

SENATE SUBSTITUTE
FOR
SENATE COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 120
AN ACT

To repeal sections 36.020, 379.122, 620.2005, and 620.2010, RSMo, and to enact in lieu thereof ten new sections relating to military affairs, with an emergency clause for certain sections.

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

Section A. Sections 36.020, 379.122, 620.2005, and 620.2010, RSMo, are repealed and ten new sections enacted in lieu thereof, to be known as sections 9.297, 36.020, 36.221, 41.201, 42.390, 105.1204, 160.710, 379.122, 620.2005, and 620.2010, to read as follows:

9.297. The month of November is hereby designated as "Military Family Month" in Missouri. The citizens of this state are encouraged to participate in appropriate events and activities to honor the daily sacrifices of all military families who support their loved ones serving our country.

36.020. Unless the context clearly requires otherwise, the following terms mean:

- (1) "Agency", "state agency" or "agency of the state", each department, board, commission or office of the state except for offices of the elected officials, the general assembly, the judiciary and academic institutions;
- (2) "Appointing authority", an officer or agency subject to this chapter having power to make appointments;
- (3) "Board", the personnel advisory board as established by section 36.050;

11 (4) "Broad classification band", a grouping of
12 positions with similar levels of responsibility or expertise;

13 (5) "Class", "class of positions", or "job class", a
14 group of positions subject to this chapter sufficiently
15 alike in duties, authority and responsibilities to justify
16 the same qualifications and the same schedule of pay to all
17 positions in the group;

18 (6) "Director", the director of the division of
19 personnel of the office of administration;

20 (7) "Disabled veteran", a veteran who has served on
21 active duty in the Armed Forces at any time who receives
22 compensation as a result of a service-connected disability
23 claim allowed by the federal agency responsible for the
24 administration of veteran's affairs, or who receives
25 disability retirement or disability pension benefits from a
26 federal agency as a result of such a disability or a
27 National Guard veteran who was permanently disabled as a
28 result of active service to the state at the call of the
29 governor;

30 (8) "Division of service" or "division", a state
31 department or any division or branch of the state, or any
32 agency of the state government, all the positions and
33 employees in which are under the same appointing authority;

34 (9) "Eleemosynary or penal institutions", an
35 institution within state government holding, housing, or
36 caring for inmates, patients, veterans, juveniles, or other
37 individuals entrusted to or assigned to the state where it
38 is anticipated that such individuals will be in residence
39 for longer than one day. Eleemosynary or penal institutions
40 shall not include elementary, secondary, or higher education
41 institutions operated separately or independently from the
42 foregoing institutions;

43 (10) "Eligible", a person whose name is on a register
44 or who has been determined to meet the qualifications for a
45 class or position;

46 (11) "Employee", shall include only those persons
47 employed in excess of thirty-two hours per calendar week,
48 for a duration that could exceed six months, by a state
49 agency and shall not include patients, inmates, or residents
50 in state eleemosynary or penal institutions who work for the
51 state agency operating an eleemosynary or penal institutions;

52 (12) "Examination" or "competitive examination", a
53 means of determining eligibility or fitness for a class or
54 position;

55 (13) "Open competitive examination", a selection
56 process for positions in a particular class, admission to
57 which is not limited to persons employed in positions
58 subject to this chapter pursuant to subsection 1 of section
59 36.030;

60 (14) "Promotional examination", a selection process
61 for positions in a particular class, admission to which is
62 limited to employees with regular status in positions
63 subject to this chapter pursuant to subsection 1 of section
64 36.030;

65 (15) "Register of eligibles", a list, which may be
66 restricted by locality, of persons who have been found
67 qualified for appointment to a position subject to this
68 chapter pursuant to subsection 1 of section 36.030;

69 (16) "Regular employee", a person employed in a
70 position described under subdivision (2) of subsection 1 of
71 section 36.030 who has successfully completed a probationary
72 period as provided in section 36.250;

73 (17) "State equal employment opportunity officer", the
74 individual designated by the governor or the commissioner of
75 administration as having responsibility for monitoring the

76 compliance of the state as an employer with applicable equal
77 employment opportunity law and regulation and for leadership
78 in efforts to establish a state workforce which reflects the
79 diversity of Missouri citizens at all levels of employment;

