

SECOND REGULAR SESSION

SENATE BILL NO. 583

96TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR WRIGHT-JONES.

Pre-filed December 22, 2011, and ordered printed.

TERRY L. SPIELER, Secretary.

4500S.03I

AN ACT

To amend chapter 620, RSMo, by adding thereto one new section relating to the economic-education partnership program.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 620, RSMo, is amended by adding thereto one new section, to be known as section 620.2300, to read as follows:

620.2300. 1. This section shall be known and may be cited as the "Economic-Education Partnership Act".

2. As used in this section, the following terms mean:

(1) "Educational benefits", the funds provided by an employer to a qualified individual or to an accredited educational institution for a period of up to five years to pay any portion of the tuition or fees for a qualified individual pursuing an associates degree, bachelors degree, masters degree, or doctorate degree in health care, engineering, or information technology related programs;

(2) "Employer", a business with facilities in Missouri who has entered into an agreement with the department of economic development that memorializes the employer's obligation to employ a qualified individual upon the completion of the individual's degree or training for at least the same length of time as the employer is authorized pursuant to this section to retain withholding taxes for the amount spent on providing educational benefits or training to the qualified individual;

(3) "Qualified individual":

(a) An individual:

a. Who is a resident of this state;

b. Who is employed by an employer in Missouri in a job for which

22 the person is compensated at a rate that is no less than one hundred
23 twenty percent of the state minimum wage;

24 c. Has an annual individual gross income of two hundred
25 thousand dollars or less; and

26 d. Pursues an associates degree, bachelors degree, masters
27 degree, or doctorate degree in health care, engineering, or information
28 technology related programs, or receives training from the employer
29 for an employment position in the health care, engineering, or
30 information technology fields for no more than one year;

31 (b) An individual who is a resident of this state, is engaged in an
32 unpaid internship at an employer in Missouri and pursues an associates
33 degree, bachelors degree, masters degree, or doctorate degree in health
34 care, engineering, or information technology related programs;

35 (4) "Withholding tax", the state tax imposed by sections 143.191
36 to 143.265.

37 3. An employer that provides educational benefits to a qualified
38 individual, or trains a qualified individual for an employment position
39 in the health care, engineering, or information technology fields for no
40 more than one year, may retain one hundred percent of the withholding
41 tax from the employer's employees up to:

42 (1) The amount of educational benefits provided for a period of
43 five years from the first date on which the employer provides the
44 educational benefits; or

45 (2) The amount of the wages the employer paid to the qualified
46 individual while engaged in training the individual for an employment
47 position in the health care, engineering, or information technology field
48 for no more than one year for a period of five years from the first date
49 on which the employer begins training the qualified individual.

50 4. Before an employer is authorized to retain withholding taxes
51 pursuant to subsection 3 of this section, the employer shall enter into
52 an agreement with the department of economic development that
53 memorializes the employer's obligation to employ a qualified individual
54 for at least the same length of time as the employer is authorized to
55 retain withholding taxes for the amount spent on providing educational
56 benefits or training to the qualified individual pursuant to this
57 section. Any employer who fails to comply with the agreement with the
58 department shall immediately cease retaining any withholding tax and

59 shall forfeit all rights to retain withholding tax. The employer shall
60 repay any amounts of withholding tax retained plus interest of five
61 percent per annum.

62 5. An employer shall not retain withholding tax for educational
63 benefits or training provided to any qualified individual who is a
64 relative of a director, manager, or owner of the business within the
65 fourth degree, by consanguinity or affinity.

66 6. The aggregate amount of withholding tax that may be retained
67 by all employers under this section shall not exceed three hundred
68 million dollars.

69 7. The department of economic development may audit
70 employers to ensure compliance with the provisions of this section.

71 8. The department of economic development and the department
72 of revenue may promulgate rules to implement the provisions of this
73 section. Any rule or portion of a rule, as that term is defined in section
74 536.010 that is created under the authority delegated in this section
75 shall become effective only if it complies with and is subject to all of
76 the provisions of chapter 536, and, if applicable, section 536.028. This
77 section and chapter 536 are nonseverable and if any of the powers
78 vested with the general assembly pursuant to chapter 536, to review, to
79 delay the effective date, or to disapprove and annul a rule are
80 subsequently held unconstitutional, then the grant of rulemaking
81 authority and any rule proposed or adopted after August 28, 2012, shall
82 be invalid and void.

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