



State Senator Harry Kennedy

Room 226 - State Capitol - Jefferson City, MO - Phone 573 - 751 - 2126

PRESS RELEASE



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Sen. Kennedy's Economic Stimulus Package Approved by Senate

JEFFERSON CITY— The Missouri Senate today gave final, unanimous approval to an economic stimulus package that provides more than \$30 million in economic incentives. The measure, Senate Bill 718 sponsored by Senator Harry Kennedy, D-St. Louis, offers incentives to companies that offer basic health insurance for new employees in new jobs and pay at least 50 percent of health insurance premiums for all employees. Businesses only qualify for these incentives if the new jobs created pay employees at or above the county average wage.

“These are jobs that could be scientists, professionals in different occupations and things of that nature,” Sen. Kennedy said during floor discussion on SB 718.

Economic incentives available to businesses located in locally-designated enhanced enterprise Zones have increased from \$14 million to \$24 million. This provision promotes job creation in areas of the state with higher than average unemployment rates or lower than average income levels.

SB 718 also increases the amount of tax credits that can be issued each year under the Neighborhood Assistance Act for economic development projects from \$4 million to \$6 million. Additionally, the measure increases the cap on the Incubator Tax Credit from \$500,000 to \$2 million annually. This provision provides a 50% tax credit on the purchase of building materials

and equipment used to build new facilities, providing incentives to Missouri entrepreneurs and allowing Missouri to grow on its own.

“Our goal is to kick start this economy by expanding proven economic incentive programs,” Sen. Kennedy said. “Now that we have evidence the Quality Jobs program is helping to create good paying jobs with benefits for Missourians, it only makes sense to expand the program to make our state even more attractive to companies wishing to locate or expand in Missouri.”

Sen. Kennedy noted the Westar Corporation might not have built its headquarters at the Missouri Research Park in St. Charles in 2006 without the incentives offered under the Quality Jobs program. Express Scripts, a Fortune 500 company, cited the incentives offered under the Quality Jobs program when it relocated its headquarters to the campus of the University of Missouri-St. Louis last year. In fact, data from the Missouri Department of Economic Development shows the first 104 Quality Jobs projects have stimulated Missouri employers to create 12,500 jobs with an average annual wage of \$46,856. Overall, the program is estimated to have helped create 20,000 new jobs in Missouri since 2005.

SB 718 was amended during floor debate to prohibit companies that knowingly hire illegal immigrants from qualifying for tax credits.

“I want companies that work hard and play by the rules to receive benefits, and companies that violate the rules are punished,” Sen. Kennedy said.

The measure now moves to the House for consideration.

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