



Gibbons Capitol Report
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Good News For Missourians

There's good news in Missouri. Unfortunately, most people haven't heard about it. But the fact is that today there are more people at work than there were last year at this time. Our economy is on the move. More Missourians are at work and more businesses are choosing our state as a place to grow and invest over other states. What I see as a key indication of our economic improvement is the growth in the state's general revenue—it is growing at a rate nearly double what was hoped for last spring.

Creating Quality Jobs

The Quality Jobs Act we passed last year ties job creation to economic incentives from the state. I believe it has been a success in attracting high quality, family supporting jobs. Since it became available in August, 34 companies have taken advantage of the program, promising to create or retain an estimated 7,500 jobs.

Duck Creek Technologies Inc. was the first firm to receive benefits under the Quality Jobs Act, and it expects to create 60 or more jobs over the next five years. The company, located in Bolivar, Missouri, enables insurance carriers and other participants in the insurance distribution process to define and develop rating, underwriting and policy processing services. The overall Quality Jobs act incentives and benefits to the company is estimated at \$827,400 while the jobs will provide more than \$4 million in wages for new employees.

Missouri's Economy is on the Move

Earlier this year I told you about the decreases in workers' compensation rates in our state and the Missouri businesses that decided to add new jobs as a result. When the state's largest carrier, Missouri Employee Mutual Insurance Company, announced a five percent decrease in premiums in January that meant more money to pay and insure more workers instead of being spent on high insurance premiums.

I told you about Hellebusch Tool and Die, a Washington, Missouri, company that added new jobs after we changed the workers' comp laws. I also told you about a manufacturing company that chose to add 60 jobs to their plant in Jefferson City instead of expanding their operations in Canada. But it's not just small businesses that are expanding, multi-national companies are investing in Missouri as well.

Rave Reviews for Missouri's Economy

In neighboring St. Louis County, the Chrysler Group committed at least \$1 billion to their plants and equipment. I had an opportunity to visit the plant in Fenton, and was excited to see firsthand Chrysler's commitment to Missouri's growing economy. Their cutting edge technology will allow trucks, vans, and cars to be built on the same line, at the same time, based upon demand, without the need to retool, making this plant a global leader. This massive investment ensures the plants' futures and the jobs of thousands of highly skilled, well paid Missouri workers for at least a generation.

Steven Johnson, the Senior Vice President for Economic Development for the St. Louis Regional Chamber and Growth Association (RCGA), recalled a meeting with a Chrysler representative, who commented on Missouri's healthy business climate.

"They unequivocally tied this investment (in Fenton) to legislative changes enacted in Missouri last year...highlighting the significant reforms to worker's compensation and tort reform as being key in their decision-making process."

More Jobs and Better Pay

More than 32,000 new jobs have been created since 2004. And more jobs mean more people at work who are paying taxes.

Missouri's Office of Administration announced this week that net state general revenue rose 13.6 percent in March. What's exciting is that we are ahead of what we originally expected to have in net revenue at this time.

More good news is that individual income tax collections increased 8 percent for the year. And even more promising, corporate income and corporate franchise tax collections rose nearly 35 percent for the year. These increases in tax collections are not a tax increase on Missouri workers and companies, rather it confirms that more people are working at new jobs at new companies and probably making more money doing it.

I am proud, and you should be to, of our state's continued efforts to create jobs and compete in today's global market. More working Missourians, healthier businesses, and new companies are good news. It's examples like these that will benefit you and our economy for years to come. I'm happy to share this good news—help share it, too.