

HB 1460 -- ECONOMIC EDUCATION PARTNERSHIP ACT

SPONSOR: Butler

This bill establishes the Economic Education Partnership Act. If an employer with facilities in Missouri and 50 or fewer employees pays for the tuition or fees for an employee or an intern who is a resident of this state to pursue an associates, bachelors, masters, or doctorate degree in health care, engineering, or information technology related programs, the employer can retain withholding taxes on its employees for up to five years. The amount of withholding taxes that the employer may retain is limited to the amount the employer spent on the employee's or intern's education. An employer is allowed to retain withholding taxes on its employees if the employer trains an individual for a job in the health care, engineering, or information technology field for no more than one year. The amount of withholding taxes that the employer may retain is limited to the amount the employer paid in wages to the individual while training him or her. The total amount of withholding tax that can be retained by all employers under these provisions cannot exceed \$2 million.

The bill requires an employer to enter into an agreement with the Department of Economic Development that requires the employer to employ the individual upon the completion of his or her degree or training for at least as long as the employer is authorized to retain withholding taxes. The department can audit employers to ensure compliance with the program requirements. An employer who fails to comply with the agreement must cease retaining any withholding tax and repay any amounts of withholding tax retained plus interest at 5% per year.

These provisions will expire seven years after the effective date.

This bill is similar to HB 244 (2015).