

SENATE SUBSTITUTE  
FOR  
SENATE COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL NO. 120  
AN ACT

To repeal sections 36.020, 379.122, 620.2005, and 620.2010, RSMo, and to enact in lieu thereof ten new sections relating to military affairs, with an emergency clause for certain sections.

---

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

Section A. Sections 36.020, 379.122, 620.2005, and 620.2010, RSMo, are repealed and ten new sections enacted in lieu thereof, to be known as sections 9.297, 36.020, 36.221, 41.201, 42.390, 105.1204, 160.710, 379.122, 620.2005, and 620.2010, to read as follows:

9.297. The month of November is hereby designated as "Military Family Month" in Missouri. The citizens of this state are encouraged to participate in appropriate events and activities to honor the daily sacrifices of all military families who support their loved ones serving our country.

36.020. Unless the context clearly requires otherwise, the following terms mean:

- (1) "Agency", "state agency" or "agency of the state", each department, board, commission or office of the state except for offices of the elected officials, the general assembly, the judiciary and academic institutions;
- (2) "Appointing authority", an officer or agency subject to this chapter having power to make appointments;
- (3) "Board", the personnel advisory board as established by section 36.050;

11           (4) "Broad classification band", a grouping of  
12 positions with similar levels of responsibility or expertise;

13           (5) "Class", "class of positions", or "job class", a  
14 group of positions subject to this chapter sufficiently  
15 alike in duties, authority and responsibilities to justify  
16 the same qualifications and the same schedule of pay to all  
17 positions in the group;

18           (6) "Director", the director of the division of  
19 personnel of the office of administration;

20           (7) "Disabled veteran", a veteran who has served on  
21 active duty in the Armed Forces at any time who receives  
22 compensation as a result of a service-connected disability  
23 claim allowed by the federal agency responsible for the  
24 administration of veteran's affairs, or who receives  
25 disability retirement or disability pension benefits from a  
26 federal agency as a result of such a disability or a  
27 National Guard veteran who was permanently disabled as a  
28 result of active service to the state at the call of the  
29 governor;

30           (8) "Division of service" or "division", a state  
31 department or any division or branch of the state, or any  
32 agency of the state government, all the positions and  
33 employees in which are under the same appointing authority;

34           (9) "Eleemosynary or penal institutions", an  
35 institution within state government holding, housing, or  
36 caring for inmates, patients, veterans, juveniles, or other  
37 individuals entrusted to or assigned to the state where it  
38 is anticipated that such individuals will be in residence  
39 for longer than one day. Eleemosynary or penal institutions  
40 shall not include elementary, secondary, or higher education  
41 institutions operated separately or independently from the  
42 foregoing institutions;

43           (10) "Eligible", a person whose name is on a register  
44 or who has been determined to meet the qualifications for a  
45 class or position;

46           (11) "Employee", shall include only those persons  
47 employed in excess of thirty-two hours per calendar week,  
48 for a duration that could exceed six months, by a state  
49 agency and shall not include patients, inmates, or residents  
50 in state eleemosynary or penal institutions who work for the  
51 state agency operating an eleemosynary or penal institutions;

52           (12) "Examination" or "competitive examination", a  
53 means of determining eligibility or fitness for a class or  
54 position;

55           (13) "Open competitive examination", a selection  
56 process for positions in a particular class, admission to  
57 which is not limited to persons employed in positions  
58 subject to this chapter pursuant to subsection 1 of section  
59 36.030;

60           (14) "Promotional examination", a selection process  
61 for positions in a particular class, admission to which is  
62 limited to employees with regular status in positions  
63 subject to this chapter pursuant to subsection 1 of section  
64 36.030;

65           (15) "Register of eligibles", a list, which may be  
66 restricted by locality, of persons who have been found  
67 qualified for appointment to a position subject to this  
68 chapter pursuant to subsection 1 of section 36.030;

69           (16) "Regular employee", a person employed in a  
70 position described under subdivision (2) of subsection 1 of  
71 section 36.030 who has successfully completed a probationary  
72 period as provided in section 36.250;

73           (17) "State equal employment opportunity officer", the  
74 individual designated by the governor or the commissioner of  
75 administration as having responsibility for monitoring the

76 compliance of the state as an employer with applicable equal  
77 employment opportunity law and regulation and for leadership  
78 in efforts to establish a state workforce which reflects the  
79 diversity of Missouri citizens at all levels of employment;

