

Journal of the Senate

FIRST REGULAR SESSION

SIXTY-NINTH DAY—FRIDAY, MAY 13, 2011

The Senate met pursuant to adjournment.

Senator Pearce in the Chair.

Reverend Carl Gauck offered the following prayer:

“Therefore nothing should give comfort and joy to those who love you as much as knowing that your will and purposes are accomplished in them.” (Thomas a Kempis)

Gracious God, this is it, our last day to try to get a lot done in a short amount of time. And whether we get that last minute bill before the body or last ditch effort to pass what we consider important legislation, let us be mindful that our comfort and joy comes from our relationship with You and our efforts to follow Your lead and accomplish it in what we have done here, for Your will and honor are more important than anything else. And may we all know Your blessings this day and end the day in praise and thanksgiving. In Your Holy Name we pray. Amen.

The Pledge of Allegiance to the Flag was recited.

A quorum being established, the Senate proceeded with its business.

President Kinder assumed the Chair.

The Journal of the previous day was read and approved.

Senator Dempsey announced that photographers from Missouri News Horizon, Associated Press, KRCG-TV, Star Journal, Missouri Lawyers Media, Columbia Daily Tribune and ABC 17/KMIZ were given permission to take pictures in the Senate Chamber today.

The following Senators were present during the day’s proceedings:

Present—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager
Lamping	Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce
Purgason	Richard	Ridgeway	Rupp	Schaaf	Schaefer	Schmitt	Stouffer
Wasson	Wright-Jones—34						

Absent—Senators—None

Absent with leave—Senators—None

Vacancies—None

The Lieutenant Governor was present.

RESOLUTIONS

Senators Cunningham and Green offered Senate Resolution No. 1098, regarding Dr. Mary Piper, which was adopted.

Senator Crowell offered Senate Resolution No. 1099, regarding the Fiftieth Wedding Anniversary of Mr. and Mrs. Milton James, Jackson, which was adopted.

Senator Parson offered Senate Resolution No. 1100, regarding the Fiftieth Wedding Anniversary of Mr. and Mrs. Gary Montgomery, Stockton, which was adopted.

REPORTS OF STANDING COMMITTEES

Senator Purgason, Chairman of the Committee on Ways and Means and Fiscal Oversight, submitted the following reports:

Mr. President: Your Committee on Ways and Means and Fiscal Oversight, to which were referred **HCS** for **HJR 16**, with **SCS**, and **SS** for **SCS** for **HCS** for **HB 697**, begs leave to report that it has considered the same and recommends that the joint resolution and bill do pass.

HOUSE BILLS ON THIRD READING

Senator Dixon moved that **SS** for **SCS** for **HCS** for **HB 697** be called from the Informal Calendar and taken up for 3rd reading and final passage, which motion prevailed.

SS for **SCS** for **HCS** for **HB 697** was read the 3rd time and passed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Justus	Keaveny	Kehoe	Kraus	Lamping	Lembke
Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce	Richard	Rupp
Schaaf	Schaefer	Schmitt	Stouffer	Wasson	Wright-Jones—30		

NAYS—Senators—None

Absent—Senators

Green	Lager	Purgason	Ridgeway—4
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Absent with leave—Senators—None

Vacancies—None

The President declared the bill passed.

On motion of Senator Dixon, title to the bill was agreed to.

Senator Dixon moved that the vote by which the bill passed be reconsidered.

Senator Dempsey moved that motion lay on the table, which motion prevailed.

PRIVILEGED MOTIONS

Senator Schaefer, on behalf of the conference committee appointed to act with a like committee from the House on **SS** for **SCS** for **SB 70**, with **HA 1** and **HA 2**, moved that the following conference committee report be taken up, which motion prevailed.

CONFERENCE COMMITTEE REPORT ON SENATE SUBSTITUTE FOR SENATE COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 70

The Conference Committee appointed on Senate Substitute for Senate Committee Substitute for Senate Bill No. 70, with House Amendment Nos. 1 and 2, begs leave to report that we, after free and fair discussion of the differences, have agreed to recommend and do recommend to the respective bodies as follows:

1. That the House recede from its position on Senate Substitute for Senate Committee Substitute for Senate Bill No. 70, as amended;
2. The Senate recede from its position on Senate Substitute for Senate Committee Substitute for Senate Bill No. 70;
3. That the attached Conference Committee Substitute for Senate Substitute for Senate Committee Substitute for Senate Bill No. 70 be Third Read and Finally Passed.

FOR THE SENATE:

/s/ Kurt Schaefer
/s/ Dan Brown, DVM
/s/ Ron Richard
/s/ Joseph P. Keaveny
/s/ Timothy P. Green

FOR THE HOUSE:

/s/ Ward Franz
/s/ Jay Houghton
/s/ Don Gosen
/s/ Jeanette Mott Oxford
/s/ Susan Carlson

Senator Schaefer moved that the above conference committee report be adopted, which motion prevailed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Justus	Kehoe	Kraus	Lamping	Lembke	Mayer
McKenna	Munzlinger	Nieves	Parson	Pearce	Purgason	Richard	Rupp
Schaaf	Schaefer	Schmitt	Stouffer	Wasson	Wright-Jones—30		

NAYS—Senators—None

Absent—Senators

Green	Keaveny	Lager	Ridgeway—4
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Absent with leave—Senators—None

Vacancies—None

On motion of Senator Schaefer, **CCS** for **SS** for **SCS** for **SB 70**, entitled:

CONFERENCE COMMITTEE SUBSTITUTE FOR
SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 70

An Act to repeal sections 402.199, 402.200, 402.205, 402.210, 402.215, 402.217, 402.220, 473.657, and 475.093, RSMo, and section 402.210 as truly agreed to and finally passed by senate substitute no. 2 for house bill no. 648, ninety-sixth general assembly, first regular session, and to enact in lieu thereof twelve new sections relating to the Missouri family trust.

Was read the 3rd time and passed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Justus	Kehoe	Kraus	Lamping	Lembke	Mayer
McKenna	Munzlinger	Nieves	Parson	Pearce	Purgason	Richard	Rupp
Schaaf	Schaefer	Schmitt	Stouffer	Wasson	Wright-Jones—30		

NAYS—Senators—None

Absent—Senators

Green	Keaveny	Lager	Ridgeway—4
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Absent with leave—Senators—None

Vacancies—None

The President declared the bill passed.

On motion of Senator Schaefer, title to the bill was agreed to.

Senator Schaefer moved that the vote by which the bill passed be reconsidered.

Senator Dempsey moved that motion lay on the table, which motion prevailed.

Senator Pearce assumed the Chair.

Senator Wright-Jones, on behalf of the conference committee appointed to act with a like committee from the House on **HCS** for **SB 48**, as amended, moved that the following conference committee report be taken up, which motion prevailed.

CONFERENCE COMMITTEE REPORT ON
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 48

The Conference Committee appointed on House Committee Substitute for Senate Bill No. 48, with

House Amendment Nos. 1, 2, 3, 4, 5, & 6, begs leave to report that we, after free and fair discussion of the differences, have agreed to recommend and do recommend to the respective bodies as follows:

1. That the House recede from its position on House Committee Substitute for Senate Bill No. 48, as amended;
2. The Senate recede from its position on Senate Bill No. 48;
3. That the attached Conference Committee Substitute for House Committee Substitute for Senate Bill No. 48 be Third Read and Finally Passed.

FOR THE SENATE:

/s/ Robin Wright-Jones

/s/ Timothy P. Green

/s/ Brad Lager

/s/ Kurt Schaefer

/s/ Bob Dixon

FOR THE HOUSE:

/s/ Darrell Pollock

/s/ Jason Smith

/s/ Rodney Schad

/s/ Jacob Hummel

/s/ Steve Webb

Senator Wright-Jones moved that the above conference committee report be adopted, which motion prevailed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Justus	Keaveny	Kehoe	Kraus	Lamping	Lembke
Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce	Richard	Ridgeway
Rupp	Schaaf	Schaefer	Schmitt	Stouffer	Wasson	Wright-Jones—31	

NAYS—Senators—None

Absent—Senators

Green Lager Purgason—3

Absent with leave—Senators—None

Vacancies—None

On motion of Senator Wright-Jones, **CCS** for **HCS** for **SB 48**, entitled:

CONFERENCE COMMITTEE SUBSTITUTE FOR
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 48

An Act to repeal sections 250.236, 386.420, 386.490, 386.510, 386.515, 386.520, 386.530, 386.540, and 393.015, RSMo, and to enact in lieu thereof eleven new sections relating to utilities, with an emergency clause for certain sections.

Was read the 3rd time and passed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Justus	Keaveny	Kehoe	Kraus	Lamping	Lembke
Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce	Richard	Ridgeway
Rupp	Schaaf	Schaefer	Schmitt	Stouffer	Wasson	Wright-Jones—31	

NAYS—Senators—None

Absent—Senators

Green	Lager	Purgason—3
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Absent with leave—Senators—None

Vacancies—None

The President declared the bill passed.

The emergency clause was adopted by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Justus	Keaveny	Kehoe	Kraus	Lager	Lamping
Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce	Richard
Ridgeway	Rupp	Schaaf	Schaefer	Schmitt	Stouffer	Wasson	Wright-Jones—32

NAYS—Senators—None

Absent—Senators

Green	Purgason—2
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Absent with leave—Senators—None

Vacancies—None

On motion of Senator Wright-Jones, title to the bill was agreed to.

Senator Wright-Jones moved that the vote by which the bill passed be reconsidered.

Senator Dempsey moved that motion lay on the table, which motion prevailed.

Senator Engler, on behalf of the conference committee appointed to act with a like committee from the House on **HCS No. 2** for **SCS** for **SB 117**, as amended, moved that the following conference committee report be taken up, which motion prevailed.

CONFERENCE COMMITTEE REPORT ON
HOUSE COMMITTEE SUBSTITUTE NO. 2 FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 117

The Conference Committee appointed on House Committee Substitute No. 2 for Senate Committee

Substitute for Senate Bill No. 117, with House Amendment Nos. 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 14, & 15, begs leave to report that we, after free and fair discussion of the differences, have agreed to recommend and do recommend to the respective bodies as follows:

1. That the House recede from its position on House Committee Substitute No. 2 for Senate Committee Substitute for Senate Bill No. 117, as amended;
2. The Senate recede from its position on Senate Committee Substitute for Senate Bill No. 117;
3. That the attached Conference Committee Substitute for House Committee Substitute No. 2 for Senate Committee Substitute for Senate Bill No. 117 be Third Read and Finally Passed.

FOR THE SENATE:

/s/ Kevin Engler
 /s/ Jason Crowell
 /s/ Eric Schmitt
 /s/ Jolie Justus
 /s/ Maria Chappelle-Nadal

FOR THE HOUSE:

/s/ Tom Flanigan
 /s/ Shelley Keeney
 /s/ Paul Fitzwater
 /s/ Jacob Hummel
 /s/ Chris Kelly

Senator Engler moved that the above conference committee report be adopted, which motion prevailed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Curls	Dempsey	Engler	Goodman
Justus	Keaveny	Kehoe	Lager	Lamping	Lembke	Mayer	McKenna
Munzlinger	Nieves	Parson	Pearce	Purgason	Richard	Ridgeway	Rupp
Schaaf	Schaefer	Schmitt	Stouffer	Wasson	Wright-Jones—30		

NAYS—Senators

Cunningham Kraus—2

Absent—Senators

Dixon Green—2

Absent with leave—Senators—None

Vacancies—None

On motion of Senator Engler, **CCS** for **HCS No. 2** for **SCS** for **SB 117**, entitled:

CONFERENCE COMMITTEE SUBSTITUTE FOR
 HOUSE COMMITTEE SUBSTITUTE NO. 2 FOR
 SENATE COMMITTEE SUBSTITUTE FOR
 SENATE BILL NO. 117

An Act to repeal sections 67.1303, 67.1521, 94.900, 140.410, 140.660, 144.032, RSMo, and to enact in lieu thereof eight new sections relating to certain taxes imposed by political subdivisions, with an

emergency clause for certain sections.

Was read the 3rd time and passed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Curls	Dempsey	Dixon	Engler
Goodman	Justus	Keaveny	Kehoe	Lager	Lamping	Lembke	Mayer
McKenna	Munzlinger	Nieves	Parson	Pearce	Purgason	Richard	Ridgeway
Rupp	Schaaf	Schaefer	Schmitt	Stouffer	Wasson	Wright-Jones—31	

NAYS—Senators

Cunningham Kraus—2

Absent—Senator Green—1

Absent with leave—Senators—None

Vacancies—None

The President declared the bill passed.

The emergency clause was adopted by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Curls	Dempsey	Dixon	Engler
Goodman	Green	Justus	Keaveny	Kehoe	Lager	Lamping	Lembke
Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce	Purgason	Richard
Ridgeway	Rupp	Schaaf	Schaefer	Schmitt	Stouffer	Wasson	Wright-Jones—32

NAYS—Senators

Cunningham Kraus—2

Absent—Senators—None

Absent with leave—Senators—None

Vacancies—None

On motion of Senator Engler, title to the bill was agreed to.

Senator Engler moved that the vote by which the bill passed be reconsidered.

Senator Dempsey moved that motion lay on the table, which motion prevailed.

Senator Munzlinger, on behalf of the conference committee appointed to act with a like committee from the House on **HCS** for **SCS** for **SB 356**, as amended, moved that the following conference committee report be taken up, which motion prevailed.

CONFERENCE COMMITTEE REPORT NO. 2 ON
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 356

The Conference Committee appointed on House Committee Substitute for Senate Committee Substitute for Senate Bill No. 356, with House Amendments Nos. 1, 2, 3, & 4, begs leave to report that we, after free and fair discussion of the differences, have agreed to recommend and do recommend to the respective bodies as follows:

1. That the House recede from its position on House Committee Substitute for Senate Committee Substitute for Senate Bill No. 356, as amended;
2. The Senate recede from its position on Senate Committee Substitute for Senate Bill No. 356;
3. That the attached Conference Committee Substitute No. 2 for House Committee Substitute for Senate Committee Substitute for Senate Bill No. 356, be Third Read and Finally Passed.

FOR THE SENATE:

/s/ Brian Munzlinger

/s/ Michael Parson

/s/ Dan Brown, DVM

/s/ Victor E. Callahan

/s/ Jolie Justus

FOR THE HOUSE:

/s/ Tom Loehner

Rodney Schad

/s/ Billy Pat Wright

/s/ Jason Holsman

/s/ Ben Harris

Senator Munzlinger moved that the above conference committee report be adopted, which motion prevailed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager
Lamping	Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce
Purgason	Richard	Ridgeway	Rupp	Schaaf	Schaefer	Schmitt	Stouffer
Wasson	Wright-Jones—34						

NAYS—Senators—None

Absent—Senators—None

Absent with leave—Senators—None

Vacancies—None

On motion of Senator Munzlinger, **CCS No. 2** for **HCS** for **SCS** for **SB 356**, entitled:

CONFERENCE COMMITTEE SUBSTITUTE NO. 2 FOR
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 356

An Act to repeal sections 21.801, 144.010, 144.020, 144.030, 144.070, 263.190, 263.200, 263.205,

263.220, 263.230, 263.232, 263.240, 263.241, 263.450, 268.121, 275.360, 276.401, 276.416, 276.421, 276.436, 276.441, 276.446, and 411.280, RSMo, and to enact in lieu thereof eighteen new sections relating to agriculture, with penalty provisions and an emergency clause for a certain section.

Was read the 3rd time and passed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager
Lamping	Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce
Purgason	Richard	Ridgeway	Rupp	Schaaf	Schaefer	Schmitt	Stouffer
Wasson	Wright-Jones—34						

NAYS—Senators—None

Absent—Senators—None

Absent with leave—Senators—None

Vacancies—None

The President declared the bill passed.

The emergency clause was adopted by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager
Lamping	Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce
Purgason	Richard	Ridgeway	Rupp	Schaaf	Schaefer	Schmitt	Stouffer
Wasson	Wright-Jones—34						

NAYS—Senators—None

Absent—Senators—None

Absent with leave—Senators—None

Vacancies—None

On motion of Senator Munzlinger, title to the bill was agreed to.

Senator Munzlinger moved that the vote by which the bill passed be reconsidered.

Senator Dempsey moved that motion lay on the table, which motion prevailed.

Senator Stouffer moved that **SB 77**, with **HCS**, be taken up for 3rd reading and final passage, which motion prevailed.

HCS for **SB 77**, entitled:

HOUSE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 77

An Act to repeal sections 226.520 and 227.410, RSMo, and to enact in lieu thereof six new sections relating to roadway signs.

Was taken up.

Senator Stouffer moved that **HCS** for **SB 77** be adopted, which motion prevailed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager
Lamping	Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce
Purgason	Richard	Ridgeway	Rupp	Schaaf	Schaefer	Stouffer	Wasson

Wright-Jones—33

NAYS—Senators—None

Absent—Senator Schmitt—1

Absent with leave—Senators—None

Vacancies—None

On motion of Senator Stouffer, **HCS** for **SB 77** was read the 3rd time and passed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager
Lamping	Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce
Purgason	Richard	Ridgeway	Rupp	Schaaf	Schaefer	Stouffer	Wasson

Wright-Jones—33

NAYS—Senators—None

Absent—Senator Schmitt—1

Absent with leave—Senators—None

Vacancies—None

The President declared the bill passed.

On motion of Senator Stouffer, title to the bill was agreed to.

Senator Stouffer moved that the vote by which the bill passed be reconsidered.

Senator Dempsey moved that motion lay on the table, which motion prevailed.

Bill ordered enrolled.

Senator Schaefer moved that **SCS** for **SB 213**, with **HCS**, be taken up for 3rd reading and final passage, which motion prevailed.

HCS for **SCS** for **SB 213**, entitled:

HOUSE COMMITTEE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 213

An Act to repeal sections 194.115, 475.060, and 475.061, RSMo, and to enact in lieu thereof twenty-seven new sections relating to guardianship, with a penalty provision.

Was taken up.

Senator Schaefer moved that **HCS** for **SCS** for **SB 213** be adopted, which motion prevailed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager
Lamping	Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce
Purgason	Richard	Ridgeway	Rupp	Schaaf	Schaefer	Schmitt	Stouffer
Wasson	Wright-Jones—34						

NAYS—Senators—None

Absent—Senators—None

Absent with leave—Senators—None

Vacancies—None

On motion of Senator Schaefer, **HCS** for **SCS** for **SB 213** was read the 3rd time and passed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager
Lamping	Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce
Purgason	Richard	Ridgeway	Rupp	Schaaf	Schaefer	Schmitt	Stouffer
Wasson	Wright-Jones—34						

NAYS—Senators—None

Absent—Senators—None

Absent with leave—Senators—None

Vacancies—None

The President declared the bill passed.

On motion of Senator Schaefer, title to the bill was agreed to.

Senator Schaefer moved that the vote by which the bill passed be reconsidered.

Senator Dempsey moved that motion lay on the table, which motion prevailed.

Bill ordered enrolled.

HOUSE BILLS ON THIRD READING

HCS for **HB 555**, with **SCS**, was placed on the Informal Calendar.

HCS for **HJR 16**, with **SCS**, entitled:

Joint Resolution submitting to the qualified voters of Missouri an amendment repealing sections 50 and 52(a) of article III of the Constitution of Missouri, and adopting two new sections in lieu thereof relating to initiative and referendum petitions.

Was taken up by Senator Nieves.

SCS for **HCS** for **HJR 16**, entitled:

SENATE COMMITTEE SUBSTITUTE FOR HOUSE COMMITTEE SUBSTITUTE FOR HOUSE JOINT RESOLUTION NO. 16

Joint Resolution submitting to the qualified voters of Missouri an amendment repealing sections 50 and 52(a) of article III of the Constitution of Missouri, and adopting two new sections in lieu thereof relating to initiative and referendum petitions.

Was taken up.

Senator Nieves moved that **SCS** for **HCS** for **HJR 16** be adopted.

Senator Stouffer assumed the Chair.

Senator Justus offered **SA 1**:

SENATE AMENDMENT NO. 1

Amend Senate Committee Substitute for House Committee Substitute for House Joint Resolution No. 16, Page 1, Section 50, Line 2, by striking the opening and closing brackets as they appear on said line; and further amend said line by striking “**five and one-fourth**”; and further amend line 4 by striking the opening and closing brackets as they appear on said line; and further amend said line by striking “**three and one-fourth**”; and further amend line 5 by inserting after “voters.”, the following: “**Petitions shall be deemed invalid if signature gatherers are paid per signature.**”; and

Further amend page 2, section 52(a), line 5 by striking the opening and closing brackets as they appear on said line; and further amend said line by striking “**three and one-fourth**”; and

Further amend said resolution and page, section B, by striking all of said section from the bill.

Senator Justus moved that the above amendment be adopted.

At the request of Senator Nieves, **HCS** for **HJR 16**, with **SCS** and **SA 1** (pending), was placed on the

Informal Calendar.

MESSAGES FROM THE HOUSE

The following messages were received from the House of Representatives through its Chief Clerk:

Mr. President: I am instructed by the House of Representatives to inform the Senate that the Conference Committee on **SCS** for **HB 737** has been dissolved and the House has taken up and adopted **SCS** for **HB 737** and has taken up and passed **SCS** for **HB 737**.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House requests the Senate to recede from its position on **SCS** for **HCS** for **HB 250** and take up and pass **HCS** for **HB 250**.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and adopted the Conference Committee Report on **SS** for **SCS** for **HCS** for **HB 430**, as amended, and has taken up and passed **CCS** for **SS** for **SCS** for **HCS** for **HB 430**.

PRIVILEGED MOTIONS

Senator Pearce, on behalf of the conference committee appointed to act with a like committee from the House on **SCS** for **SB 81**, as amended, moved that the following conference committee report be taken up, which motion prevailed.

CONFERENCE COMMITTEE REPORT ON SENATE COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 81

The Conference Committee appointed on Senate Committee Substitute for Senate Bill No. 81, with House Amendment No. 1, House Amendment No. 1 to House Amendment No. 2, House Amendment No. 2, as amended, and House Amendment No. 3, begs leave to report that we, after free and fair discussion of the differences, have agreed to recommend and do recommend to the respective bodies as follows:

1. That the House recede from its position on Senate Committee Substitute for Senate Bill No. 81, as amended;
2. The Senate recede from its position on Senate Committee Substitute for Senate Bill No. 81;
3. That the attached Conference Committee Substitute for Senate Committee Substitute for Senate Bill No. 81 be Third Read and Finally Passed.

FOR THE SENATE:

/s/ David Pearce

Mike Kehoe

/s/ Dan Brown, DVM

/s/ Victor E. Callahan

/s/ Joseph P. Keaveny

FOR THE HOUSE:

/s/ Keith Frederick

/s/ Doug Funderburk

/s/ Rick Stream

Chris Carter

/s/ Joe Aull

Senator Pearce moved that the above conference committee report be adopted, which motion prevailed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager
Lamping	Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce
Purgason	Richard	Ridgeway	Rupp	Schaaf	Schaefer	Schmitt	Stouffer
Wasson	Wright-Jones—34						

NAYS—Senators—None

Absent—Senators—None

Absent with leave—Senators—None

Vacancies—None

On motion of Senator Pearce, **CCS** for **SCS** for **SB 81**, entitled:

CONFERENCE COMMITTEE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 81

An Act to repeal sections 143.183, 163.037, and 165.011, RSMo, and to enact in lieu thereof three new sections relating to education, with an emergency clause for certain sections.

Was read the 3rd time and passed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager
Lamping	Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce
Purgason	Richard	Ridgeway	Rupp	Schaaf	Schaefer	Schmitt	Stouffer
Wasson	Wright-Jones—34						

NAYS—Senators—None

Absent—Senators—None

Absent with leave—Senators—None

Vacancies—None

The President declared the bill passed.

The emergency clause was adopted by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
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Engler	Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager
Lamping	Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce
Purgason	Richard	Ridgeway	Rupp	Schaaf	Schaefer	Schmitt	Stouffer
Wasson	Wright-Jones—34						

NAYS—Senators—None

Absent—Senators—None

Absent with leave—Senators—None

Vacancies—None

On motion of Senator Pearce, title to the bill was agreed to.

Senator Pearce moved that the vote by which the bill passed be reconsidered.

Senator Dempsey moved that motion lay on the table, which motion prevailed.

Senator Pearce assumed the Chair.

Senator Stouffer, on behalf of the conference committee appointed to act with a like committee from the House on **SS** for **SCS** for **HCS** for **HB 430**, as amended, moved that the following conference committee report be taken up, which motion prevailed.

CONFERENCE COMMITTEE REPORT ON
SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 430

The Conference Committee appointed on Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 430, with Senate Amendment Nos. 1, 2, 3, 4, 7, 8, 9, 11, and 12, begs leave to report that we, after free and fair discussion of the differences, have agreed to recommend and do recommend to the respective bodies as follows:

1. That the Senate recede from its position on Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 430, as amended;
2. That the House recede from its position on House Committee Substitute for House Bill No. 430;
3. That the attached Conference Committee Substitute for Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 430, be Third Read and Finally Passed.

FOR THE HOUSE:

/s/ Eric Burlison

/s/ Shane Schoeller

/s/ Charlie Denison

/s/ Jill Schupp

/s/ Tishaura Jones

FOR THE SENATE:

/s/ Bill Stouffer

/s/ Jay Wasson

/s/ Ron Richard

/s/ Ryan McKenna

/s/ Jolie Justus

Senator Stouffer moved that the above conference committee report be adopted, which motion prevailed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager	Lamping
Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce	Richard
Ridgeway	Rupp	Schaaf	Schaefer	Stouffer	Wasson	Wright-Jones—31	

NAYS—Senators—None

Absent—Senators

Engler	Purgason	Schmitt—3
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Absent with leave—Senators—None

Vacancies—None

On motion of Senator Stouffer, **CCS** for **SS** for **SCS** for **HCS** for **HB 430**, entitled:

CONFERENCE COMMITTEE SUBSTITUTE FOR
SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 430

An Act to repeal sections 21.795, 70.441, 226.540, 227.107, 301.010, 301.147, 301.225, 301.559, 301.560, 301.562, 301.3084, 302.302, 302.309, 302.341, 302.700, 304.120, 304.180, 304.200, 387.040, 387.050, 387.080, 387.110, 387.207, 390.051, 390.061, 390.116, 390.280, and 577.023, RSMo, and to enact in lieu thereof forty-two new sections relating to transportation, with penalty provisions, a contingent effective dates for certain sections, and effective dates for certain sections.

Was read the 3rd time and passed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager
Lamping	Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce
Richard	Ridgeway	Rupp	Schaaf	Schaefer	Stouffer	Wasson	Wright-Jones—32

NAYS—Senators—None

Absent—Senators

Purgason	Schmitt—2
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Absent with leave—Senators—None

Vacancies—None

The President declared the bill passed.

On motion of Senator Stouffer, title to the bill was agreed to.

Senator Stouffer moved that the vote by which the bill passed be reconsidered.

Senator Dempsey moved that motion lay on the table, which motion prevailed.

Senator Goodman, on behalf of the conference committee appointed to act with a like committee from the House on **HCS** for **SS No. 2** for **SCS** for **SB 8**, as amended, moved that the following conference committee report be taken up, which motion prevailed.

CONFERENCE COMMITTEE REPORT NO. 2 ON
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE SUBSTITUTE NO. 2 FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 8

The Conference Committee appointed on House Committee Substitute for Senate Substitute No. 2 for Senate Committee Substitute for Senate Bill No. 8, with House Amendment No. 1, begs leave to report that we, after free and fair discussion of the differences, have agreed to recommend and do recommend to the respective bodies as follows:

1. That the House recede from its position on House Committee Substitute for Senate Substitute No. 2 for Senate Committee Substitute for Senate Bill No. 8, as amended;

2. The Senate recede from its position on Senate Substitute No. 2 for Senate Committee Substitute for Senate Bill No. 8;

3. That the attached Conference Committee Substitute No. 2 for House Committee Substitute for Senate Substitute No. 2 for Senate Committee Substitute for Senate Bill No. 8, be Third Read and Finally Passed.

FOR THE SENATE:

/s/ Jack A.L. Goodman

/s/ Jason G. Crowell

/s/ David Pearce

/s/ Victor E. Callahan

/s/ Timothy P. Green

FOR THE HOUSE:

/s/ Barney Fisher

/s/ Jerry Nolte

/s/ Todd Richardson

/s/ Tim Meadows

/s/ Kevin McManus

Senator Goodman moved that the above conference committee report be adopted, which motion prevailed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Dempsey	Dixon	Engler
Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager	Lamping
Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce	Richard
Ridgeway	Rupp	Schaaf	Schaefer	Schmitt	Stouffer—30		

NAYS—Senator Wright-Jones—1

Absent—Senators

Curls Purgason Wasson—3

Absent with leave—Senators—None

Vacancies—None

On motion of Senator Goodman, **CCS No. 2** for **HCS** for **SS No. 2** for **SCS** for **SB 8**, entitled:

CONFERENCE COMMITTEE SUBSTITUTE NO. 2 FOR
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE SUBSTITUTE NO. 2 FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 8

An Act to repeal section 287.120, RSMo, and to enact in lieu thereof one new section relating to workers' compensation.

Was read the 3rd time and passed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager
Lamping	Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce
Richard	Ridgeway	Rupp	Schaaf	Schaefer	Schmitt	Stouffer	Wasson—32

NAYS—Senator Wright-Jones—1

Absent—Senator Purgason—1

Absent with leave—Senators—None

Vacancies—None

The President declared the bill passed.

On motion of Senator Goodman, title to the bill was agreed to.

Senator Goodman moved that the vote by which the bill passed be reconsidered.

Senator Dempsey moved that motion lay on the table, which motion prevailed.

On motion of Senator Dempsey, the Senate recessed until 2:15 p.m.

RECESS

The time of recess having expired, the Senate was called to order by Senator Pearce.

MESSAGES FROM THE HOUSE

The following message was received from the House of Representatives through its Chief Clerk:

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and adopted the Conference Committee Report on **SS** for **HB 458**, as amended, and has taken up and passed **CCS** for **SS** for **HB 458**.

PRIVILEGED MOTIONS

Senator Stouffer moved that the Senate recede from its position on **SCS** for **HCS** for **HB 250**, and **HCS** for **HB 250** be taken up for 3rd reading and final passage, which motion prevailed.

On motion of Senator Stouffer, **HCS** for **HB 250** was read the 3rd time and passed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager	Lamping
Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce	Purgason
Richard	Ridgeway	Rupp	Schaaf	Schaefer	Schmitt	Stouffer	Wasson
Wright-Jones—33							

NAYS—Senators—None

Absent—Senator Engler—1

Absent with leave—Senators—None

Vacancies—None

The President declared the bill passed.