80 (18) "Surviving spouse", the unmarried surviving
81 spouse of a deceased disabled veteran or the unmarried
82 [survivor's] surviving spouse of any person who was killed
83 while on active duty in the Armed Forces of the United
84 States or an unmarried surviving spouse of a National Guard
85 veteran who was killed as a result of active service to the
86 state at the call of the governor;

87 (19) "Veteran", any person who is a citizen of this
88 state who has been separated under honorable conditions from
89 the Armed Forces of the United States who served on active
90 duty during peacetime or wartime for at least six
91 consecutive months, unless released early as a result of a
92 service-connected disability or a reduction in force at the
93 convenience of the government, or any member of a reserve or
94 National Guard component who has satisfactorily completed at
95 least six years of service or who was called or ordered to
96 active duty by the President and participated in any
97 campaign or expedition for which a campaign badge or service
98 medal has been authorized.

36.221. In filling any position where employees are
2 selected on the basis of merit under subsection 1 of section
3 36.030, the appointing authority shall offer an interview to
4 every person who is or was a member of the Missouri National
5 Guard whose name appears on the register of eligibles for
6 the position.

41.201. Service members of the Missouri National Guard
2 shall be considered state employees for the purposes of
3 operating state-owned vehicles for official state business
4 unless the members are called into active federal military

5 service by order of the President of the United States
6 pursuant to Title 10 of the United States Code.

2 42.390. 1. Every state agency shall ensure that any
3 form, including digital forms posted on an Internet website,
4 used to collect data from individuals include the following
5 questions in substantially similar form:

6 (1) Have you ever served on active duty in the
7 Armed Forces of the United States and separated
8 from such service under conditions other than
9 dishonorable?

10 (2) If answering question (1) in the
11 affirmative, would you like to receive
12 information and assistance regarding the
13 agency's veteran services?

14 2. Every state agency shall prepare information
15 regarding the agency's applicable services and benefits that
16 are available to veterans and provide such information to
17 those who answer the questions provided in subsection 1 of
18 this section in the affirmative.

19 3. The provisions of subsection 1 of this section
20 shall only apply to any form first created on or after
21 August 28, 2021, or any form created before August 28, 2021,
22 and subsequently modified on or after August 28, 2021.

2 105.1204. In filling any position in a state agency,
3 as that term is defined under section 36.020, where
4 employees are not required to be selected on the basis of
5 merit under subsection 1 of section 36.030, the employing
6 agency shall offer an interview to every applicant who is or
7 was a member of the Missouri National Guard and who meets
8 the minimum qualifications established for the position.

2 160.710. 1. As used in this section, the following
3 terms mean:

3 (1) "Military connected student", a student enrolled
4 in a school district or charter school who:

5 (a) Is a dependent of a current or former member of
6 the Armed Forces of the United States, the Missouri National
7 Guard, or any reserve component of the Armed Forces of the
8 United States; or

9 (b) Was a dependent of a member of the Armed Forces of
10 the United States, the Missouri National Guard, or any
11 reserve component of the Armed Forces of the United States
12 who was killed while on active duty.

13 2. The department of elementary and secondary
14 education shall designate a school district as a purple star
15 campus if the school district applies and qualifies for the
16 designation under this section.

17 3. To qualify as a purple star campus, a school
18 district shall:

19 (1) Designate a staff member as a military liaison to
20 serve as the point of contact between the school district
21 and military connected students and their families;

22 (2) Identify military connected students enrolled in
23 the school district;

24 (3) Determine appropriate services available to
25 military connected students;

26 (4) Coordinate programs relevant to military connected
27 students;

28 (5) Maintain on the school district website an easily
29 accessible webpage that includes resources for military
30 connected students and their families, including information
31 regarding:

32 (a) Relocation to, enrollment at, registration at, and
33 transferring records to the school district;

34 (b) Academic planning, course sequences, and advanced
35 classes available;

36 (c) Counseling and other support services available
37 for military connected students enrolled in the school
38 district;

39 (d) The military liaison designated under subdivision
40 (1) of this section;

41 (6) Establish and maintain a transition program led by
42 the students, when appropriate, that assists military
43 connected students in transitioning into the school district;

44 (7) Offer professional development and education for
45 staff members on issues related to military connected
46 students; and

47 (8) Offer at least one of the following programs:

48 (a) A resolution showing support for military
49 connected students and their families;

50 (b) Recognition of the military holidays with relevant
51 events hosted by the school district; or

52 (c) A partnership with a local military installation
53 that provides opportunities for active duty military members
54 to volunteer with the school district, speak at an assembly,
55 or host a field trip.

