

SECOND REGULAR SESSION

# SENATE BILL NO. 549

99TH GENERAL ASSEMBLY

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INTRODUCED BY SENATOR WASSON.

Pre-filed December 1, 2017, and ordered printed.

ADRIANE D. CROUSE, Secretary.

4475S.011

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## AN ACT

To repeal section 620.809, RSMo, and to enact in lieu thereof one new section relating to job training.

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

Section A. Section 620.809, RSMo, is repealed and one new section  
2 enacted in lieu thereof, to be known as section 620.809, to read as follows:

620.809. 1. The Missouri community college job training program fund,  
2 formerly established in the state treasury by section 178.896, shall now be known  
3 as the "Missouri Works Community College New Jobs Training Fund" and shall  
4 be administered by the department for the training program. The department of  
5 revenue shall credit to the fund, as received, all new jobs credits. The fund shall  
6 also consist of any gifts, contributions, grants, or bequests received from federal,  
7 private, or other sources. The general assembly, however, shall not provide for  
8 any transfer of general revenue funds into the fund. Moneys in the fund shall be  
9 disbursed to the department under regular appropriations by the general  
10 assembly. The department shall disburse such appropriated funds in a timely  
11 manner into the special funds established by community college districts for  
12 training projects, which funds shall be used to pay training project costs. Such  
13 disbursements shall be made to the special fund for each training project as  
14 provided under subsection 5 of this section. All moneys remaining in the fund at  
15 the end of any fiscal year shall not lapse to the general revenue fund, as provided  
16 in section 33.080, but shall remain in the fund.

17 2. The Missouri community college job retention training program fund,  
18 formerly established in the state treasury by section 178.764, shall now be known  
19 as the "Missouri Works Community College Job Retention Training Fund" and

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

20 shall be administered by the department for the Missouri works training  
21 program. The department of revenue shall credit to the fund, as received, all  
22 retained jobs credits. The fund shall also consist of any gifts, contributions,  
23 grants, or bequests received from federal, private, or other sources. The general  
24 assembly, however, shall not provide for any transfer of general revenue funds  
25 into the fund. Moneys in the fund shall be disbursed to the department under  
26 regular appropriations by the general assembly. The department shall disburse  
27 such appropriated funds in a timely manner into the special funds established by  
28 community college districts for projects, which funds shall be used to pay training  
29 program costs, including the principal, premium, and interest on certificates  
30 issued by the district to finance or refinance, in whole or in part, a project. Such  
31 disbursements by the department shall be made to the special fund for each  
32 project as provided under subsection 5 of this section. All moneys remaining in  
33 the fund at the end of any fiscal year shall not lapse to the general revenue fund,  
34 as provided in section 33.080, but shall remain in the fund.

35         3. The department of revenue shall develop such forms as are necessary  
36 to demonstrate accurately each qualified company's new jobs credit paid into the  
37 Missouri works community college new jobs training fund or retained jobs credit  
38 paid into the Missouri works community college job retention training fund. The  
39 new or retained jobs credits shall be accounted as separate from the normal  
40 withholding tax paid to the department of revenue by the qualified  
41 company. Reimbursements made by all qualified companies to the Missouri  
42 works community college new jobs training fund and the Missouri works  
43 community college job retention training fund shall be no less than all allocations  
44 made by the department to all community college districts for all projects. The  
45 qualified company shall remit the amount of the new or retained jobs credit, as  
46 applicable, to the department of revenue in the same manner as provided in  
47 sections 143.191 to 143.265.

48         4. A community college district, with the approval of the department in  
49 consultation with the office of administration, may enter into an agreement to  
50 establish a training project and provide training project services to a qualified  
51 company. As soon as possible after initial contact between a community college  
52 district and a potential qualified company regarding the possibility of entering  
53 into an agreement, the district shall inform the department of the potential  
54 training project. The department shall evaluate the proposed training project  
55 within the overall job training efforts of the state to ensure that the training

56 project will not duplicate other job training programs. The department shall have  
57 fourteen days from receipt of a notice of intent to approve or disapprove a  
58 training project. If no response is received by the qualified company within  
59 fourteen days, the training project shall be deemed approved. Disapproval of any  
60 training project shall be made in writing and state the reasons for such  
61 disapproval. If an agreement is entered into, the district and the qualified  
62 company shall notify the department of revenue within fifteen calendar days. In  
63 addition to any provisions required under subsection 6 of this section for a  
64 qualified company applying to receive a retained job credit, an agreement may  
65 provide, but shall not be limited to:

66 (1) Payment of training project costs, which may be paid from one or a  
67 combination of the following sources:

68 (a) Funds appropriated by the general assembly to the Missouri works  
69 community college new jobs training program fund or Missouri works community  
70 college job retention training program fund, as applicable, and disbursed by the  
71 department for the purposes consistent with sections 620.800 to 620.809;

72 (b) Funds appropriated by the general assembly from the general revenue  
73 fund and disbursed by the department for the purposes consistent with sections  
74 620.800 to 620.809;