On motion of Senator Stouffer, title to the bill was agreed to.

Senator Stouffer moved that the vote by which the bill passed be reconsidered.

Senator Dempsey moved that motion lay on the table, which motion prevailed.

Senator Brown, on behalf of the conference committee appointed to act with a like committee from the House on **SS** for **HB 458**, as amended, moved that the following conference committee report be taken up, which motion prevailed.

CONFERENCE COMMITTEE REPORT ON SENATE SUBSTITUTE FOR HOUSE BILL NO. 458

The Conference Committee appointed on Senate Substitute for House Bill No. 458, with Senate Amendment No. 1 and Senate Amendment No.2, begs leave to report that we, after free and fair discussion of the differences, have agreed to recommend and do recommend to the respective bodies as follows:

1. That the Senate recede from its position on Senate Substitute for House Bill No. 458, as amended;
2. That the House recede from its position on House Bill No. 458;
3. That the attached Conference Committee Substitute for Senate Substitute for House Bill No. 458, be Third Read and Finally Passed.

FOR THE HOUSE:

/s/ Tom Loehner
 /s/ Glen Klippenstein
 /s/ Sue Entlicher
 /s/ Joe Aull
 /s/ Tom Shively

FOR THE SENATE:

/s/ Dan Brown, DVM
 /s/ Brian Munzlinger
 /s/ Kurt Schaefer
 /s/ Victor E. Callahan
 /s/ Jolie Justus

Senator Brown moved that the above conference committee report be adopted, which motion prevailed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager
Lamping	Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce
Purgason	Richard	Ridgeway	Rupp	Schaefer	Schmitt	Stouffer	Wright-Jones—32

NAYS—Senators—None

Absent—Senators

Schaaf Wasson—2

Absent with leave—Senators—None

Vacancies—None

On motion of Senator Brown, **CCS** for **SS** for **HB 458**, entitled:

CONFERENCE COMMITTEE SUBSTITUTE FOR
 SENATE SUBSTITUTE FOR
 HOUSE BILL NO. 458

An Act to repeal sections 144.030, 263.190, 263.200, 263.205, 263.220, 263.230, 263.232, 263.240, 263.241, 263.450, 268.121, 276.401, 276.416, 276.421, 276.436, 276.441, 276.446, and 411.280, RSMo, and to enact in lieu thereof thirteen new sections relating to agriculture, with penalty provisions.

Was read the 3rd time and passed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager
Lamping	Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce
Purgason	Richard	Ridgeway	Rupp	Schaefer	Schmitt	Stouffer	Wasson
Wright-Jones—33							

NAYS—Senators—None

Absent—Senator Schaaf—1

Absent with leave—Senators—None

Vacancies—None

The President declared the bill passed.

On motion of Senator Brown, title to the bill was agreed to.

Senator Brown moved that the vote by which the bill passed be reconsidered.

Senator Dempsey moved that motion lay on the table, which motion prevailed.

HOUSE BILLS ON THIRD READING

HCS for HB 555, with **SCS**, entitled:

An Act to repeal sections 8.241, 178.900, 189.010, 189.065, 192.005, 198.012, 205.968, 208.151, 208.152, 208.275, 208.955, 209.150, 209.152, 209.200, 210.496, 210.900, 211.031, 211.202, 211.203, 211.206, 211.207, 211.447, 301.143, 402.210, 453.070, 475.121, 475.355, 476.537, 552.015, 552.020, 552.030, 552.040, 630.003, 630.005, 630.010, 630.053, 630.095, 630.097, 630.120, 630.165, 630.183, 630.192, 630.210, 630.335, 630.405, 630.425, 630.510, 630.605, 630.610, 630.635, 630.705, 630.715, 630.735, 632.005, 632.105, 632.110, 632.115, 632.120, 632.370, 632.380, 633.005, 633.010, 633.020, 633.029, 633.030, 633.045, 633.050, 633.110, 633.115, 633.120, 633.125, 633.130, 633.135, 633.140, 633.145, 633.150, 633.155, 633.160, 633.180, 633.185, 633.190, 633.210, 633.300, 633.303, 633.309, and 660.405, RSMo, and to enact in lieu thereof ninety new sections relating to the Missouri most vulnerable persons (MVP) act, with existing penalty provisions.

Was called from the Informal Calendar and taken up by Senator Schmitt.

SCS for HCS for HB 555, entitled:

SENATE COMMITTEE SUBSTITUTE FOR HOUSE COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 555

An Act to repeal sections 8.241, 178.900, 189.010, 189.065, 192.005, 198.012, 205.968, 208.151, 208.275, 208.955, 210.496, 210.900, 211.031, 211.202, 211.203, 211.206, 211.207, 211.447, 301.143, 332.021, 334.120, 402.210, 453.070, 475.121, 475.355, 476.537, 552.015, 552.020, 552.030, 552.040, 630.003, 630.005, 630.010, 630.053, 630.095, 630.097, 630.120, 630.165, 630.167, 630.183, 630.192, 630.210, 630.335, 630.405, 630.425, 630.510, 630.605, 630.610, 630.635, 630.705, 630.715, 630.735, 632.005, 632.105, 632.110, 632.115, 632.120, 632.370, 632.380, 633.005, 633.010, 633.020, 633.029, 633.030, 633.045, 633.050, 633.110, 633.115, 633.120, 633.125, 633.130, 633.135, 633.140, 633.145, 633.150, 633.155, 633.160, 633.180, 633.185, 633.190, 633.210, 633.300, 633.303, and 633.309, RSMo, and to enact in lieu thereof eighty-four new sections relating to health care policies, with existing penalty provisions.

Was taken up.

Senator Schmitt moved that **SCS for HCS for HB 555** be adopted.

Senator Schmitt offered **SS** for **SCS** for **HCS** for **HB 555**, entitled:

SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 555

An Act to repeal sections 8.241, 178.900, 189.010, 189.065, 192.005, 198.012, 205.968, 208.151, 208.275, 208.955, 210.101, 210.496, 210.900, 211.031, 211.202, 211.203, 211.206, 211.207, 211.447, 301.143, 332.021, 334.120, 453.070, 475.121, 475.355, 476.537, 552.015, 552.020, 552.030, 552.040, 630.003, 630.005, 630.010, 630.053, 630.095, 630.097, 630.120, 630.165, 630.167, 630.183, 630.192, 630.210, 630.335, 630.405, 630.425, 630.510, 630.605, 630.610, 630.635, 630.705, 630.715, 630.735, 632.005, 632.105, 632.110, 632.115, 632.120, 632.370, 632.380, 633.005, 633.010, 633.020, 633.029, 633.030, 633.045, 633.050, 633.110, 633.115, 633.120, 633.125, 633.130, 633.135, 633.140, 633.145, 633.150, 633.155, 633.160, 633.180, 633.185, 633.190, 633.210, 633.300, 633.303, and 633.309, RSMo, and to enact in lieu thereof eighty-seven new sections relating to health care policies, with existing penalty provisions.

Senator Schmitt moved that **SS** for **SCS** for **HCS** for **HB 555** be adopted.

Senator Ridgeway offered **SA 1**:

SENATE AMENDMENT NO. 1

Amend Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 555, Pages 24-25, Section 208.184, by striking all of said section from the bill; and

Further amend the title and enacting clause accordingly.

Senator Ridgeway moved that the above amendment be adopted, which motion prevailed on a standing division vote.

Senator Schmitt moved that **SS** for **SCS** for **HCS** for **HB 555**, as amended, be adopted, which motion prevailed.

On motion of Senator Schmitt, **SS** for **SCS** for **HCS** for **HB 555**, as amended, was read the 3rd time and passed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager
Lamping	Lembke	McKenna	Nieves	Parson	Pearce	Purgason	Richard
Ridgeway	Rupp	Schaaf	Schaefer	Schmitt	Stouffer	Wasson	Wright-Jones—32

NAYS—Senators—None

Absent—Senators

Mayer Munzlinger—2

Absent with leave—Senators—None

Vacancies—None

The President declared the bill passed.

On motion of Senator Schmitt, title to the bill was agreed to.

Senator Schmitt moved that the vote by which the bill passed be reconsidered.

Senator Dempsey moved that motion lay on the table, which motion prevailed.

PRIVILEGED MOTIONS

Senator Schaefer moved that **SCS** for **SB 323**, with **HA 1** and **HA 3** be taken up for 3rd reading and final passage, which motion prevailed.

HA 1 was taken up.

Senator Schaefer moved that the above amendment be adopted, which motion prevailed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Cunningham	Curls	Dempsey	Dixon	Engler
Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lamping	McKenna
Nieves	Parson	Pearce	Richard	Ridgeway	Rupp	Schaaf	Schaefer
Schmitt	Stouffer	Wasson	Wright-Jones—28				

NAYS—Senators

Crowell	Lager	Lembke	Purgason—4
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Absent—Senators

Mayer	Munzlinger—2
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Absent with leave—Senators—None

Vacancies—None

HA 3 was taken up.

Senator Schaefer moved that the above amendment be adopted.

At the request of Senator Schaefer, the motion to adopt **HA 3** was withdrawn, which placed the bill back on the calendar.

HOUSE BILLS ON THIRD READING

Senator Goodman moved that **HCS** for **HB 111**, with **SCS** and **SS** for **SCS** (pending), be called from the Informal Calendar and again taken up for 3rd reading and final passage, which motion prevailed.

At the request of Senator Goodman, **SS** for **SCS** for **HCS** for **HB 111** was withdrawn.

Senator Goodman offered **SS No. 2** for **SCS** for **HCS** for **HB 111**, entitled:

SENATE SUBSTITUTE NO. 2 FOR
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 111

An Act to repeal sections 144.032, 302.020, 302.321, 303.025, 311.325, 351.340, 452.340, 475.060,

475.061, 475.115, 477.650, 484.350, 523.040, 544.455, 544.470, 557.011, 566.086, 566.147, 568.040, 570.080, 578.150, and 589.040, RSMo, and to enact in lieu thereof fifty-three new sections relating to the judiciary, with penalty provisions, and an emergency clause for certain sections.

Senator Goodman moved that **SS No. 2** for **SCS** for **HCS** for **HB 111** be adopted.

Senator Goodman offered **SA 1**, which was read:

SENATE AMENDMENT NO. 1

Amend Senate Substitute No. 2 for Senate Committee Substitute for House Committee Substitute for House Bill No. 111, Page 28, Section 452.340, Line 22 of said page, by striking the word “shall” and inserting in lieu thereof the word “**may**”.

Senator Goodman moved that the above amendment be adopted, which motion prevailed.

At the request of Senator Goodman, **HCS** for **HB 111**, with **SCS** and **SS No. 2** for **SCS**, as amended (pending), was placed on the Informal Calendar.

Senator Ridgeway assumed the Chair.

PRIVILEGED MOTIONS

Having voted on the prevailing side, Senator Schaefer moved that the vote by which **HA 1** to **SCS** for **SB 323** was adopted, be reconsidered, which motion prevailed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager
Lamping	Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce
Purgason	Richard	Ridgeway	Rupp	Schaaf	Schaefer	Schmitt	Stouffer

Wasson—33

NAYS—Senators—None

Absent—Senator Wright-Jones—1

Absent with leave—Senators—None

Vacancies—None

At the request of Senator Schaefer, the motion to adopt **HA 1** was withdrawn.

Senator Schaefer moved that the Senate refuse to concur in **HA 1** and **HA 3** to **SCS** for **SB 323** and request the House to recede from its position on **HA 1** and **HA 3** and take up and pass **SCS** for **SB 323**, which motion prevailed.

MESSAGES FROM THE HOUSE

The following message was received from the House of Representatives through its Chief Clerk:

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **HCS** for **SS No. 2** for **SCS** for **SB 62**, entitled:

An Act to repeal sections 190.839, 191.227, 198.439, 208.437, 208.480, 338.550, and 633.401, RSMo,

and to enact in lieu thereof seven new sections relating to health care providers.

With House Amendment No. 1, House Amendment No. 1 to House Amendment No. 2 and House Amendment No. 2, as amended.

HOUSE AMENDMENT NO. 1

Amend House Committee Substitute for Senate Substitute No. 2 for Senate Committee Substitute for Senate Bill No. 62, Section 190.389, Page 1, Line 1, by deleting the year “**2016**” and inserting in lieu thereof the year “**2015**”; and

Further amend said bill, Section 198.439, Page 2, Line 1, by deleting the year “**2016**” and inserting in lieu thereof the year “**2015**”; and

Further amend said Bill, Section 208.437, Page 3, Line 26, by deleting the year “**2016**” and inserting in lieu thereof the year “**2015**”; and

Further amend said Bill, Section 208.480, Page 3, Line 2, by deleting the year “**2016**” and inserting in lieu thereof the year “**2015**”; and

Further amend said Bill, Section 338.550, Page 3, Lines 9 and 16, by deleting the year “**2016**” and inserting in lieu thereof the year “**2015**”; and

Further amend said Bill, Section 633.401, Page 6, Line 94, by deleting the year “**2016**” and inserting in lieu thereof the year “**2015**”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 1 TO HOUSE AMENDMENT NO. 2

Amend House Amendment No. 2 to House Committee Substitute for Senate Substitute No. 2 for Senate Committee Substitute for Senate Bill No. 62, Page 1, Section 376.1190, Line 22, by deleting the words “this section” on said line and adding in lieu thereof the words: “subsections 1 and 2”.

HOUSE AMENDMENT NO. 2

Amend House Committee Substitute for Senate Substitute No. 2 for Senate Committee Substitute for Senate Bill No. 62, Section 338.550, Page 3, Line 16, by inserting after all of said section and line the following:

“376.1190. 1. Health carriers shall permit individuals to learn the amount of cost-sharing, including deductibles, copayments, and coinsurance, under the individual’s health benefit plan or coverage that the individual would be responsible for paying with respect to the furnishing of a specific item or service by a participating provider in a timely manner upon the request of the individual. At a minimum, such information shall be made available to such individual through an internet website and such other means for individuals without access to the internet. As used in this section, the terms “health carrier” and “health benefit plans” shall have the same meanings assigned to them in section 376.1350.

2. This section shall not apply to a supplemental insurance policy, including a life care contract, accident-only policy, specified disease policy, hospital policy providing a fixed daily benefit only, Medicare supplement policy, long-term care policy, hospitalization-surgical care policy, short-term

major medical policy of six months or less duration, or any other supplemental policy.

3. Any health care benefit mandate proposed after August 28, 2011, shall be subject to review by the oversight division of the joint committee on legislative research. The oversight division shall perform an actuarial analysis of the cost impact to private and public payers of any new or revised mandated health care benefit proposed by the General Assembly after August 28, 2011 and a recommendation shall be delivered to the Speaker and the President Pro Tem prior to mandate being enacted.

4. The provisions of this section shall become effective on January 1, 2014.”; and

Further amend said Bill, Section 633.401, Page 6, Line 94 by inserting after all of said section and line the following:

“Section 1. Notwithstanding the provisions of section 1.140 to the contrary, the provisions of this act shall be nonseverable, and if any provision is for any reason held to be invalid, such decision shall invalidate all of the remaining provisions of this act.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

In which the concurrence of the Senate is respectfully requested.

PRIVILEGED MOTIONS

Senator Schaaf moved that **SS No. 2 for SCS for SB 62**, with **HCS**, as amended, be taken up for 3rd reading and final passage, which motion prevailed.

HCS for SS No. 2 for SCS for SB 62, as amended, entitled:

HOUSE COMMITTEE SUBSTITUTE FOR
SENATE SUBSTITUTE NO. 2 FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 62

An Act to repeal sections 190.839, 191.227, 198.439, 208.437, 208.480, 338.550, and 633.401, RSMo, and to enact in lieu thereof seven new sections relating to health care providers.

Was taken up.

Senator Schaaf moved that **HCS for SS No. 2 for SCS for SB 62**, as amended, be adopted, which motion prevailed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Green	Keaveny	Kehoe	Kraus	Lager	Lamping
Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce	Purgason
Richard	Ridgeway	Rupp	Schaaf	Schaefer	Schmitt	Stouffer	Wasson

Wright-Jones—33

NAYS—Senator Justus—1

Absent—Senators—None

Absent with leave—Senators—None

Vacancies—None

On motion of Senator Schaaf, **HCS for SS No. 2 for SCS for SB 62**, as amended, was read the 3rd time and passed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager
Lamping	Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce
Purgason	Richard	Ridgeway	Rupp	Schaaf	Schaefer	Schmitt	Stouffer
Wasson	Wright-Jones—34						

NAYS—Senators—None

Absent—Senators—None

Absent with leave—Senators—None

Vacancies—None

The President declared the bill passed.

On motion of Senator Schaaf, title to the bill was agreed to.

Senator Schaaf moved that the vote by which the bill passed be reconsidered.

Senator Dempsey moved that motion lay on the table, which motion prevailed.

Bill ordered enrolled.

HOUSE BILLS ON THIRD READING

Senator Goodman moved that **HCS for HB 111**, with **SCS** and **SS No. 2 for SCS**, as amended (pending), be called from the Informal Calendar and again taken up for 3rd reading and final passage, which motion prevailed.

SS No. 2 for SCS for HCS for HB 111, as amended, was again taken up.

Senator Lembke offered **SA 2**, which was read:

SENATE AMENDMENT NO. 2

Amend Senate Substitute No. 2 for Senate Committee Substitute for House Committee Substitute for House Bill No. 111, Page 26, Section 452.340, Lines 24-25 of said page, by striking said lines and inserting in lieu thereof the following: “**comments for completion of the child support guidelines and a subsequent form developed**”.

Senator Lembke moved that the above amendment be adopted, which motion prevailed.

Senator Goodman moved that **SS No. 2 for SCS for HCS for HB 111**, as amended, be adopted, which

motion prevailed.

On motion of Senator Goodman, **SS No. 2** for **SCS** for **HCS** for **HB 111**, as amended, was read the 3rd time and passed by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager
Lamping	Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce
Purgason	Richard	Ridgeway	Rupp	Schaaf	Schaefer	Schmitt	Stouffer
Wasson	Wright-Jones—34						

NAYS—Senators—None

Absent—Senators—None

Absent with leave—Senators—None

Vacancies—None

The President declared the bill passed.

The emergency clause was adopted by the following vote:

YEAS—Senators

Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Green	Justus	Keaveny	Kehoe	Lager	Lamping
Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce	Purgason
Richard	Ridgeway	Rupp	Schaaf	Schaefer	Schmitt	Stouffer	Wasson
Wright-Jones—33							

NAYS—Senators—None

Absent—Senator Kraus—1

Absent with leave—Senators—None

Vacancies—None

On motion of Senator Goodman, title to the bill was agreed to.

Senator Goodman moved that the vote by which the bill passed be reconsidered.

Senator Dempsey moved that motion lay on the table, which motion prevailed.

HB 462, with **SCS**, introduced by Representative Pollock, entitled:

An Act to repeal section 386.850, RSMo, relating to the Missouri energy task force.

Was called from the Informal Calendar and taken up by Senator Lager.

SCS for **HB 462**, entitled:

SENATE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 462

An Act to repeal sections 386.370, 386.850, and 393.135, RSMo, and to enact in lieu thereof two new sections relating to the regulation of public utilities.

Was taken up.

Senator Lager moved that **SCS** for **HB 462** be adopted.

Senator Lager offered **SS** for **SCS** for **HB 462**, entitled:

SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 462

An Act to repeal sections 386.370, 386.850, 393.135, 393.1020, 393.1025, 393.1030, 393.1045, 393.1050, and 620.010, RSMo, and to enact in lieu thereof seventeen new sections relating to public utilities, with an emergency clause.

Senator Lager moved that **SS** for **SCS** for **HB 462** be adopted.

At the request of Senator Lager, **HB 462**, with **SCS** and **SS** for **SCS** (pending), was placed on the Informal Calendar.

MESSAGES FROM THE HOUSE

The following messages were received from the House of Representatives through its Chief Clerk:

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has receded from its position on **HA 1** and **HA 2** to **SS** for **SB 238**, and has again taken up and passed **SS** for **SB 238**.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and adopted the Conference Committee Report on **HCS** for **SB 282**, as amended, and has taken up and passed **CCS** for **HCS** for **SB 282**.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and adopted the Conference Committee Report on **HCS** for **SS** for **SB 135**, as amended, and has taken up and passed **CCS** for **HCS** for **SS** for **SB 135**.

Emergency clause adopted.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and adopted the Conference Committee Report on **HCS** for **SS** for **SB 226**, as amended, and has

taken up and passed **CCS** for **HCS** for **SS** for **SB 226**.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and adopted the Conference Committee Report No. 2 on **HCS** for **SB 250**, as amended, and has taken up and passed **CCS No. 2** for **HCS** for **SB 250**.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and adopted the Conference Committee Report No. 2 on **HCS** for **SCS** for **SB 356**, as amended, and has taken up and passed **CCS No. 2** for **HCS** for **SCS** for **SB 356**.

Emergency clause adopted.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and adopted the Conference Committee Report on **HCS** for **SB 48**, as amended, and has taken up and passed **CCS** for **HCS** for **SB 48**.

Emergency clause adopted.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and adopted the Conference Committee Report on **HCS** for **SB 284**, as amended, and has taken up and passed **CCS** for **HCS** for **SB 284**.

Emergency clause adopted.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has adopted **SCS** for **HCS** for **HB 412**, as amended, and has taken up and passed **SCS** for **HCS** for **HB 412**.

Emergency clause adopted.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and adopted the Conference Committee Report on **SS** for **SCS** for **SB 70** with **HA 1** and **HA 2**, and has taken up and passed **CCS** for **SS** for **SCS** for **SB 70**.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has adopted **SCS** for **HCS** for **HB 552**, as amended, and has taken up and passed **SCS** for **HCS** for **HB 552**, as amended.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and adopted the Conference Committee Report on **HCS No. 2** for **SCS** for **SB 117**, as amended, and has taken up and passed **CCS** for **HCS No. 2** for **SCS** for **SB 117**.

Emergency clause adopted.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and adopted **HCR 48**.

HOUSE CONCURRENT RESOLUTION NO. 48

WHEREAS, the United States and the world find themselves dependent upon China for a group of minerals and metals known as “Rare Earth Elements” that are critical to many commercial, environmental, and defense applications; and

WHEREAS, rare earth elements represent the only known bridge to the next level of improved performance in the material properties for many metallurgical alloys, electrical conductivity, radio active shielding, and instrument sensitivity; and

WHEREAS, thorium is a naturally occurring companion element to the rare earth elements which can be extracted as a byproduct of rare earth mining at no additional expense and without creating additional mining waste; and

WHEREAS, thorium can be used as fuel in a nuclear power plant because it is a slightly radioactive metal and is 550 times more abundant than Uranium 235 needed for nuclear power; and

WHEREAS, thorium is generally considered harmless except through extreme long-term exposure or unless it is inhaled as a very fine dust; and

WHEREAS, thorium emits alpha rays which have no penetrating strength and cannot pass through human skin or thin plastic film; and

WHEREAS, thorium emits less radiation than sun light, radon from a gas stove top, potassium in a banana, X-rays, frequent air travel, and TSA full body scans; and

WHEREAS, the United States has two permitted world class rare earth mines - the Pea Ridge Mine in Washington County, Missouri, and the Mountain Pass Mine in California; and

WHEREAS, Missouri’s Pea Ridge Mine has all 17 of the recoverable rare earth elements and is the only permitted heavy rare earth mine outside of China. The Mountain Pass Mine only has 8 of the 17 recoverable rare earth elements and cannot produce rare earths; and

WHEREAS, the United States has no refining facilities to process the rare earths from the Pea Ridge Mine or manage the thorium byproduct; and

WHEREAS, a thorium-fueled nuclear reactor generates hundreds of times the power as a uranium or coal plant, but produces essentially no waste. A thorium plant would produce less than 1% of the waste that a uranium plant produces and produces no carbon or greenhouse gases, unlike coal plants; and

WHEREAS, while the waste of a uranium power plant is toxic for more than 10,000 years, the little waste that is produced by a thorium power plant is benign in less than 200 years; and

WHEREAS, a thorium power plant can be used to burn our current stockpile of nuclear waste. In addition, thorium power plants cannot “melt down”, thorium cannot practically be used to make nuclear weapons, thorium does not require any enrichment for energy use, and there is enough thorium in the United States alone to power the country at its current energy level for more than 10,000 years; and

WHEREAS, a thorium power plant can tap right in at the source of a current coal or uranium power plant without the need for laying a new grid; and

WHEREAS, through the development of a centralized rare earth-thorium facility, all thorium waste products can be managed and

controlled in an environmentally safe manner; and

WHEREAS, China's monopoly on production of rare earth elements is posed to capture emerging technologies and manufacturing facilities from around the world, in exchange for supply contracts; and

WHEREAS, absent any new production, Asia will soon consume 100% of the world's production of rare earth elements; and

WHEREAS, China's National Industrial Policy of Rare Earth Dominance cannot be challenged by private investment. The United States must develop a National Domestic Rare Earth Refinery to survive; and

WHEREAS, unless the United States Congress makes changes, our rare earths will be sent to China for processing and they will not come back for use in the United States; and

WHEREAS, with its Pea Ridge Mine, Missouri can become the exclusive producer of heavy rare earths in the United States and attract new high tech companies from around the world:

NOW, THEREFORE, BE IT RESOLVED that the members of the House of Representatives of the Ninety-sixth General Assembly, First Regular Session, the Senate concurring therein, hereby:

(1) Strongly support the development of thorium energy and the Pea Ridge Mine in Washington County, Missouri, in its efforts to extract thorium as a byproduct of rare earth element mining; and

(2) Strongly urge the United States Congress to support the use of thorium as a safe, efficient fuel source by taking the necessary steps to allow the Pea Ridge Mine in Missouri to extract thorium as a byproduct of rare earth elements mining and for the development of the refineries necessary to support thorium power plants; and

BE IT FURTHER RESOLVED that the Chief Clerk of the Missouri House of Representatives be instructed to prepare properly inscribed copies of this resolution for the Majority and Minority Leaders of the United States Congress and each member of the Missouri Congressional delegation.

In which the concurrence of the Senate is respectfully requested.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and adopted **HCR 53**.

HOUSE CONCURRENT RESOLUTION NO. 53

WHEREAS, the average price of gasoline has risen to nearly \$4.00 a gallon and are projected to remain there or go even higher as the summer months approach; and

WHEREAS, numerous components make up the price of gasoline, including the cost of crude oil (45%), federal and state taxes (23%), refining costs (22%), and marketing and distribution costs (10%). These components are affected by many factors; and

WHEREAS, the three main factors that contribute to changes in the price of gasoline are changes in crude oil prices, the transparency of energy markets, and regulations that affect the price of gasoline; and

WHEREAS, there is very little government can do about crude oil prices and transparency. Crude oil prices are affected by world supply and demand, which continues to grow and most rapidly in Asia. Transparency produces highly efficient markets, but it also increases volatility. Any reduction in transparency would offset efficiency; and

WHEREAS, while states have limited authority and options available to attempt to reverse the soaring fuel prices and alleviate the growing financial burden on its citizenry, the federal government is able to ease the pressure on prices and reduce volatility by reducing its own interference in the market - most directly by the way of taxes and regulation; and

WHEREAS, federal regulations have contributed significantly to the high price, high volatility environment facing consumers today. These regulations have led to the proliferation of numerous fuel blends - known as "boutique fuels" - which in turn have increased refining and distribution costs; and

WHEREAS, in addition to addressing the boutique fuel problem, Congress and the Administration should reform other Clean Air Act regulations that have resulted in the halt of construction of new refinery capacity and offshore drilling. More production and refinery capacity is needed to ease the pressure on the production system; and

WHEREAS, federal regulations are also affecting gasoline imports because foreign suppliers are unable to keep up with the increasing complexity of federal gasoline requirements. Volatility in the Middle East also threatens our second largest supplier of oil - OPEC; and

WHEREAS, while changes in federal regulations and policies are needed as a long-term solution, the federal government is able to impact gasoline prices in the short-term as well; and

WHEREAS, in the short-term, the Environmental Protection Agency should temporarily suspend clean-fuel requirements and reduce the number of fuel specifications across the country by offering a limited menu of fuel choices that states and localities can choose from; and

WHEREAS, with crude oil costs being the single largest component in the cost of gasoline, the only real impact on crude oil prices is the threat of competition; and

WHEREAS, the leading supplier of oil to the United States market is Canada, with Mexico as the third leading supplier. There are enough oil and gas resources under the ground of those two reliable neighbors to supply the United States at current consumption levels for the next 100 years; and

WHEREAS, by lowering any remaining cross-border barriers to energy imports and by increasing the capacity of cross-border distribution systems, Congress can lower the cost to both Canada and Mexico of shipping oil to the United States, thereby inducing them to bring more supply on line; and

WHEREAS, in order to reduce our dependence on foreign oil, Congress and the Administration should find ways to facilitate the building of new refineries, and an increase in production by permitting the uncapping of existing wells and the drilling of new wells; and

WHEREAS, Congress and the Administration should strive to maintain a well-functioning gasoline market for the good of the economy, without interfering in the marketplace. Changes in federal regulation, introduction of fuel flexibility, removing impediments to importation of fuel from Canada and Mexico, increasing refinery capacity and pipeline construction, as well as greater domestic oil exploration and opening additional areas of production would begin to ease the rising cost of fuels and reduce our dependence on foreign sources of oil:

NOW, THEREFORE, BE IT RESOLVED that the members of the House of Representatives of the Ninety-sixth General Assembly, First Regular Session, the Senate concurring therein, hereby strongly urge the United States Congress and the Obama Administration to immediately seek long-term and short-term solutions to the rapidly rising fuel costs to ease the financial burden on its citizens and prevent a second recession; and

BE IT FURTHER RESOLVED that the Chief Clerk of the Missouri House of Representatives be instructed to prepare properly inscribed copies of this resolution for President Barack Obama; Lisa P. Jackson, Administrator of the Environmental Protection Agency; the Majority and Minority Leaders of the United States Congress; and each member of the Missouri Congressional delegation.

In which the concurrence of the Senate is respectfully requested.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and adopted the Conference Committee Report on **SCS** for **SB 81**, as amended, and has taken up and passed **CCS** for **SCS** for **SB 81**.