379.122. 1. No insurer shall refuse to write a policy
2 for an applicant or base an adverse underwriting decision,
3 including but not limited to charging an increased premium,
4 solely on the fact that the applicant has never purchased
5 such a policy of motor vehicle insurance where the lack of
6 motor vehicle insurance coverage is due to the applicant
7 serving in the armed services and the applicant has not
8 operated a motor vehicle in violation of any financial
9 responsibility or compulsory insurance requirement within
10 the past twelve months.

11 2. No insurer shall refuse to write a policy for an
12 applicant or base an adverse underwriting decision,
13 including but not limited to charging an increased premium,

solely on the fact that the applicant has not owned or been covered by such a policy of motor vehicle insurance during any specified period immediately preceding the date of application where the lack of motor vehicle insurance coverage is due to the applicant serving in the armed services and the applicant has not operated a motor vehicle in violation of any financial responsibility or compulsory insurance requirement within the past twelve months.

Nothing in this subsection shall prohibit an insurer from giving a discount for such an applicant that has been covered by a policy of insurance during such a specified period.

3. Nothing in this section shall prohibit an insurer from basing an adverse underwriting decision on an applicant's previous driving record where such record indicates that the applicant is a substandard risk.

4. In order to establish compliance with this section, an insurer may require any applicant claiming to meet the criteria of subsection 1 or 2 of this section to provide proof of eligibility in a manner as the insurer may prescribe.

5. The adjutant general shall ensure that members of the state military forces, as defined in section 40.005, receive notice of the protections provided under this section at such time as information regarding the Servicemembers Civil Relief Act, 50 U.S.C. 3901, et seq., is provided, or at such other times as the adjutant general deems appropriate. The notice shall specifically state that insurers are prohibited under this section from refusing to issue a policy of motor vehicle insurance, or from charging higher premiums, based solely on a lack of prior coverage where the lack of prior coverage was due to military service. The secretaries of the branches of the United

47 States Armed Forces are hereby encouraged to likewise notify
48 servicemembers under their jurisdictions of the protections
49 provided under this section.

620.2005. 1. As used in sections 620.2000 to
2 620.2020, the following terms mean:

3 (1) "Average wage", the new payroll divided by the
4 number of new jobs, or the payroll of the retained jobs
5 divided by the number of retained jobs;

6 (2) "Commencement of operations", the starting date
7 for the qualified company's first new employee, which shall
8 be no later than twelve months from the date of the approval;

9 (3) "Contractor", a person, employer, or business
10 entity that enters into an agreement to perform any service
11 or work or to provide a certain product in exchange for
12 valuable consideration. This definition shall include but
13 not be limited to a general contractor, subcontractor,
14 independent contractor, contract employee, project manager,
15 or a recruiting or staffing entity;

16 (4) "County average wage", the average wages in each
17 county as determined by the department for the most recently
18 completed full calendar year. However, if the computed
19 county average wage is above the statewide average wage, the
20 statewide average wage shall be deemed the county average
21 wage for such county for the purpose of determining
22 eligibility. The department shall publish the county
23 average wage for each county at least annually.

24 Notwithstanding the provisions of this subdivision to the
25 contrary, for any qualified company that in conjunction with
26 their project is relocating employees from a Missouri county
27 with a higher county average wage, the company shall obtain
28 the endorsement of the governing body of the community from
29 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, excluding:

(a) Owners of the qualified company unless the qualified company is participating in an employee stock ownership plan; or

(b) Owners of a noncontrolling interest in stock of a qualified company that is publicly traded;

(8) "Existing Missouri business", a qualified company that, for the ten-year period preceding submission of a notice of intent to the department, had a physical location in Missouri and full-time employees who routinely performed job duties within Missouri;

(9) "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. An employee that spends less than fifty percent of the employee's work time at the facility shall be 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 applicable percentage of the county average wage;

(10) "Industrial development authority", an industrial development authority organized under chapter 349 that has