75 (c) Tuition, student fees, or special charges fixed by the board of trustees  
76 to defray training project costs in whole or in part;

77 (2) Payment of training project costs which shall not be deferred for a  
78 period longer than eight years;

79 (3) Costs of on-the-job training for employees which shall include wages  
80 or salaries of participating employees. Payments for on-the-job training shall not  
81 exceed the average of fifty percent of the total wages paid by the qualified  
82 company to each participant during the period of training. Payment for  
83 on-the-job training may continue for up to six months from the date the training  
84 begins;

85 (4) A provision which fixes the minimum amount of new or retained jobs  
86 credits, general revenue fund appropriations, or tuition and fee payments which  
87 shall be paid for training project costs; and

88 (5) Any payment required to be made by a qualified company. This  
89 payment shall constitute a lien upon the qualified company's business property  
90 until paid, shall have equal priority with ordinary taxes and shall not be divested  
91 by a judicial sale. Property subject to such lien may be sold for sums due and

92 delinquent at a tax sale, with the same forfeitures, penalties, and consequences  
93 as for the nonpayment of ordinary taxes. The purchasers at tax sale shall obtain  
94 the property subject to the remaining payments.

95           5. (1) For projects that are funded exclusively under paragraph (a) of  
96 subdivision (1) of subsection 4 of this section, the department shall disburse such  
97 funds to the special fund for each training project in the same proportion as the  
98 new jobs or retained jobs credits remitted by the qualified company participating  
99 in such project bears to the total new jobs or retained jobs credits from  
100 withholding remitted by all qualified companies participating in projects during  
101 the period for which the disbursement is made.

102           (2) Subject to appropriation, for projects that are funded through a  
103 combination of funds under paragraphs (a) and (b) of subdivision (1) of subsection  
104 4 of this section, the department shall disburse funds appropriated under  
105 paragraph (b) of subdivision (1) of subsection 4 of this section to the special fund  
106 for each training project upon commencement of the project. The department  
107 shall disburse funds appropriated under paragraph (a) of subdivision (1) of  
108 subsection 4 of this section to the special fund for each training project in the  
109 same proportion as the new jobs or retained jobs credits remitted by the qualified  
110 company participating in such project bears to the total new jobs or retained jobs  
111 credits from withholding remitted by all qualified companies participating in  
112 projects during the period for which the disbursement is made, reduced by the  
113 amount of funds appropriated under paragraph (b) of subdivision (1) of subsection  
114 4 of this section.

115           6. Any qualified company that submits a notice of intent for retained job  
116 credits shall enter into an agreement, providing that the qualified company has:

117           (1) Maintained at least one hundred full-time employees per year at the  
118 project facility for the calendar year preceding the year in which the application  
119 is made;

120           (2) Retained, at the project facility, the same number of employees that  
121 existed in the taxable year immediately preceding the year in which application  
122 is made; and

123           (3) Made or agrees to make a new capital investment of greater than five  
124 times the amount of any award under this training program at the project facility  
125 over a period of two consecutive calendar years, as certified by the qualified  
126 company and:

127           (a) Has made substantial investment in new technology requiring the

128 upgrading of employee skills; or

129 (b) Is located in a border county of the state and represents a potential  
130 risk of relocation from the state; or

131 (c) Has been determined to represent a substantial risk of relocation from  
132 the state by the director of the department of economic development.

133 7. If an agreement provides that all or part of the training program costs  
134 are to be met by receipt of new or retained jobs credit, such new or retained jobs  
135 credit from withholding shall be determined and paid as follows:

136 (1) New or retained jobs credit shall be based upon the wages paid to the  
137 employees in the new or retained jobs;

138 (2) A portion of the total payments made by the qualified companies under  
139 sections 143.191 to 143.265 shall be designated as the new or retained jobs credit  
140 from withholding. Such portion shall be an amount equal to two and one-half  
141 percent of the gross wages paid by the qualified company for each of the first one  
142 hundred jobs included in the project and one and one-half percent of the gross  
143 wages paid by the qualified company for each of the remaining jobs included in  
144 the project. If business or employment conditions cause the amount of the new  
145 or retained jobs credit from withholding to be less than the amount projected in  
146 the agreement for any time period, then other withholding tax paid by the  
147 qualified company under sections 143.191 to 143.265 shall be credited to the  
148 applicable fund by the amount of such difference. The qualified company shall  
149 remit the amount of the new or retained jobs credit to the department of revenue  
150 in the manner prescribed in sections 143.191 to 143.265. When all training  
151 program costs have been paid, the new or retained jobs credits shall cease;

152 (3) The community college district participating in a project shall  
153 establish a special fund for and in the name of the training project. All funds  
154 appropriated by the general assembly from the funds established under  
155 subsections 1 and 2 of this section and disbursed by the department for the  
156 training project and other amounts received by the district for training project  
157 costs as required by the agreement shall be deposited in the special  
158 fund. Amounts held in the special fund shall be used and disbursed by the  
159 district only to pay training project costs for such training project. The special  
160 fund may be divided into such accounts and subaccounts as shall be provided in  
161 the agreement, and amounts held therein may be invested in the same manner  
162 as the district's other funds;