Emergency clause adopted.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House refuses to recede from its position on **HA 1** and **HA 3** to **SCS** for **SB 323** and request the Senate to concur in **HA 1** and **HA 3** and take up and pass **SCS** for **SB 323**, as amended.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has adopted **SS No. 2** for **SCS** for **HCS** for **HBs 294, 123, 125, 113, 271** and **215** as amended, and has taken up and passed **SS No. 2** for **SCS** for **HCS** for **HBs 294, 123, 125, 113, 271** and **215** as amended.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has

taken up and passed **HCS No. 2** for **SCS** for **SB 100**, entitled:

An Act to repeal sections 32.028, 32.087, 32.115, 105.716, 135.025, 135.030, 135.352, 135.484, 135.630, 135.647, 135.1150, 144.083, 168.071, 196.1109, 196.1115, 215.020, 253.545, 253.550, 253.557, 253.559, 348.251, 348.256, 348.261, 348.262, 348.263, 348.264, 348.271, 348.300, 447.708, 620.1878, 620.1881, and 620.1900, RSMo, and to enact in lieu thereof sixty-two new sections relating to economic incentives and taxation policy, with a penalty provision and an emergency clause for certain sections.

With House Amendment No. 1, House Amendment No. 2 to House Amendment No. 2 and House Amendment No. 2, as amended.

HOUSE AMENDMENT NO. 1

Amend House Committee Substitute No. 2 for Senate Committee Substitute for Senate Bill No. 100, Pages 1 - 2, Section 32.028, by striking all of said Section from the bill and inserting in lieu thereof the following:

“32.028. 1. There is hereby created a department of revenue in charge of a director appointed by the governor, by and with the advice and consent of the senate. The department shall collect all taxes and fees **and may collect, upon referral by a state agency, debts owed to any state agency subject to section 32.420**, payable to the state as provided by law.

2. The powers, duties and functions of the department of revenue, chapter 32 and others, are transferred by type I transfer to the department of revenue. All powers, duties and function of the collector of revenue are transferred to the director of the department by type I transfer and the position of collector of revenue is abolished.

3. The powers, duties and functions of the state tax commission, chapter 138 and others, are transferred by type III transfer to the department of revenue.

4. All of the powers, duties and functions of the state tax commission relating to administration of the corporation franchise tax, chapter 152, and others, are transferred by type I transfer to the department of revenue; provided, however, that the provision of section 138.430 relating to appeals from decisions of the director of revenue shall apply to these taxes.

5. All the powers, duties and functions of the highway reciprocity commission, chapter 301, are transferred by type II transfer to the department of revenue.

32.058. For all years beginning after January 1, 2012, notwithstanding the certified mail provisions contained in chapters 32, 140, 142, 143, 144, 147, 148, 149, and 302, the director of revenue may choose to mail any document by first class mail.”; and

Further amend said bill, Pages 10 - 12, Section 32.385, by striking all of said section from the bill and inserting in lieu thereof the following:

“32.385. 1. The director of revenue and the commissioner of administration may jointly enter into a reciprocal collection and offset of indebtedness agreement with the federal government, under which the state will offset from state tax refunds and from payments otherwise due to vendors and contractors providing goods or services to state departments, agencies, or other state agencies nontax debt owed to the federal government; and the federal government will offset from federal payments to vendors, contractors, and taxpayers debt owed to the state of Missouri.

2. When used in this section, the following words, terms, and phrases are defined as set forth herein:

(1) “Federal official” means a unit or official of the federal government charged with the collection of nontax liabilities payable to the federal government under 31 U.S.C. Section 3716;

(2) “State agency” means any department, division, board, commission, office, or other agency of the state of Missouri;

(3) “Nontax liability due the state” means a liability certified to the director of revenue by a state agency and shall include, but shall not be limited to, fines, fees, penalties, and other nontax assessments imposed by or payable to any state agency that is finally determined to be due and owing;

(4) “Person” means an individual, partnership, society, association, joint stock company, corporation, public corporation, or any public authority, estate, receiver, trustee, assignee, referee, and any other person acting in a fiduciary or representative capacity whether appointed by a court or otherwise, and any combination of the foregoing;

(5) “Refund” means an amount described as a refund of tax under the provisions of the state tax law that authorized its payment;

(6) “Vendor payment” means any payment, other than a refund, made by the state to any person or entity, and shall include but shall not be limited to any expense reimbursement to an employee of the state; but shall not include a person’s salary, wages, or pension;

(7) “Offset agreement” is the agreement authorized by this section.

3. Under the offset agreement, a federal official may:

(1) Certify to the state of Missouri the existence of a person’s delinquent nontax liability owed by the person to the federal government;

(2) Request that the state of Missouri withhold any refund and vendor payment to which the person is entitled;

(3) Certify and request the state of Missouri to withhold a refund or vendor payment only if the laws of the United States:

(a) Allow the state of Missouri to enter into a reciprocal agreement with the United States, under which the federal official would be authorized to offset federal payments to collect delinquent tax and nontax debts owed to the state; and

(b) Provide for the payment of the amount withheld to the state;

(4) Retain a portion of the proceeds of any collection offset as provided under the offset agreement.

4. Under the offset agreement, a certification by a federal official to the state of Missouri shall include:

(1) The full name of the person and any other names known to be used by the person;

(2) The Social Security number or federal tax identification number;

(3) The amount of the nontax liability; and

(4) A statement that the debt is past due and legally enforceable in the amount certified.

5. If a person for whom a certification is received from a federal official is due a refund of Missouri tax or a vendor payment, the agreement may provide that the state of Missouri shall:

(1) Withhold a refund or vendor payment that is due a person whose name has been certified by a federal official;

(2) In accordance with the provisions of the offset agreement, notify the person of the amount withheld in satisfaction of a liability certified by a federal official;

(3) Pay to the federal official the lesser of:

(a) The entire refund or vendor payment; or

(b) The amount certified; and

(4) Pay any refund or vendor payment in excess of the certified amount to the person.

6. Under the agreement, the director of revenue shall:

(1) Certify to a federal official the existence of a person's delinquent tax or nontax liability due the state owed by the person to any state agency;

(2) Request that the federal official withhold any eligible vendor payment to which the person is entitled; and

(3) Provide for the payment of the amount withheld to the state.

7. A certification by a state agency to the director of revenue and by the director of revenue to the federal official under the offset agreement shall include:

(1) The full name and address of the person and any other names known to be used by the person;

(2) The Social Security number or tax identification number;

(3) The amount of the tax or nontax liability;

(4) A statement that the debt is past due and legally enforceable in the amount certified; and

(5) Any other information required by federal statute or regulation applicable to the collection of the debt by offset of federal payments.

8. Any other provisions of law to the contrary notwithstanding, the director of revenue and the commissioner of administration shall have the authority to enter into reciprocal agreements with any other state which extends a like comity to this state to offset from state tax refunds and from payments otherwise due to vendors and contractors providing goods or services to state departments, agencies, or other state agencies nontax debt for debts due the other state that extends a like comity to this state.”; and

Further amend said bill, Sections 32.420, 32.430, 32.440, 32.450, 32.460, Pages 12 - 14, by striking all of said sections from the bill and inserting in lieu thereof the following:

“32.420. 1. Notwithstanding any other provision of law to the contrary, all state agencies may refer to the department for collection debts owed to them. The department may provide collection services on debts referred to the department by a state agency. This authority shall not supersede the authority granted to the attorney general pursuant to section 27.060 or any other statute.

2. A referring agency may refer the debt to the department for collection at any time after a debt becomes delinquent and uncontested and the debtor has no further administrative appeal of the amount of the debt. Methods and procedures for referral must follow internal guidelines prepared by the department.

3. The collection procedures and remedies under this chapter are in addition to any other procedure or remedy available by law. If the state agency's applicable state or federal law requires the use of a particular remedy or procedure for the collection of a debt, that particular remedy or procedure governs the collection of that debt to the extent the procedure or remedy is inconsistent with this chapter.

4. The state agency shall send notice to the debtor by United States regular mail at the debtor's last known address at least twenty days before the debt is referred to the department. The notice shall state the nature and amount of the debt, identify to whom the debt is owed, and inform the debtor of the remedies available under this chapter or the state agency's own procedures.

32.430. 1. The department may establish policies and procedures to use the collection remedy afforded under section 143.902 in filing a lien with the county recorder of deeds and the filing of a certificate of lien with the circuit court. The department may also use collection remedies afforded under any chapter for collection of any state debt referred to the department. Debtors shall have all rights afforded under sections 32.410 to 32.470 to notice and to challenge the department's collection. The department shall not have authority to prosecute or defend civil actions on behalf of any other state agency, except as necessary to defend any challenges made to actions pursuant to section 143.902 or 143.910 for a debt referred by a state agency or to prosecute an action pursuant to subsection 10 of section 104.910.

2. Venue for any suit filed in aid of collection of a state debt referred to the department shall be in Cole County. If a judgment or a lien was filed with a circuit clerk prior to the date the debt was referred to the department, the venue shall be the county in which the judgment or lien was filed.

3. The department is authorized to employ department staff and attorneys, and at the department's discretion, the attorney general and prosecuting attorneys and private collection agencies as authorized in sections 136.150 and 140.850 in seeking collection of debts referred to the department by a state agency.

32.440. 1. The department shall add to the amount of debt referred to the department by a state agency the cost of collection which shall be ten percent of the total debt referred by the state agency. The department shall have the same authority to collect the cost of collection as the department has in collecting the debt referred by the state agency.

2. The cost of collection shall only be waived when:

(1) Within thirty days after the initial notice to the debtor by the department, the debtor establishes to the department reasonable cause for the failure to pay the debt prior to referral of the debt to the department, enters into an agreement satisfactory to the department to pay the debt in full, and fully abides by the terms of that agreement;

(2) A good faith dispute as to the legitimacy or the amount of the debt exists, and payment is remitted or an agreement satisfactory to the department to pay the debt in full is entered into within thirty days after resolution of the dispute, and the debtor fully abides by the terms of that agreement;

or

(3) Collection costs have been added by the state agency and are included in the amount of the referred debt.

3. If the department collects an amount less than the total due, the payment shall be applied proportionally to collection costs and the underlying debt unless the department has waived this requirement for certain categories of debt under the department's internal guidelines. Collection costs collected by the department under this section shall be deposited in the general revenue fund.

32.450. The department may compromise state debt referred to the department in accordance with section 32.378.

32.460. 1. The department and the referring state agency shall follow all federal and state laws regarding the confidentiality of information and records regarding the debtor including the disclosure of the debtor's Social Security number, which state agencies, including the judiciary, are authorized to provide to the department in assistance of collection of the state debt referred. Each specific state agency's confidentiality laws shall apply to the employees of the state agency and to the department.

2. The department and the referring state agency are authorized to exchange such information as is necessary for the successful collection of the state debt referred in accordance with section 610.032. The judiciary is hereby authorized to exchange such information with the department as is necessary for the successful collection of the state debt referred.”; and

Further amend said bill, Pages 18-19 , Sections 105.716, by deleting all of said section and inserting in lieu thereof the following:

“105.716. 1. Any investigation, defense, negotiation, or compromise of any claim covered by sections 105.711 to 105.726 shall be conducted by the attorney general; provided, that in the case of any claim against the department of conservation, the department of transportation or a public institution which awards baccalaureate degrees, or any officer or employee of such department or such institution, any investigation, defense, negotiation, or compromise of any claim covered by sections 105.711 to 105.726 shall be conducted by legal counsel provided by the respective entity against which the claim is made or which employs the person against whom the claim is made.

In the case of any payment from the state legal expense fund based upon a claim or judgment against the department of conservation, the department of transportation or any officer or employee thereof, the department so affected shall immediately transfer to the state legal expense fund from the department funds a sum equal to the amount expended from the state legal expense fund on its behalf.

2. All persons and entities protected by the state legal expense fund shall cooperate with the attorneys conducting any investigation and preparing any defense under the provisions of sections 105.711 to 105.726 by assisting such attorneys in all respects, including the making of settlements, the securing and giving of evidence, and the attending and obtaining witness to attend hearings and trials. Funds in the state legal expense fund shall not be used to pay claims and judgments against those persons and entities who do not cooperate as required by this subsection.

3. The provisions of sections 105.711 to 105.726 notwithstanding, the attorney general may investigate, defend, negotiate, or compromise any claim covered by sections 105.711 to 105.726 against any public institution which awards baccalaureate degrees whose governing body has declared a state of financial

exigency.

4. Notwithstanding the provisions of subsection 2 of section 105.711, funds in the state legal expense fund may be expended prior to the payment of any claim or any final judgment to pay costs of defense, including reasonable attorney's fees for retention of legal counsel, when the attorney general determines that a conflict exists or particular expertise is required, and also to pay for related legal expenses including medical examination fees, expert witness fees, court reporter expenses, travel costs and ancillary legal expenses incurred prior to the payment of a claim or any final judgment.

5. Notwithstanding any other provision of law to the contrary, no funds shall be expended from the state legal expense fund for settlement of any liability claim except upon the production of a no tax due statement from the department of revenue by the party making claim or having judgment under section 105.711, which shall be satisfied from such fund. Payments of no less than ten thousand dollars from the fund for property damage claims shall not require a no tax due statement from the department. If the party is found by the director of revenue to owe a delinquent tax debt to the state of Missouri under the revenue laws of this state, any funds to be paid to the party from the state legal expense fund shall be offset to satisfy such tax debt before payment is made to the party making claim or having judgment.”; and

Further amend said bill, Pages 40 -41, Section 144.083 by striking all of said sections from the bill and inserting in lieu thereof the following:

“144.083. 1. The director of revenue shall require all persons who are responsible for the collection of taxes under the provisions of section 144.080 to procure a retail sales license at no cost to the licensee which shall be prominently displayed at the licensee's place of business, and the license is valid until revoked by the director or surrendered by the person to whom issued when sales are discontinued. The director shall issue the retail sales license within ten working days following the receipt of a properly completed application. Any person applying for a retail sales license or reinstatement of a revoked sales tax license who owes any tax under sections 144.010 to 144.510 or sections 143.191 to 143.261 must pay the amount due plus interest and penalties before the department may issue the applicant a license or reinstate the revoked license. All persons beginning business subsequent to August 13, 1986, and who are required to collect the sales tax shall secure a retail sales license prior to making sales at retail. Such license may, after ten days' notice, be revoked by the director of revenue only in the event the licensee shall be in default for a period of sixty days in the payment of any taxes levied under section 144.020 or sections 143.191 to 143.261. Notwithstanding the provisions of section 32.057 in the event of revocation, the director of revenue may publish the status of the business account including the date of revocation in a manner as determined by the director.

2. The possession of a retail sales license and a statement from the department of revenue that the licensee owes no tax due under [sections 144.010 to 144.510 or sections 143.191 to 143.261] **section 32.088** shall be a prerequisite to the issuance or renewal of any city or county occupation license or any state license which is required for conducting any business [where goods are sold at retail]. The date of issuance on the statement that the licensee owes no tax due shall be no more than ninety days before the date of submission for application or renewal of the local license. The revocation of a retailer's license by the director shall render the occupational license or the state license null and void.

3. No person responsible for the collection of taxes under section 144.080 shall make sales at retail unless such person is the holder of a valid retail sales license. After all appeals have been exhausted, the

director of revenue may notify the county or city law enforcement agency representing the area in which the former licensee's business is located that the retail sales license of such person has been revoked, and that any county or city occupation license of such person is also revoked. The county or city may enforce the provisions of this section, and may prohibit further sales at retail by such person.

4. In addition to the provisions of subsection 2 of this section, beginning January 1, 2009, **and until December 31, 2011**, the possession of a statement from the department of revenue stating no tax is due under sections 143.191 to 143.265 or sections 144.010 to 144.510 shall also be a prerequisite to the issuance or renewal of any city or county occupation license or any state license required for conducting any business where goods are sold at retail. The statement of no tax due shall be dated no longer than ninety days before the date of submission for application or renewal of the city or county license.

5. Notwithstanding any law or rule to the contrary, sales tax shall only apply to the sale price paid by the final purchaser and not to any off-invoice discounts or other pricing discounts or mechanisms negotiated between manufacturers, wholesalers, and retailers.”; and

Further amend said bill, Pages 46 through 49 , Section 168.071, by deleting all of said section and inserting in lieu thereof the following:

“168.071. 1. The state board of education may refuse to issue or renew a certificate, or may, upon hearing, discipline the holder of a certificate of license to teach for the following causes:

(1) A certificate holder or applicant for a certificate has pleaded to or been found guilty of a felony or crime involving moral turpitude under the laws of this state, any other state, of the United States, or any other country, whether or not sentence is imposed;

(2) The certification was obtained through use of fraud, deception, misrepresentation or bribery;

(3) There is evidence of incompetence, immorality, or neglect of duty by the certificate holder;

(4) A certificate holder has been subject to disciplinary action relating to certification issued by another state, territory, federal agency, or country upon grounds for which discipline is authorized in this section; [or]

(5) If charges are filed by the local board of education, based upon the annulling of a written contract with the local board of education, for reasons other than election to the general assembly, without the consent of the majority of the members of the board that is a party to the contract; **or**

(6) Beginning January 1, 2012, the government entity issuing a valid certificate of license to teach in Missouri under section 168.011 shall at least one time each year provide the name and Social Security number of each certificate holder or applicant for certificate of a license to teach in Missouri to the director of revenue. The director of revenue shall at least one time each year check the status of each certificate holder or applicant for certificate of a license to teach in Missouri against a database developed by the director to determine if all state income tax returns have been filed and all state income taxes owed have been paid. If such certificate holder or applicant for certificate of a license to teach in Missouri is delinquent on any state taxes, or has failed to file state income tax returns in the last three years, the director shall then send notice to the certificate holder or applicant for certificate of a license to teach in Missouri and the department of elementary and secondary education. In the case of such delinquency or failure to file, the certificate holder's license shall be suspended within ninety days after notice of such delinquency or failure to file, and the applicant for

certificate's license shall not be issued unless the director of revenue verifies that such delinquency or failure has been remedied or arrangements have been made to achieve such remedy. The director of revenue shall, within ten business days of notification to the government entity issuing the certificate of license to teach that the delinquency has been remedied or arrangements have been made to remedy such delinquency, send written notification to the certificate holder or applicant for certificate that the delinquency has been remedied. Tax liability paid in protest or reasonably founded disputes with such liability shall be considered paid for the purposes of this section.

2. A public school district may file charges seeking the discipline of a holder of a certificate of license to teach based upon any cause or combination of causes outlined in subsection 1 of this section, including annulment of a written contract. Charges shall be in writing, specify the basis for the charges, and be signed by the chief administrative officer of the district, or by the president of the board of education as authorized by a majority of the board of education. The board of education may also petition the office of the attorney general to file charges on behalf of the school district for any cause other than annulment of contract, with acceptance of the petition at the discretion of the attorney general.

3. The department of elementary and secondary education may file charges seeking the discipline of a holder of a certificate of license to teach based upon any cause or combination of causes outlined in subsection 1 of this section, other than annulment of contract. Charges shall be in writing, specify the basis for the charges, and be signed by legal counsel representing the department of elementary and secondary education.

4. If the underlying conduct or actions which are the basis for charges filed pursuant to this section are also the subject of a pending criminal charge against the person holding such certificate, the certificate holder may request, in writing, a delayed hearing on advice of counsel under the fifth amendment of the Constitution of the United States. Based upon such a request, no hearing shall be held until after a trial has been completed on this criminal charge.

5. The certificate holder shall be given not less than thirty days' notice of any hearing held pursuant to this section.

6. Other provisions of this section notwithstanding, the certificate of license to teach shall be revoked or, in the case of an applicant, a certificate shall not be issued, if the certificate holder or applicant has pleaded guilty to or been found guilty of any of the following offenses established pursuant to Missouri law or offenses of a similar nature established under the laws of any other state or of the United States, or any other country, whether or not the sentence is imposed:

(1) Any dangerous felony as defined in section 556.061 or murder in the first degree;

(2) Any of the following sexual offenses: rape; statutory rape in the first degree; statutory rape in the second degree; sexual assault; forcible sodomy; statutory sodomy in the first degree; statutory sodomy in the second degree; child molestation in the first degree; child molestation in the second degree; deviate sexual assault; sexual misconduct involving a child; sexual misconduct in the first degree; sexual abuse; enticement of a child; or attempting to entice a child;

(3) Any of the following offenses against the family and related offenses: incest; abandonment of child in the first degree; abandonment of child in the second degree; endangering the welfare of a child in the first degree; abuse of a child; child used in a sexual performance; promoting sexual performance by a child; or trafficking in children; and

(4) Any of the following offenses involving child pornography and related offenses: promoting obscenity in the first degree; promoting obscenity in the second degree when the penalty is enhanced to a class D felony; promoting child pornography in the first degree; promoting child pornography in the second degree; possession of child pornography in the first degree; possession of child pornography in the second degree; furnishing child pornography to a minor; furnishing pornographic materials to minors; or coercing acceptance of obscene material.

7. When a certificate holder pleads guilty or is found guilty of any offense that would authorize the state board of education to seek discipline against that holder's certificate of license to teach, the local board of education or the department of elementary and secondary education shall immediately provide written notice to the state board of education and the attorney general regarding the plea of guilty or finding of guilty.

8. The certificate holder whose certificate was revoked pursuant to subsection 6 of this section may appeal such revocation to the state board of education. Notice of this appeal must be received by the commissioner of education within ninety days of notice of revocation pursuant to this subsection. Failure of the certificate holder to notify the commissioner of the intent to appeal waives all rights to appeal the revocation. Upon notice of the certificate holder's intent to appeal, an appeal hearing shall be held by a hearing officer designated by the commissioner of education, with the final decision made by the state board of education, based upon the record of that hearing. The certificate holder shall be given not less than thirty days' notice of the hearing, and an opportunity to be heard by the hearing officer, together with witnesses.

9. In the case of any certificate holder who has surrendered or failed to renew his or her certificate of license to teach, the state board of education may refuse to issue or renew, or may suspend or revoke, such certificate for any of the reasons contained in this section.

10. In those cases where the charges filed pursuant to this section are based upon an allegation of misconduct involving a minor child, the hearing officer may accept into the record the sworn testimony of the minor child relating to the misconduct received in any court or administrative hearing.

11. Hearings, appeals or other matters involving certificate holders, licensees or applicants pursuant to this section may be informally resolved by consent agreement or agreed settlement or voluntary surrender of the certificate of license pursuant to the rules promulgated by the state board of education.

12. The final decision of the state board of education is subject to judicial review pursuant to sections 536.100 to 536.140.

13. A certificate of license to teach to an individual who has been convicted of a felony or crime involving moral turpitude, whether or not sentence is imposed, shall be issued only upon motion of the state board of education adopted by a unanimous affirmative vote of those members present and voting.”; and

Further amend said bill, Pages 51 and 52, Section 215.020, by deleting all of said section and inserting in lieu thereof the following:

“215.020. 1. There is hereby created and established as a governmental instrumentality of the state of Missouri the “Missouri Housing Development Commission” which shall constitute a body corporate and politic.

2. The commission shall consist of the governor, lieutenant governor, the state treasurer, the state attorney general, and six members to be selected by the governor, with the advice and consent of the senate.

The persons to be selected by the governor shall be individuals knowledgeable in the areas of housing, finance or construction. Not more than four of the members appointed by the governor shall be from the same political party. The members of the commission appointed by the governor shall serve the following terms: Two shall serve two years, two shall serve three years, and two shall serve four years, respectively. Thereafter, each appointment shall be for a term of four years. If for any reason a vacancy occurs, the governor, with the advice and consent of the senate, shall appoint a new member to fill the unexpired term. Members are eligible for reappointment.

3. Six members of the commission shall constitute a quorum. No vacancy in the membership of the commission shall impair the right of a quorum to exercise all the rights and perform all the duties of the commission. No action shall be taken by the commission except upon the affirmative vote of at least six of the members of the commission.

4. Each member of the commission appointed by the governor is entitled to compensation of fifty dollars per diem plus his reasonable and necessary expenses actually incurred in discharging his duties under sections 215.010 to 215.250.

5. The department staff shall report to an executive director who shall be appointed by the governor and such executive director shall implement only those policies which are presented by the executive director and approved by the commission.

6. The employment of the executive director, including the executive director serving in such capacity on the effective date of this section, shall be subject to the advice and consent of the senate in the same manner as an appointment subject to the provisions of article IV, section 51 of the Missouri Constitution and shall be for a term of three years subject to reappointment for additional terms. Each additional term shall be subject to the advice and consent of the senate.

7. The operating budget of the commission shall be subject to annual appropriations.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 2 TO
HOUSE AMENDMENT NO. 2

Amend House Amendment No. 2 to House Committee Substitute No. 2 for Senate Committee Substitute for Senate Bill No. 100, Page 20, Line 22, by deleting the word, “**evident**”; and inserting the word, “**event**”; and

Further amend said amendment, Page 48, Line 35, by deleting the number, “**eighty-five**” and inserting in lieu thereof the number, “**ninety-five**”; and

Further amend said amendment, Page 49, Lines 1-5, by deleting all of said lines and inserting in lieu thereof the words, “**carried forward under the provisions of section 253.559.**”; and

Further amend said amendment, Page 49, Lines 21-22, by deleting all of said lines; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 2

Amend House Committee Substitute No. 2 for Senate Committee Substitute for Senate Bill No. 100, in the Title, Page 1, Lines 6, by deleting all of said line and inserting in lieu thereof the following:

“lieu thereof sixty-two new sections relating to the collection and distribution of state money,”; and

Further amend said bill, Section 32.115, Pages 6-9, Lines 1-118, by striking all of said section from the bill and inserting in lieu thereof the following:

“32.115. 1. The department of revenue shall grant a tax credit, to be applied in the following order until used, against:

- (1) The annual tax on gross premium receipts of insurance companies in chapter 148;
- (2) The tax on banks determined pursuant to subdivision (2) of subsection 2 of section 148.030;
- (3) The tax on banks determined in subdivision (1) of subsection 2 of section 148.030;
- (4) The tax on other financial institutions in chapter 148;
- (5) The corporation franchise tax in chapter 147;
- (6) The state income tax in chapter 143; and
- (7) The annual tax on gross receipts of express companies in chapter 153.

2. For proposals approved pursuant to section 32.110:

(1) The amount of the tax credit shall not exceed fifty percent of the total amount contributed during the taxable year by the business firm or, in the case of a financial institution, where applicable, during the relevant income period in programs approved pursuant to section 32.110;

(2) Except as provided in subsection 2 or 5 of this section, a tax credit of up to seventy percent may be allowed for contributions to programs where activities fall within the scope of special program priorities as defined with the approval of the governor in regulations promulgated by the director of the department of economic development;

(3) Except as provided in subsection 2 or 5 of this section, the tax credit allowed for contributions to programs located in any community shall be equal to seventy percent of the total amount contributed where such community is a city, town or village which has fifteen thousand or less inhabitants as of the last decennial census and is located in a county which is either located in:

(a) An area that is not part of a standard metropolitan statistical area;

(b) A standard metropolitan statistical area but such county has only one city, town or village which has more than fifteen thousand inhabitants; or

(c) A standard metropolitan statistical area and a substantial number of persons in such county derive their income from agriculture. Such community may also be in an unincorporated area in such county as provided in subdivision (1), (2) or (3) of this subsection. Except in no case shall the total economic benefit of the combined federal and state tax savings to the taxpayer exceed the amount contributed by the taxpayer during the tax year;

(4) Such tax credit allocation, equal to seventy percent of the total amount contributed, shall not exceed four million dollars in fiscal year 1999 and six million dollars in fiscal year 2000 and any subsequent fiscal year. When the maximum dollar limit on the seventy percent tax credit allocation is committed, the tax credit allocation for such programs shall then be equal to fifty percent credit of the total amount contributed. Regulations establishing special program priorities are to be promulgated during the first month of each fiscal year and at such times during the year as the public interest dictates. Such credit shall not exceed two

hundred and fifty thousand dollars annually except as provided in subdivision (5) of this subsection. No tax credit shall be approved for any bank, bank and trust company, insurance company, trust company, national bank, savings association, or building and loan association for activities that are a part of its normal course of business. Any tax credit not used in the period the contribution was made may be carried over the next five succeeding calendar or fiscal years until the full credit has been claimed. Except as otherwise provided for proposals approved pursuant to section 32.111, 32.112 or 32.117, in no event shall the total amount of all other tax credits allowed pursuant to sections 32.100 to 32.125 exceed thirty-two million dollars in any one fiscal year, of which six million shall be credits allowed pursuant to section 135.460. If six million dollars in credits are not approved, then the remaining credits may be used for programs approved pursuant to sections 32.100 to 32.125;

(5) The credit may exceed two hundred fifty thousand dollars annually and shall not be limited if community services, crime prevention, education, job training, physical revitalization or economic development, as defined by section 32.105, is rendered in an area defined by federal or state law as an impoverished, economically distressed, or blighted area or as a neighborhood experiencing problems endangering its existence as a viable and stable neighborhood, or if the community services, crime prevention, education, job training, physical revitalization or economic development is limited to impoverished persons.

3. For proposals approved pursuant to section 32.111:

(1) The amount of the tax credit shall not exceed fifty-five percent of the total amount invested in affordable housing assistance activities or market rate housing in distressed communities as defined in section 135.530 by a business firm. Whenever such investment is made in the form of an equity investment or a loan, as opposed to a donation alone, tax credits may be claimed only where the loan or equity investment is accompanied by a donation which is eligible for federal income tax charitable deduction, and where the total value of the tax credits herein plus the value of the federal income tax charitable deduction is less than or equal to the value of the donation. Any tax credit not used in the period for which the credit was approved may be carried over the next ten succeeding calendar or fiscal years until the full credit has been allowed. If the affordable housing units or market rate housing units in distressed communities for which a tax is claimed are within a larger structure, parts of which are not the subject of a tax credit claim, then expenditures applicable to the entire structure shall be reduced on a prorated basis in proportion to the ratio of the number of square feet devoted to the affordable housing units or market rate housing units in distressed communities, for purposes of determining the amount of the tax credit. The total amount of tax credit granted for programs approved pursuant to section 32.111 for the fiscal year beginning July 1, 1991, shall not exceed two million dollars, to be increased by no more than two million dollars each succeeding fiscal year, until the total tax credits that may be approved reaches ten million dollars in any fiscal year;

(2) For any year during the compliance period indicated in the land use restriction agreement, the owner of the affordable housing rental units for which a credit is being claimed shall certify to the commission that all tenants renting claimed units are income eligible for affordable housing units and that the rentals for each claimed unit are in compliance with the provisions of sections 32.100 to 32.125. The commission is authorized, in its discretion, to audit the records and accounts of the owner to verify such certification;

(3) In the case of owner-occupied affordable housing units, the qualifying owner occupant shall, before the end of the first year in which credits are claimed, certify to the commission that the occupant is income eligible during the preceding two years, and at the time of the initial purchase contract, but not thereafter.