63 entered into a formal written memorandum of understanding
64 with an entity of the United States Department of Defense
65 regarding a qualified military project;

66 (11) "Infrastructure projects", highways, roads,
67 streets, bridges, sewers, traffic control systems and
68 devices, water distribution and supply systems, curbing,
69 sidewalks, storm water and drainage systems, broadband
70 internet infrastructure, and any other similar public
71 improvements, but in no case shall infrastructure projects
72 include private structures;

73 (12) "Local incentives", the present value of the
74 dollar amount of direct benefit received by a qualified
75 company for a project facility from one or more local
76 political subdivisions, but this term shall not include
77 loans or other funds provided to the qualified company that
78 shall be repaid by the qualified company to the political
79 subdivision;

80 (13) "Manufacturing capital investment", expenditures
81 made by a qualified manufacturing company to retool or
82 reconfigure a manufacturing project facility directly
83 related to the manufacturing of a new product or the
84 expansion or modification of the manufacture of an existing
85 product;

86 (14) "Memorandum of understanding", an agreement
87 executed by an industrial development authority and an
88 entity of the United States Department of Defense, a copy of
89 which is provided to the department of economic development,
90 that states, but is not limited to:

91 (a) A requirement for the military to provide the
92 total number of existing jobs, jobs directly created by a
93 qualified military project, and average salaries of such
94 jobs to the industrial development authority and the

95 department of economic development annually for the term of
96 the benefit;

97 (b) A requirement for the military to provide an
98 accounting of the expenditures of capital investment made by
99 the military directly related to the qualified military
100 project to the industrial development authority and the
101 department of economic development annually for the term of
102 the benefit;

103 (c) The process by which the industrial development
104 authority shall monetize the tax credits annually and any
105 transaction cost or administrative fee charged by the
106 industrial development authority to the military on an
107 annual basis;

108 (d) A requirement for the industrial development
109 authority to provide proof to the department of economic
110 development of the payment made to the qualified military
111 project annually, including the amount of such payment;

112 (e) The schedule of the maximum amount of tax credits
113 which may be authorized in each year for the project and the
114 specified term of the benefit, as provided by the department
115 of economic development; and

116 (f) A requirement that the annual benefit paid shall
117 be the lesser of:

118 a. The maximum amount of tax credits authorized; or

119 b. The actual calculated benefit derived from the
120 number of new jobs and average salaries;

121 (15) "NAICS" or "NAICS industry classification", the
122 classification provided by the most recent edition of the
123 North American Industry Classification System as prepared by
124 the Executive Office of the President, Office of Management
125 and Budget;

126 (16) "New capital investment", shall include costs
127 incurred by the qualified company at the project facility

after acceptance by the qualified company of the proposal for benefits from the department or the approval notice of intent, whichever occurs first, for real or personal property, and may include the value of finance or capital leases for real or personal property for the term of such lease at the project facility executed after acceptance by the qualified company of the proposal for benefits from the department or the approval of the notice of intent;

(17) "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;

(18) "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;

(19) "New payroll", the amount of wages paid for all new jobs, located at the project facility during the qualified company's tax year that exceeds the project facility base payroll;

(20) "New product", a new model or line of a manufactured good that has not been manufactured in Missouri by a qualified manufacturing company at any time prior to the date of the notice of intent, or an existing brand, model, or line of a manufactured good that is redesigned;

(21) "Notice of intent", a form developed by the department and available online, completed by the qualified

company, and submitted to the department stating the qualified company's intent to request benefits under this program. The notice of intent shall be accompanied with a detailed plan by the qualifying company to make good faith efforts to employ, at a minimum, commensurate with the percentage of minority populations in the state of Missouri, as reported in the previous decennial census, the following: racial minorities, contractors who are racial minorities, and contractors that, in turn, employ at a minimum racial minorities commensurate with the percentage of minority populations in the state of Missouri, as reported in the previous decennial census. At a minimum, such plan shall include monitoring the effectiveness of outreach and recruitment strategies in attracting diverse applicants and linking with different or additional referral sources in the event that recruitment efforts fail to produce a diverse pipeline of applicants;

(22) "Percent of local incentives", the amount of local incentives divided by the amount of new direct local revenue;

