delinquency shall not affect the authorization of the application for such
313 tax credits, except that at issuance credits shall be first applied to the delinquency and any
314 amount issued shall be reduced by the applicant's tax delinquency. If the department of revenue
315 or the department of insurance, financial institutions and professional registration, or any other
316 state department, concludes that a taxpayer is delinquent after June fifteenth but before July first
317 of any year and the application of tax credits to such delinquency causes a tax deficiency on
318 behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy the
319 deficiency in which interest, penalties, and additions to tax shall be tolled. After applying all
320 available credits toward a tax delinquency, the administering agency shall notify the appropriate
321 department and that department shall update the amount of outstanding delinquent tax owed by
322 the applicant. If any credits remain after satisfying all insurance, income, sales, and use tax
323 delinquencies, the remaining credits shall be issued to the applicant, subject to the restrictions
324 of other provisions of law.

325 11. Except as provided under subdivision (4) of subsection 3 of this section, the director
326 of revenue shall issue a refund to the qualified company to the extent that the amount of credits
327 allowed in this section exceeds the amount of the qualified company's income tax.

328 12. An employee of a qualified company will receive full credit for the amount of tax
329 withheld as provided in section 143.211.

330 13. If any provision of sections 620.1875 to 620.1890 or application thereof to any
331 person or circumstance is held invalid, the invalidity shall not affect other provisions or
332 application of these sections which can be given effect without the invalid provisions or
333 application, and to this end, the provisions of sections 620.1875 to 620.1890 are hereby declared
334 severable.

335 **14. For each calendar year beginning on or after January 1, 2013, but ending on**
336 **or before December 31, 2014, in lieu of all other benefits available under this program, the**
337 **department may authorize a qualified company meeting the requirements of this**
338 **subsection and subsection 3 of this section to be issued tax credits in an amount not to**
339 **exceed seven percent of new payroll from the new jobs created projected over a period of**
340 **five years from the date the required number of new jobs are to be created, or, if the**
341 **qualified company is in a targeted industry identified by the department by rule following**
342 **a strategic planning process as being critical to the state's economic security and growth,**
343 **the department may authorize tax credits in an amount not to exceed nine percent of new**
344 **payroll from the new jobs created, projected over a period of five years. The amount of**
345 **benefits awarded to a qualified company under this section shall not exceed the projected**
346 **net fiscal benefit to the state over a ten year period, as determined by the department, and**
347 **may not exceed the least amount necessary to obtain the qualified company's commitment**
348 **to initiate the project. In no event shall the tax credits authorized under this subsection**
349 **exceed ten million dollars annually.**

350 **(1) Prior to approval, a qualified company requesting benefits under this subsection**
351 **shall provide evidence of commitments for the financing of any applicable new capital**
352 **investment. The new capital investment shall be made at the project facility within two**
353 **years of the date of approval of the notice of intent.**

354 **(2) In awarding tax credits under this subsection, the department shall consider**
355 **factors set forth in subsection 2 of this section.**

356 **(3) Upon approval of a notice of intent to receive tax credits under this subsection,**
357 **the department and the qualified company shall enter into a written agreement covering**
358 **the applicable project period containing detailed performance requirements and**
359 **repayment penalties in event of nonperformance. The agreement shall specify, at a**
360 **minimum:**

361 **(a) The committed number of new jobs, payroll, and new capital investment for**
362 **each year during the project period;**

363 **(b) The date or time period during which the tax credits shall be issued, which may**
364 **be immediately or over a period not to exceed two years from the date of approval of the**
365 **notice of intent;**

366 (c) Clawback provisions provided under subdivision (4) of this subsection; and
367 (d) Any other provisions necessary to effectuate the intent of this subsection.

368 (4) The following clawback provisions shall apply to any benefits awarded under
369 this subsection:

370 (a) If a qualified company fails to meet any requirements of this section, including
371 the applicable number of new jobs created or new capital investment within two years
372 from the date of approval of its notice of intent, the qualified company shall repay the face
373 amount of all tax credits received from the department, plus interest of nine percent per
374 annum from the date the tax credits were issued. However, the director may, in his or her
375 discretion, provide an extension up to two additional years or reduce such payment, if such
376 failure is caused by documented unforeseen events that negatively affected the operations
377 at the project facility that were not under the control of the qualified company;