The qualifying owner occupant shall further certify to the commission, before the end of the first year in which credits are claimed, that during the compliance period indicated in the land use restriction agreement, the cost of the affordable housing unit to the occupant for the claimed unit can reasonably be projected to be in compliance with the provisions of sections 32.100 to 32.125. Any succeeding owner occupant acquiring the affordable housing unit during the compliance period indicated in the land use restriction agreement shall make the same certification;

(4) If at any time during the compliance period the commission determines a project for which a proposal has been approved is not in compliance with the applicable provisions of sections 32.100 to 32.125 or rules promulgated therefor, the commission may within one hundred fifty days of notice to the owner either seek injunctive enforcement action against the owner, or seek legal damages against the owner representing the value of the tax credits, or foreclose on the lien in the land use restriction agreement, selling the project at a public sale, and paying to the owner the proceeds of the sale, less the costs of the sale and less the value of all tax credits allowed herein. The commission shall remit to the director of revenue the portion of the legal damages collected or the sale proceeds representing the value of the tax credits. However, except in the event of intentional fraud by the taxpayer, the proposal's certificate of eligibility for tax credits shall not be revoked.

4. For proposals approved pursuant to section 32.112, the amount of the tax credit shall not exceed fifty-five percent of the total amount contributed to a neighborhood organization by business firms. Any tax credit not used in the period for which the credit was approved may be carried over the next ten succeeding calendar or fiscal years until the full credit has been allowed. The total amount of tax credit granted for programs approved pursuant to section 32.112 shall not exceed one million dollars for each fiscal year.

5. The total amount of tax credits used for market rate housing in distressed communities pursuant to sections 32.100 to 32.125 shall not exceed thirty percent of the total amount of all tax credits authorized pursuant to sections 32.111 and 32.112.

6. Notwithstanding any provision of law to the contrary, no new projects shall be approved under the development tax credit program created pursuant to sections 32.100 to 32.125 after August 28, 2011. The provisions of this subsection shall not be construed to limit or impair the ability of any administering agency to issue tax credits for any project approved prior to August 28, 2011, or the ability of any taxpayer to redeem any such tax credits.”; and

Further amend said bill, Section 32.460, Page 14, Line 7, by inserting the following after all of said Line:

“67.2050. 1. As used in this section, unless the context clearly indicates otherwise, the following terms mean:

(1) “Facility”, a location composed of real estate, buildings, fixtures, machinery, and equipment;

(2) “Municipality”, any county, city, incorporated town, or village of the state;

(3) “NAICS”, the 2007 edition of the North American Industry Classification System developed under the direction and guidance of the federal Office of Management and Budget. Any NAICS sector, subsector, industry group, or industry identified in this section shall include its corresponding classification in previous and subsequent federal industry classification systems;

(4) “Technology business facility”, a facility purchased, constructed, extended, or improved under

this section, provided that such business facility is engaged in:

(a) Wired telecommunications carriers (NAICS 517110); or

(b) Data processing, hosting, and related services (NAICS 518210); or

(c) Internet publishing and broadcasting and web search portals (NAICS 519130), at the business facility;

(5) “Technology business facility project” or “project”, the purchase, construction, extension, and improvement of technology business facilities, whether of the facility as a whole or of any one or more of the facility’s components of real estate, buildings, fixtures, machinery, and equipment.

2. The governing body of any municipality may:

(1) Carry out technology business facility projects for economic development under this section;

(2) Accept grants from the federal and state governments for technology business facility project purposes, and may enter into such agreements as are not contrary to the laws of this state and which may be required as a condition of grants by the federal government or its agencies; and

(3) Receive gifts and donations from private sources to be used for technology business facility project purposes.

3. The governing body of the municipality may enter into loan agreements, sell, lease, or mortgage to private persons, partnerships, or corporations any one or more of the components of a facility received, purchased, constructed, or extended by the municipality for development of a technology business facility project. The loan agreement, installment sale agreement, lease, or other such document shall contain such other terms as are agreed upon between the municipality and the obligor, provided that such terms shall be consistent with this section. When, in the judgment of the governing body of the municipality, the technology business facility project will result in economic benefits to the municipality, the governing body may lawfully enter into an agreement that includes nominal monetary consideration to the municipality in exchange for the use of one or more components of the facility.

4. Transactions involving the lease or rental of any components of a project under this section shall be specifically exempted from the provisions of the local sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.761, and from the computation of the tax levied, assessed, or payable under the local sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.745.

5. Leasehold interests granted and held under this section shall not be subject to property taxes.

6. Any payments in lieu of taxes expected to be made by any lessee of the project shall be applied in accordance with this section. The lessee may reimburse the municipality for its actual costs of administering the plan. All amounts paid in excess of such actual costs shall, immediately upon receipt thereof, be disbursed by the municipality’s treasurer or other financial officer to each affected taxing entity in proportion to the current ad valorem tax levy of each affected taxing entity.

7. The county assessor shall include the current assessed value of all property within the affected taxing entities in the aggregate valuation of assessed property entered upon the assessor’s book and verified under section 137.245, and such value shall be used for the purpose of the debt limitation on

local government under section 26(b), article VI, Constitution of Missouri.

8. The governing body of any municipality may sell or otherwise dispose of the property, buildings, or plants acquired under this section to private persons or corporations for technology business facility project purposes upon approval by the governing body. The terms and method of the sale or other disposal shall be established by the governing body so as to reasonably protect the economic well-being of the municipality and to promote the development of technology business facility projects. A private person or corporation that initially transfers property to the municipality for the purposes of a technology business facility project and does not charge a purchase price to the municipality shall retain the right, upon request to the municipality, to have the municipality retransfer the donated property to the person or corporation at no cost.

9. The provisions of this section shall not be construed to allow political subdivisions to provide telecommunications services or telecommunications facilities to the extent that they are prohibited from doing so by section 392.410.”; and

Further amend said bill, Section 67.3000, Pages 14 - 18, by striking all of said section from the bill and inserting in lieu thereof the following:

“67.3000. 1. As used in this section and section 67.3005, the following words shall mean:

(1) “Active Member”, an organization located in the state of Missouri, which solicits and services sports events, sports organizations, and other types of sports-related activities in that community;

(2) “Applicant” or “applicants”, one or more certified sponsors, endorsing counties, endorsing municipalities, or a local organizing committee, acting individually or collectively;

(3) “Certified sponsor” or “certified sponsors”, a nonprofit organization which is an active member of the National Association of Sports Commissions;

(4) “Department”, the Missouri department of economic development;

(5) “Director”, the director of revenue;

(6) “Eligible costs”, shall include:

(a) Costs necessary for conducting the sporting event;

(b) Costs relating to the preparations necessary for the conduct of the sporting event; and

(c) An applicant’s pledged obligations to the site selection organization as evidenced by the support contract for the sporting event.

Eligible costs shall not include any cost associated with the rehabilitation or construction of any facilities used to host the sporting event but may include costs associated with the retrofitting of a facility necessary to accommodate the sporting event, and direct payments to a for-profit site selection organization;

(7) “Eligible donation”, donations received, by a certified sponsor or local organizing committee, from a taxpayer that may include cash, publically traded stocks and bonds, and real estate that will be valued and documented according to rules promulgated by the department. Such donations shall be used solely to provide funding to attract sporting events to this state;

(8) “Endorsing municipality” or “endorsing municipalities”, any city, town, incorporated village,

or county that contains a site selected by a site selection organization for one or more sporting events;

(9) “Joinder agreement”, an agreement entered into by one or more applicants, acting individually or collectively, and a site selection organization setting out representations and assurances by each applicant in connection with the selection of a site in this state for the location of a sporting event;

(10) “Joinder undertaking”, an agreement entered into by one or more applicants, acting individually or collectively, and a site selection organization that each applicant will execute a joinder agreement in the event that the site selection organization selects a site in this state for a sporting event;

(11) “Local organizing committee”, a nonprofit corporation or its successor in interest that:

(a) Has been authorized by one or more certified sponsors, endorsing municipalities, or endorsing counties, acting individually or collectively, to pursue an application and bid on its or the applicant’s behalf to a site selection organization for selection as the site of one or more sporting events; or

(b) With the authorization of one or more certified sponsors, endorsing municipalities, or endorsing counties, acting individually or collectively, executes an agreement with a site selection organization regarding a bid to host one or more sporting events;

(12) “Site selection organization”, the National Collegiate Athletic Association (NCAA); an NCAA member conference, university, or institution; the National Association of Intercollegiate Athletics (NAIA); the United States Olympic Committee (USOC); a national governing body (NGB) or international federation of a sport recognized by the USOC; the United States Golf Association (USGA); the United States Tennis Association (USTA); the Amateur Softball Association of America (ASA); other major regional, national, and international sports associations, and amateur organizations that promote, organize, or administer sporting games, or competitions; or other major regional, national, and international organizations that promote or organize sporting events;

(13) “Sporting event” or “sporting events”, an amateur sporting event that is competitively bid;

(14) “Support contract” or “support contracts”, an event award notification, joinder undertaking, joinder agreement, or contract executed by an applicant and a site selection organization;

(15) “Tax credit” or “tax credits”, a credit or credits issued by the department against the tax otherwise due under chapter 143 or 148, excluding withholding tax imposed by sections 143.191 to 143.265;

(16) “Taxpayer”, any of the following individuals or entities who make an eligible donation to a provider:

(a) A person, firm, partner in a firm, corporation, or a shareholder in an S corporation doing business in the state of Missouri and subject to the state income tax imposed in chapter 143;

(b) A corporation subject to the annual corporation franchise tax imposed in chapter 147;

(c) An insurance company paying an annual tax on its gross premium receipts in this state;

(d) Any other financial institution paying taxes to the state of Missouri or any political subdivision of this state under chapter 148;

(e) An individual subject to the state income tax imposed in chapter 143;

(f) Any charitable organization which is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143.

2. An applicant may submit a copy of a support contract for a sporting event to the department. Within sixty days of receipt of the sporting event support contract, the department may review the applicant's support contract and certify such support contract if it complies with the requirements of this section. Upon certification of the support contract by the department, the applicant may be authorized to receive the tax credit under subsection 4 of this section.

3. No more than thirty days following the conclusion of the sporting event, the applicant shall submit eligible costs and documentation of the costs evidenced by receipts, paid invoices, or other documentation in a manner prescribed by the department.

4. No later than seven days following the conclusion of the sporting event, the department, in consultation with the director, may determine the total number of tickets sold at face value for such event. No later than sixty days following the receipt of eligible costs and documentation of such costs from the applicant as required in subsection 3 of this section, the department may issue a refundable tax credit to the applicant for the lesser of one hundred percent of eligible costs incurred by the applicant or an amount equal to five dollars for every admission ticket sold to such event. Tax credits authorized by this section may be claimed against taxes imposed by chapters 143 and 148 and shall be claimed within one year of the close of the taxable year for which the credits were issued. Tax credits authorized by this section may be transferred, sold, or assigned by filing a notarized endorsement thereof with the department that names the transferee, the amount of tax credit transferred, and the value received for the credit, as well as any other information reasonably requested by the department.

5. In no event shall the amount of tax credits issued by the department under subsection 4 of this section exceed three million dollars in any fiscal year.

6. An applicant shall provide any information necessary as determined by the department for the department and the director to fulfill the duties required by this section. At any time upon the request of the state of Missouri, a certified sponsor will subject itself to an audit conducted by the state.

7. This section shall not be construed as creating or requiring a state guarantee of obligations imposed on an endorsing municipality under a support contract or any other agreement relating to hosting one or more sporting events in this state.

8. The department shall only certify an applicant's support contract for a sporting event in which the site selection organization has yet to select a location for the sporting event as of August 28, 2011. Support contracts shall not be certified by the department after August 28, 2017, provided that the support contracts may be certified prior to August 28, 2017, for sporting events that will be held after such date.

9. The department may promulgate rules, statements of policy, procedures, forms, and guidelines as necessary to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010 that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers

vested with the general assembly pursuant to chapter 536, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2011, shall be invalid and void.

67.3005. 1. For all taxable years beginning on or after January 1, 2011, any taxpayer shall be allowed a credit against the taxes otherwise due under chapter 143, 147, or 148 excluding withholding tax imposed by sections 143.191 to 143.265 in an amount equal to fifty percent of the amount of an eligible donation, subject to the restrictions in this section. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state income tax liability in the tax year for which the credit is claimed. Any amount of credit that the taxpayer is prohibited by this section from claiming in a tax year shall not be refundable, but may be carried forward to any of the taxpayer's four subsequent taxable years.

2. To claim the credit authorized in this section, a certified sponsor or local organizing committee may submit to the department an application for the tax credit authorized by this section on behalf of taxpayers. The department shall verify that the provider has submitted the following items accurately and completely:

(1) A valid application in the form and format required by the department;

(2) A statement attesting to the eligible donation received, which shall include the name and taxpayer identification number of the individual making the eligible donation, the amount of the eligible donation, and the date the eligible donation was received by the provider; and

(3) Payment from the certified sponsor or local organizing committee equal to the value of the tax credit for which application is made.

If the certified sponsor or local organizing committee applying for the tax credit meets all criteria required by this subsection, the department shall issue a certificate in the appropriate amount.

3. Tax credits issued under this section may be assigned, transferred, sold, or otherwise conveyed, and the new owner of the tax credit shall have the same rights in the credit as the taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise conveyed, a notarized endorsement shall be filed with the department specifying the name and address of the new owner of the tax credit or the value of the credit. In no event shall the amount of tax credits issued by the department under this section exceed ten million dollars in any fiscal year.

4. The department shall promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, and, if applicable, section 536.028. This section and chapter 536, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2011, shall be invalid and void.

5. Under section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall automatically sunset six years after August 28, 2011, unless reauthorized by an act of the general assembly; and

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

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

Further amend said bill, Section 67.3005, Page 10, Line 12, by inserting after said line the following:

“99.1205. 1. This section shall be known and may be cited as the “Distressed Areas Land Assemblage Tax Credit Act”.

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

(1) “Acquisition costs”, the purchase price for the eligible parcel, costs of environmental assessments, closing costs, real estate brokerage fees, reasonable demolition costs of vacant structures, and reasonable maintenance costs incurred to maintain an acquired eligible parcel for a period of five years after the acquisition of such eligible parcel. Acquisition costs shall not include costs for title insurance and survey, attorney’s fees, relocation costs, fines, or bills from a municipality;

(2) “Applicant”, any person, firm, partnership, trust, limited liability company, or corporation which has:

(a) Incurred, within an eligible project area, acquisition costs for the acquisition of land sufficient to satisfy the requirements under subdivision (8) of this subsection; and

(b) Been appointed or selected, pursuant to a redevelopment agreement by a municipal authority, as a redeveloper or similar designation, under an economic incentive law, to redevelop an urban renewal area or a redevelopment area that includes all of an eligible project area or whose redevelopment plan or redevelopment area, which encompasses all of an eligible project area, has been approved or adopted under an economic incentive law. In addition to being designated the redeveloper, the applicant shall have been designated to receive economic incentives only after the municipal authority has considered the amount of the tax credits in adopting such economic incentives as provided in subsection 8 of this section. The redevelopment agreement shall provide that:

a. The funds generated through the use or sale of the tax credits issued under this section shall be used to redevelop the eligible project area;

b. No more than seventy-five percent of the urban renewal area identified in the urban renewal plan or the redevelopment area identified in the redevelopment plan may be redeveloped by the applicant; and

c. The remainder of the urban renewal area or the redevelopment area shall be redeveloped by co-redevelopers or redevelopers to whom the applicant has assigned its redevelopment rights and obligations under the urban renewal plan or the redevelopment plan;

(3) “Certificate”, a tax credit certificate issued under this section;

(4) “Condemnation proceedings”, any action taken by, or on behalf of, an applicant to initiate an action in a court of competent jurisdiction to use the power of eminent domain to acquire a parcel within the eligible project area. Condemnation proceedings shall include any and all actions taken after the submission of a notice of intended acquisition to an owner of a parcel within the eligible project area by a municipal authority or any other person or entity under section 523.250;

(5) “Department”, the Missouri department of economic development;

(6) “Economic incentive laws”, any provision of Missouri law pursuant to which economic incentives are provided to redevelopers of a parcel or parcels to redevelop the land, such as tax abatement or payments in lieu of taxes, or redevelopment plans or redevelopment projects approved or adopted which include the use of economic incentives to redevelop the land. Economic incentive laws include, but are not limited to, the land clearance for redevelopment authority law under sections 99.300 to 99.660, the real property tax increment allocation redevelopment act under sections 99.800 to 99.865, the Missouri downtown and rural economic stimulus act under sections 99.915 to 99.1060, and the downtown revitalization preservation program under sections 99.1080 to 99.1092;

(7) “Eligible parcel”, a parcel:

(a) Which is located within an eligible project area;

(b) Which is to be redeveloped;

(c) On which the applicant has not commenced construction prior to November 28, 2007;

(d) Which has been acquired without the commencement of any condemnation proceedings with respect to such parcel brought by or on behalf of the applicant. Any parcel acquired by the applicant from a municipal authority shall not constitute an eligible parcel; and

(e) On which all outstanding taxes, fines, and bills levied by municipal governments that were levied by the municipality during the time period that the applicant held title to the eligible parcel have been paid in full;

(8) “Eligible project area”, an area which shall have satisfied the following requirements:

(a) The eligible project area shall consist of at least seventy-five acres and may include parcels within its boundaries that do not constitute an eligible parcel;

(b) At least eighty percent of the eligible project area shall be located within a Missouri qualified census tract area, as designated by the United States Department of Housing and Urban Development under 26 U.S.C. Section 42, or within a distressed community as that term is defined in section 135.530;

(c) The eligible parcels acquired by the applicant within the eligible project area shall total at least fifty acres, which may consist of contiguous and noncontiguous parcels;

(d) The average number of parcels per acre in an eligible project area shall be four or more;

(e) Less than five percent of the acreage within the boundaries of the eligible project area shall consist of owner-occupied residences which the applicant has identified for acquisition under the urban renewal plan or the redevelopment plan pursuant to which the applicant was appointed or selected as the redeveloper or by which the person or entity was qualified as an applicant under this section on the date of the approval or adoption of such plan;

(9) “Interest costs”, interest, loan fees, and closing costs. Interest costs shall not include attorney’s fees;

(10) “Maintenance costs”, costs of boarding up and securing vacant structures, costs of removing trash, and costs of cutting grass and weeds;

(11) “Municipal authority”, any city, town, village, county, public body corporate and politic, political subdivision, or land trust of this state established and authorized to own land within the state;

(12) “Municipality”, any city, town, village, or county;

(13) “Parcel”, a single lot or tract of land, and the improvements thereon, owned by, or recorded as the property of, one or more persons or entities;

(14) “Redeveloped”, the process of undertaking and carrying out a redevelopment plan or urban renewal plan pursuant to which the conditions which provided the basis for an eligible project area to be included in a redevelopment plan or urban renewal plan are to be reduced or eliminated by redevelopment or rehabilitation; and

(15) “Redevelopment agreement”, the redevelopment agreement or similar agreement into which the applicant entered with a municipal authority and which is the agreement for the implementation of the urban renewal plan or redevelopment plan pursuant to which the applicant was appointed or selected as the redeveloper or by which the person or entity was qualified as an applicant under this section; and such appointment or selection shall have been approved by an ordinance of the governing body of the municipality, or municipalities, or in the case of any city not within a county, the board of aldermen, in which the eligible project area is located. The redevelopment agreement shall include a time line for redevelopment of the eligible project area. The redevelopment agreement shall state that the named developer shall be subject to the provisions of chapter 290.

3. Any applicant shall be entitled to a tax credit against the taxes imposed under chapters 143, 147, and 148, except for sections 143.191 to 143.265, in an amount equal to fifty percent of the acquisition costs, and one hundred percent of the interest costs incurred for a period of five years after the acquisition of an eligible parcel. No tax credits shall be issued under this section until after January 1, 2008.

4. If the amount of such tax credit exceeds the total tax liability for the year in which the applicant is entitled to receive a tax credit, the amount that exceeds the state tax liability may be carried forward for credit against the taxes imposed under chapters 143, 147, and 148 for the succeeding six years, or until the full credit is used, whichever occurs first. The applicant shall not be entitled to a tax credit for taxes imposed under sections 143.191 to 143.265. Applicants entitled to receive such tax credits may transfer, sell, or assign the tax credits. Tax credits granted to a partnership, a limited liability company taxed as a partnership, or multiple owners of property shall be passed through to the partners, members, or owners respectively pro rata or pursuant to an executed agreement among the partners, members, or owners documenting an alternate distribution method.

5. A purchaser, transferee, or assignee of the tax credits authorized under this section may use acquired tax credits to offset up to one hundred percent of the tax liabilities otherwise imposed under chapters 143, 147, and 148, except for sections 143.191 to 143.265. A seller, transferor, or assignor shall perfect such transfer by notifying the department in writing within thirty calendar days following the effective date of the transfer and shall provide any information as may be required by the department to administer and carry out the provisions of this section.

6. To claim tax credits authorized under this section, an applicant shall submit to the department an application for a certificate. An applicant shall identify the boundaries of the eligible project area in the application. The department shall verify that the applicant has submitted a valid application in the form and format required by the department. The department shall verify that the municipal authority held the requisite hearings and gave the requisite notices for such hearings in accordance with the applicable economic incentive act, and municipal ordinances. On an annual basis, an applicant may file for the tax credit for the acquisition costs, and for the tax credit for the interest costs, subject to the limitations of this section. If an applicant applying for the tax credit meets the criteria required under this section, the

department shall issue a certificate in the appropriate amount. If an applicant receives a tax credit for maintenance costs as a part of the applicant's acquisition costs, the department shall post on its Internet website the amount and type of maintenance costs and a description of the redevelopment project for which the applicant received a tax credit within thirty days after the department issues the certificate to the applicant.

7. The total aggregate amount of tax credits authorized under this section shall not exceed [ninety-five] **ninety** million dollars. [At no time shall] **For all years ending on or before December 31, 2011**, the annual amount of the tax credits issued under this section **shall not** exceed twenty million dollars. **For all years beginning on or after January 1, 2012, the annual amount of the tax credits issued under this section shall not exceed fifteen million dollars.** If the tax credits that are to be issued under this section exceed, in any year, the [twenty million dollar] **applicable annual dollar** limitation, the department shall either:

(1) Issue tax credits to the applicant in the amount of [twenty million dollars,] **the applicable annual dollar limitation**, if there is only one applicant entitled to receive tax credits in that year; or

(2) Issue the tax credits on a pro rata basis to all applicants entitled to receive tax credits in that year. Any amount of tax credits, which an applicant is, or applicants are, entitled to receive on an annual basis and are not issued due to the [twenty million dollar] **the applicable annual dollar** limitation, shall be carried forward for the benefit of the applicant or applicants to subsequent years. No tax credits provided under this section shall be authorized after August 28, 2013. Any tax credits which have been authorized on or before August 28, 2013, but not issued, may be issued, subject to the limitations provided under this subsection, until all such authorized tax credits have been issued.

8. Upon issuance of any tax credits pursuant to this section, the department shall report to the municipal authority the applicant's name and address, the parcel numbers of the eligible parcels for which the tax credits were issued, the itemized acquisition costs and interest costs for which tax credits were issued, and the total value of the tax credits issued. The municipal authority and the state shall not consider the amount of the tax credits as an applicant's cost, but shall include the tax credits in any sources and uses and cost benefit analysis reviewed or created for the purpose of awarding other economic incentives. The amount of the tax credits shall not be considered an applicant's cost in the evaluation of the amount of any award of any other economic incentives, but shall be considered in measuring the reasonableness of the rate of return to the applicant with respect to such award of other economic incentives. The municipal authority shall provide the report to any relevant commission, board, or entity responsible for the evaluation and recommendation or approval of other economic incentives to assist in the redevelopment of the eligible project area. Tax credits authorized under this section shall constitute redevelopment tax credits, as such term is defined under section 135.800, and shall be subject to all provisions applicable to redevelopment tax credits provided under sections 135.800 to 135.830.

9. The department may promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void."; and

Further amend said bill, Section 105.716, Page 19, Line 40, by inserting the following after all of said Line:

“135.010. As used in sections 135.010 to 135.030 the following words and terms mean:

(1) “Claimant”, a person or persons claiming a credit under sections 135.010 to 135.030. If the persons are eligible to file a joint federal income tax return and reside at the same address at any time during the taxable year, then the credit may only be allowed if claimed on a combined Missouri income tax return or a combined claim return reporting their combined incomes and property taxes. A claimant shall not be allowed a property tax credit unless the claimant or spouse has attained the age of sixty-five on or before the last day of the calendar year and the claimant or spouse was a resident of Missouri for the entire year, or the claimant or spouse is a veteran of any branch of the armed forces of the United States or this state who became one hundred percent disabled as a result of such service, or the claimant or spouse is disabled as defined in subdivision (2) of this section, and such claimant or spouse provides proof of such disability in such form and manner, and at such times, as the director of revenue may require, or if the claimant has reached the age of sixty on or before the last day of the calendar year and such claimant received surviving spouse Social Security benefits during the calendar year and the claimant provides proof, as required by the director of revenue, that the claimant received surviving spouse Social Security benefits during the calendar year for which the credit will be claimed. A claimant shall not be allowed a property tax credit if the claimant filed a valid claim for a credit under section 137.106 in the year following the year for which the property tax credit is claimed. The residency requirement shall be deemed to have been fulfilled for the purpose of determining the eligibility of a surviving spouse for a property tax credit if a person of the age of sixty-five years or older who would have otherwise met the requirements for a property tax credit dies before the last day of the calendar year. The residency requirement shall also be deemed to have been fulfilled for the purpose of determining the eligibility of a claimant who would have otherwise met the requirements for a property tax credit but who dies before the last day of the calendar year;

(2) “Disabled”, the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve months. A claimant shall not be required to be gainfully employed prior to such disability to qualify for a property tax credit;

(3) [“Gross rent”, amount paid by a claimant to a landlord for the rental, at arm’s length, of a homestead during the calendar year, exclusive of charges for health and personal care services and food furnished as part of the rental agreement, whether or not expressly set out in the rental agreement. If the director of revenue determines that the landlord and tenant have not dealt at arm’s length, and that the gross rent is excessive, then he shall determine the gross rent based upon a reasonable amount of rent. Gross rent shall be deemed to be paid only if actually paid prior to the date a return is filed. The director of revenue may prescribe regulations requiring a return of information by a landlord receiving rent, certifying for a calendar year the amount of gross rent received from a tenant claiming a property tax credit and shall, by regulation, provide a method for certification by the claimant of the amount of gross rent paid for any calendar year for which a claim is made. The regulations authorized by this subdivision may require a landlord or a tenant or both to provide data relating to health and personal care services and to food. Neither a landlord nor a tenant may be required to provide data relating to utilities, furniture, home furnishings or appliances;

(4) [“Homestead”, the dwelling in Missouri owned [or rented] by the claimant and not to exceed five acres of land surrounding it as is reasonably necessary for use of the dwelling as a home. It may consist of part of a multidwelling or multipurpose building and part of the land upon which it is built. “Owned” includes a vendee in possession under a land contract and one or more tenants by the entireties, joint tenants, or tenants in common and includes a claimant actually in possession if he was the immediate former owner

of record, if a lineal descendant is presently the owner of record, and if the claimant actually pays all taxes upon the property. It may include a mobile home;

[(5)] (4) “Income”, Missouri adjusted gross income as defined in section 143.121 less two thousand dollars, or in the case of a homestead owned and occupied, for the entire year, by the claimant, less four thousand dollars as an exemption for the claimant’s spouse residing at the same address, and increased, where necessary, to reflect the following:

(a) Social Security, railroad retirement, and veterans payments and benefits unless the claimant is a one hundred percent service-connected, disabled veteran or a spouse of a one hundred percent service-connected, disabled veteran. The one hundred percent service-connected disabled veteran shall not be required to list veterans payments and benefits;

(b) The total amount of all other public and private pensions and annuities;

(c) Public relief, public assistance, and unemployment benefits received in cash, other than benefits received under this chapter;

(d) No deduction being allowed for losses not incurred in a trade or business;

(e) Interest on the obligations of the United States, any state, or any of their subdivisions and instrumentalities;

[(6)] (5) “Property taxes accrued”, property taxes paid, exclusive of special assessments, penalties, interest, and charges for service levied on a claimant’s homestead in any calendar year. Property taxes shall qualify for the credit only if actually paid prior to the date a return is filed. The director of revenue shall require a tax receipt or other proof of property tax payment. If a homestead is owned only partially by claimant, then “property taxes accrued” is that part of property taxes levied on the homestead which was actually paid by the claimant. For purposes of this subdivision, property taxes are “levied” when the tax roll is delivered to the director of revenue for collection. If a claimant owns a homestead part of the preceding calendar year and rents it or a different homestead for part of the same year, “property taxes accrued” means only taxes levied on the homestead both owned and occupied by the claimant, multiplied by the percentage of twelve months that such property was owned and occupied as the homestead of the claimant during the year. When a claimant owns and occupies two or more different homesteads in the same calendar year, property taxes accrued shall be the sum of taxes allocable to those several properties occupied by the claimant as a homestead for the year. If a homestead is an integral part of a larger unit such as a farm, or multipurpose or multidwelling building, property taxes accrued shall be that percentage of the total property taxes accrued as the value of the homestead is of the total value. For purposes of this subdivision “unit” refers to the parcel of property covered by a single tax statement of which the homestead is a part[;

(7) “Rent constituting property taxes accrued”, twenty percent of the gross rent paid by a claimant and spouse in the calendar year].”; and

Further amend said bill, Sections 135.025, 135.030, 135.352, 135.484, 135.630, and 135.647, Pages 19-26, by striking all of said sections from the bill and inserting in lieu thereof the following:

“135.025. 1. The property taxes accrued [and rent constituting property taxes accrued] on each return shall be totaled. This total, up to [seven hundred fifty dollars in rent constituting property taxes actually paid or] eleven hundred dollars in actual property tax paid, shall be used in determining the property tax credit. The director of revenue shall prescribe regulations providing for allocations where part of a claimant’s

homestead is rented to another or used for nondwelling purposes or where a homestead is owned [or rented] or used as a dwelling for part of a year.

2. (1) The director of the department of revenue shall calculate the amount of property tax credit that was attributable to renters in fiscal year 2011. Beginning with the budget request for fiscal year 2013, the director shall annually request that amount be transferred from the general revenue fund to the Missouri senior services protection fund. The money in such fund shall be appropriated for the Missouri Rx plan under section 208.782, services for seniors through the area agencies on aging, and other programs for low-income seniors.