(23) "Program", the Missouri works program established in sections 620.2000 to 620.2020;

(24) "Project facility", the building or buildings used by a qualified company at which new or retained jobs and any new capital investment are or will be located or by a qualified manufacturing company at which a manufacturing capital investment is or will be located. A project facility may include separate buildings located within sixty miles of each other such that their purpose and operations are interrelated; provided that where the buildings making up the project facility are not located within the same county, the average wage of the new payroll shall exceed the applicable percentage of the highest county average wage

among the counties in which the buildings are located. Upon approval by the department, a subsequent project facility may be designated if the qualified company demonstrates a need to relocate to the subsequent project facility at any time during the project period. For qualified military projects, the term "project facility" means the military base or installation at which such qualified military project is or shall be located;

(25) "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;

(26) "Project facility base payroll", the annualized payroll for the project facility base employment or 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. 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;

(27) "Project period", the time period within which benefits are awarded to a qualified company or within which the qualified company is obligated to perform under an agreement with the department, whichever is greater;

225 (28) "Projected net fiscal benefit", the total fiscal
226 benefit to the state less any state benefits offered to the
227 qualified company, as determined by the department;

228 (29) "Qualified company", a firm, partnership, joint
229 venture, association, private or public corporation whether
230 organized for profit or not, or headquarters of such entity
231 registered to do business in Missouri that is the owner or
232 operator of a project facility, certifies that it offers
233 health insurance to all full-time employees of all
234 facilities located in this state, and certifies that it pays
235 at least fifty percent of such insurance premiums. For the
236 purposes of sections 620.2000 to 620.2020, the term
237 "qualified company" shall not include:

238 (a) Gambling establishments (NAICS industry group
239 7132);

240 (b) Store front consumer-based retail trade
241 establishments (under NAICS sectors 44 and 45), except with
242 respect to any company headquartered in this state with a
243 majority of its full-time employees engaged in operations
244 not within the NAICS codes specified in this subdivision;

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

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

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

252 (f) Any company requesting benefits for retained jobs
253 that has filed for or has publicly announced its intention
254 to file for bankruptcy protection. However, a company that
255 has filed for or has publicly announced its intention to
256 file for bankruptcy may be a qualified company provided that
257 such company:

258 a. Certifies to the department that it plans to
259 reorganize and not to liquidate; and
260 b. After its bankruptcy petition has been filed, it
261 produces proof, in a form and at times satisfactory to the
262 department, that it is not delinquent in filing any tax
263 returns or making any payment due to the state of Missouri,
264 including but not limited to all tax payments due after the
265 filing of the bankruptcy petition and under the terms of the
266 plan of reorganization. Any taxpayer who is awarded
267 benefits under this subsection and who files for bankruptcy
268 under Chapter 7 of the United States Bankruptcy Code, Title
269 11 U.S.C., shall immediately notify the department and shall
270 forfeit such benefits and shall repay the state an amount
271 equal to any state tax credits already redeemed and any
272 withholding taxes already retained;
273 (g) Educational services (NAICS sector 61);
274 (h) Religious organizations (NAICS industry group
275 8131);
276 (i) Public administration (NAICS sector 92);
277 (j) Ethanol distillation or production;
278 (k) Biodiesel production; or
279 (l) Health care and social services (NAICS sector 62).

280 Notwithstanding any provision of this section to the
281 contrary, the headquarters, administrative offices, or
282 research and development facilities of an otherwise excluded
283 business may qualify for benefits if the offices or
284 facilities serve a multistate territory. In the event a
285 national, state, or regional headquarters operation is not
286 the predominant activity of a project facility, the jobs and
287 investment of such operation shall be considered eligible
288 for benefits under this section if the other requirements
289 are satisfied;

290 (30) "Qualified manufacturing company", a company that:

291 (a) Is a qualified company that manufactures motor
292 vehicles (NAICS group 3361);
293 (b) Manufactures goods at a facility in Missouri;
294 (c) Manufactures a new product or has commenced making
295 a manufacturing capital investment to the project facility
296 necessary for the manufacturing of such new product, or
297 modifies or expands the manufacture of an existing product
298 or has commenced making a manufacturing capital investment
299 for the project facility necessary for the modification or
300 expansion of the manufacture of such existing product; and
301 (d) Continues to meet the requirements of paragraphs
302 (a) to (c) of this subdivision for the project period;
303 (31) "Qualified military project", the expansion or
304 improvement of a military base or installation within this
305 state that causes:

306 (a) An increase of ten or more part-time or full-time
307 military or civilian support personnel:

308 a. Whose average salaries equal or exceed ninety
309 percent of the county average wage; and

310 b. Who are offered health insurance, with an entity of
311 the United States Department of Defense paying at least
312 fifty percent of such insurance premiums; and

313 (b) Investment in real or personal property at the
314 base or installation expressly for the purposes of serving a
315 new or expanded military activity or unit.