80 (18) "Surviving spouse", the unmarried surviving  
81 spouse of a deceased disabled veteran or the unmarried  
82 [survivor's] surviving spouse of any person who was killed  
83 while on active duty in the Armed Forces of the United  
84 States or an unmarried surviving spouse of a National Guard  
85 veteran who was killed as a result of active service to the  
86 state at the call of the governor;

87 (19) "Veteran", any person who is a citizen of this  
88 state who has been separated under honorable conditions from  
89 the Armed Forces of the United States who served on active  
90 duty during peacetime or wartime for at least six  
91 consecutive months, unless released early as a result of a  
92 service-connected disability or a reduction in force at the  
93 convenience of the government, or any member of a reserve or  
94 National Guard component who has satisfactorily completed at  
95 least six years of service or who was called or ordered to  
96 active duty by the President and participated in any  
97 campaign or expedition for which a campaign badge or service  
98 medal has been authorized.

36.221. In filling any position where employees are  
2 selected on the basis of merit under subsection 1 of section  
3 36.030, the appointing authority shall offer an interview to  
4 every person who is or was a member of the Missouri National  
5 Guard whose name appears on the register of eligibles for  
6 the position.

41.201. Service members of the Missouri National Guard  
2 shall be considered state employees for the purposes of  
3 operating state-owned vehicles for official state business  
4 unless the members are called into active federal military

5 service by order of the President of the United States  
6 pursuant to Title 10 of the United States Code.

2 42.390. 1. Every state agency shall ensure that any  
3 form, including digital forms posted on an Internet website,  
4 used to collect data from individuals include the following  
5 questions in substantially similar form:

6 (1) Have you ever served on active duty in the  
7 Armed Forces of the United States and separated  
8 from such service under conditions other than  
9 dishonorable?

10 (2) If answering question (1) in the  
11 affirmative, would you like to receive  
12 information and assistance regarding the  
13 agency's veteran services?

14 2. Every state agency shall prepare information  
15 regarding the agency's applicable services and benefits that  
16 are available to veterans and provide such information to  
17 those who answer the questions provided in subsection 1 of  
18 this section in the affirmative.

19 3. The provisions of subsection 1 of this section  
20 shall only apply to any form first created on or after  
21 August 28, 2021, or any form created before August 28, 2021,  
22 and subsequently modified on or after August 28, 2021.

2 105.1204. In filling any position in a state agency,  
3 as that term is defined under section 36.020, where  
4 employees are not required to be selected on the basis of  
5 merit under subsection 1 of section 36.030, the employing  
6 agency shall offer an interview to every applicant who is or  
7 was a member of the Missouri National Guard and who meets  
8 the minimum qualifications established for the position.

2 160.710. 1. As used in this section, the following  
3 terms mean:

3       (1) "Military connected student", a student enrolled  
4 in a school district or charter school who:

5       (a) Is a dependent of a current or former member of  
6 the Armed Forces of the United States, the Missouri National  
7 Guard, or any reserve component of the Armed Forces of the  
8 United States; or

9       (b) Was a dependent of a member of the Armed Forces of  
10 the United States, the Missouri National Guard, or any  
11 reserve component of the Armed Forces of the United States  
12 who was killed while on active duty.

13       2. The department of elementary and secondary  
14 education shall designate a school district as a purple star  
15 campus if the school district applies and qualifies for the  
16 designation under this section.

17       3. To qualify as a purple star campus, a school  
18 district shall:

19       (1) Designate a staff member as a military liaison to  
20 serve as the point of contact between the school district  
21 and military connected students and their families;

22       (2) Identify military connected students enrolled in  
23 the school district;

24       (3) Determine appropriate services available to  
25 military connected students;

26       (4) Coordinate programs relevant to military connected  
27 students;

28       (5) Maintain on the school district website an easily  
29 accessible webpage that includes resources for military  
30 connected students and their families, including information  
31 regarding:

32       (a) Relocation to, enrollment at, registration at, and  
33 transferring records to the school district;

34       (b) Academic planning, course sequences, and advanced  
35 classes available;

36        (c) Counseling and other support services available  
37 for military connected students enrolled in the school  
38 district;

39        (d) The military liaison designated under subdivision  
40 (1) of this section;

41        (6) Establish and maintain a transition program led by  
42 the students, when appropriate, that assists military  
43 connected students in transitioning into the school district;

44        (7) Offer professional development and education for  
45 staff members on issues related to military connected  
46 students; and

47        (8) Offer at least one of the following programs:

48        (a) A resolution showing support for military  
49 connected students and their families;

50        (b) Recognition of the military holidays with relevant  
51 events hosted by the school district; or

52        (c) A partnership with a local military installation  
53 that provides opportunities for active duty military members  
54 to volunteer with the school district, speak at an assembly,  
55 or host a field trip.