(2) There is hereby created in the state treasury the “Missouri Senior Services Protection Fund”, which shall consist of all gifts, donations, transfers, moneys appropriated to the fund by the general assembly, and bequests to the fund. The state treasurer shall be custodian of the fund. In accordance with sections 30.170 and 30.180, the state treasurer may approve disbursements. The fund shall be a dedicated fund and, upon appropriation, money in the fund shall be used solely for the purposes provided in this section. Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general revenue fund. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

135.030. 1. As used in this section:

(1) The term “maximum upper limit” shall, for each calendar year after December 31, 1997, but before calendar year 2008, be the sum of twenty-five thousand dollars. For all calendar years beginning on or after January 1, 2008, the maximum upper limit shall be the sum of twenty-seven thousand five hundred dollars. In the case of a homestead owned and occupied for the entire year by the claimant, the maximum upper limit shall be the sum of thirty thousand dollars;

(2) The term “minimum base” shall, for each calendar year after December 31, 1997, but before calendar year 2008, be the sum of thirteen thousand dollars. For all calendar years beginning on or after January 1, 2008, the minimum base shall be the sum of fourteen thousand three hundred dollars.

2. If the income on a return is equal to or less than the maximum upper limit for the calendar year for which the return is filed, the property tax credit shall be determined from a table of credits based upon the amount by which the total property tax described in section 135.025 exceeds the percent of income in the following list:

If the income on the return is:	The percent is:
Not over the minimum base	0 percent with credit not to exceed \$1,100 in actual property tax [or rent equivalent] paid [up to \$750]
Over the minimum base but not over the maximum upper limit	1/16 percent accumulative per \$300 from 0 percent to 4 percent.

The director of revenue shall prescribe a table based upon the preceding sentences. The property tax shall be in increments of twenty-five dollars and the income in increments of three hundred dollars. The credit shall be the amount rounded to the nearest whole dollar computed on the basis of the property tax and income at the midpoints of each increment. As used in this subsection, the term “accumulative” means an increase by continuous or repeated application of the percent to the income increment at each three hundred dollar level.

3. Notwithstanding subsection 4 of section 32.057, the department of revenue or any duly authorized employee or agent shall determine whether any taxpayer filing a report or return with the department of revenue who has not applied for the credit allowed pursuant to section 135.020 may qualify for the credit, and shall notify any qualified claimant of the claimant’s potential eligibility, where the department determines such potential eligibility exists.

135.352. 1. A taxpayer owning an interest in a qualified Missouri project shall[, subject to the limitations provided under the provisions of subsection 3 of this section,] be allowed a state tax credit, [whether or not allowed a federal tax credit,] to be termed the Missouri low-income housing tax credit, if the commission issues an eligibility statement for that project.

2. For qualified Missouri projects [placed in service after January 1, 1997, the] **authorized on or after July 1, 2011, one hundred million dollars in Missouri low-income housing tax [credit available to a project shall be such amount as the commission shall determine is necessary to ensure the feasibility of the project, up to an amount equal to the] credits shall be awarded during each fiscal year to projects which are awarded federal low-income housing tax [credit for a qualified Missouri project, for a federal tax period, and such amount shall be subtracted from the amount of state tax otherwise due for the same tax period] credits by the commission and such Missouri low-income housing tax credits shall be claimed over a period of time which shall correspond to the time during which the federal low-income housing tax credits awarded for such qualified Missouri projects are claimed. Tax credits authorized after July 1, 2011, for projects financed through tax-exempt bond issuance shall not be subject to the limitations provided under this section. Provisions of the subsection to the contrary, in no evident shall more than one hundred million dollars be awarded in tax credits under this subsection.”;** and

3. **For fiscal year 2011, no more than six million dollars in tax credits shall be authorized each fiscal year for projects financed through tax-exempt bond issuance. Beginning July 1, 2012, until June 30, 2017 no more than twenty million dollars in low-income housing tax credits shall be awarded during each fiscal year for projects financed through tax-exempt bond issuance and such Missouri low-income housing tax credits shall be claimed over a period of time which shall correspond to the time during which the federal low-income housing tax credits awarded for such qualified Missouri projects are claimed.**

4. The Missouri low-income housing tax credit shall be taken against the taxes and in the order specified pursuant to section 32.115. The credit authorized by this section shall not be refundable. Any amount of credit that exceeds the tax due for a taxpayer’s taxable year may be carried back to any of the taxpayer’s three prior taxable years or carried forward to any of the taxpayer’s five subsequent taxable years. **For projects authorized on or after July 1, 2011, any amount of credit that exceeds the tax due for a taxpayer’s taxable year may be carried back to any of the taxpayer’s two previous taxable years or carried forward to any of the taxpayer’s five subsequent taxable years.**

5. All or any portion of Missouri tax credits issued in accordance with the provisions of sections 135.350

to 135.362 may be allocated to parties who are eligible pursuant to the provisions of subsection 1 of this section. Beginning January 1, 1995, for qualified projects which began on or after January 1, 1994, an owner of a qualified Missouri project shall certify to the director the amount of credit allocated to each taxpayer. The owner of the project shall provide to the director appropriate information so that the low-income housing tax credit can be properly allocated.

6. In the event that recapture of Missouri low-income housing tax credits is required pursuant to subsection 2 of section 135.355, any statement submitted to the director as provided in this section shall include the proportion of the state credit required to be recaptured, the identity of each taxpayer subject to the recapture and the amount of credit previously allocated to such taxpayer.

7. The director of the department may promulgate rules and regulations necessary to administer the provisions of this section. No rule or portion of a rule promulgated pursuant to the authority of this section shall become effective unless it has been promulgated pursuant to the provisions of section 536.024.

8. Notwithstanding any provision of law to the contrary, no tax credits provided under this section shall be authorized on or after August 28, 2021. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to August 28, 2021, or a taxpayer's ability to redeem such tax credits.

135.484. 1. Beginning January 1, 2000, tax credits shall be allowed pursuant to section 135.481 in an amount not to exceed sixteen million dollars per year. Of this total amount of tax credits in any given year, eight million dollars shall be set aside for projects in areas described in subdivision (6) of section 135.478 and eight million dollars for projects in areas described in subdivision (10) of section 135.478. The maximum tax credit for a project consisting of multiple-unit qualifying residences in a distressed community shall not exceed three million dollars.

2. Any amount of credit which exceeds the tax liability of a taxpayer for the tax year in which the credit is first claimed may be carried back to any of the taxpayer's three prior tax years and carried forward to any of the taxpayer's five subsequent tax years. A certificate of tax credit issued to a taxpayer by the department may be assigned, transferred, sold or otherwise conveyed. Whenever a certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a notarized endorsement shall be filed with the department specifying the name and address of the new owner of the tax credit and the value of the credit.

3. The tax credits allowed pursuant to sections 135.475 to 135.487 may not be claimed in addition to any other state tax credits, with the exception of the historic structures rehabilitation tax credit authorized pursuant to sections 253.545 to 253.559, which insofar as sections 135.475 to 135.487 are concerned may be claimed only in conjunction with the tax credit allowed pursuant to subsection 4 of section 135.481. In order for a taxpayer eligible for the historic structures rehabilitation tax credit to claim the tax credit allowed pursuant to subsection 4 of section 135.481, the taxpayer must comply with the requirements of sections 253.545 to 253.559, and in such cases, the amount of the tax credit pursuant to subsection 4 of section 135.481 shall be limited to the lesser of twenty percent of the taxpayer's eligible costs or forty thousand dollars.

4. Notwithstanding any provision of law to the contrary, no tax credits provided under sections 135.475 to 135.487 shall be authorized on or after August 28, 2011. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to August 28, 2011, or a taxpayer's ability to redeem such tax credits.

135.487. 1. To obtain any credit allowed pursuant to sections 135.475 to 135.487, a taxpayer shall submit to the department, for preliminary approval, an application for tax credit. The director shall, upon final approval of an application and presentation of acceptable proof of substantial completion of construction, issue the taxpayer a certificate of tax credit. The director shall issue all credits allowed pursuant to sections 135.475 to 135.487 in the order the applications are received. In the case of a taxpayer other than an owner-occupant, the director shall not delay the issuance of a tax credit pursuant to sections 135.475 to 135.487 until the sale of a residence at market rate for owner-occupancy. A taxpayer[, taxpayer] other than an owner-occupant who receives a certificate of tax credit pursuant to sections 135.475 to 135.487 shall, within thirty days of the date of the sale of a residence, furnish to the director satisfactory proof that such residence was sold at market rate for owner-occupancy. If the director reasonably determines that a residence was not in good faith intended for long-term owner occupancy, the director make revoke any tax credits issued and seek recovery of any tax credits issued pursuant to section 620.017.

2. The department may cooperate with a municipality or a county in which a project is located to help identify the location of the project, the type and eligibility of the project, the estimated cost of the project and the completion date of the project.

3. The department may promulgate such rules or regulations or issue administrative guidelines as are necessary to administer the provisions of sections 135.475 to 135.487. No rule or portion of a rule promulgated pursuant to the authority of this section shall become effective unless it has been promulgated pursuant to the provisions of chapter 536.

4. The department shall conduct annually a comprehensive program evaluation illustrating where the tax credits allowed pursuant to sections 135.475 to 135.487 are being utilized, explaining the economic impact of such program and making recommendations on appropriate program modifications to ensure the program's success.

5. Notwithstanding any provision of law to the contrary, no tax credits provided under this section shall be authorized on or after August 28, 2011. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to August 28, 2011, or a taxpayer's ability to redeem such tax credits.

135.630. 1. As used in this section, the following terms mean:

- (1) "Contribution", a donation of cash, stock, bonds, or other marketable securities, or real property;
- (2) "Director", the director of the department of social services;
- (3) "Pregnancy resource center", a nonresidential facility located in this state:

(a) Established and operating primarily to provide assistance to women with crisis pregnancies or unplanned pregnancies by offering pregnancy testing, counseling, emotional and material support, and other similar services to encourage and assist such women in carrying their pregnancies to term; and

(b) Where childbirths are not performed; and

(c) Which does not perform, induce, or refer for abortions and which does not hold itself out as performing, inducing, or referring for abortions; and

(d) Which provides direct client services at the facility, as opposed to merely providing counseling or referral services by telephone; and

(e) Which provides its services at no cost to its clients; and

(f) When providing medical services, such medical services must be performed in accordance with Missouri statute; and

(g) Which is exempt from income taxation pursuant to the Internal Revenue Code of 1986, as amended;

(4) “State tax liability”, in the case of a business taxpayer, any liability incurred by such taxpayer pursuant to the provisions of chapters 143, 147, 148, and 153, excluding sections 143.191 to 143.265 and related provisions, and in the case of an individual taxpayer, any liability incurred by such taxpayer pursuant to the provisions of chapter 143, excluding sections 143.191 to 143.265 and related provisions;

(5) “Taxpayer”, a person, firm, a partner in a firm, corporation, or a shareholder in an S corporation doing business in the state of Missouri and subject to the state income tax imposed by the provisions of chapter 143, or a corporation subject to the annual corporation franchise tax imposed by the provisions of chapter 147, or an insurance company paying an annual tax on its gross premium receipts in this state, or other financial institution paying taxes to the state of Missouri or any political subdivision of this state pursuant to the provisions of chapter 148, or an express company which pays an annual tax on its gross receipts in this state pursuant to chapter 153, or an individual subject to the state income tax imposed by the provisions of chapter 143, or any which is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143.

2. For all tax years beginning on or after January 1, 2007, a taxpayer shall be allowed to claim a tax credit against the taxpayer’s state tax liability in an amount equal to fifty percent of the amount such taxpayer contributed to a pregnancy resource center.

3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer’s state tax liability for the taxable year for which the credit is claimed, and such taxpayer shall not be allowed to claim a tax credit in excess of fifty thousand dollars per taxable year. However, any tax credit that cannot be claimed in the taxable year the contribution was made may be carried over to the next four succeeding taxable years until the full credit has been claimed.

4. Except for any excess credit which is carried over pursuant to subsection 3 of this section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such taxpayer’s contribution or contributions to a pregnancy resource center or centers in such taxpayer’s taxable year has a value of at least one hundred dollars.

5. The director shall determine, at least annually, which facilities in this state may be classified as pregnancy resource centers. The director may require of a facility seeking to be classified as a pregnancy resource center whatever information which is reasonably necessary to make such a determination. The director shall classify a facility as a pregnancy resource center if such facility meets the definition set forth in subsection 1 of this section.

6. The director shall establish a procedure by which a taxpayer can determine if a facility has been classified as a pregnancy resource center. Pregnancy resource centers shall be permitted to decline a contribution from a taxpayer. The cumulative amount of tax credits which may be claimed by all the taxpayers contributing to pregnancy resource centers in any one fiscal year shall not exceed two million dollars. Tax credits shall be issued in the order contributions are received.

7. The director shall establish a procedure by which, from the beginning of the fiscal year until some

point in time later in the fiscal year to be determined by the director, the cumulative amount of tax credits are equally apportioned among all facilities classified as pregnancy resource centers. If a pregnancy resource center fails to use all, or some percentage to be determined by the director, of its apportioned tax credits during this predetermined period of time, the director may reapportion these unused tax credits to those pregnancy resource centers that have used all, or some percentage to be determined by the director, of their apportioned tax credits during this predetermined period of time. The director may establish more than one period of time and reapportion more than once during each fiscal year. To the maximum extent possible, the director shall establish the procedure described in this subsection in such a manner as to ensure that taxpayers can claim all the tax credits possible up to the cumulative amount of tax credits available for the fiscal year.

8. Each pregnancy resource center shall provide information to the director concerning the identity of each taxpayer making a contribution to the pregnancy resource center who is claiming a tax credit pursuant to this section and the amount of the contribution. The director shall provide the information to the director of revenue. The director shall be subject to the confidentiality and penalty provisions of section 32.057 relating to the disclosure of tax information.

9. Notwithstanding any other law to the contrary, any tax credits granted under this section may be assigned, transferred, sold, or otherwise conveyed without consent or approval. Such taxpayer, hereinafter the assignor for purposes of this section, may sell, assign, exchange, or otherwise transfer earned tax credits:

- (1) For no less than seventy-five percent of the par value of such credits; and
- (2) In an amount not to exceed one hundred percent of annual earned credits.

10. [Pursuant to section 23.253 of the Missouri sunset act:

(1) Any new program authorized under this section shall automatically sunset six years after August 28, 2006, unless reauthorized by an act of the general assembly; and

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

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which a program authorized under this section is sunset] **Notwithstanding any provision of law to the contrary, no tax credits provided under this section shall be authorized on or after August 28, 2016. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to August 28, 2016, or a taxpayer's ability to redeem such tax credits.**

135.647. 1. As used in this section, the following terms shall mean:

(1) "Local food pantry", any food pantry that is:

(a) Exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986, as amended; and

(b) Distributing emergency food supplies to Missouri low-income people who would otherwise not have access to food supplies in the area in which the taxpayer claiming the tax credit under this section resides;

(2) "Taxpayer", an individual, a firm, a partner in a firm, corporation, or a shareholder in an S corporation doing business in this state and subject to the state income tax imposed by chapter 143,

excluding withholding tax imposed by sections 143.191 to 143.265.

2. For all tax years beginning on or after January 1, 2007, any taxpayer who donates cash or food, unless such food is donated after the food's expiration date, to any local food pantry shall be allowed a credit against the tax otherwise due under chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, in an amount equal to fifty percent of the value of the donations made to the extent such amounts that have been subtracted from federal adjusted gross income or federal taxable income are added back in the determination of Missouri adjusted gross income or Missouri taxable income before the credit can be claimed. Each taxpayer claiming a tax credit under this section shall file an affidavit with the income tax return verifying the amount of their contributions. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state tax liability for the tax year that the credit is claimed, and shall not exceed two thousand five hundred dollars per taxpayer claiming the credit. Any amount of credit that the taxpayer is prohibited by this section from claiming in a tax year shall not be refundable, but may be carried forward to any of the taxpayer's three subsequent taxable years. No tax credit granted under this section shall be transferred, sold, or assigned. No taxpayer shall be eligible to receive a credit pursuant to this section if such taxpayer employs persons who are not authorized to work in the United States under federal law.

3. The cumulative amount of tax credits under this section which may be allocated to all taxpayers contributing to a local food pantry in any one fiscal year shall not exceed two million dollars. The director of revenue shall establish a procedure by which the cumulative amount of tax credits is apportioned among all taxpayers claiming the credit by April fifteenth of the fiscal year in which the tax credit is claimed. To the maximum extent possible, the director of revenue shall establish the procedure described in this subsection in such a manner as to ensure that taxpayers can claim all the tax credits possible up to the cumulative amount of tax credits available for the fiscal year.

4. Any local food pantry may accept or reject any donation of food made under this section for any reason. For purposes of this section, any donations of food accepted by a local food pantry shall be valued at fair market value, or at wholesale value if the taxpayer making the donation of food is a retail grocery store, food broker, wholesaler, or restaurant.

5. The department of revenue shall promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void.

6. [Under section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall automatically sunset four years after August 28, 2007, unless reauthorized by an act of the general assembly; and

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

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset] **Notwithstanding any provision of law to the contrary, no tax credits provided under this section shall be authorized on or after**

August 28, 2016. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to August 28, 2016, or a taxpayer's ability to redeem such tax credits."; and

Further amend said bill, Sections 135.1500, 135.1503, 135.1505, 135.1507, 135.1509, 135.1511, 135.1513, 135.1515, 135.1517, 135.1519, and 135.1521, Pages 30 - 37, by striking all of said Sections from the bill and inserting in lieu thereof the following:

"135.1500. 1. Sections 135.1500 to 135.1519, shall be known and may be cited as the "Aerotropolis Trade Incentive and Tax Credit Act".

2. As used in sections 135.1500 to 135.1519, unless the context clearly requires otherwise, the following terms shall mean:

(1) "Air export tax credit", the tax credit against the taxes imposed under chapters 143, 147, and 148, except for sections 143.191 to 143.265, to be issued by the department to a claiming freight forwarder for the shipment of air cargo on a qualifying outbound flight;

(2) "Airport", an airport which is owned and operated by a city not within a county;

(3) "Cargo activity", all of the inbound cargo activity and outbound cargo activity into and from an eligible facility;

(4) "Certificate of compliance", a certificate submitted with any application for a tax credit or tax incentive specified in section 135.1513, that shall certify that all requisite requirements for the issuance of such tax credits and tax incentives have been satisfied for such eligible facility and shall provide evidence of such satisfaction;

(5) "Certificate of occupancy", the certificate or permit issued by a municipality that permits the commercial use or occupancy of a building or structure;

(6) "Chargeable kilo", the shipment of a kilo of freight, as measured by the greater of:

(a) Actual weight; or

(b) A dimensional weight, as determined by the conversion factors promulgated by the International Air Transport Association, on a qualifying outbound flight or a qualifying inbound flight;

(7) "Claiming freight forwarder", the freight forwarder designated as the "agent" on the airway bill for the qualifying outbound flight for which such air export tax credit is sought;

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

(9) "Direct all cargo aircraft flight", a flight that flies directly to its destination without stopping, except to receive fuel and maintenance;

(10) "Economic incentive laws", any provision of Missouri law under which economic incentives are provided to redevelopers of a parcel or parcels to redevelop the land, such as tax abatement or payments in lieu of taxes, or redevelopment plans or redevelopment projects approved or adopted which include the use of economic incentives to redevelop the land;

(11) "Eligible costs", the following costs associated with the development and construction of an eligible facility:

(a) Costs and expenses of construction of the eligible facility, including fixtures and equipment; and

(b) Demolition costs of vacant structures.

Eligible costs shall not include costs of site improvements or costs of environmental remediation;

(12) “Eligible facility”, a qualifying gateway facility, qualifying cold-chain facility, or qualifying assembly and manufacturing facility;

(13) “Eligibility period”, the time period, not to exceed seven fiscal years, during which an owner of an eligible facility may receive benefits under section 135.1513. Such time period shall begin to run twelve months after the date on which the certificate of occupancy is issued for each eligible facility, and shall continue for the next subsequent seven fiscal years;

(14) “Fiscal year”, the twelve consecutive month time period beginning on the date, which is twelve months after the date on which the certificate of occupancy is issued for an eligible facility, and ending on the last day of the twelfth month thereafter, with each subsequent fiscal year beginning on the anniversary of the date, which is twelve months after the date of the issuance of such certificate of occupancy, and ending on the last day of the twelfth month thereafter;

(15) “Freight forwarder”, a person that assumes responsibility in the ordinary course of its business for the transportation of cargo from the place of receipt to the place of destination, including the utilization of a qualifying outbound flight;

(16) “Full-time employee”, an employee who is located at an eligible facility and is scheduled to work an average of at least thirty-five hours per week for a twelve-month period;

(17) “Gateway zone”, an area within this state designated under the provisions of sections 135.1500 to 135.1519, which shall be within:

(a) A site of at least one hundred contiguous acres located within fifty miles of an airport; provided, however, such one hundred acres need not be contiguous if the acreage is located within a larger designated urban renewal area or redevelopment area under economic incentive laws;

(b) An area within the boundaries of an airport; or

(c) Any area owned or managed by the port authority of a county or a city not within a county;

(18) “Inbound cargo activity”, the receipt of materials, components, goods, and products at an eligible facility from another destination through any mode of multimodal commerce. The term “inbound cargo activity” shall not include road transportation from the airport to the eligible facility;

(19) “Level one air cargo activity”, where:

(a) At least twenty percent of the total outbound cargo activity of an eligible facility consists of chargeable kilos shipped from such facility, on a qualifying outbound flight by the owner of, or any tenant in, such facility; or

(b) At least twenty percent of the total inbound cargo activity of an eligible facility consists of chargeable kilos shipped on a qualifying inbound flight to the owner of, or any tenant in, an eligible facility, whether or not the inbound shipment is stored at any time within such facility; or

(c) At least twenty percent of the total cargo activity of an eligible facility consists of:

a. Chargeable kilos shipped from such facility, on a qualifying outbound flight by the owner of, or any tenant in, such facility; and

b. Chargeable kilos shipped on a qualifying inbound flight to the owner of, or any tenant in, an eligible facility, whether or not the inbound shipment is stored at any time within such facility;

(20) “Level two air cargo activity”, where:

(a) At least ten percent of the total outbound cargo activity of an eligible facility consists of chargeable kilos shipped from such facility, on a qualifying outbound flight by the owner of, or any tenant in, such facility; or

(b) At least ten percent of the total inbound cargo activity of an eligible facility consists of chargeable kilos shipped on a qualifying inbound flight to the owner of, or any tenant in, an eligible facility, whether or not the inbound shipment is stored at any time within such facility; or

(c) At least ten percent of the total cargo activity of an eligible facility consists of:

a. Chargeable kilos shipped from such facility, on a qualifying outbound flight by the owner of, or any tenant in, such facility; and

b. Chargeable kilos shipped on a qualifying inbound flight to the owner of, or any tenant in, an eligible facility, whether or not the inbound shipment is stored at any time within such facility;

(21) “Multimodal commerce”, modes of commerce for the shipment of materials, components, goods, or products, including road transportation, railroad transportation, water transportation, or aircraft transportation;

(22) “Municipality”, any city, town, village, or county;

(23) “New building”, a new structure or building for which a certificate of occupancy was issued on or after July 1, 2011 for commercial activity, including fixtures and equipment;

(24) “New job”, a person who was not employed at the eligible facility as a full-time employee on or prior to the date of the issuance of the certificate of occupancy for the eligible facility. No job that was created prior to the date of the issuance of the certificate of occupancy for the eligible facility shall be deemed a new job. An employee that spends less than fifty percent of the employee’s work time at the eligible facility is still considered to be located at an eligible facility if the employee receives his or her directions and control from that facility, is on the facility’s payroll, and one hundred percent of the employee’s income from such employment is Missouri income;

(25) “Outbound cargo activity”, the shipment of materials, components, goods, and products from an eligible facility to another destination through any mode of multimodal commerce. The term “outbound cargo activity” shall not include road transportation to the airport from the eligible facility;

(26) “Perishable freight”, agricultural products, including seeds, garden products, live animals, and processed meat products such as pork and beef;

(27) “Qualifying applicant”, an owner of, or tenant in, an eligible facility;

(28) “Qualifying assembly and manufacturing facility”, a new building located within a gateway zone that is equipped for manufacturing or assembly and in which the receipt of production materials or components or the shipment of finished goods or products, or both, involves at least two modes of multimodal commerce;

(29) “Qualifying cargo activity”, meeting or exceeding the requirements for level one air cargo activity or level two air cargo activity;

(30) “Qualifying cold-chain facility”, a new building located within a gateway zone which has within it equipment for maintaining necessary temperatures for the processing, packaging, or distribution of temperature-sensitive products, provided that at least eighty percent of the usable square footage of such facility is refrigerated;

(31) “Qualifying gateway facility”, a new building located within a gateway zone in which qualifying cargo activity occurs, provided that no more than twenty percent of the usable space within the qualifying gateway facility is devoted to office or retail use;

(32) “Qualifying inbound flight”, an all cargo aircraft flight originating from an international destination to the airport;

(33) “Qualifying outbound flight”, a direct all cargo aircraft flight from the airport to an international destination; and

(34) “Tenant in an eligible facility”, a tenant or subtenant who is operating within an eligible facility and is a tenant or subtenant of the owners of an eligible facility, or a licensee who is operating within an eligible facility and is a licensee of such owner, tenant, or subtenant.

135.1503. 1. Any executive officer of a county or the mayor of any city not within a county desiring to designate a gateway zone shall cause the governing body of such county or city not within a county to hold a public hearing for the purpose of obtaining the opinion and suggestions of those persons who will be affected by such designation. The county or the city not within a county shall publish notice of such hearing in a newspaper of general circulation in the area to be affected by such designation at least twenty days prior to the date of the hearing but not more than thirty days prior to such hearing. Such notice shall state the time, location, date, and purpose of the hearing.

2. Following conclusion of the public hearing required by this section, the executive officer of any county or the mayor of any city not within a county shall notify the department in writing of the designation of the gateway zone. Such notification shall include evidence that the requisite public hearing has been conducted, a legal description of the area of the gateway zone, the street location, if available, the acreage of the gateway zone, a survey of the gateway zone, a plan for the utilization and marketing of the gateway zone, and confirmation that zoning has been obtained for the gateway zone or any portion thereof which zoning is consistent with the uses of property as contemplated under sections 135.1500 to 135.1519.

3. The department shall have a period of sixty calendar days to verify that such gateway zone satisfies the requirements under section 135.1500. If the department does not notify the executive officer of the county, or the mayor of any city not within a county, designating the gateway zone, of its verification that the requirements are satisfied, or the department does not notify such executive officer or such mayor of its denial and provide a detailed description of the reason for the denial of such verification within such sixty day time period, then the requirements under section 135.1500 shall be deemed to have been satisfied.

4. If the department provides such executive officer or mayor with a detailed description of a reason for its denial within such sixty day time period, such executive officer or mayor may submit a revised notification. Any such revised notification shall be subject to the provisions of subsection

3 of this section.

135.1505. 1. There shall be an annual special assessment levied on any eligible facility, which receives benefits under sections 135.1500 to 135.1519, at the rate of twenty cents per rentable square foot of such facility; provided however, any special assessments levied on such eligible facilities located within the boundaries of the airport shall be remitted to the airport. The county collector of revenue of the county in which a gateway zone is located, or the collector of revenue for the city in which a gateway zone is located if the gateway zone is located in a city not within a county, shall annually levy the special assessments in the same manner as real property taxes are collected.

2. On or before the first day of February of each year and after deducting the reasonable and actual cost of such collection not to exceed one percent of the total amount collected, the county or city collector of revenue, who has collected the special assessments, shall remit to the entities identified in subsection 3 of this section the percentages of special assessments set forth in such subsection. Such county or city collector of revenue shall collect the special assessments prior to the fifteenth day of January of each year. Upon receipt of such money, the entities, identified in subsection 3 of this section, shall execute a receipt therefor, which the entities shall forward or deliver to the county or city collector of revenue.

3. After the payment of any fees related to the collection of the special assessments and the remittance of any special assessments identified for remittance under subsection 1 of this section to the airport, the remaining revenues collected from the special assessments shall be utilized as follows:

(a) Fifty percent of such revenues shall be annually transferred to the airport. The proceeds of the net special assessments shall be placed in a special fund for marketing and promotion of the airport and shall not be comingled with any other funds of the airport;

(b) The remaining fifty percent of such revenues shall be annually transferred to a tax exempt regional or county economic development association or associations, selected by the executive officer of any county, or the mayor of a city not within a county, which contains a gateway zone for the marketing and promotion of the gateway zone. Such county or city shall enter into an agreement or agreements with such tax exempt economic development association or associations for the marketing and promotion of the gateway zone and shall review and approve the annual budget of such association or associations for such marketing and promotion. Such tax exempt regional or county economic development association or associations shall not comingle any of such revenues with any other funds of the association or associations.

4. The airport and such tax exempt regional or county economic development association or associations shall be subject to periodic audits by the state auditor to be paid in accordance with section 29.230. The airport shall report, and such executive officer or mayor shall cause the tax exempt regional or county economic development association performing such marketing and promotion to report, to the department the status of the gateway zone and the use of revenues generated through the levying of special assessments under this section.

135.1507. 1. For all taxable years beginning on or after January 1, 2011, a claiming freight forwarder shall be entitled to an air export tax credit for the shipment of cargo on a qualifying outbound flight in an amount equal to thirty cents per chargeable kilo.

2. For all taxable years beginning on or after January 1, 2011, a claiming freight forwarder shall

be entitled to an air export tax credit for the shipment of perishable freight on a qualifying outbound flight in an amount equal to thirty-five cents per chargeable kilo.

3. No claiming freight forwarder shall receive air export tax credits under both subsections 1 and 2 of this section for a single shipment on a qualifying outbound flight.

4. The department shall index the amount of the air export tax credits to adjust each year depending upon fluctuations in the cost of fuel for over-the-road transportation.

135.1509. 1. To receive benefits provided under section 135.1507, a claiming freight forwarder shall file an application with the department within one hundred twenty calendar days of the date that the shipment for which air export tax credits are being sought was transported on the qualifying outbound flight. The documentation to be presented by the claiming freight forwarder in such an application shall consist of the master airway bill for the shipment on the qualifying outbound flight for which the claiming freight forwarder is seeking air export tax credits. All master airway bills shall specify an origin located within the United States of America for the shipments to qualify for air export tax credits. The department shall establish procedures to allow claiming freight forwarders that file applications for air export tax credits to receive such tax credits within ten business days of the date of the filing of the application for air export tax credits relating to the qualifying outbound flight. No application shall be approved for any continuing direct all cargo aircraft flights from the airport to an international destination conducted by a carrier, which conducted such flights on a scheduled basis prior to May 1, 2011, and which continuing flights after May 1, 2011, would otherwise have constituted qualifying outbound flights.

2. If the annual cap on the issuance of air export tax credits provided under section 135.1511, is met in a given year, then the amount of such tax credits which have been authorized, but remain unissued, shall be carried forward and issued in the subsequent year.

