

February 12, 2009



Senator David Pearce – Serving Bates, Cass, Johnson and Vernon Counties

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Working Quickly and Efficiently to Create New Jobs in Missouri

In an effort to pass effective legislation quickly that will get more Missourians back to work, we have spent these first weeks in session focused on the task at hand. Several pieces of job-creating legislation are currently working their way through the General Assembly, and it is our hope that we can get a comprehensive economy-boosting package on the governor's desk by mid-March, right before the mid-session recess.

The [Senate Jobs, Economic Development and Local Government Committee](#), of which I am a member, recently held a hearing on [Senate Bill 45](#), a job-creating measure that I am sponsoring this session. My bill expands the Missouri Quality Jobs program, a system of tax incentives with a proven track record for creating jobs because it invests in the people and businesses of our state. Initially passed in 2005, this very successful program provides tax credits to Missouri employers who provide well-paying jobs with health care coverage to their employees. Not only does the Quality Jobs program encourage existing Missouri businesses to expand even further, but it also helps recruit new companies to the state.

Senate Bill 45 helps these state and local businesses continue their expansion by raising the current \$60 million tax credit limit to \$120 million, allowing more businesses to benefit and encouraging new businesses to plant roots in our state.

Last week the House passed an economic development bill designed to create Missouri jobs that is now ready to be taken up for consideration by the Senate. [House Bill](#)

[191](#) establishes the Small Business and Entrepreneurial Growth Act, which would allow small business employers who increase their total payroll by increasing the number of jobs and meeting certain qualifications to retain the Missouri withholding tax from the salaries of the newly created jobs for one year. The legislation, similar to my proposal, would also expand the Quality Jobs Act by removing the tax credits cap. In addition, HB 191, among other provisions:

- Allows business headquarters to receive tax credits for new or expanding businesses.
- Offers tax credits for qualified research expenses.

The bill contains many other job-creating components that the Senate will discuss in the coming weeks as we strive to create the most effective and cost-efficient economic development package possible. As soon as we approve our version of the bill, it will need to go back to the House for approval. We are looking at how to give a hand up and not a hand out.

I look forward to working with fellow citizens and Governor Nixon to create legislation that will create jobs and improve Missouri's economy.

As always, please feel free to contact me or my staff with any questions or concerns at any time. Because we are here to serve you, we look forward to hearing your comments and suggestions and trying to answer any questions you may have. You can reach us by phone at 866-277-0882 (toll-free) or 573-751-2272, or by fax at 573-526-7381.

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