378 (b) If, during any year of the project period, the average wage of the new payroll
379 paid by the qualified company fails to equal or exceed the applicable percentage of the
380 county average wage, or the qualified company fails to offer and pay fifty percent of the
381 premium for health insurance to all of its full-time employees located in this state, the
382 company shall refund to the state an amount equal to the face amount of all tax credits
383 received from the department under this program, divided by the number of years in the
384 project period. In addition to the refund, the qualified company shall pay interest of nine
385 percent per annum from the date the tax credits were issued on the amount of the refund;

386 (c) If the qualified company fails to meet its payroll commitment for any year
387 during the project period, it shall refund to the state a portion of its total benefit received
388 under this section based on the following formula: the total amount of tax credits received
389 by the qualified company, divided by the number of years during the project period, and
390 multiplied by a fraction, the numerator of which is the contractually agreed-upon amount
391 of payroll for that year minus the actual amount of payroll made by the company during
392 the year, and the denominator of which is the contractually agreed upon amount of payroll
393 made for that same year. In addition to the refund, the qualified company shall pay
394 interest of nine percent per annum from the date the tax credits were issued on the amount
395 of the refund;

396 (d) If the qualified company fails to meet its payroll or new capital investment
397 requirements for any year during the project period and the director has a reasonable
398 belief that the qualified company will not be able to meet its performance requirements
399 during all or any portion of the remainder of the project period, the director may require
400 the company to repay all or a proportionate amount of the total tax credits received by the
401 company attributable to the remaining years of the project period as well as the current

402 year, plus interest of nine percent per annum on the amount of repayment from the date
403 the tax credits were issued.

404 (5) Prior to the award of benefits under this subsection, the director of the
405 department shall notify the president pro tem of the senate and the speaker of the house
406 of representatives of the amount of the proposed award, including the county and city in
407 which the project facility is located, the number of new jobs and the proposed wages for
408 such new jobs, the estimated amount of new capital investment, and the amount of the
409 projected net fiscal benefit to the state from the project; provided that, nothing herein shall
410 require the disclosure of information otherwise protected from disclosure by law.

620.1910. 1. This section shall be known and may be cited as the "Manufacturing Jobs
2 Act".

3 2. As used in this section, the following terms mean:

4 (1) "Approval", a document submitted by the department to the qualified manufacturing
5 company or qualified supplier that states the benefits that may be provided under this section;

6 (2) "Capital investment", expenditures made by a qualified manufacturing company to
7 retool or reconfigure a manufacturing facility directly related to the manufacturing of a new
8 product or the expansion or modification of the manufacture of an existing product;

9 (3) "County average wage", the same meaning as such term is defined in section
10 620.1878;

11 (4) "Department", the department of economic development;

12 (5) "Facility", a building or buildings located in Missouri at which the qualified
13 manufacturing company or qualified supplier manufactures a product;

14 (6) "Facility investment", the value of real and depreciable tangible personal
15 property, acquired by the qualified supplier as part of the supplier's manufacturing
16 facility, which is used by such supplier in the operation of such facility, except that trucks,
17 truck-trailers, truck semitrailers, rail vehicles, barge vehicles, aircraft and other rolling
18 stock for hire, track, switches, barges, bridges, tunnels, and rail yards and spurs shall not
19 constitute new business facility investments. The total value of such property during such
20 taxable year shall be:

21 (a) Its original cost if owned by the qualified supplier; or

22 (b) Eight times the net annual rental rate, if leased by the qualified supplier. The
23 net annual rental rate shall be the annual rental rate paid by the qualified supplier less any
24 annual rental rate received by the qualified supplier from subrentals. The facility
25 investment shall be determined by dividing by twelve the sum of the total value of such
26 property on the last business day of each calendar month of the taxable year. If the facility
27 is in operation for less than an entire taxable year, the facility investment shall be

28 **determined by dividing the sum of the total value of such property on the last business day**
29 **of each full calendar month during the portion of such taxable year during which the**
30 **facility was in operation by the number of full calendar months during such period;**

31 (7) "Full-time job", a job for which a person is compensated for an average of at least
32 thirty-five hours per week for a twelve-month period, and one for which the qualified
33 manufacturing company or qualified supplier offers health insurance and pays at least fifty
34 percent of such insurance premiums;

35 [(7)] (8) "NAICS industry classification", the most recent edition of the North American
36 Industry Classification System as prepared by the Executive Office of the President, Office of
37 Management and Budget;

38 [(8)] (9) "New job", the same meaning as such term is defined in section 620.1878;

39 (10) "New payroll", the same meaning as such term is defined in section 620.1878;