163 (4) Any disbursement for training project costs received from the

164 department under sections 620.800 to 620.809 and deposited into the training  
165 project's special fund may be irrevocably pledged by a community college district  
166 for the payment of the principal, premium, and interest on the certificate issued  
167 by a community college district to finance or refinance, in whole or in part, such  
168 training project;

169 (5) The qualified company shall certify to the department of revenue that  
170 the new or retained jobs credit is in accordance with an agreement and shall  
171 provide other information the department of revenue may require;

172 (6) An employee participating in a training project shall receive full credit  
173 under section 143.211 for the amount designated as a new or retained jobs credit;

174 (7) If an agreement provides that all or part of training program costs are  
175 to be met by receipt of new or retained jobs credit, the provisions of this  
176 subsection shall also apply to any successor to the original qualified company  
177 until the principal and interest on the certificates have been paid.

178 8. To provide funds for the present payment of the training project costs  
179 of new or retained jobs training project through the training program, a  
180 community college district may borrow money and issue and sell certificates  
181 payable from a sufficient portion of the future receipts of payments authorized by  
182 the agreement including disbursements from the Missouri works community  
183 college new jobs training fund or the Missouri works community college job  
184 retention training fund, to the special fund established by the district for each  
185 project. The total amount of outstanding certificates sold by all community  
186 college districts shall not exceed the total amount authorized under law as of  
187 January 1, 2013, unless an increased amount is authorized in writing by a  
188 majority of members of the committee. The certificates shall be marketed  
189 through financial institutions authorized to do business in Missouri. The receipts  
190 shall be pledged to the payment of principal of and interest on the  
191 certificates. Certificates may be sold at public sale or at private sale at par,  
192 premium, or discount of not less than ninety-five percent of the par value thereof,  
193 at the discretion of the board of trustees, and may bear interest at such rate or  
194 rates as the board of trustees shall determine, notwithstanding the provisions of  
195 section 108.170 to the contrary. However, the provisions of chapter 176 shall not  
196 apply to the issuance of such certificates. Certificates may be issued with respect  
197 to a single project or multiple projects and may contain terms or conditions as the  
198 board of trustees may provide by resolution authorizing the issuance of the  
199 certificates.

200           9. Certificates issued to refund other certificates may be sold at public  
201 sale or at private sale as provided in this section, with the proceeds from the sale  
202 to be used for the payment of the certificates being refunded. The refunding  
203 certificates may be exchanged in payment and discharge of the certificates being  
204 refunded, in installments at different times or an entire issue or series at one  
205 time. Refunding certificates may be sold or exchanged at any time on, before, or  
206 after the maturity of the outstanding certificates to be refunded. They may be  
207 issued for the purpose of refunding a like, greater, or lesser principal amount of  
208 certificates and may bear a rate of interest that is higher, lower, or equivalent to  
209 that of the certificates being renewed or refunded.

210           10. Before certificates are issued, the board of trustees shall publish once  
211 a notice of its intention to issue the certificates, stating the amount, the purpose,  
212 and the project or projects for which the certificates are to be issued. A person  
213 with standing may, within fifteen days after the publication of the notice, by  
214 action in the circuit court of a county in the district, appeal the decision of the  
215 board of trustees to issue the certificates. The action of the board of trustees in  
216 determining to issue the certificates shall be final and conclusive unless the  
217 circuit court finds that the board of trustees has exceeded its legal authority. An  
218 action shall not be brought which questions the legality of the certificates, the  
219 power of the board of trustees to issue the certificates, the effectiveness of any  
220 proceedings relating to the authorization of the project, or the authorization and  
221 issuance of the certificates from and after fifteen days from the publication of the  
222 notice of intention to issue.

223           11. The board of trustees shall make a finding based on information  
224 supplied by the qualified company that revenues provided in the agreement are  
225 sufficient to secure the faithful performance of obligations in the agreement.

226           12. Certificates issued under this section shall not be deemed to be an  
227 indebtedness of the state, the community college district, or any other political  
228 subdivision of the state, and the principal and interest on any certificates shall  
229 be payable only from the sources provided in subdivision (1) of subsection 4 of  
230 this section which are pledged in the agreement.

231           13. Pursuant to section 23.253 of the Missouri sunset act:

232           (1) The [new] program authorized under sections 620.800 to 620.809 shall  
233 [automatically sunset July 1, 2019, unless reauthorized by an act of the general  
234 assembly] **be reauthorized as of the effective date of this act and shall**  
235 **expire on August 28, 2030;** and

236           (2) If such program is reauthorized, the program authorized under  
237 sections 620.800 to 620.809 shall automatically sunset twelve years after the  
238 effective date of the reauthorization of sections 620.800 to 620.809; and

239           (3) Sections 620.800 to 620.809 shall terminate on September first of the  
240 calendar year immediately following the calendar year in which a program  
241 authorized under sections 620.800 to 620.809 is sunset.

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