



State Senator Harry Kennedy

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

PRESS RELEASE



FOR IMMEDIATE RELEASE

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Sen. Kennedy Honored By the RCGA

JEFFERSON CITY — Senator Harry Kennedy, D-St. Louis, is among the recipients of the prestigious Lewis and Clark Statesman Award from the St. Louis Regional Chamber and Growth Association (RCGA). Each year the RCGA recognizes state legislators who have worked throughout the legislative session to advance the agenda of the St. Louis area. Sen. Kennedy is among 22 lawmakers from the bi-state area recognized this year.

The RCGA cited Sen. Kennedy for his efforts to secure passage of a major economic development bill as reason for their award.

[Senate Bill 718](#), the economic development legislation sponsored by Sen. Kennedy, increases the amount of state tax credits available to create new jobs and encourage new businesses in economically-depressed neighborhoods. The act increases the annual cap for Enhanced Enterprise Zone Program tax credits from \$14 million to \$24 million and raises the cap on Neighborhood Assistance Program tax credits from \$4 million to \$6 million annually. Enhanced enterprise zones are specified geographic areas designated by local governments and certified by the Department of Economic Development. Zone designation is based on certain demographic criteria, the potential to create sustainable jobs in a targeted industry and a demonstrated impact on local cluster development.

Senate Bill 718 also strengthens oversight of the tax increment finance (TIF) mechanism. Instead of creating new businesses and new jobs as intended, TIFs often are used to lure existing businesses from one community to another. One community gains new jobs and tax revenues at the expense of their neighbors.

The legislation specifically addresses TIF abuse in St. Louis County, St. Charles County and Jefferson County by setting new guidelines which seek to control this valuable economic development tool while opening up the process to the public. It requires any city, town or village in these three counties to create a 12-member commission composed of county, municipal and school officials prior to designating or approving a redevelopment plan or project. This

commission will hold regular public meetings, and major alterations may not be made to a project once it receives final approval, with certain exceptions.

“I am humbled by this recognition by the Regional Chamber and Growth Association and pleased we were able to pass this important legislation on the final day of the legislative session,” Sen. Kennedy said. “The Quality Jobs program has helped to create new jobs in our state and I am happy we were able to expand this program. I also think it was important to put an end to the TIF abuse we have seen in the St. Louis area. Too often, tax increment financing has been used to move jobs from one community to another instead of creating new jobs.”

The award presentation and reception is set for August 18, 2008, at the Four Seasons Hotel in downtown St. Louis.

Senator Kennedy can be contacted at: 573-751-2126.