40 [(9)] (11) "New product", a new model or line of a manufactured good that has not been
41 manufactured in Missouri by the qualified manufacturing company at any time prior to the date
42 of the notice of intent, or an existing brand, model, or line of a manufactured good that is
43 redesigned with more than seventy-five percent new exterior body parts and incorporates new
44 powertrain options;

45 [(10)] (12) "Notice of intent", a form developed by the department, completed by the
46 qualified manufacturing company or qualified supplier and submitted to the department which
47 states the qualified manufacturing company's or qualified supplier's intent to create new jobs or
48 retain current jobs and make additional capital investment, as applicable, and request benefits
49 under this section. The notice of intent shall specify the minimum number of such new or
50 retained jobs and the minimum amount of such capital investment;

51 (13) "Project facility", the building or buildings used by a qualified supplier at
52 which new jobs and any facility investment are or will be located. A project facility may
53 include separate buildings located within sixty miles of each other such that their purpose
54 and operations are interrelated; provided, that where the buildings making up the project
55 facility are not located within the same county, the average wage of the new jobs must
56 exceed the highest county average wage among the counties in which the buildings are
57 located. Upon approval by the department, a subsequent project facility may be
58 designated if the qualified supplier demonstrates a need to relocate to the subsequent
59 project facility at any time during the project period;

60 [(11)] (14) "Qualified manufacturing company", a business with a NAICS code of 33611
61 that:

62 (a) Manufactures goods at a facility in Missouri;

63 (b) In the case of the manufacture of a new product, commits to make a capital
64 investment of at least seventy-five thousand dollars per retained job within no more than two
65 years of the date the qualified manufacturing company begins to retain withholding tax under this
66 section, or in the case of the modification or expansion of the manufacture of an existing product,
67 commits to make a capital investment of at least fifty thousand dollars per retained job within
68 no more than two years of the date the qualified manufacturing company begins to retain
69 withholding tax under this section;

70 (c) Manufactures a new product or has commenced making capital improvements to the
71 facility necessary for the manufacturing of such new product, or modifies or expands the
72 manufacture of an existing product or has commenced making capital improvements to the
73 facility necessary for the modification or expansion of the manufacture of such existing product;
74 and

75 (d) Continues to meet the requirements of paragraphs (a) to (c) of this subdivision for
76 the withholding period;

77 [(12)] **(15)** "Qualified supplier", a manufacturing company that:

78 (a) [Attests to the department that it derives more than ten percent of the total annual
79 sales of the company from sales to a qualified manufacturing company;

80 (b) Adds] **Manufactures goods at a facility in Missouri at which it adds:**

81 **a. Five or more new jobs; or**

82 **b. Two or more new jobs and makes no less than one hundred thousand dollars in**
83 **facility investment;**

84 [(c)] **(b)** Has an average wage, as defined in section 135.950, for such new jobs that are
85 equal to or exceed the lower of the county average wage for Missouri as determined by the
86 department using NAICS industry classifications, but not lower than sixty percent of the
87 statewide average wage; [and

88 (d)] **(c)** Provides health insurance for all full-time jobs and pays at least fifty percent of
89 the premiums of such insurance; **and**

90 **(d) Attests to the department that it derives more than:**

91 **a. Ten percent of the total annual sales of the company from sales to a qualified**
92 **manufacturing company;**

93 **b. Ten percent of the total annual sales of the company from sales of a product**
94 **which ultimately becomes a component of a finished product of a manufacturer with a**
95 **NAICS code of 33611; or**

96 **c. Fifty percent of the total annual sales of the company from the modification of**
97 **a finished product of a manufacturer with a NAICS code of 33611, for commercial or**
98 **public use, under certification from such manufacturer;**

99 [(13)] (16) "Retained job", the number of full-time jobs of persons employed by the
100 qualified manufacturing company located at the facility that existed as of the last working day
101 of the month immediately preceding the month in which notice of intent is submitted;

102 [(14)] (17) "Statewide average wage", an amount equal to the quotient of the sum of the
103 total gross wages paid for the corresponding four calendar quarters divided by the average annual
104 employment for such four calendar quarters, which shall be computed using the Quarterly
105 Census of Employment and Wages Data for All Private Ownership Businesses in Missouri, as
106 published by the Bureau of Labor Statistics of the United States Department of Labor;

107 [(15)] (18) "Withholding period", the seven- or ten-year period in which a qualified
108 manufacturing company may receive benefits under this section;

109 [(16)] (19) "Withholding tax", the same meaning as such term is defined in section
110 620.1878.

111 3. The department shall respond within thirty days to a qualified manufacturing company
112 or a qualified supplier who provides a notice of intent with either an approval or a rejection of
113 the notice of intent. Failure to respond on behalf of the department shall result in the notice of
114 intent being deemed an approval for the purposes of this section.