316 For the purposes of this subdivision, part-time military or
317 civilian support personnel shall be converted to full-time
318 new jobs by, in hire date order, counting one full-time new
319 job for every thirty-five averaged hours worked per week by
320 part-time military or civilian support personnel in jobs
321 directly created by the qualified military project. For each
322 such full-time new job, the sum of the wages of the part-
323 time military or civilian support personnel combined and

converted to form the new job shall be the wage for the one full-time new job. Each part-time military or civilian support personnel whose job is combined and converted for such a full-time new job shall be offered health insurance as described in subparagraph b of paragraph (a) of this subdivision;

(32) "Related company", shall mean:

(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 paragraph, "control of a qualified company" shall mean:

a. 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 in the case of a qualified company that is a corporation;

b. Ownership of at least fifty percent of the capital or profit interest in such qualified company if it is a partnership or association;

c. Ownership, directly or indirectly, of at least fifty percent of the beneficial interest in the principal or income of such qualified company if it is a trust, and ownership shall be determined as provided in Section 318 of the Internal Revenue Code of 1986, as amended;

(33) "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 or in which operations substantially similar to the operations of the project facility are performed;

357 (34) "Related facility base employment", the greater
358 of the number of full-time employees located at all related
359 facilities on the date of the notice of intent or, for the
360 twelve-month period prior to the date of the notice of
361 intent, the average number of full-time employees located at
362 all related facilities of the qualified company or a related
363 company located in this state;

364 (35) "Related facility base payroll", the annualized
365 payroll of the related facility base payroll or the total
366 amount of taxable wages paid by the qualified company to
367 full-time employees of the qualified company located at a
368 related facility in the twelve months prior to the filing of
369 the notice of intent. For purposes of calculating the
370 benefits under this program, the amount of related facility
371 base payroll shall increase each year based on an
372 appropriate measure, as determined by the department;

373 (36) "Rural area", a county in Missouri with a
374 population less than seventy-five thousand or that does not
375 contain an individual city with a population greater than
376 fifty thousand according to the most recent federal
377 decennial census;

378 (37) "Tax credits", tax credits issued by the
379 department to offset the state taxes imposed by chapters 143
380 and 148, or which may be sold or refunded as provided for in
381 this program;

382 (38) "Withholding tax", the state tax imposed by
383 sections 143.191 to 143.265. For purposes of this program,
384 the withholding tax shall be computed using a schedule as
385 determined by the department based on average wages.

386 2. This section is subject to the provisions of
387 section 196.1127.

620.2010. 1. In exchange for the consideration
2 provided by the new tax revenues and other economic stimuli

3 that will be generated by the new jobs created, a qualified
4 company may, for a period of five years from the date the
5 new jobs are created, or for a period of six years from the
6 date the new jobs are created if the qualified company is an
7 existing Missouri business, retain an amount equal to the
8 withholding tax as calculated under subdivision (38) of
9 section 620.2005 from the new jobs that would otherwise be
10 withheld and remitted by the qualified company under the
11 provisions of sections 143.191 to 143.265 if:

12 (1) The qualified company creates ten or more new
13 jobs, and the average wage of the new payroll equals or
14 exceeds ninety percent of the county average wage;

15 (2) The qualified company creates two or more new jobs
16 at a project facility located in a rural area, the average
17 wage of the new payroll equals or exceeds ninety percent of
18 the county average wage, and the qualified company commits
19 to making at least one hundred thousand dollars of new
20 capital investment at the project facility within two years;
21 or

22 (3) The qualified company creates two or more new jobs
23 at a project facility located within a zone designated under
24 sections 135.950 to 135.963, the average wage of the new
25 payroll equals or exceeds eighty percent of the county
26 average wage, and the qualified company commits to making at
27 least one hundred thousand dollars in new capital investment
28 at the project facility within two years of approval.