3. No tax credits provided under this section shall be authorized after August 28, 2019. Any tax credits authorized on or before August 28, 2019, but not issued prior to such date may be issued until all such authorized tax credits have been issued.

135.1511. The total aggregate amount for air export tax credits authorized under section 135.1507 shall not exceed sixty million dollars. The amount of the air export tax credits issued under section 135.1507 shall not exceed:

(1) Three million six hundred thousand dollars for the taxable year beginning on or after January 1, 2011, but ending on or before December 31, 2011;

(2) Four million eight hundred thousand dollars for the taxable year beginning on or after January 1, 2012, but ending on or before December 31, 2012; and

(3) The greater of one million two hundred thousand dollars per weekly qualifying outbound flight or three million six hundred thousand dollars for all taxable years beginning on or after January 1, 2013.

The department shall annually determine the number of weekly qualifying outbound flights, which shall be the average number of such flights per week during the month of September of the previous year.

135.1513. 1. For all taxable years beginning on or after January 1, 2013, qualifying applicants shall

be entitled to the following benefits:

(1) The owner of any eligible facility with level one air cargo activity shall be entitled, during the eligibility period, to receive tax credits against the taxes imposed under chapters 143, 147, and 148, except for sections 143.191 to 143.265, equal to six percent of the eligible costs for such facility for each year that such facility meets or exceeds level one air cargo activity volumes, provided that the owner can demonstrate that at least ten new jobs are projected to be created at the facility by no later than the end of the eligibility period. The total amount of tax credits issued for any such facility shall not exceed thirty percent of such facility's eligible costs. No tax credits provided under this subdivision shall be issued prior to January 1, 2013;

(2) The owner of any qualifying gateway facility with level two air cargo activity, a qualifying assembly and manufacturing facility, or a qualifying cold-chain facility shall be entitled, during the eligibility period, to receive tax credits against the taxes imposed under chapters 143, 147, and 148, except for sections 143.191 to 143.265, equal to four percent of the eligible costs for such facility for each year that such facility satisfies the requirements of sections 135.1500 to 135.1519, provided that the owner can demonstrate that at least ten new jobs are projected to be created at the facility by no later than the end of the eligibility period. The total amount of tax credits issued for such facility shall not exceed twenty percent of such facility's eligible costs. No tax credits provided under this subdivision shall be issued prior to January 1, 2013; and

(3) Any tenant of an eligible facility and any individuals employed by such tenants shall be exempt from the earnings tax imposed by a city not within a county pursuant to sections 92.110 to 92.200 for each fiscal year during the eligibility period if such facility satisfies the requirements of sections 135.1500 to 135.1519.

2. If an eligible facility receives a certificate of occupancy prior to the sunset of the program, the owners of an eligible facility may apply for benefits provided under this section for the term of the eligibility period notwithstanding the sunset of the program prior to the end of the term of the eligibility period for such facility.

135.1515. 1. In order for an owner of an eligible facility to receive benefits provided under section 135.1513 for any fiscal year during the eligibility period, the eligible facility shall satisfy all applicable requirements provided under sections 135.1500 to 135.1519 for each such fiscal year by December thirty-first of the calendar year in which an application is filed under subsection 2 of this section.

2. Owners of an eligible facility seeking benefits provided under section 135.1513 shall file applications for such benefits, accompanied by a certificate of compliance, on or before December thirty-first of each year. If such facility, relating to which such owners are applying for such tax credits satisfies the applicable requirements provided under sections 135.1500 to 135.1519, the department shall grant such benefits on or before July fifteenth of the next calendar year following such time period.

3. If the annual cap for any of such tax credits provided under section 135.1517 is met in a year, then the amount of such tax credits authorized, but unissued, shall be carried forward and issued in the subsequent year.

4. No tax credits provided under this section shall be authorized after August 28, 2020. Any tax credits authorized on or before August 28, 2020, but not issued prior to such date may be issued until

all such authorized tax credits have been issued.

5. No owner of an eligible facility shall be entitled to receive benefits provided under section 135.1513 unless a certificate of occupancy has been issued for the eligible facility prior to August 28, 2020. An owner of an eligible facility for which a certificate of occupancy has been issued prior to August 28, 2020, may be granted benefits under this section.

135.1517. The total aggregate amount for all of the tax credits authorized under subdivisions (1) and (2) of subsection 1 of section 135.1513 shall not exceed three hundred million dollars. The annual amount of the tax credits issued under subdivisions (1) and (2) of subsection 1 of section 135.1513 shall not exceed:

(1) Two million dollars for the taxable year beginning on or after January 1, 2013, and ending on or before December 31, 2013;

(2) Fifteen million dollars for the taxable year beginning on or after January 1, 2014, and ending on or before December 31, 2014;

(3) Sixteen million dollars for the taxable year beginning on or after January 1, 2015, and ending on or before December 31, 2015;

(4) Twenty million dollars for all taxable years beginning on or after January 1, 2016, but ending on or before December 31, 2019;

(5) Thirty million dollars for all taxable years beginning on or after January 1, 2020, but ending on or before December 31, 2025; and

(6) Seven million dollars for the taxable year beginning on or after January 1, 2026, and ending on or before December 31, 2026.

135.1519. If the amount of any tax credit authorized under sections 135.1500 to 135.1519 exceeds the total tax liability for the year in which the applicant is entitled to receive a tax credit, the amount that exceeds the state tax liability may be carried forward for credit against the taxes imposed under chapters 143, 147, and 148, except sections 143.191 to 143.265, for the succeeding six years, or until the full credit is used, whichever occurs first. Tax credits authorized under the provisions of sections 135.1500 to 135.1519 may be transferred, sold, or otherwise assigned. Tax credits granted to a partnership, a limited liability company taxed as a partnership, or multiple owners of property shall be passed through to the partners, members, or owners respectively pro rata or under an executed agreement among the partners, members, or owners documenting an alternate distribution method.

135.1521. 1. The department may promulgate rules to implement the provisions of sections 135.1500 to 135.1519. Any rule or portion of a rule, as that term is defined in section 536.010 that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and to annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2011, shall be invalid and void.

2. The provisions of the new programs authorized under sections 135.1500 to 135.1519 shall automatically sunset eight years after August 28, 2011, unless reauthorized by an act of the general

assembly. If such program is reauthorized, the program authorized under this section shall automatically sunset six years after the effective date of the reauthorization of this section. This section shall terminate on September first of the calendar year immediately following the calendar year in which the programs authorized under sections 135.1500 to 135.1519 sunset.”; and

Further amend said bill, Section 144.810, Pages 41- 46, by striking all of said Section from the bill and inserting in lieu thereof the following:

“144.810. 1. As used in this section, unless the context clearly indicates otherwise, the following terms mean:

(1) “Commencement of commercial operations”, shall be deemed to occur during the first calendar year for which the data storage center is first available for use by the operating taxpayer, or first capable of being used by the operating taxpayer, as a data storage center;

(2) “Constructing taxpayer”, where more than one taxpayer is responsible for a project, a taxpayer responsible for the construction of the facility, as opposed to a taxpayer responsible for the equipping and ongoing operations of the facility;

(3) “County average wage”, the average wages in each county as determined by the department for the most recently completed full calendar year. However, if the computed county average wage is above the statewide average wage, the statewide average wage shall be deemed the county average wage for such county for the purpose of determining eligibility;

(4) “Data storage center” or “facility”, a facility constructed, extended, improved, or operating under this section, provided that such business facility is engaged primarily in:

(a) Data processing, hosting, and related services (NAICS 518210); or

(b) Internet publishing and broadcasting and web search portals (NAICS 519130), at the business facility;

(5) “Existing facility”, a data storage center in this state as it existed prior to August 28, 2011, as determined by the department;

(6) “Expanding facility” or “expanding data storage center”, an existing facility or replacement facility that expands its operations in this state on or after August 28, 2011, and has net new investment related to the expansion of operations in this state of at least five million dollars during a period of up to twelve consecutive months and results in the creation of at least five new jobs during a period of up to twenty-four consecutive months from the date of conditional approval for an exemption under this section, if the average wage of the new jobs equals or exceeds one hundred and fifty percent of the county average wage. An expanding facility shall continue to be an expanding facility regardless of a subsequent change in or addition of operating taxpayers or constructing taxpayers;

(7) “Expanding facility project” or “expanding data storage center project”, the construction, extension, improvement, equipping, and operation of an expanding facility;

(8) “Investment” shall include the value of real and depreciable personal property, acquired as part of the new or expanding facility project which is used in the operation of the facility following conditional approval of an exemption under this section;

(9) “NAICS”, the 2007 edition of the North American Industry Classification System as prepared by the Executive Office of the President, Office of Management and Budget. Any NAICS sector, subsector, industry group, or industry identified in this section shall include its corresponding classification in previous and subsequent federal industry classification systems;

(10) “New facility” or “new data storage center”, a facility in this state meeting the following requirements:

(a) The facility is acquired by, or leased to, an operating taxpayer on or after August 28, 2011. A facility shall be deemed to have been acquired by, or leased to, an operating taxpayer on or after August 28, 2011, if the transfer of title to an operating taxpayer, the transfer of possession under a binding contract to transfer title to an operating taxpayer, or the commencement of the term of the lease to an operating taxpayer occurs on or after August 28, 2011, or, if the facility is constructed, erected, or installed by or on behalf of an operating taxpayer, such construction, erection, or installation is commenced on or after August 28, 2011;

(b) If such facility was acquired by an operating or constructing taxpayer from another person or persons on or after August 28, 2011, and such facility was employed prior to August 28, 2011, by any other person or persons in the operation of a data storage center the facility shall not be considered a new facility;

(c) Such facility is not an expanding or replacement facility, as defined in this section;

(d) The new facility project investment is at least thirty-seven million dollars during a period of up to thirty-six consecutive months from the date of the conditional approval for an exemption under this section. Where more than one taxpayer is responsible for a project, the investment requirement may be met by an operating taxpayer, a constructing taxpayer, or a combination of constructing taxpayers and operating taxpayers;

(e) At least thirty new jobs are created at the new facility during a period of up to thirty six consecutive months from the date of conditional approval for an exemption under this section if the average wage of the new jobs equals or exceeds one hundred fifty percent of the county average wage; and

(f) A new facility shall continue to be a new facility regardless of a subsequent change in or addition of operating taxpayers or constructing taxpayers;

(11) “New data storage center project” or “new facility project”, the construction, extension, improvement, equipping, and operation of a new facility;

(12) “New job” in the case of a new data center project, the total number of full-time employees located at a new data storage center for a period of up to thirty-six consecutive months from the date of conditional approval for an exemption under this section. In the case of an expanding data storage center project, the total number of full-time employees located at the expanding data storage center that exceeds the greater of the number of full-time employees located at the project facility on the date of the submission of a project plan under this section or for the twelve-month period prior to the date of the submission of a project plan, the average number of full-time employees located at the expanding data storage center facility. In the event the expanding data storage center facility has not been in operation for a full twelve-month period at the time of the submission of a project plan, the average number of full-time employees for the number of months the expanding data storage center

facility has been in operation prior to the date of the submission of the project plan;

(13) “Operating taxpayer”, where more than one taxpayer is responsible for a project, a taxpayer responsible for the equipping and ongoing operations of the facility, as opposed to a taxpayer responsible for the purchasing or construction of the facility;

(14) “Project taxpayers”, each constructing taxpayer and each operating taxpayer for a data storage center project;

(15) “Replacement facility”, a facility in this state otherwise described in subdivision (7) of this subsection, but which replaces another facility located within the state, which the taxpayer or a related taxpayer previously operated but discontinued operating within one year prior to the commencement of commercial operations at the new facility;

(16) “Taxpayer”, the purchaser of tangible personal property or a service that is subject to state or local sales or use tax and from whom state or local sales or use tax is owed. Taxpayer shall not mean the seller charged by law with collecting the sales tax from the purchaser.

2. Beginning August 28, 2011, in addition to the exemptions granted under chapter 144, project taxpayers for a new data storage center project shall be entitled, for a project period not to exceed fifteen years from the date of conditional approval under this section and subject to the requirements of subsection 3 of this section, to an exemption of one hundred percent of the state and local sales and use taxes defined, levied, or calculated under section 32.085, sections 144.010 to 144.525, sections 144.600 to 144.761, or section 238.235, limited to the net fiscal benefit of the state calculated over a ten year period, on:

(1) All electrical energy, gas, water, and other utilities including telecommunication and internet services used in a new data storage center;

(2) All machinery, equipment, and computers used in any new data storage center; and

(3) All sales at retail of tangible personal property and materials for the purpose of constructing any new data storage center.

The amount of any exemption provided under this subsection shall not exceed the projected net fiscal benefit to the state over a period of ten years, as determined by the department of economic development using the Regional Economic Modeling, Inc. dataset or comparable data.

3. Any data storage center project seeking a tax exemption under subsection 2 of this section shall submit a project plan to the department of economic development, which shall identify each known constructing taxpayer and known operating taxpayer for the project and include any additional information the department of economic development may require to determine eligibility for the exemption. The department of economic development shall review the project plan and determine whether the project is eligible for the exemption under subsection 2 of this section, conditional upon subsequent verification by the department that the project meets the requirements in subsection 1 of this section for a new facility. The department of economic development shall convey such conditional approval to the department of revenue and the identified project taxpayers. After a conditionally approved new facility has met the requirements in subsection 1 of this section for a new facility and the execution of the agreement specified in subsection 6 of this section, the project taxpayers shall provide proof of the same to the department of economic development. Upon verification of such

proof, the department of economic development shall certify the new facility to the department of revenue as being eligible for the exemption dating retroactively to the first day of the thirty-six month period. The department of revenue, upon receipt of adequate proof of the amount of sales taxes paid since the first day of the thirty-six month period, shall issue a refund of taxes paid but eligible for exemption under subsection 2 of this section to each operating taxpayer and each constructing taxpayer and issue a certificate of exemption to each new project taxpayer for ongoing exemptions under subsection 2 of this section.

4. Beginning August 28, 2011, in addition to the exemptions granted under chapter 144, upon approval by the department of economic development, project taxpayers for expanding data center projects may, for a period not to exceed ten years, be specifically exempted from state and local sales and use taxes defined, levied, or calculated under section 32.085, sections 144.010 to 144.525, sections 144.600 to 144.761, or section 238.235 on:

(1) All electrical energy, gas, water, and other utilities including telecommunication and internet services used in an expanding data storage center which, on an annual basis, exceeds the amount of electrical energy, gas, water, and other utilities including telecommunication and internet services used in the existing facility or the replaced facility prior to the expansion, provided that any substantial renovation, as defined in section 8.800, at an expanding facility shall meet applicable provisions of the International Energy Conservation Code 2009 or most recent version thereof. For purposes of this subdivision only, amount shall be measured in kilowatt hours, gallons, cubic feet, or other measures applicable to a utility service as opposed to in dollars, to account for increases in utility rates;

(2) All machinery, equipment, and computers used in any expanding data storage center, the cost of which, on an annual basis, exceeds the average of the previous three years' expenditures on machinery, equipment, and computers at the existing facility or the replaced facility prior to the expansion. Existing facilities or replaced facilities in existence for less than three years shall have the average expenditures calculated based upon the applicable time of existence; and

(3) All sales at retail of tangible personal property and materials for the purpose of constructing, repairing, or remodeling any expanding data storage center.

The amount of any exemption provided under this subsection shall not exceed the projected net fiscal benefit to the state over a period of ten years, as determined by the department of economic development.

5. Any data storage center project seeking a tax exemption under subsection 4 of this section shall submit a project plan to the department of economic development, which shall identify each known constructing taxpayer and each known operating taxpayer for the project and include any additional information the department of economic development may reasonably require to determine eligibility for the exemption. The department of economic development shall review the project plan and determine whether the project is eligible for the exemption under subsection 4 of this section, conditional upon subsequent verification by the department that the project meets the requirements in subsection 1 of this section for an expanding facility project and the execution of the agreement specified in subsection 6 of this section. The department of economic development shall convey such conditional approval to the department of revenue and the identified project taxpayers. After a conditional approved facility has met the requirements in subsection 1 of this section, the project

taxpayers shall provide proof of the same to the department of economic development. Upon verification of such proof, the department of economic development shall certify the project to the department of revenue as being eligible for the exemption dating retroactively to the first day of the thirty-six month period. The department of revenue, upon receipt of adequate proof of the amount of sales taxes paid since the first day of the thirty-six month period, shall issue a refund of taxes paid but eligible for exemption under subsection 4 of this section to any applicable project taxpayer and issue a certificate of exemption to any applicable project taxpayer for ongoing exemptions under subsection 4 of this section.

6. (1) The exemptions in subsections 2 and 4 of this section shall be tied to the new or expanding facility project. A certificate of exemption in the hands of a taxpayer that is no longer an operating or constructing taxpayer of the new or expanding facility project shall be invalid as of the date the taxpayer was no longer an operating or constructing taxpayer of the new or expanding facility project. New certificates of exemption shall be issued to successor constructing taxpayers and operating taxpayers at such new or expanding facility projects. The right to the exemption by successor taxpayers shall exist without regard to subsequent levels of investment in the new or expanding facility by successor taxpayers.

(2) As a condition of receiving an exemption under subsection 2 or 4 of this section, the project taxpayers shall enter into an agreement with the department of economic development providing for repayment penalties in the event the data storage center project fails to comply with any of the requirements of this section.

(3) The department of revenue shall credit any amounts remitted by the project taxpayers under this subsection to the fund to which the sales and use taxes exempted would have otherwise been credited.

7. The department of economic development and the department of revenue shall cooperate in conducting random audits to ensure that the intent of this section is followed.

8. The department of economic development and the department of revenue shall jointly prescribe such rules and regulations necessary to carry out the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2011, shall be invalid and void.”; and

Further amend said bill, Sections 196.1109 and 196.1115, Pages 49- 51, by striking all of said sections from the bill and inserting in lieu thereof the following:

“196.1109. All moneys that are appropriated by the general assembly from the life sciences research trust fund shall be appropriated to the life sciences research board to increase the capacity for quality of life sciences research at public and private not-for-profit institutions in the state of Missouri and to thereby:

(1) Improve the quantity and quality of life sciences research at public and private not-for-profit institutions, including but not limited to basic research (including the discovery of new knowledge),

translational research (including translating knowledge into a usable form), and clinical research (including the literal application of a therapy or intervention to determine its efficacy), including but not limited to health research in human development and aging, cancer, endocrine, cardiovascular, neurological, pulmonary, and infectious disease, and plant sciences, including but not limited to nutrition and food safety; and

(2) Enhance technology transfer and technology commercialization derived from research at public and private not-for-profit institutions within the centers for excellence. For purposes of sections 196.1100 to 196.1130, “technology transfer and technology commercialization” includes stages of the regular business cycle occurring after research and development of a life science technology, including but not limited to reduction to practice, proof of concept, and achieving federal Food and Drug Administration, United States Department of Agriculture, or other regulatory requirements in addition to the definition in section 348.251. Funds received by the board may be used for purposes authorized in sections 196.1100 to 196.1130 and shall be subject to the restrictions of sections 196.1100 to 196.1130, including but not limited to the costs of personnel, supplies, equipment, and renovation or construction of physical facilities; provided that in any single fiscal year no more than [ten] **thirty** percent of the moneys appropriated shall be used for the construction of physical facilities and further provided that in any fiscal year **up to** eighty percent of the moneys shall be appropriated to build research capacity at public and private not-for-profit institutions and **at least** twenty percent **and no more than fifty percent** of the moneys shall be appropriated for grants to public or private not-for-profit institutions to promote life science technology transfer and technology commercialization. Of the moneys appropriated to build research capacity, twenty percent of the moneys shall be appropriated to promote the development of research of tobacco-related illnesses.

196.1115. 1. The moneys appropriated to the life sciences research board that are not distributed by the board in any fiscal year to a center for excellence or a center for excellence endorsed program pursuant to section 196.1112, if any, shall be held in reserve by the board or shall be awarded on the basis of peer review panel recommendations for capacity building initiatives proposed by public and private not-for-profit academic, research, or health care institutions or organizations, or individuals engaged in competitive research in targeted fields consistent with the provisions of sections 196.1100 to 196.1130.

2. The life sciences research board may, in view of the limitations expressed in section 196.1130:

(1) Award and enter into grants or contracts relating to increasing Missouri’s research capacity at public or private not-for-profit institutions;

(2) Make provision for peer review panels to recommend and review research projects;

(3) Contract for [administrative and] support services;

(4) Lease or acquire facilities and equipment;

(5) Employ administrative staff; and

(6) Receive, retain, hold, invest, disburse or administer any moneys that it receives from appropriations or from any other source.

3. The Missouri technology corporation, established under section 348.251, shall serve as the administrative agent for the life sciences research board.

4. The life sciences research board shall utilize as much of the moneys as reasonably possible for building capacity at public and private not-for-profit institutions to do research rather than for administrative

expenses. The board shall not in any fiscal year expend more than two percent of the total moneys appropriated to it and of the moneys that it has in reserve or has received from other sources for its own administrative expenses **for appropriations over twenty million dollars; three percent for appropriations less than twenty million dollars but more than fifteen million dollars; four percent for appropriations less than fifteen million dollars but more than ten million dollars; five percent for appropriations less than ten million dollars;** provided, however, that the general assembly by appropriation from the life sciences research trust fund may authorize a limited amount of additional moneys to be expended for administrative costs.”; and

Further amend said bill, Sections 253.545, 253.550, 253.557, 253.559, 348.250, 348.251, 348.256, Pages 52 - 66, by striking all of said sections from the bill and inserting in lieu thereof the following:

“253.545. As used in sections 253.545 to 253.559, the following terms mean, unless the context requires otherwise:

(1) “Certified historic structure”, a property located in Missouri and listed individually on the National Register of Historic Places;

(2) “Deed in lieu of foreclosure or voluntary conveyance”, a transfer of title from a borrower to the lender to satisfy the mortgage debt and avoid foreclosure;

(3) **“Department”, the department of economic development;**

(4) “Eligible property”, property located in Missouri and offered or used for residential or business purposes;

[(4)] (5) “Leasehold interest”, a lease in an eligible property for a term of not less than thirty years;

[(5)] (6) “Principal”, a managing partner, general partner, or president of a taxpayer;

[(6)] (7) “Structure in a certified historic district”, a structure located in Missouri which is certified by the department of natural resources as contributing to the historic significance of a certified historic district listed on the National Register of Historic Places, or a local district that has been certified by the United States Department of the Interior;

[(7)] (8) “Taxpayer”, any person, firm, partnership, trust, estate, limited liability company, or corporation;

(9) **“Total basis in the property”, the cost, or fair market value, of the property at the time of acquisition, or as otherwise defined in the Internal Revenue Code of 1986, as amended. Cost includes the cash paid, the fair market value of services rendered, and the fair market value of property traded in exchange for the property. Certain closing costs may also be added to the basis of property. Such closing costs include commissions paid by the purchaser, legal fees, recording fees, and state transfer taxes on real estate;**

(10) **“Total costs and expenses of rehabilitation”, all reasonable costs and expenses related to the rehabilitation of eligible property that is a certified historic structure or a structure in a certified historic district, including but not limited to qualified rehabilitation expenditures as defined in Section 47(c)(2)(A) of the Internal Revenue Code of 1986, as amended, and any related regulations promulgated under such section. Taxpayers may incur qualifying expenses included in the total costs and expenses of rehabilitation at their own risk up to one year before the date of submission of a preliminary application under section 253.559. Such reasonable costs and expenses shall include, but**

not be limited to, rehabilitation work in progress and accrued developer fees if an agreement or other contractual document provides for payment of such accrued developer fees within twelve years of project completion. If a taxpayer defaults on the payments of the developer fees, the applicant will be liable to the state for the portion of tax credits attributable to the amount of the unpaid developer fees over the twelve year period. In determining the total costs and expenses of rehabilitation the department shall accept such costs and expenses as certified by a licensed certified public accountant that is not an affiliate of the applicant, so long as such cost and expense certification is the same as being used to determine qualified rehabilitation expenditures as defined in Section 47(c)(2)(A) of the Internal Revenue Code of 1986, as amended, or, if not eligible for federal historic preservation tax credits, then same as would be used if the project were eligible and using such certification to determine qualified rehabilitation expenditures as defined in Section 47(c)(2)(A) of the Internal Revenue Code of 1986, as amended; provided that the cost and expense certification will be subject to an audit by the department after the issuance of the tax credits. If there is a final disallowance of more than 10%, the applicant will be subject to a civil penalty equal to 110% of the tax credits attributable to the amount of the cost and expenses in excess of the final disallowance.

253.550. 1. Any taxpayer incurring costs and expenses for the rehabilitation of eligible property, which is a certified historic structure or structure in a certified historic district[, may,] **shall**, subject to the provisions of this section and section 253.559, receive a credit against the taxes imposed pursuant to chapters 143 and 148, except for sections 143.191 to 143.265, on such taxpayer in an amount equal to twenty-five percent of the total costs and expenses of rehabilitation incurred [after January 1, 1998, which shall include, but not be limited to, qualified rehabilitation expenditures as defined under section 47(c)(2)(A) of the Internal Revenue Code of 1986, as amended, and the related regulations thereunder,] provided the rehabilitation costs associated with rehabilitation and the expenses exceed fifty percent of the total basis in the property and the rehabilitation meets standards consistent with the standards of the Secretary of the United States Department of the Interior for rehabilitation as determined by the state historic preservation officer of the Missouri department of natural resources.

2. During the period beginning on January 1, 2010, but ending on or after June 30, 2010, the department of economic development shall not approve applications for tax credits under the provisions of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed seventy million dollars, increased by any amount of tax credits for which approval shall be rescinded under the provisions of section 253.559. For each fiscal year beginning on or after July 1, 2010, **but ending on or before June 30, 2011**, the department of economic development shall not approve applications for tax credits under the provisions of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed one hundred forty million dollars, increased by any amount of tax credits for which approval shall be rescinded under the provisions of section 253.559. The limitations provided under this subsection shall not apply to applications approved under the provisions of [subsection 3 of] section 253.559 for projects to receive less than two hundred seventy-five thousand dollars in tax credits.

3. For all applications for tax credits approved on or after January 1, 2010, **but before June 30, 2011**, no more than two hundred fifty thousand dollars in tax credits may be issued for eligible costs and expenses incurred in the rehabilitation of an eligible property which is a nonincome producing single-family, owner-occupied residential property and is either a certified historic structure or a structure in a certified historic district.

4. The limitations on tax credit authorization provided under the provisions of subsections 2 and 3 of

this section shall not apply to:

(1) Any application submitted by a taxpayer, which has received approval from the department prior to January 1, 2010; or

(2) Any taxpayer applying for tax credits, provided under this section, which, on or before January 1, 2010, has filed an application with the department evidencing that such taxpayer:

(a) Has incurred costs and expenses for an eligible property which exceed the lesser of five percent of the total project costs or one million dollars and received an approved Part I from the Secretary of the United States Department of Interior; or

(b) Has received certification, by the state historic preservation officer, that the rehabilitation plan meets the standards consistent with the standards of the Secretary of the United States Department of the Interior, and the rehabilitation costs and expenses associated with such rehabilitation shall exceed fifty percent of the total basis in the property.

5. For each fiscal year beginning on or after July 1, 2011, the department shall not approve applications for tax credits under the provisions of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed eighty-five million dollars, increased by any amount of tax credits for which approval shall be rescinded or carried forward under the provisions of section 253.559. The limitations provided under this subsection shall not apply to applications approved under the provisions of section 253.559 for projects to receive less than two hundred seventy-five thousand dollars in tax credits or for projects under subsection 7 (1) provided that no more than ten million dollars shall be authorized in any fiscal year for such projects.

6. For all applications for tax credits approved on or after July 1, 2011, no more than two hundred fifty thousand dollars in tax credits may be issued for the total costs and expenses of rehabilitation of an eligible property which is a nonincome producing single-family, owner-occupied residential property and is either a certified historic structure or a structure in a certified historic district. For purposes of this subsection, "eligible property" shall not include any property with a purchase price in excess of four hundred thousand dollars.

7. For each fiscal year beginning on or after July 1, 2011, in addition to applications for tax credits authorized by the department subject to the limitations on tax credit authorization provided under the provisions of subsections 5 and 6 of this section, the department shall also approve applications for tax credits under the provisions of subsections 3 and 8 of section 253.559 for the following projects which, in the aggregate, shall not exceed the difference between one hundred forty million dollars and the maximum amount of tax credits for which applications may be approved under subsection 5 of this section:

(1) Any preliminary application for tax credits for a project which is authorized to receive federal low-income housing tax credits;

(2) Any preliminary application for tax credits for a project which:

(a) On or before July 1, 2011, has received an approved Part I from the Secretary of the United States Department of the Interior or is a certified historic structure; and

(b) Has had costs and expenses incurred by a taxpayer for an eligible property on or before July 1, 2011, including but not limited to acquisition costs, exceeding the lesser of fifteen percent of the

total project costs or three million dollars, and for which such taxpayer's interest, including all rehabilitation work in progress, was acquired by any bank, financial institution, or political subdivision by deed or foreclosure or any subsequent transferee;

(3) Any preliminary application for tax credits for a project which, on or before July 1, 2011, has received certification, by the state historic preservation officer, that the rehabilitation plan meets the standards consistent with the standards of the Secretary of the United States Department of the Interior, and the rehabilitation costs and expenses associated with such rehabilitation would, upon completion, be expected to exceed fifty percent of the total basis in the property.

253.557. 1. If the amount of such credit exceeds the total tax liability for the year in which the rehabilitated property is placed in service, the amount that exceeds the state tax liability may be carried back to any of the three preceding years and carried forward for credit against the taxes imposed pursuant to chapter 143 and chapter 148, except for sections 143.191 to 143.265 for the succeeding ten years, or until the full credit is used, whichever occurs first. **Notwithstanding the foregoing, for all tax credits authorized under the provisions of sections 253.545 to 253.559 on or after July 1, 2011, if the total amount of such credit exceeds the total tax liability for the year in which the rehabilitated property is placed in service, the amount that exceeds the state tax liability may be carried back to the preceding year and carried forward for credit against the taxes imposed under chapters 143 and 148, except for sections 143.191 to 143.265 for the succeeding five years, or until the full credit is used, whichever occurs first.** Not-for-profit entities, including but not limited to corporations organized as not-for-profit corporations pursuant to chapter 355 shall be ineligible for the tax credits authorized under sections 253.545 [through 253.561] **to 253.559.** Taxpayers eligible for such tax credits may transfer, sell or assign the credits **to any other taxpayer, including but not limited to a not-for-profit entity.** Credits granted to a partnership, a limited liability company taxed as a partnership or multiple owners of property shall be passed through to the partners, members or owners, **including but not limited to any not-for-profit entity that is a partner, member, or owner,** respectively pro rata or pursuant to an executed agreement among [the] **such** partners, members or owners documenting an alternate distribution method.