115 4. A qualified manufacturing company that manufactures a new product may, upon the
116 department's approval of a notice of intent and the execution of an agreement that meets the
117 requirements of subsection 9 of this section, but no earlier than January 1, 2012, retain one
118 hundred percent of the withholding tax from full-time jobs at the facility for a period of ten years.
119 A qualified manufacturing company that modifies or expands the manufacture of an existing
120 product may, upon the department's approval of a notice of intent and the execution of an
121 agreement that meets the requirements of subsection 9 of this section, but no earlier than
122 January 1, 2012, retain fifty percent of the withholding tax from full-time jobs at the facility for
123 a period of seven years. Except as otherwise allowed under subsection 7 of this section, the
124 commencement of the withholding period may be delayed by no more than twenty-four months
125 after execution of the agreement at the option of the qualified manufacturing company. Such
126 qualified manufacturing company shall be eligible for participation in the Missouri quality jobs
127 program in sections 620.1875 to 620.1890 for any new jobs for which it does not retain
128 withholding tax under this section, provided all qualifications for such program are met.

129 5. A qualified supplier may, upon approval of a notice of intent by the department, retain
130 [all withholding tax from new jobs for a period of three years from the date of approval of the
131 notice of intent or for a period of five years if the supplier pays wages for the new jobs equal to
132 or greater than one hundred twenty percent of county average wage] **an amount equal to a**
133 **maximum of five and one-half percent of new payroll for a period of five years from the**
134 **date the required number of jobs were created in this state from the withholding tax of the**

135 **new jobs that would otherwise be withheld and remitted by the qualified supplier, if the**
136 **average wage of the new jobs equals or exceeds the county average wage. An additional**
137 **one-half percent of new payroll may be added to the five and one-half percent maximum,**
138 **if the average wage of the new jobs in any year exceeds one hundred twenty percent of the**
139 **county average wage in the county in which the project facility is located, plus an**
140 **additional one-half percent of new payroll may be added, if the average wage of the new**
141 **jobs in any year exceeds one hundred forty percent of the average wage in the county in**
142 **which the project facility is located. The department shall issue a refundable tax credit for**
143 **any difference between the amount of benefit allowed under this subsection and the**
144 **amount of withholding tax retained by the qualified supplier, in the event the withholding**
145 **tax is not sufficient to provide the entire amount of benefit due to the qualified supplier**
146 **under this subsection. Any tax credits issued under this subsection shall be subject to the**
147 **provisions of subsections 6 to 12 of section 620.1881.** Notwithstanding any other provision
148 of law to the contrary, a qualified supplier that is awarded benefits under this section shall not
149 receive any tax credit or exemption or be entitled to retain withholding under sections 100.700
150 to 100.850, sections 135.100 to 135.150, sections 135.200 to 135.286, section 135.535, sections
151 135.900 to 135.906, sections 135.950 to 135.970, or section 620.1881 for the same jobs.

152 6. Notwithstanding any other provision of law to the contrary, the maximum amount of
153 withholding tax that may be retained by any one qualified manufacturing company under this
154 section shall not exceed ten million dollars per calendar year. The aggregate amount of
155 withholding tax that may be retained by all qualified manufacturing companies under this section
156 shall not exceed fifteen million dollars per calendar year.

157 7. Notwithstanding any other provision of law to the contrary, any qualified
158 manufacturing company that is awarded benefits under this section shall not simultaneously
159 receive tax credits or exemptions under sections 100.700 to 100.850, sections 135.100 to
160 135.150, sections 135.200 to 135.286, section 135.535, or sections 135.900 to 135.906 for the
161 jobs created or retained or capital improvement which qualified for benefits under this section.
162 The benefits available to the qualified manufacturing company under any other state programs
163 for which the qualified manufacturing company is eligible and which utilize withholding tax
164 from the jobs at the facility shall first be credited to the other state program before the applicable
165 withholding period for benefits provided under this section shall begin. These other state
166 programs include, but are not limited to, the new jobs training program under sections 178.892
167 to 178.896, the job retention program under sections 178.760 to 178.764, the real property tax
168 increment allocation redevelopment act under sections 99.800 to 99.865, or the Missouri
169 downtown and rural economic stimulus act under sections 99.915 to 99.980. If any qualified
170 manufacturing company also participates in the new jobs training program in sections 178.892