29 2. In addition to any benefits available under
30 subsection 1 of this section, the department may award a
31 qualified company that satisfies subdivision (1) of
32 subsection 1 of this section additional tax credits, issued
33 each year for a period of five years from the date the new
34 jobs are created, or for a period of six years from the date
35 the new jobs are created if the qualified company is an

existing Missouri business, in an amount equal to or less than six percent of new payroll; provided that in no event may the total amount of benefits awarded to a qualified company under this section exceed nine percent of new payroll in any calendar year. The amount of tax credits awarded to a qualified company under this subsection shall not exceed the projected net fiscal benefit to the state, as determined by the department, and shall not exceed the least amount necessary to obtain the qualified company's commitment to initiate the project. In determining the amount of tax credits to award to a qualified company under this subsection or a qualified manufacturing company under subsection 3 of this section, the department shall consider the following factors:

(1) The significance of the qualified company's need for program benefits;

(2) 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;

(3) The overall size and quality of the proposed project, including the number of new jobs, new capital investment, manufacturing capital investment, proposed wages, growth potential of the qualified company, the potential multiplier effect of the project, and similar factors;

(4) The financial stability and creditworthiness of the qualified company;

(5) The level of economic distress in the area;

(6) An evaluation of the competitiveness of alternative locations for the project facility, as applicable; and

(7) The percent of local incentives committed.

68 3. (1) The department may award tax credits to a
69 qualified manufacturing company that makes a manufacturing
70 capital investment of at least five hundred million dollars
71 not more than three years following the department's
72 approval of a notice of intent and the execution of an
73 agreement that meets the requirements of subsection 4 of
74 this section. Such tax credits shall be issued no earlier
75 than January 1, 2023, and may be issued each year for a
76 period of five years. A qualified manufacturing company may
77 qualify for an additional five-year period under this
78 subsection if it makes an additional manufacturing capital
79 investment of at least two hundred fifty million dollars
80 within five years of the department's approval of the
81 original notice of intent.

82 (2) The maximum amount of tax credits that any one
83 qualified manufacturing company may receive under this
84 subsection shall not exceed five million dollars per
85 calendar year. The aggregate amount of tax credits awarded
86 to all qualified manufacturing companies under this
87 subsection shall not exceed ten million dollars per calendar
88 year.

89 (3) If, at the project facility at any time during the
90 project period, the qualified manufacturing company
91 discontinues the manufacturing of the new product, or
92 discontinues the modification or expansion of an existing
93 product, and does not replace it with a subsequent or
94 additional new product or with a modification or expansion
95 of an existing product, the company shall immediately cease
96 receiving any benefit awarded under this subsection for the
97 remainder of the project period and shall forfeit all rights
98 to retain or receive any benefit awarded under this
99 subsection for the remainder of such period.

(4) Notwithstanding any other provision of law to the contrary, any qualified manufacturing company that is awarded benefits under this section shall not simultaneously receive tax credits or exemptions under sections 100.700 to 100.850 for the jobs created or retained or capital improvement that qualified for benefits under this section. The provisions of subsection 5 of section 285.530 shall not apply to a qualified manufacturing company that is awarded benefits under this section.

4. Upon approval of a notice of intent to receive tax credits under subsection 2, 3, 6, or 7 of this section, the department and the qualified company shall enter into a written agreement covering the applicable project period. The agreement shall specify, at a minimum:

(1) The committed number of new jobs, new payroll, and new capital investment, or the manufacturing capital investment and committed percentage of retained jobs for each year during the project period;

(2) 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 of the notice of intent;

(3) Clawback provisions, as may be required by the department;

(4) Financial guarantee provisions as may be required by the department, provided that financial guarantee provisions shall be required by the department for tax credits awarded under subsection 7 of this section; and

(5) Any other provisions the department may require.