2. The assignee of the tax credits, hereinafter the assignee for purposes of this subsection, may use acquired credits to offset up to one hundred percent of the tax liabilities otherwise imposed pursuant to chapter 143 and chapter 148, except for sections 143.191 to 143.265. The assignor shall perfect such transfer by notifying the department of economic development in writing within thirty calendar days following the effective date of the transfer and shall provide any information as may be required by the department of economic development to administer and carry out the provisions of this section.

253.559. 1. To obtain approval for tax credits allowed under sections 253.545 to 253.559, a taxpayer shall submit an application for tax credits to the department [of economic development]. Each application for approval, including any applications received for supplemental allocations of tax credits as provided under subsection 8 of this section, shall be prioritized for review and approval, in the order of the date on which the application was postmarked, with the oldest postmarked date receiving priority. Applications postmarked on the same day shall go through a lottery process to determine the order in which such applications shall be reviewed.

2. Each **preliminary** application shall be reviewed by the department [of economic development] for approval. In order to receive approval, [an] **a preliminary** application, other than applications submitted under the provisions of subsection 8 of this section, shall include:

(1) Proof of ownership or site control. Proof of ownership shall include evidence that the taxpayer is the fee simple owner of the eligible property, such as a warranty deed or a closing statement. Proof of site control may be evidenced by a leasehold interest or an option to acquire such an interest. If the taxpayer is in the process of acquiring fee simple ownership, proof of site control shall include an executed sales contract or an executed option to purchase the eligible property;

(2) Floor plans of the existing structure, architectural plans, and, where applicable, plans of the proposed alterations to the structure, as well as proposed additions;

(3) The estimated cost of rehabilitation, the anticipated total costs of the project, the actual basis of the property, as shown by proof of actual acquisition costs, the anticipated total labor costs, the estimated **or actual** project start date, and the estimated project completion date; **and**

(4) Proof that the property is an eligible property and a certified historic structure or a structure in a certified historic district[; and

(5) Any other information which the department of economic development may reasonably require to review the project for approval].

Only the property for which a property address is provided in the application shall be reviewed for approval. Once selected for review, a taxpayer shall not be permitted to request the review of another property for approval in the place of the property contained in such application. Any disapproved application shall be removed from the review process. If an application is removed from the review process, the department [of economic development] shall notify the taxpayer in writing of the decision to remove such application. Disapproved applications shall lose priority in the review process. A disapproved application, which is removed from the review process, may be resubmitted, but shall be deemed to be a new submission for purposes of the priority procedures described in this section.

3. If the department [of economic development] deems the application sufficient, the taxpayer shall be notified in writing of the approval for an amount of tax credits equal to the amount provided under section 253.550 less any amount of tax credits previously approved. Such approvals shall be granted to applications in the order of priority established under this section and shall require full compliance thereafter with all other requirements of law as a condition to any claim for such credits.

4. Following approval of an application, the identity of the taxpayer contained in such application shall not be modified except:

(1) The taxpayer may add partners, members, or shareholders as part of the ownership structure, so long as the principal remains the same, provided however, that subsequent to the commencement of renovation and the expenditure of at least ten percent of the proposed rehabilitation budget, removal of the principal for failure to perform duties and the appointment of a new principal thereafter shall not constitute a change of the principal; or

(2) Where the ownership of the project is changed due to a foreclosure, deed in lieu of a foreclosure or voluntary conveyance, or a transfer in bankruptcy. **Upon any such change in ownership, the applicant identified in such application shall notify the department of such change within ninety days of such change.**

5. In the event that the department [of economic development] grants approval for tax credits equal to the total amount available under [subsection] **subsections 2 to 7** of section 253.550, or sufficient that when

totaled with all other approvals, the amount available under [subsection] **subsections 2 to 7** of section 253.550 is exhausted, all taxpayers with applications then awaiting approval or thereafter submitted for approval shall be notified by the department [of economic development] that no additional approvals shall be granted during the fiscal year and shall be notified of the priority given to such taxpayer's application then awaiting approval. Such applications shall be kept on file by the department [of economic development] and shall be considered for approval for tax credits in the order established in this section in the event that additional credits become available due to the rescission of approvals or when a new fiscal year's allocation of credits becomes available for approval.

6. All taxpayers with applications receiving approval on or after the effective date of this act shall commence rehabilitation, **if rehabilitation has not previously begun**, within two years of the date of issuance of the letter from the department [of economic development] granting the approval for tax credits. “[Commencement of] **Commence** rehabilitation” shall mean that [as of the date in which] actual physical work, **as** contemplated by the architectural plans submitted with the application, has begun, **and that** the taxpayer has incurred no less than ten percent of the estimated costs of rehabilitation provided in the application. Taxpayers with approval of a project shall submit evidence of compliance with the provisions of this subsection. **Taxpayers may commence rehabilitation and incur qualifying expenses at their own risk before the property qualifies as a certified historic structure. Upon final review by the department under this section, including the necessary determination of the total costs and expenses of rehabilitation, the taxpayer shall receive tax credits for all qualifying expenses.** If the department [of economic development] determines that a taxpayer has failed to comply with the requirements provided under this section, the approval for the amount of tax credits for such taxpayer shall be rescinded and such amount of tax credits shall then be included in the total amount of tax credits, provided under [subsection] **subsections 2 to 7** of section 253.550, from which approvals may be granted. Any taxpayer whose approval shall be subject to rescission shall be notified of such from the department [of economic development] and, upon receipt of such notice, may submit a new application for the project.

7. To claim the credit authorized under sections 253.550 to 253.559, a taxpayer with approval shall apply for final [approval] **review** and issuance of tax credits from the department [of economic development] which, in consultation with the department of natural resources, shall determine **(i)** the final amount of [eligible rehabilitation costs and expenses] **the total costs and expenses of rehabilitation based solely on a certification of such total costs and expenses of rehabilitation prepared in a manner prescribed by the department and submitted with the final application submitted under this section** and **(ii)** whether the completed rehabilitation meets the standards of the Secretary of the United States Department of the Interior for rehabilitation as determined by the state historic preservation officer of the Missouri department of natural resources. For financial institutions credits authorized pursuant to sections 253.550 to 253.561 shall be deemed to be economic development credits for purposes of section 148.064. The [approval] **review** of all applications and the issuing of certificates of eligible credits to taxpayers shall be performed by the department [of economic development]. The department [of economic development] shall inform a taxpayer of final [approval] **determination** by letter and shall issue, to the taxpayer, tax credit certificates. The taxpayer shall attach the certificate to all Missouri income tax returns on which the credit is claimed.

8. Except as expressly provided in this subsection, tax credit certificates shall be issued in the final year that **total** costs and expenses of rehabilitation [of] **for** the project are incurred, or within the twelve-month period immediately following the conclusion of such rehabilitation. In the event the [amount of eligible

rehabilitation] **total** costs and expenses **of rehabilitation** incurred by a taxpayer would result in the issuance of an amount of tax credits in excess of the amount provided under such taxpayer's approval granted under subsection 3 of this section, such taxpayer may apply to the department for issuance of tax credits in an amount equal to such excess. Applications for issuance of tax credits in excess of the amount provided under a taxpayer's application shall be made on a form prescribed by the department. Such applications shall be **automatically approved**, subject **only to availability of tax credits and** all provisions regarding priority provided under subsection 1 of this section.

9. The department [of economic development] shall determine, on an annual basis, the overall economic impact to the state from the rehabilitation of eligible property.

10. (1) Taxpayers or duly authorized representatives may appeal any official decision, including all preliminary or final approvals and denials of approvals, made by the department or the department of natural resources with regard to an application submitted under sections 253.550 to 253.559 to an independent third-party appeals officer designated by the department. Such appeals under this section shall constitute an administrative review of the decision appealed from and shall not be conducted as an adjudicative proceeding.

(2) Appeals shall be submitted to the designated appeals officer in writing within thirty days of receipt by the taxpayer or the taxpayer's duly authorized representative of the decision that is the subject of the appeal, and shall include all information the appellant wishes the appeals officer to consider in deciding the appeal.

(3) Upon receipt of an appeal, the appeals officer shall notify the department or the department of natural resources that an appeal is pending, identify the decision being appealed, and forward a copy of the information submitted by the appellant. The department or the department of natural resources may submit a written response to the appeal.

(4) The appellant shall be entitled to one meeting with the appeals officer to discuss the appeal, but the appeals officer may schedule additional meetings at the officer's discretion. The department or the department of natural resources may appear at all meetings.

(5) The appeals officer shall consider the record of the decision in question, any further written submissions by the appellant and the department or the department of natural resources, and other available information, and shall deliver a written decision to all parties as promptly as circumstances permit.

11. Notwithstanding any provision of law to the contrary, no tax credits provided under sections 253.545 to 253.559 shall be authorized on or after August 28, 2021. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to such date, or a taxpayer's ability to redeem such tax credits.

348.250. Sections 348.250 to 348.275 shall be known and may be cited as the "Missouri Science and Innovation Reinvestment Act".

348.251. 1. As used in sections 348.251 to 348.266, the following terms mean:

(1) "Applicable percentage", six percent for the fiscal year beginning July 1, 2012, and the next fourteen consecutive fiscal years; five percent for the immediately subsequent five fiscal years; and four percent for the immediately subsequent five fiscal years;

(2) **“Applied research”**, any activity that seeks to utilize, synthesize, or apply existing knowledge, information, or resources to the resolution of a specific problem, question, or issue of science and innovation, including but not limited to translational research;

(3) **“Base year”**, fiscal year ending June 30, 2010;

(4) **“Base year gross wages”**, gross wages paid by science and innovation companies to science and innovation employees during fiscal year ending June 30, 2010;

(5) **“Basic research”**, any original investigation for the advancement of scientific or technical knowledge of science and innovation;

(6) **“Commercialization”**, any of the full spectrum of activities required for a new technology, product, or process to be developed from the basic research or conceptual stage through applied research or development to the marketplace, including without limitation, the steps leading up to and including licensing, sales, and service;

(7) **“Corporation”**, the Missouri technology corporation established under this section;

(8) **“Fields of applicable expertise”**, any of the following fields: science and innovation research, development, or commercialization, including basic research and applied research; corporate finance, venture capital, and private equity related to science and innovation; the business and management of science and innovation companies; education related to science and innovation; or civic or corporate leadership in areas related to science and innovation;

(9) **“Inherent conflict of interest”**, a fundamental or systematic conflict of interest that prevents a person from serving as a disinterested director of the corporation and from routinely performing his or her duties as a director of the corporation;

(10) **“NAICS industry groups”** or **“NAICS codes”**, the North American Industry Classification System developed under the auspices of the United States Office of Management and Budget and adopted in 1997, as may be amended, revised, or replaced by similar classification systems for similar uses from time to time;

(11) **“Science and innovation”**, the use of compositions and methods in research, development, and manufacturing processes for such diverse areas as agriculture-biotechnology, animal health, biochemistry, bioinformatics, energy, environment, forestry, homeland security, information technology, medical devices, medical diagnostics, medical instruments, medical therapeutics, microbiology, nanotechnology, pharmaceuticals, plant biology, and veterinary medicine, including future developments in such areas;

(12) **“Science and innovation company”**, a corporation, limited liability company, S corporation, partnership, registered limited liability partnership, foundation, association, nonprofit entity, sole proprietorship, business trust, person, group, or other entity that is:

(a) Engaged in the research, development, commercialization, or business of science and innovation in the state, including, without limitation, research, development, or production directed toward developing or providing science and innovation products, processes, or services for specific commercial or public purposes, including hospitals, nonprofit research institutions, incubators, accelerators, and universities currently located or involved in the research, development, commercialization, or business of science and innovation in the state; or

(b) Identified by the following NAICS industry groups or NAICS codes or any amended or successor code sections covering such areas of research, development, and commercial endeavors: 3251; 3253; 3254; 3391; 51121; 54138; 54171; 62231; 11191; 111421; 111920; 111998; 311119; 311211; 311221; 311222; 311223; 325193; 325199; 325221; 325222; 325611; 325612; 325613; 325311; 325312; 325314; 325320; 325411; 325412; 325414; 333298; 334510; 334516; 334517; 339111; 339112; 339113; 339114; 339115; 339116; 424910; 541710; 621511; and 621512.

Each of the above listed four-digit and five-digit codes shall include all six-digit codes in such four-digit and five-digit industry; however, each six-digit code shall stand alone and not indicate the inclusion of other omitted six-digit codes that also are subsets of the pertinent four-digit or five-digit industry to which the included six-digit code belongs;

(13) “Science and innovation employee”, any employee, officer, or director of a science and innovation company who is a state income taxpayer and any employee of a university who is associated with or supports the research, development, commercialization, or business of science and technology in the state and is obligated to pay state income tax to the state;

(14) “Technology application”, the introduction and adaptation of refined management practices in fields such as scheduling, inventory management, marketing, product development, and training in order to improve the quality, productivity and profitability of an existing firm. Technology application shall be considered a component of business modernization;

[(2) “Technology commercialization”, the process of moving investment-grade technology from a business, university or laboratory into the marketplace for application;

(3)] (15) “Technology development”, strategically focused research directed at developing investment-grade technologies which are important for market competitiveness.

2. The governor may, on behalf of the state and in accordance with chapter 355, RSMo, establish a private not-for-profit corporation named the “Missouri Technology Corporation”, to carry out the provisions of sections 348.251 to 348.266. As used in sections [348.251 to 348.266] **348.250 to 348.275** the word “corporation” means the Missouri technology corporation authorized by this section. Before certification by the governor, the corporation shall conduct a public hearing for the purpose of giving all interested parties an opportunity to review and comment [upon] **on** the articles of incorporation, bylaws and [method] **methods** of operation of the corporation. Notice of the hearing shall be given at least fourteen days prior to the hearing.

348.256. **1.** The articles of incorporation [and], bylaws, **and methods of operation** of the Missouri technology corporation shall [provide that:] **be consistent with the provisions of sections 348.250 to 348.275.**

[(1)] **2.** The purposes of the corporation are to contribute to the strengthening of the economy of the state through the development of science and [technology] **innovation**, to promote the modernization of Missouri businesses by supporting the transfer of science, technology and quality improvement methods to the workplace[, and]; to enhance the productivity and modernization of Missouri businesses by providing leadership in the establishment of methods of technology application, technology commercialization and technology development; **to make Missouri businesses, institutions, and universities more competitive and increase their likelihood of success; to support and enhance local and regional strategies and initiatives that capitalize on the unique science and innovation assets across the state; to make**

Missouri a highly desirable state in which to conduct, facilitate, support, fund, and perform science and innovation research, development, and commercialization; to facilitate and effect the creation, attraction, retention, growth, and enhancement of both existing and new science and innovation companies in the state; to make Missouri a national and international leader in economic activity based on science and innovation; to enhance workforce development; to create and retain quality jobs; to advance scientific knowledge; and to improve the quality of life for the citizens of the state of Missouri in both urban and rural communities.

[(2)] **3.** The board of directors of the corporation [is] **shall be** composed of fifteen persons. The governor shall annually appoint one of its members, who must be from the private sector, as [chairman] **chairperson**. The board shall consist of the following members:

[(a)] **(1)** The director of the department of economic development, or the director's designee;

[(b)] **(2)** The president of the University of Missouri system, or the president's designee;

[(c)] **(3)** A member of the state senate, appointed by the president pro tem of the senate;

[(d)] **(4)** A member of the house of representatives, appointed by the speaker of the house;

[(e)] **(5)** Eleven members appointed by the governor, [two of which shall be from the public sector and nine members from the private sector who shall include, but shall not be limited to, individuals who represent technology-based businesses and industrial interests;

[(f)] **with the advice and consent of the senate, who are recognized for outstanding knowledge, leadership, and expertise in one or more of the fields of applicable expertise.**

Each of the directors of the corporation who is appointed by the governor shall serve for a term of four years and until a successor is duly appointed[; except that, of the directors serving on the corporation as of August 28, 1995, three directors shall be designated by the governor to serve a term of four years, three directors shall be designated to serve a term of three years, three directors shall be designated to serve a term of two years, and two directors shall be designated to serve a term of one year. Each director shall continue to serve until a successor is duly appointed by the governor;

(3) The corporation may receive money from any source, may borrow money, may enter into contracts, and may expend money for any activities appropriate to its purpose;

(4) The corporation may appoint staff and do all other things necessary or incidental to carrying out the functions listed in section 348.261;

(5)].

4. Any changes in the articles of incorporation or bylaws must be approved by the governor[;].

[(6) The corporation shall submit an annual report to the governor and to the Missouri general assembly. The report shall be due on the first day of November for each year and shall include detailed information on the structure, operation and financial status of the corporation. The corporation shall conduct an annual public hearing to receive comments from interested parties regarding the report, and notice of the hearing shall be given at least fourteen days prior to the hearing; and

[(7)] **5. At the discretion of the state auditor,** the corporation is subject to an [annual] audit [by the state auditor] and [that] the corporation shall bear the full cost of the audit.

6. Each of the directors of the corporation provided for in subdivisions (1) and (2) of subsection 3 of this section shall remain a director until the designating individual specified in such subdivisions designates a replacement by sending a written communication to the governor and the chairperson of the board of the corporation; provided however, that if the director of economic development or the president of the University of Missouri system designates himself or herself to the corporation board, such person's service as a corporation director shall cease immediately when that person no longer serves as the director of economic development or as the president of the University of Missouri system. Each of the directors of the corporation provided for in subdivisions (3) and (4) of subsection 3 of this section shall remain a director until the appointing member of the general assembly specified in such subdivisions appoints a replacement by sending a written communication to the governor and the chairperson of the corporation board; provided however, that if the speaker of the house or the president pro tem of the senate appoints himself or herself to the corporation board, such person's service as a corporation director shall cease immediately when that person no longer serves as the speaker of the house or the president pro tem of the senate.

7. Each of the eleven members of the board appointed by the governor shall:

(1) Hold office for the term of appointment and until the governor duly appoints his or her successor; provided that if a vacancy is created by the death, permanent disability, resignation, or removal of a director, such vacancy shall become immediately effective;

(2) Be eligible for reappointment, but members of the board shall not be eligible to serve more than two consecutive four-year terms and shall not be reappointed to the board until they have not served on the board for a period of at least four interim years;

(3) Not have a known inherent conflict of interest at the time of appointment; and

(4) Not have served in an elected office or a cabinet position in state government for a period of two years prior to appointment, unless otherwise provided in this section.

8. Any member of the board may be removed by affirmative vote of eleven members of the board for malfeasance or misfeasance in office, regularly failing to attend meetings, failure to comply with the corporation's conflicts of interest policy, conviction of a felony, or for any cause that renders the member incapable of or unfit to discharge the duties of a director of the corporation.

9. The board shall meet at least four times per year and at such other times as it deems appropriate, or upon call by the president or the chairperson, or upon written request of a majority of the directors of the board. Unless otherwise restricted by Missouri law, the directors may participate in a meeting of the board by means of telephone conference or other electronic communications equipment whereby all persons participating in the meeting can communicate clearly with each other, and participation in a meeting in such manner will constitute presence in person at such meeting.

10. A majority of the total voting membership of the board shall constitute a quorum for meetings. The board may act by a majority of those at any meeting where a quorum is present, except upon such issues as the board may determine shall require a vote of more members of the board for approval or as required by law. All resolutions and orders of the board shall be recorded and authenticated by the signature of the secretary or any assistant secretary of the board.

11. Members of the board shall serve without compensation. Members of the board attending

meetings of the board, or attending committee or advisory meetings thereof, shall be paid mileage and all other applicable expenses, provided that such expenses are reasonable, consistent with policies established from time to time by the board, and not otherwise inconsistent with law.

12. The board may adopt, repeal, and amend such articles of incorporation, bylaws, and methods of operation that are not contrary to law or inconsistent with sections 348.250 to 348.275, as it deems expedient for its own governance and for the governance and management of the corporation and its committees and advisory boards; provided that any changes in the articles of incorporation or bylaws approved by the board must also be approved by the governor.

13. A president shall direct and supervise the administrative affairs and the general management of the corporation. The president shall be a person of national prominence that has expertise and credibility in one or more of the fields of applicable expertise with a demonstrated track record of success in leading a mission-driven organization. The president's salary and other terms and conditions of employment shall be set by the board. The board may negotiate and enter into an employment agreement with the president of the corporation, which may provide for compensation, allowances, benefits, and expenses. The president of the corporation shall not be eligible to serve as a member of the board until two years after the end of his or her employment with the corporation. The president of the corporation shall be bound by, and agree to obey, the corporation's conflicts of interest policy, including annually completing and submitting to the board a disclosure and compliance certificate in accordance with such conflicts of interest policy.

14. The corporation may employ such employees as it may require and upon such terms and conditions as it may establish that are consistent with state and federal law. The corporation may establish personnel, payroll, benefit, and other such systems as authorized by the board, and provide death and disability benefits. Corporation employees, including the president, shall be considered state employees for the purposes of membership in the Missouri state employees' retirement system and the Missouri consolidated health care plan. Compensation paid by the corporation shall constitute pay from a department for purposes of accruing benefits under the Missouri state employees' retirement system. The corporation may also adopt, in accordance with requirements of the federal Internal Revenue Code of 1986, as amended, a defined contribution plan sponsored by the corporation with respect to employees, including the president, employed by the corporation. Nothing in sections 348.250 to 348.275 shall be construed as placing any officer or employee of the corporation or member of the board in the classified or the unclassified service of the state of Missouri under Missouri laws and regulations governing civil service. No employee of the corporation shall be eligible to serve as a member of the board until two years immediately following the end of his or her employment with the corporation. All employees of the corporation shall be bound by, and agree to obey, the corporation's conflicts of interest policy, including annually completing and submitting to the board a disclosure and compliance certificate in accordance with such conflicts of interest policy.

15. No later than the first day of January each year, the corporation shall submit an annual report to the governor and to the Missouri general assembly which the corporation may contract with a third party to prepare and which shall include:

- (1) A complete and detailed description of the operating and financial conditions of the corporation during the prior fiscal year;
- (2) Complete and detailed information about the distributions from the Missouri science and

innovation reinvestment fund and from any income of the corporation;

(3) Information about the growth of science and innovation research and industry in the state;

(4) Information regarding financial or performance audits performed in such year, including any recommendations with reference to additional legislation or other action that may be necessary to carry out the purposes of the corporation; and

(5) Whether or not the corporation made any distribution during the prior fiscal year to a research project or other project for which a report shall be filed under subsection 4 of section 38(d) of article III of the Constitution of the State of Missouri. If such a distribution was made, the corporation shall disclose in the annual report the amount of the distribution, the recipient of the distribution, and the project description.

16. The corporation shall keep its books and records in accordance with generally accepted accounting procedures. Within four months following the end of each fiscal year, the corporation shall cause a firm of independent certified public accountants of national repute to conduct and deliver to the board an audit of the financial statements of the corporation and an opinion thereon, to be conducted in accordance with generally accepted audit standards, provided, however, that this section shall be inapplicable if the board of directors of the corporation determines that insufficient funds have been appropriated to pay for the costs of compliance with these requirements.

17. Within four months following the end of every odd numbered fiscal year, beginning with fiscal year 2016, the corporation shall cause an independent firm of national repute that has expertise in science and innovation research and industry to conduct and deliver to the board an evaluation of the performance of the corporation for the prior two fiscal years, including detailed recommendations for improving the performance of the corporation, provided, however, that this section shall be inapplicable if the board of directors of the corporation determines that insufficient funds have been appropriated to pay for the costs of compliance with these requirements.

18. The corporation shall provide the state auditor a copy of the financial and performance evaluations prepared under subsections 16 and 17 of this section.

19. The corporation shall have perpetual existence until an act of law expressly dissolves the corporation; provided that no such law shall take effect so long as the corporation has obligations or bonds outstanding unless adequate provision has been made for the payment or retirement of such debts or obligations. Upon any such dissolution of the corporation, all property, funds, and assets thereof shall be vested in the state.

20. Except as provided under section 348.266, the state hereby pledges to, and agrees with, recipients of corporation funding or beneficiaries of corporation programs under sections 348.250 to 348.275 that the state shall not limit or alter the rights vested in the corporation under sections 348.250 to 348.275 to fulfill the terms of any agreements made or obligations incurred by the corporation with or to such third parties, or in any way impair the rights and remedies of such third parties until the obligations of the corporation and the state are fully met and discharged in accordance with sections 348.250 to 348.275.

21. The corporation shall be exempt from:

(1) Any general ad valorem taxes upon any property of the corporation acquired and used for its

public purposes;

(2) Any taxes or assessments upon any projects or upon any operations of the corporation or the income therefrom;

(3) Any taxes or assessments upon any project or any property or local obligation acquired or used by the corporation under the provisions of sections 348.250 to 348.275, or upon income therefrom.

Purchases by the corporation to be used for its public purposes shall not be subject to sales or use tax under chapter 144. The exemptions hereby granted shall not extend to persons or entities conducting business on the corporations' property for which payment of state and local taxes would otherwise be required.

22. No funds of the corporation shall be distributed to its employees or members of the board; except that, the corporation may make reasonable payments for expenses incurred on its behalf relating to any of its lawful purposes and the corporation shall be authorized and empowered to pay reasonable compensation for services rendered to, or for, its benefit relating to any of its lawful purposes, including to pay its employees reasonable compensation.

23. The corporation shall adopt and maintain a conflicts of interest policy to protect the corporation's interests by requiring disclosure by an interested party, appropriate recusal by such person, and appropriate action by the interested party or the board where a conflict of interest may exist or arise between the corporation and a director, officer, employee, or agent of the corporation.”;
and

Further amend said bill, 348.265 and 348.269, Pages 72 - 73, by striking all of said Sections from the bill and inserting in lieu thereof the following:

“348.265. 1. As soon as practicable after August 28, 2011, the director of the department of economic development, with the assistance of the director of the department of revenue, shall establish the base year gross wages and report the amount of the base year gross wages to the president and board of the corporation, the governor, and the general assembly. Within one hundred eighty days after the end of each fiscal year beginning with the fiscal year ending June 30, 2011, and for each subsequent fiscal year prior to the end of the last funding year, the director of economic development, with the assistance of the director of the department of revenue, shall determine and report to the president and board of the corporation, governor, and general assembly the amount by which aggregate science and innovation employees' gross wages for the fiscal year exceeds the base year gross wages. The director of economic development and the director of the department of revenue may consider any verifiable evidence, including but not limited to the NAICS codes assigned or recorded by the United States Department of Labor for companies with employees in the state, when determining which organizations should be classified as science and innovation companies.

2. Notwithstanding section 23.250 to the contrary, for each of the twenty-five funding years, beginning July 1, 2012, subject to appropriation, the director of revenue shall transfer to the Missouri science and innovation reinvestment fund an amount not to exceed an amount equal to the product of the applicable percentage multiplied by an amount equal to the increase in aggregate science and innovation employees' gross wages for the prior fiscal year, over the base year gross wages. The director of revenue may make estimated payments to the Missouri science and innovation reinvestment fund more frequently based on estimates provided by the director of revenue and

reconciled annually.

3. Local political subdivisions may contribute to the Missouri science and innovation reinvestment fund through a grant, contract, or loan by dedicating a portion of any sales tax or property tax increase resulting from increases in science and innovation company economic activity occurring after August 28, 2011, or other such taxes or fees as such local political subdivisions may establish.

4. Funding generated by the provisions of this section shall be expended by the corporation to further its purposes as specified in section 348.256.

5. Upon enactment of this section, the corporation shall prepare a strategic plan for the use of the funding to be generated by the provisions of this section, and may consult with science and innovation partners, including, but not limited to the research alliance of Missouri, as established in section 348.257; the life sciences research board established in section 196.1103; and the innovation centers or centers for advanced technology, as established in section 348.272. The corporation shall make a draft strategic plan available for public comment prior to publication of the final strategic plan.

348.269. 1. Nothing contained in sections 348.250 to 348.275 shall be construed as a restriction or limitation upon any powers that the corporation might otherwise have under chapter 355, and the provisions of sections 348.250 to 348.275 are cumulative to such powers.

2. Nothing in sections 348.250 to 348.275 shall be construed as allowing the board to sell the corporation or substantially all of the assets of the corporation, or to merge the corporation with another institution, without prior authorization by the general assembly.

3. Notwithstanding the provisions of section 23.253 to the contrary, the provisions of sections 348.250 to 348.275 shall not sunset.

4. The provisions of sections 348.250 to 348.275 shall not terminate before the satisfaction of all outstanding obligations, notes, and bonds provided for under sections 348.250 to 348.275.

