

HCS HB 1640 -- EMPLOYER TAX INCENTIVE

SPONSOR: Hicks

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Higher Education by a vote of 8 to 5. Voted "Do Pass with HCS" by the Select Committee on Education by a vote of 8 to 2.

INTERNSHIP POSITION (Section 173.670, RSMo)

The bill authorizes any taxpayer who hires a student majoring in science, technology, engineering, or mathematics at a Missouri public or private two-year or four-year college to fill an internship position in one of those fields for at least 15 hours a week for at least 12 weeks to apply to have up to \$5,000 of the taxpayer's state tax liability removed from the General Revenue Fund and placed in the Science, Technology, Engineering, and Mathematics Fund. The Department of Higher Education must establish a procedure for approving applications, and the total amount of tax transferred annually cannot exceed \$50,000 for all participating taxpayers. Any donations to the fund from third parties will not count toward the \$50,000 limit.

ECONOMIC-EDUCATION PARTNERSHIP ACT (Section 620.3030)

The bill establishes the Economic-Education Partnership Act. An employer with facilities in Missouri that provides educational benefits to a qualified individual or trains a qualified individual for an employment position in one of the specified fields, can apply to have up to \$5,000 of the taxpayer's state tax liability transferred from the General Revenue Fund and placed in the Science, Technology, Engineering, and Mathematics Fund. Training must be in the health care, engineering, or information technology fields for no more than one year. "Education benefits" are defined as the funds provided by an employer to a qualified individual or to an accredited educational institution for a period of up to five years to pay any portion of the tuition or fees for an employee who is a resident of Missouri to pursue an advanced certificate or an associates, bachelors, masters, or doctorate degree in health care, engineering, or information technology related programs. The department must establish a procedure for approving applications, and the total amount of tax transferred annually cannot exceed \$50,000 for all participating taxpayers. The department may audit employers to ensure compliance with these provisions.

This bill is the same as SB 268 (2015).

PROPOSERS: Supporters say this bill will help to increase STEM opportunities for students and make it easier to enter the

workforce.

Testifying for the bill were Representative Hicks; Missouri Chamber Of Commerce And Industry; and the Associated Students Of The University of Missouri.

OPPONENTS: There was no opposition voiced to the committee.