5. In lieu of the benefits available under sections 1 and 2 of this section, and 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, for a period of five years from the date the new jobs are created, or for a period of six years from the date the new jobs are created if the qualified company is an existing Missouri business, retain an amount equal to the withholding tax as calculated under subdivision (38) of section 620.2005 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 equal to:

(1) Six percent of new payroll for a period of five years from the date the required number of new jobs were created if the qualified company creates one hundred or more new jobs and the average wage of the new payroll equals or exceeds one hundred twenty percent of the county average wage of the county in which the project facility is located; or

(2) Seven percent of new payroll for a period of five years from the date the required number of jobs were created if the qualified company creates one hundred or more new jobs and the average wage of the new payroll equals or exceeds one hundred forty percent of the county average wage of 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 subsection 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 subsection.

6. In addition to the benefits available under subsection 5 of this section, the department may award a qualified company that satisfies the provisions of subsection 5 of this section additional tax credits, issued each year for a period of five years from the date the new

166 jobs are created, or for a period of six years from the date
167 the new jobs are created if the qualified company is an
168 existing Missouri business, in an amount equal to or less
169 than three percent of new payroll; provided that in no event
170 may the total amount of benefits awarded to a qualified
171 company under this section exceed nine percent of new
172 payroll in any calendar year. The amount of tax credits
173 awarded to a qualified company under this subsection shall
174 not exceed the projected net fiscal benefit to the state, as
175 determined by the department, and shall not exceed the least
176 amount necessary to obtain the qualified company's
177 commitment to initiate the project. In determining the
178 amount of tax credits to award to a qualified company under
179 this subsection, the department shall consider the factors
180 provided under subsection 2 of this section.

181 7. In lieu of the benefits available under subsections
182 1, 2, 5, and 6 of this section, and in exchange for the
183 consideration provided by the new tax revenues and other
184 economic stimuli that will be generated by the new jobs and
185 new capital investment created by the program, the
186 department may award a qualified company that satisfies the
187 provisions of subdivision (1) of subsection 1 of this
188 section tax credits, issued within one year following the
189 qualified company's acceptance of the department's proposal
190 for benefits, in an amount equal to or less than nine
191 percent of new payroll. The amount of tax credits awarded
192 to a qualified company under this subsection shall not
193 exceed the projected net fiscal benefit to the state, as
194 determined by the department, and shall not exceed the least
195 amount necessary to obtain the qualified company's
196 commitment to initiate the project. In determining the
197 amount of tax credits to award to a qualified company under
198 this subsection, the department shall consider the factors

provided under subsection 2 of this section and the qualified company's commitment to new capital investment and new job creation within the state for a period of not less than ten years. For the purposes of this subsection, each qualified company shall have an average wage of the new payroll that equals or exceeds one hundred percent of the county average wage. Notwithstanding the provisions of section 620.2020 to the contrary, this subsection, shall expire on June 30, 2025.

8. No benefits shall be available under this section for any qualified company that has performed significant, project-specific site work at the project facility, purchased machinery or equipment related to the project, or has publicly announced its intention to make new capital investment or manufacturing capital investment at the project facility prior to receipt of a proposal for benefits under this section or approval of its notice of intent, whichever occurs first.

9. In lieu of any other benefits under this chapter, the department of economic development may award a tax credit to an industrial development authority for a qualified military project in an amount equal to the estimated withholding taxes associated with the part-time and full-time civilian and military new jobs located at the facility and directly impacted by the project. The amount of the tax credit shall be calculated by multiplying:

(1) The average percentage of tax withheld, as provided by the department of revenue to the department of economic development;

(2) The average salaries of the jobs directly created by the qualified military project; and

(3) The number of jobs directly created by the qualified military project.

232 If the amount of the tax credit represents the least amount
233 necessary to accomplish the qualified military project, the
234 tax credits may be issued, but no tax credits shall be
235 issued for a term longer than fifteen years. No qualified
236 military project shall be eligible for tax credits under
237 this subsection unless the department of economic
238 development determines the qualified military project shall
239 achieve a net positive fiscal impact to the state.

Section B. Because of the importance of military jobs
2 to the state, the repeal and reenactment of sections
3 620.2005 and 620.2010 of this act is deemed necessary for
4 the immediate preservation of the public health, welfare,
5 peace, and safety, and is hereby declared to be an emergency
6 act within the meaning of the constitution, and the repeal
7 and reenactment of sections 620.2005 and 620.2010 of this
8 act shall be in full force and effect upon its passage and
9 approval.