5. If any provision of this Act or the application thereof is held invalid, the invalidity shall not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable. Insofar as the provisions of sections 348.250 to 348.275 are inconsistent with the provisions of any other law, general, specific or local, the provisions of sections 348.250 to 348.275 shall be controlling.”; and

Further amend said bill, Sections 447.708, 620.1878, 620.1881, 620.1900, and 620.2300, Pages 75-98, by striking all of said Sections and inserting in lieu thereof the following:

“447.708. 1. For eligible projects, the director of the department of economic development, with notice to the directors of the departments of natural resources and revenue, and subject to the other provisions of sections 447.700 to 447.718, may not create a new enterprise zone but may decide that a prospective operator of a facility being remedied and renovated pursuant to sections 447.700 to 447.718 may receive the tax credits and exemptions pursuant to sections 135.100 to 135.150 and sections 135.200 to 135.257. The tax credits allowed pursuant to this subsection shall be used to offset the tax imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or the tax otherwise imposed by chapter 147, or the tax otherwise imposed by chapter 148. For purposes of this subsection:

(1) For receipt of the ad valorem tax abatement pursuant to section 135.215, the eligible project must create at least ten new jobs or retain businesses which supply at least twenty-five existing jobs. The city,

or county if the eligible project is not located in a city, must provide ad valorem tax abatement of at least fifty percent for a period not less than ten years and not more than twenty-five years;

(2) For receipt of the income tax exemption pursuant to section 135.220 and tax credit for new or expanded business facilities pursuant to sections 135.100 to 135.150, and 135.225, the eligible project must create at least ten new jobs or retain businesses which supply at least twenty-five existing jobs, or combination thereof. For purposes of sections 447.700 to 447.718, the tax credits described in section 135.225 are modified as follows: the tax credit shall be four hundred dollars per employee per year, an additional four hundred dollars per year for each employee exceeding the minimum employment thresholds of ten and twenty-five jobs for new and existing businesses, respectively, an additional four hundred dollars per year for each person who is a person difficult to employ as defined by section 135.240, and investment tax credits at the same amounts and levels as provided in subdivision (4) of subsection 1 of section 135.225;

(3) For eligibility to receive the income tax refund pursuant to section 135.245, the eligible project must create at least ten new jobs or retain businesses which supply at least twenty-five existing jobs, or combination thereof, and otherwise comply with the provisions of section 135.245 for application and use of the refund and the eligibility requirements of this section;

(4) The eligible project operates in compliance with applicable environmental laws and regulations, including permitting and registration requirements, of this state as well as the federal and local requirements;

(5) The eligible project operator shall file such reports as may be required by the director of economic development or the director's designee;

(6) The taxpayer may claim the state tax credits authorized by this subsection and the state income exemption for a period not in excess of ten consecutive tax years. For the purpose of this section, "taxpayer" means an individual proprietorship, partnership or corporation described in section 143.441 or 143.471 who operates an eligible project. The director shall determine the number of years the taxpayer may claim the state tax credits and the state income exemption based on the projected net state economic benefits attributed to the eligible project;

(7) For the purpose of meeting the new job requirement prescribed in subdivisions (1), (2) and (3) of this subsection, it shall be required that at least ten new jobs be created and maintained during the taxpayer's tax period for which the credits are earned, in the case of an eligible project that does not replace a similar facility in Missouri. "New job" means a person who was not previously employed by the taxpayer or related taxpayer within the twelve-month period immediately preceding the time the person was employed by that taxpayer to work at, or in connection with, the eligible project on a full-time basis. "Full-time basis" means the employee works an average of at least thirty-five hours per week during the taxpayer's tax period for which the tax credits are earned. For the purposes of this section, related taxpayer has the same meaning as defined in subdivision (9) of section 135.100;

(8) For the purpose of meeting the existing job retention requirement, if the eligible project replaces a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax period in which the tax credits are earned, it shall be required that at least twenty-five existing jobs be retained at, and in connection with the eligible project, on a full-time basis during the taxpayer's tax period for which the credits are earned. "Retained job" means a person who was previously employed by the taxpayer or related taxpayer, at a facility similar to the eligible project that closed elsewhere in Missouri prior to the end of the taxpayer's tax period in which the tax credits are earned, within the tax period immediately preceding the

time the person was employed by the taxpayer to work at, or in connection with, the eligible project on a full-time basis. "Full-time basis" means the employee works an average of at least thirty-five hours per week during the taxpayer's tax period for which the tax credits are earned;

(9) In the case where an eligible project replaces a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax period in which the tax credits are earned, the owner and operator of the eligible project shall provide the director with a written statement explaining the reason for discontinuing operations at the closed facility. The statement shall include a comparison of the activities performed at the closed facility prior to the date the facility ceased operating, to the activities performed at the eligible project, and a detailed account describing the need and rationale for relocating to the eligible project. If the director finds the relocation to the eligible project significantly impaired the economic stability of the area in which the closed facility was located, and that such move was detrimental to the overall economic development efforts of the state, the director may deny the taxpayer's request to claim tax benefits;

(10) Notwithstanding any provision of law to the contrary, for the purpose of this section, the number of new jobs created and maintained, the number of existing jobs retained, and the value of new qualified investment used at the eligible project during any tax year shall be determined by dividing by twelve, in the case of jobs, the sum of the number of individuals employed at the eligible project, or in the case of new qualified investment, the value of new qualified investment used at the eligible project, on the last business day of each full calendar month of the tax year. If the eligible project is in operation for less than the entire tax year, the number of new jobs created and maintained, the number of existing jobs retained, and the value of new qualified investment created at the eligible project during any tax year shall be determined by dividing the sum of the number of individuals employed at the eligible project, or in the case of new qualified investment, the value of new qualified investment used at the eligible project, on the last business day of each full calendar month during the portion of the tax year during which the eligible project was in operation, by the number of full calendar months during such period;

(11) For the purpose of this section, "new qualified investment" means new business facility investment as defined and as determined in subdivision (7) of section 135.100 which is used at and in connection with the eligible project. "New qualified investment" shall not include small tools, supplies and inventory. "Small tools" means tools that are portable and can be hand held.

2. The determination of the director of economic development pursuant to subsection 1 of this section shall not affect requirements for the prospective purchaser to obtain the approval of the granting of real property tax abatement by the municipal or county government where the eligible project is located.

3. (1) The director of the department of economic development, with the approval of the director of the department of natural resources, may, in addition to the tax credits allowed in subsection 1 of this section, grant a remediation tax credit to the applicant for up to one hundred percent of the costs of materials, supplies, equipment, labor, professional engineering, consulting and architectural fees, permitting fees and expenses, demolition, asbestos abatement, **backfill of areas where contaminated soil excavation occurs**, and direct utility charges for performing the voluntary remediation activities for the preexisting hazardous substance contamination and releases, including, but not limited to, the costs of performing operation and maintenance of the remediation equipment at the property beyond the year in which the systems and equipment are built and installed at the eligible project and the costs of performing the voluntary remediation activities over a period not in excess of four tax years following the taxpayer's tax year in which the system and equipment were first put into use at the eligible project, provided the remediation activities are the subject of a plan submitted to, and approved by, the director of natural resources pursuant

to sections 260.565 to 260.575. The tax credit may also include up to one hundred percent of the costs of demolition that are not directly part of the remediation activities, provided that the demolition is on the property where the voluntary remediation activities are occurring, the demolition is necessary to accomplish the planned use of the facility where the remediation activities are occurring, and the demolition is part of a redevelopment plan approved by the municipal or county government and the department of economic development. The demolition may occur on an adjacent property if the project is located in a municipality which has a population less than twenty thousand and the above conditions are otherwise met. The adjacent property shall independently qualify as abandoned or underutilized. The amount of the credit available for demolition not associated with remediation cannot exceed the total amount of credits approved for remediation including demolition required for remediation.

(2) The amount of remediation tax credits issued shall be limited to the least amount necessary to cause the project to occur, as determined by the director of the department of economic development.

(3) The director may, with the approval of the director of natural resources, extend the tax credits allowed for performing voluntary remediation maintenance activities, in increments of three-year periods, not to exceed five consecutive three-year periods. The tax credits allowed in this subsection shall be used to offset the tax imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or the tax otherwise imposed by chapter 147, or the tax otherwise imposed by chapter 148. The remediation tax credit may be taken in the same tax year in which the tax credits are received or may be taken over a period not to exceed twenty years.

(4) The project facility shall be projected to create at least ten new jobs or at least twenty-five retained jobs, or a combination thereof, as determined by the department of economic development, to be eligible for tax credits pursuant to this section.

(5) No more than seventy-five percent of earned remediation tax credits may be issued when the remediation costs were paid, and the remaining percentage may be issued when the department of natural resources issues a letter of completion letter or covenant not to sue following completion of the voluntary remediation activities. It shall not include any costs associated with ongoing operational environmental compliance of the facility or remediation costs arising out of spills, leaks, or other releases arising out of the ongoing business operations of the facility. In the event the department of natural resources issues a letter of completion for a portion of a property, an impacted media such as soil or groundwater, or for a site or a portion of a site improvement, a prorated amount of the remaining percentage may be released based on the percentage of the total site receiving a letter of completion.

4. In the exercise of the sound discretion of the director of the department of economic development or the director's designee, the tax credits and exemptions described in this section may be terminated, suspended or revoked, if the eligible project fails to continue to meet the conditions set forth in this section. In making such a determination, the director shall consider the severity of the condition violation, actions taken to correct the violation, the frequency of any condition violations and whether the actions exhibit a pattern of conduct by the eligible facility owner and operator. The director shall also consider changes in general economic conditions and the recommendation of the director of the department of natural resources, or his or her designee, concerning the severity, scope, nature, frequency and extent of any violations of the environmental compliance conditions. The taxpayer or person claiming the tax credits or exemptions may appeal the decision regarding termination, suspension or revocation of any tax credit or exemption in accordance with the procedures outlined in subsections 4 to [6] 5 of section 135.250. The director of the

department of economic development shall notify the directors of the departments of natural resources and revenue of the termination, suspension or revocation of any tax credits as determined in this section or pursuant to the provisions of section 447.716.

5. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax credits, exemptions or refund otherwise allowed in subdivisions (2), (3) and (4) of subsection 1 of this section and the tax credits otherwise allowed in section 135.110, or the tax credits, exemptions and refund otherwise allowed in sections 135.215, 135.220, 135.225 and 135.245, respectively, for the same facility for the same tax period.

6. The total amount of the tax credits allowed in subsection 1 of this section may not exceed the greater of:

(1) That portion of the taxpayer's income attributed to the eligible project; or

(2) One hundred percent of the total business' income tax if the eligible facility does not replace a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax period in which the tax credits are earned, and further provided the taxpayer does not operate any other facilities besides the eligible project in Missouri; fifty percent of the total business' income tax if the eligible facility replaces a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax period in which the credits are earned, and further provided the taxpayer does not operate any other facilities besides the eligible project in Missouri; or twenty-five percent of the total business income if the taxpayer operates, in addition to the eligible facility, any other facilities in Missouri. In no case shall a taxpayer operating more than one eligible project in Missouri be allowed to offset more than twenty-five percent of the taxpayer's business income in any tax period. That portion of the taxpayer's income attributed to the eligible project as referenced in subdivision (1) of this subsection, for which the credits allowed in sections 135.110 and 135.225 and subsection 3 of this section, may apply, shall be determined in the same manner as prescribed in subdivision (6) of section 135.100. That portion of the taxpayer's franchise tax attributed to the eligible project for which the remediation tax credit may offset, shall be determined in the same manner as prescribed in paragraph (a) of subdivision (6) of section 135.100.

7. Taxpayers claiming the state tax benefits allowed in subdivisions (2) and (3) of subsection 1 of this section shall be required to file all applicable tax credit applications, forms and schedules prescribed by the director during the taxpayer's tax period immediately after the tax period in which the eligible project was first put into use. Otherwise, the taxpayer's right to claim such state tax benefits shall be forfeited. Unused business facility and enterprise zone tax credits shall not be carried forward but shall be initially claimed for the tax period during which the eligible project was first capable of being used, and during any applicable subsequent tax periods.

8. Taxpayers claiming the remediation tax credit allowed in subsection 3 of this section shall be required to file all applicable tax credit applications, forms and schedules prescribed by the director during the taxpayer's tax period immediately after the tax period in which the eligible project was first put into use, or during the taxpayer's tax period immediately after the tax period in which the voluntary remediation activities were performed.

9. The recipient of remediation tax credits, for the purpose of this subsection referred to as assignor, may assign, sell or transfer, in whole or in part, the remediation tax credit allowed in subsection 3 of this section to any other person, for the purpose of this subsection referred to as assignee. To perfect the transfer, the assignor shall provide written notice to the director of the assignor's intent to transfer the tax credits to the

assignee, the date the transfer is effective, the assignee's name, address and the assignee's tax period and the amount of tax credits to be transferred. The number of tax periods during which the assignee may subsequently claim the tax credits shall not exceed twenty tax periods, less the number of tax periods the assignor previously claimed the credits before the transfer occurred.

10. In the case where an operator and assignor of an eligible project has been certified to claim state tax benefits allowed in subdivisions (2) and (3) of subsection 1 of this section, and sells or otherwise transfers title of the eligible project to another taxpayer or assignee who continues the same or substantially similar operations at the eligible project, the director shall allow the assignee to claim the credits for a period of time to be determined by the director; except that, the total number of tax periods the tax credits may be earned by the assignor and the assignee shall not exceed ten. To perfect the transfer, the assignor shall provide written notice to the director of the assignor's intent to transfer the tax credits to the assignee, the date the transfer is effective, the assignee's name, address, and the assignee's tax period, and the amount of tax credits to be transferred.

11. For the purpose of the state tax benefits described in this section, in the case of a corporation described in section 143.471 or partnership, in computing Missouri's tax liability, such state benefits shall be allowed to the following:

(1) The shareholders of the corporation described in section 143.471;

(2) The partners of the partnership. The credit provided in this subsection shall be apportioned to the entities described in subdivisions (1) and (2) of this subsection in proportion to their share of ownership on the last day of the taxpayer's tax period.

12. For each fiscal year beginning on or after July 1, 2011, the total amount of tax credits authorized under the provisions of sections 447.700 to 447.718 shall not exceed forty million dollars. No more than a total of ten million dollars in tax credits authorized under the provisions of sections 447.700 to 447.718 shall be authorized in any fiscal year for projects which receive benefits under the provisions of section 99.1205.

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

(1) "Approval", a document submitted by the department to the qualified company that states the benefits that may be provided by this program;

(2) "Average wage", the new payroll divided by the number of new jobs;

(3) "Commencement of operations", the starting date for the qualified company's first new employee, which must be no later than twelve months from the date of the approval;

(4) "County average wage", the average wages in each county as determined by the department for the most recently completed full calendar year. However, if the computed county average wage is above the statewide average wage, the statewide average wage shall be deemed the county average wage for such county for the purpose of determining eligibility. The department shall publish the county average wage for each county at least annually. Notwithstanding the provisions of this subdivision to the contrary, for any qualified company that in conjunction with their project is relocating employees from a Missouri county with a higher county average wage, the company shall obtain the endorsement of the governing body of the community from which jobs are being relocated or the county average wage for their project shall be the county average wage for the county from which the employees are being relocated;

(5) “Department”, the Missouri department of economic development;

(6) “Director”, the director of the department of economic development;

(7) “Employee”, a person employed by a qualified company;

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

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

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

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

(12) **“New capital investment”, shall include funds spent by the qualified company at the project facility after the approval of the notice of intent for real or personal property, and may include the present value of finance or capital leases for real or personal property for the term of such lease at the project facility executed after approval of the notice of intent;**

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

[(13)] (14) “New investment”, the purchase or leasing of new tangible assets to be placed in operation at the project facility, which will be directly related to the new jobs;

[(14)] (15) “New job”, the number of full-time employees located at the project facility that exceeds the project facility base employment less any decrease in the number of full-time employees at related facilities below the related facility base employment. No job that was created prior to the date of the notice of intent shall be deemed a new job. An employee that spends less than fifty percent of the employee’s work time at the facility is still considered to be located at a facility if the employee receives his or her directions and control from that facility, is on the facility’s payroll, one hundred percent of the employee’s income from such employment is Missouri income, and the employee is paid at or above the state average wage;

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

[(16)] (17) “Notice of intent”, a form developed by the department, completed by the qualified company and submitted to the department which states the qualified company’s intent to hire new jobs and request

benefits under this program;

[(17)] (18) “Percent of local incentives”, the amount of local incentives divided by the amount of new direct local revenue;

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

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

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

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

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

[(23)] (24) **“Projected net fiscal benefit”, the total fiscal benefit to the state less any state benefits offered to the qualified company, as determined by the department;**

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

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

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

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

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

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

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

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

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

- (g) Educational services (NAICS sector 61);
- (h) Religious organizations (NAICS industry group 8131);
- (i) Public administration (NAICS sector 92);
- (j) Ethanol distillation or production; or

(k) Biodiesel production. Notwithstanding any provision of this section to the contrary, the headquarters or administrative offices of an otherwise excluded business may qualify for benefits if the offices serve a multistate territory. In the event a national, state, or regional headquarters operation is not the predominant activity of a project facility, the new jobs and investment of such headquarters operation is considered eligible for benefits under this section if the other requirements are satisfied;

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

- (a) Open-looped biomass;
- (b) Close-looped biomass;
- (c) Solar;
- (d) Wind;
- (e) Geothermal; and
- (f) Hydropower;

[(25)] **(27)** “Related company” means:

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

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

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

[(28)] **(30)** “Related facility base payroll”, the total amount of taxable wages paid by the qualified company to full-time employees of the qualified company located at a related facility in the twelve months prior to the filing of the notice of intent, not including the payroll of the owners of the qualified company unless the qualified company is participating in an employee stock ownership plan. For purposes of calculating the benefits under this program, the amount of related facility base payroll shall increase each year based on an appropriate measure, as determined by the department;

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

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

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

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

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

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

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

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

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

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

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

2. Notwithstanding any provision of law to the contrary, any qualified company that is awarded benefits under this program may not simultaneously receive tax credits or exemptions under sections 135.100 to 135.150, sections 135.200 to 135.286, section 135.535, or sections 135.900 to 135.906 at the same project facility. The benefits available to the company under any other state programs for which the company is eligible and which utilize withholding tax from the new jobs of the company must first be credited to the other state program before the withholding retention level applicable under the Missouri quality jobs act will begin to accrue. These other state programs include, but are not limited to, the new jobs training program under sections 178.892 to 178.896, the job retention program under sections 178.760 to 178.764, the real property tax increment allocation redevelopment act, sections 99.800 to 99.865, or the Missouri downtown and rural economic stimulus act under sections 99.915 to 99.980. If any qualified company also participates in the new jobs training program in sections 178.892 to 178.896, the company shall retain no withholding tax, but the department shall issue a refundable tax credit for the full amount of benefit allowed under this [subdivision] **subsection**. The calendar year annual maximum amount of tax credits which may be issued to a qualifying company that also participates in the new job training program shall be increased by an amount equivalent to the withholding tax retained by that company under the new jobs training program. However, if the combined benefits of the quality jobs program and the new jobs training program exceed the projected state benefit of the project, as determined by the department of economic development through a cost-benefit analysis, the increase in the maximum tax credits shall be limited to the amount that would not cause the combined benefits to exceed the projected state benefit. Any taxpayer who is awarded benefits under this program who knowingly hires individuals who are not allowed to work legally in the United States shall immediately forfeit such benefits and shall repay the state an amount equal to any state tax credits already redeemed and any withholding taxes already retained.

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

(1) Small and expanding business projects: in exchange for the consideration provided by the new tax revenues and other economic stimuli that will be generated by the new jobs created by the program, a qualified company may retain an amount equal to the withholding tax as calculated under subdivision [(33)] (35) of section 620.1878 from the new jobs that would otherwise be withheld and remitted by the qualified

company under the provisions of sections 143.191 to 143.265 for a period of three years from the date the required number of new jobs were created if the average wage of the new payroll equals or exceeds the county average wage or for a period of five years from the date the required number of new jobs were created if the average wage of the new payroll equals or exceeds one hundred twenty percent of the county average wage;

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

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

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

(a) For each of the twenty-four months preceding the year in which application for the program is made

the qualified company must have maintained at least one thousand full-time employees at the employer's site in the state at which the jobs are based, and the average wage of such employees must meet or exceed the county average wage;

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

(c) The qualified company is considered to have a significant statewide effect on the economy, and has been determined to represent a substantial risk of relocation from the state by the quality jobs advisory task force established in section 620.1887; provided, however, until such time as the initial at-large members of the quality jobs advisory task force are appointed, this determination shall be made by the director of the department of economic development;

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

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

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

(b) A qualified company meeting the requirements of this subdivision may be authorized to retain an amount not to exceed one hundred percent of the withholding tax from full-time jobs that would otherwise be withheld and remitted by the qualified company under the provisions of sections 143.191 to 143.265, for a period of ten years if the average wage of the retained jobs equals or exceeds ninety percent of the county average wage. In order to receive benefits under this subdivision, a qualified company shall enter into written agreement with the department containing detailed performance

requirements and repayment penalties in event of nonperformance. The amount of benefits awarded to a qualified company under this subdivision and subdivision (6) of this subsection shall not exceed the projected net fiscal benefit and shall not exceed the least amount necessary to obtain the qualified company's commitment to retain the necessary number of jobs and make the required new capital investment.

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

a. The qualified company shall agree to retain, for a period of ten years from the date of approval, at least one hundred and twenty-five retained jobs; and

b. The qualified company shall agree to make a new capital investment at the project facility within three years of the approval in an amount at least three times the amount of the benefits, available under this subdivision, which are offered to the qualified company by the department.

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

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

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

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

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

e. The level of economic distress in the area;

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

g. The percent of local incentives committed;

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

a. The committed number of retained jobs, payroll, and new capital investment for each year during the project period;

b. Clawback provisions, as may be required by the department; and

c. Any other provisions the department may require.

(f) In no event shall the total amount of benefits available to all qualified companies under this subdivision exceed:

a. Three million dollars for the fiscal year beginning on or after July 1, 2011, and ending on or before June 30, 2012;

b. Four million dollars for the fiscal year beginning on or after July 1, 2012, and ending on or

before June 30, 2013;

c. Five million dollars for the fiscal year beginning on or after July 1, 2013, and ending on or before June 30, 2014; and

d. Six million dollars for all fiscal years beginning on or after July 1, 2014.

(6) (a) The department may award a qualified company meeting the requirements of subdivision (5) of this subsection tax credits in an amount not to exceed eighty percent of the amount the qualified company may otherwise be eligible to retain for a period of five years under subdivision (5) of this subsection.

(b) In addition to satisfying each of the requirements of subdivision (5) of this subsection, a qualified company requesting tax credits under this subdivision shall provide to the department, prior to approval, evidence of commitments for the financing of any applicable new capital investment. The new capital investment shall be made at the project facility within two years of the date of approval.

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

a. The committed number of jobs, payroll, and new capital investment for each year during the project period;

b. The date or time period during which the tax credits shall be issued, which may be immediately or over a period not to exceed two years from the date of approval;

c. Penalties, including the recapture of tax credits awarded under this subdivision, for failure to satisfy the requirements provided under this subdivision and subdivision (5) of this subsection; and

d. Any other provisions the department may require.

(d) No later than October 1, 2011, and the first day of October each year thereafter, the department shall provide to the budget committee of the house of representatives and the appropriations committee of the senate a request for an appropriation for the tax credits authorized under this subdivision. Appropriations made under the provisions of this subdivision shall provide the amount of tax credits which may be authorized during the fiscal year immediately following the fiscal year in which such appropriation is made. Appropriations provided under this subdivision shall only be made in the annual appropriation bill relating to public debt.

(e) No tax credits shall be authorized under the provisions of this subdivision, unless an appropriation is made under the provisions of paragraph (d) of this subdivision. In any fiscal year for which an appropriation is made under the provisions of paragraph (d) of this subdivision, no more than the amount of tax credits so appropriated shall be authorized. There is hereby created in the state treasury the "Missouri Quality Jobs Retention Tax Credit Program Fund", which shall consist of money appropriated under this subsection. The state treasurer shall be custodian of the fund and may approve disbursements from the fund in accordance with sections 30.170 and 30.180. Upon appropriation, money in the fund shall be used solely for the administration of this subdivision. Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund for tax credits which have been authorized but not yet redeemed at the end of the fiscal year shall not revert to the credit of the general revenue fund. Any moneys remaining in the fund at the end of the

fiscal year for any tax credits which remain unauthorized at the end of the fiscal year shall revert to the credit of the general revenue fund. Provisions of section 32.057 to the contrary notwithstanding, the department of revenue shall notify the director of the department upon redemption of each tax credit authorized under the provisions of this subdivision. Upon such notification, an amount equal to the tax credits redeemed shall be transferred from the fund created in this subdivision to the general revenue fund. In the event the department determines that any tax credit authorized under this subsection is precluded from being redeemed due to contractual agreement entered into by the department and the tax credit applicant or is otherwise precluded by law from being redeemed, an amount equal to such tax credit shall be transferred from the fund created in this subdivision to the general revenue fund. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the general revenue fund at the end of each fiscal year.

(7) Small business job retention and flood survivor relief: a qualified company may receive a tax credit under sections 620.1875 to 620.1890 for the retention of jobs and flood survivor relief in this state for each job retained over a three-year period, provided that:

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

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

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

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

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

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

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

(h) In the years it receives tax credits under sections 620.1875 to 620.1890, the company cumulatively invests at least two million dollars in capital improvements in facilities and equipment located at such facilities that are not located within a five hundred year flood plain as designated by the Federal Emergency Management Agency, and amended from time to time. The amount of the small business job retention and flood survivor relief credit granted may be equal to up to one hundred percent of the amount of withholding tax generated by the full-time jobs at the project facility for a period of three years. The calendar year annual maximum amount of tax credit that may be issued to any qualified company for a small business job retention and survivor relief project shall be two hundred fifty thousand dollars per year, but the maximum amount may be increased up to five hundred thousand dollars if such action is proposed by the department and approved by the quality jobs advisory task force established in section 620.1887. In considering such

a request, the task force shall rely on economic modeling and other information supplied by the department when requesting an increase in the limit on behalf of the small business job retention and flood survivor relief project. In no event shall the total amount of all tax credits issued for the entire small business job retention and flood survivor relief program under this subdivision exceed five hundred thousand dollars annually. Notwithstanding the provisions of this subdivision to the contrary, no tax credits shall be issued for small business job retention and flood survivor relief projects approved by the department after August 30, 2010.

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

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

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

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

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

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

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

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

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

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

620.2300. 1. As used in this section, the following terms shall mean:

- (1) "Department", the Missouri department of economic development;**
- (2) "Biomass facility", a biomass renewable energy facility or biomass fuel production facility that will not be a major source for air quality permitting purposes;**
- (3) "Commission", the Missouri public service commission;**
- (4) "County average wage", the average wages in each county as determined by the department for the most recently completed full calendar year. However, if the computed county average wage is above the statewide average wage, the statewide average wage shall be deemed the county average wage for such county for the purpose of determining eligibility. The department shall publish the**

county average wage for each county at least annually. Notwithstanding the provisions of this subdivision to the contrary, for any project that is relocating employees from a Missouri county with a higher county average wage, the company shall obtain the endorsement of the governing body of the community from which jobs are being relocated or the county average wage for their project shall be the county average wage for the county from which the employees are being relocated;

(5) “Full-time employee”, an employee of the project facility that is scheduled to work an average of at least thirty-five hours per week for a twelve-month period, and one for which the employer offers health insurance and pays at least fifty percent of such insurance premiums;

(6) “Major source”, the same meaning as is provided under 40 CFR 70.2;

(7) “New job”, the number of full-time employees located at the project facility that exceeds the project facility base employment less any decrease in the number of full-time employees at related facilities below the related facility base employment. An employee that spends less than fifty percent of the employee’s work time at the project facility is still considered to be located at a facility if the employee receives his or her directions and control from that facility, is on the facility’s payroll, one hundred percent of the employee’s income from such employment is Missouri income, and the employee is paid at or above the state average wage;

(8) “Park”, an area consisting of a parcel or tract of land, or any combination of parcels or contiguous land that meet all of the following requirements:

(a) The area consists of at least fifty contiguous acres;

(b) The property within the area is subject to remediation under a clean up program supervised by the Missouri department of natural resources or United States Environmental Protection Agency;

(c) The area contains a manufacturing facility that is closed, undergoing closure, idle, underutilized, or curtailed and that at one time employed at least two hundred employees;

(d) The development plan for the area includes a biomass facility; and

(e) Property located within the area will be used for the development of renewable energy and the demonstration of industrial on-site energy generation;

(9) “Project”, a cleanfields renewable energy demonstration project located within a park that will result in the creation of at least fifty new jobs and the retention of at least fifty existing jobs;

(10) “Project application”, an application submitted to the department, by an owner of all or a portion of a park, on a form provided by the department, requesting benefits provided under this section;

(11) “Project facility”, a biomass facility at which the new jobs will be located. A project facility may include separate buildings that are located within fifty miles of each other or within the same county such that their purpose and operations are interrelated;

(12) “Project facility base employment”, the greater of the number of full-time employees located at the project facility on the date of the project application or for the twelve-month period prior to the date of the project application, the average number of full-time employees located at the project facility. In the event the project facility has not been in operation for a full twelve-month period, the average number of full-time employees for the number of months the project facility has been in

operation prior to the date of the project application.

2. The owner of a park seeking to establish a project shall submit a project application to the department for certification of such project. The department shall review all project applications received under this section and, in consultation with the department of natural resources, verify satisfaction of the requirements of this section. If the department approves a project application, the department shall forward such application and approval to the commission.

3. Notwithstanding provisions of section 393.1030 to the contrary, upon receipt of an application and approval from the department, the commission shall assign double credit to any electric power, renewable energy, renewable energy credits, or any successor credit generated from:

(1) Renewable energy resources purchased from the biomass facility located in the park by an electric power supplier;

(2) Electric power generated off-site by utilizing biomass fuel sold by the biomass facility located at the park; or

(3) Electric power generated off-site by renewable energy resources utilizing storage equipment manufactured at the park that increases the quantity of electricity delivered to the electric power supplier.”; and

Further amend said bill, Section 1, Page 98, Line 3, by inserting the following after all of said Line:

“[348.253. 1. The Missouri technology corporation may contract with not-for-profit organizations to carry out the provisions of sections 348.251 to 348.275. By entering into such contracts, the corporation shall attempt to achieve the following objectives:

(1) The establishment of a research alliance which shall advance technology development, as defined in subdivision (3) of section 348.251. The corporation, in this capacity, shall have the authority to contract directly with centers for advanced technology, as established by section 348.272, and other not-for-profit entities. In proceeding with this objective, the corporation and centers for advanced technology shall utilize the results of targeted industry studies commissioned by the department of economic development;

(2) Technology commercialization, as defined in subdivision (2) of section 348.251;

(3) The establishment of a finance corporation to assist in the implementation of section 348.261; and

(4) The enhancement of technology application, as defined in subdivision (1) of section 348.251.

2. Any contract signed between the corporation and any not-for-profit organization, including innovation centers as defined in section 348.271, shall require that the not-for-profit organization must provide at least one-hundred-percent match for any funding received from the corporation through the technology investment fund, as established in section 348.264.]”;

Further amend said bill, Section B, Page 98, Line 9, by inserting the following after all of said line:

“Section C. As provided in section 1.140, the provisions of every section in this act are severable. If any provision of any section in this act is found by a court of competent jurisdiction to be unconstitutional, the remaining provisions of the act are valid unless the court finds the valid provisions of the act are so essentially and inseparably connected with, and so dependent upon, the void provision that it cannot be

presumed the legislature would have enacted the valid provisions without the void one; or unless the court finds that the valid provisions, standing alone, are incomplete and are incapable of being executed in accordance with the legislative intent.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

Emergency clause adopted.

In which the concurrence of the Senate is respectfully requested.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has adopted **SS No. 2** for **SCS** for **HCS** for **HB 111**, as amended, and has taken up and passed **SS No. 2** for **SCS** for **HCS** for **HB 111**, as amended.

Emergency clause adopted.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has adopted **SS** for **SCS** for **HCS** for **HB 555**, as amended, and has taken up and passed **SS** for **SCS** for **HCS** for **HB 555**, as amended.

RESOLUTIONS

Senator Brown offered Senate Resolution No. 1101, regarding Margie S. Clark, which was adopted.

Senator Brown offered Senate Resolution No. 1102, regarding JoAnn Chapman, which was adopted.

INTRODUCTIONS OF GUESTS

Senator Schaefer introduced to the Senate, the Physician of the Day, Dr. Jerry Kennett, M.D., Columbia.

On motion of Senator Dempsey, the Senate adjourned until 8:00 a.m., Thursday, May 26, 2011.

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