

Column from Sen. Matt Bartle for  
week of April 11, 2005

### **Missouri Senate Passes Major Economic Development Bill**

The past few years have not been the best for Missouri's economy. The sluggish economy has made it difficult for businesses and individuals to prosper. Now, as the economy begins to revive, the time is ripe to add fuel to this recovery by offering common sense incentives to businesses to add high-paying jobs in Missouri. When our business sector is vibrant and healthy, high-paying reliable jobs are more plentiful.

Last week, the Missouri Senate gave final approval to the "Missouri Quality Jobs Program." I sponsored this bill in coordination with Governor Blunt's office. This legislation provides important incentives for businesses looking to relocate to or expand their operations in Missouri.

For too long Missouri has stood on the sidelines and watch economic growth opportunities go to other states. Now, with the passage of meaningful tort and workman's compensation reform earlier this session, combined with the incentives proposed in the 'Missouri Quality Jobs Program', we are poised to jump start our state's economy like never before.

This program offers a variety of incentives for businesses of all sizes in both rural and urban areas. The primary mechanism of the legislation is a provision that allows eligible businesses to keep the employee withholding taxes they would otherwise have to pay to the state. This would give new or expanding businesses a considerable economic boost during the financially tenuous years immediately following the start of a new business or expansion of an existing one.

Businesses participating in the "Missouri Quality Jobs Program" would be required to offer health insurance to their employees and pay at least half the cost of this benefit. In addition, companies would only be eligible for this program if they create at least 20 new jobs in rural areas and at least 40 in urban areas. Companies that bring over

100 new jobs to the state will be allowed to keep a percentage of their employee's state withholding tax as well and can qualify for other benefits such as refundable tax credits if their home community also offers local incentives.

I am excited about this bill because it incents companies to add good, high paying jobs in Missouri. Most economic development incentives target construction of new buildings. In contrast, this program focuses on adding good jobs. More high paying jobs is what the people of Missouri want and need in order to prosper and keep pace with the ever increasing cost of living and raising a family in today's world.

In addition, the program contains a special benefit for tech companies looking to relocate or expand in Missouri. Qualifying businesses are allowed to keep withholding taxes and are given refundable tax credits up to 5% of their payroll. The tech and biotech industry is of critical importance to Missouri if we want to be competitive in the 21<sup>st</sup> century. I am pleased to sponsor legislation that commits our state to firmly supporting the growth of this important sector of our economy. Senate Bill 343 demonstrates our resolve by providing significant state investment in each of these valuable companies.

Senate Bill 343 will now be sent to the Missouri House of Representatives for debate.

If you have comments or questions about this week's column or any other matter involving state government, please feel free to contact me. You can reach my office by e-mail at [matt\\_bartle@senate.state.mo.us](mailto:matt_bartle@senate.state.mo.us) or by phone at (888) 711-9278.

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