171 to 178.896, such qualified manufacturing company shall not retain any withholding tax that has
172 already been allocated for use in the new jobs training program. **If any qualified supplier also**
173 **participates in the new jobs training program in sections 178.892 to 178.896, the company**
174 **shall retain no withholding tax, but the department shall issue a refundable tax credit for**
175 **the full amount of benefit allowed under this section. The calendar year annual maximum**
176 **amount of tax credits which may be issued to a qualified supplier that also participates in**
177 **the new job training program shall be increased by an amount equivalent to the**
178 **withholding tax retained by that company under the new jobs training program. However,**
179 **if the combined benefits of this program and the new jobs training program exceed the**
180 **projected state benefit of the project, as determined by the department through a cost-**
181 **benefit analysis, the increase in the maximum tax credits shall be limited to the amount**
182 **that would not cause the combined benefits to exceed the projected state benefit.** Any
183 qualified manufacturing company or qualified supplier that is awarded benefits under this
184 program and knowingly hires individuals who are not allowed to work legally in the United
185 States shall immediately forfeit such benefits and shall repay the state an amount equal to any
186 withholding taxes already retained. Subsection 5 of section 285.530 shall not apply to qualified
187 manufacturing companies or qualified suppliers which are awarded benefits under this program.

188 8. The department may promulgate rules to implement the provisions of this section.
189 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the
190 authority delegated in this section shall become effective only if it complies with and is subject
191 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
192 chapter 536 are nonseverable and if any of the powers vested with the general assembly under
193 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
194 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
195 or adopted after the effective date of this section shall be invalid and void.

196 9. Within six months of completion of a notice of intent required under this section, the
197 qualified manufacturing company shall enter into an agreement with the department that
198 memorializes the content of the notice of intent, the requirements of this section, and the
199 consequences for failing to meet such requirements, which shall include the following:

200 (1) If the amount of capital investment made by the qualified manufacturing company
201 is not made within the two-year period provided for such investment, the qualified manufacturing
202 company shall immediately cease retaining any withholding tax with respect to jobs at the facility
203 and it shall forfeit all rights to retain withholding tax for the remainder of the withholding period.
204 In addition, the qualified manufacturing company shall repay any amounts of withholding tax
205 retained plus interest of five percent per annum. However, in the event that such capital
206 investment shortfall is due to economic conditions beyond the control of the qualified

207 manufacturing company, the director may, at the qualified manufacturing company's request,
208 suspend rather than terminate its privilege to retain withholding tax under this section for up to
209 three years. Any such suspension shall extend the withholding period by the same amount of
210 time. No more than one such suspension shall be granted to a qualified manufacturing company;

211 (2) If the qualified manufacturing company discontinues the manufacturing of the new
212 product and does not replace it with a subsequent or additional new product manufactured at the
213 facility at any time during the withholding period, the qualified manufacturing company shall
214 immediately cease retaining any withholding tax with respect to jobs at that facility and it shall
215 forfeit all rights to retain withholding tax for the remainder of the withholding period.

216 10. Prior to March first each year, the department shall provide a report to the general
217 assembly including the names of participating qualified manufacturing companies or qualified
218 suppliers, location of such companies or suppliers, the annual amount of benefits provided, the
219 estimated net state fiscal impact including direct and indirect new state taxes derived, and the
220 number of new jobs created or jobs retained.

221 11. Under section 23.253 of the Missouri sunset act:

222 (1) The provisions of the new program authorized under this section shall automatically
223 sunset October 12, 2016, unless reauthorized by an act of the general assembly; and

224 (2) If such program is reauthorized, the program authorized under this section shall
225 automatically sunset twelve years after the effective date of the reauthorization of this section;
226 and

227 (3) This section shall terminate on September first of the calendar year immediately
228 following the calendar year in which the program authorized under this section is sunset.

**Section 1. Notwithstanding any law to the contrary, any company that qualified for
2 a loan, loan guarantee, or grant under section 620.495 but no longer qualifies may apply
3 for a loan under the provisions of sections 30.750 through 30.765 if the company can
4 demonstrate economic growth, which may include but not be limited to new jobs, increased
5 revenues, or the acquisition of land and existing buildings, the rehabilitation of buildings
6 or other facilities, or construction of new facilities for such company. Any company
7 accepted for a linked deposit loan package under the provisions of this section shall be
8 eligible for a one half point discount of the interest rate charged as provided in section
9 30.758. The state treasurer shall establish rules and regulations for administering the
10 program and for determining eligibility for participation.**

**Section 2. The department of economic development shall include a conflict of
2 interest policy in all new consulting contracts for trade offices located in foreign countries.**

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