379.122. 1. No insurer shall refuse to write a policy  
2 for an applicant or base an adverse underwriting decision,  
3 including but not limited to charging an increased premium,  
4 solely on the fact that the applicant has never purchased  
5 such a policy of motor vehicle insurance where the lack of  
6 motor vehicle insurance coverage is due to the applicant  
7 serving in the armed services and the applicant has not  
8 operated a motor vehicle in violation of any financial  
9 responsibility or compulsory insurance requirement within  
10 the past twelve months.

11        2. No insurer shall refuse to write a policy for an  
12 applicant or base an adverse underwriting decision,  
13 including but not limited to charging an increased premium,

solely on the fact that the applicant has not owned or been covered by such a policy of motor vehicle insurance during any specified period immediately preceding the date of application where the lack of motor vehicle insurance coverage is due to the applicant serving in the armed services and the applicant has not operated a motor vehicle in violation of any financial responsibility or compulsory insurance requirement within the past twelve months. Nothing in this subsection shall prohibit an insurer from giving a discount for such an applicant that has been covered by a policy of insurance during such a specified period.

3. Nothing in this section shall prohibit an insurer from basing an adverse underwriting decision on an applicant's previous driving record where such record indicates that the applicant is a substandard risk.

4. In order to establish compliance with this section, an insurer may require any applicant claiming to meet the criteria of subsection 1 or 2 of this section to provide proof of eligibility in a manner as the insurer may prescribe.

5. The adjutant general shall ensure that members of the state military forces, as defined in section 40.005, receive notice of the protections provided under this section at such time as information regarding the Servicemembers Civil Relief Act, 50 U.S.C. 3901, et seq., is provided, or at such other times as the adjutant general deems appropriate. The notice shall specifically state that insurers are prohibited under this section from refusing to issue a policy of motor vehicle insurance, or from charging higher premiums, based solely on a lack of prior coverage where the lack of prior coverage was due to military service. The secretaries of the branches of the United



47 States Armed Forces are hereby encouraged to likewise notify  
48 servicemembers under their jurisdictions of the protections  
49 provided under this section.

620.2005. 1. As used in sections 620.2000 to  
2 620.2020, the following terms mean:

3 (1) "Average wage", the new payroll divided by the  
4 number of new jobs, or the payroll of the retained jobs  
5 divided by the number of retained jobs;

6 (2) "Commencement of operations", the starting date  
7 for the qualified company's first new employee, which shall  
8 be no later than twelve months from the date of the approval;

9 (3) "Contractor", a person, employer, or business  
10 entity that enters into an agreement to perform any service  
11 or work or to provide a certain product in exchange for  
12 valuable consideration. This definition shall include but  
13 not be limited to a general contractor, subcontractor,  
14 independent contractor, contract employee, project manager,  
15 or a recruiting or staffing entity;

16 (4) "County average wage", the average wages in each  
17 county as determined by the department for the most recently  
18 completed full calendar year. However, if the computed  
19 county average wage is above the statewide average wage, the  
20 statewide average wage shall be deemed the county average  
21 wage for such county for the purpose of determining  
22 eligibility. The department shall publish the county  
23 average wage for each county at least annually.

24 Notwithstanding the provisions of this subdivision to the  
25 contrary, for any qualified company that in conjunction with  
26 their project is relocating employees from a Missouri county  
27 with a higher county average wage, the company shall obtain  
28 the endorsement of the governing body of the community from  
29 which jobs are being relocated or the county average wage

for their project shall be the county average wage for the county from which the employees are being relocated;

(5) "Department", the Missouri department of economic development;

(6) "Director", the director of the department of economic development;

(7) "Employee", a person employed by a qualified company, excluding:

(a) Owners of the qualified company unless the qualified company is participating in an employee stock ownership plan; or

(b) Owners of a noncontrolling interest in stock of a qualified company that is publicly traded;

(8) "Existing Missouri business", a qualified company that, for the ten-year period preceding submission of a notice of intent to the department, had a physical location in Missouri and full-time employees who routinely performed job duties within Missouri;

(9) "Full-time employee", an employee of the qualified company that is scheduled to work an average of at least thirty-five hours per week for a twelve-month period, and one for which the qualified company offers health insurance and pays at least fifty percent of such insurance premiums. An employee that spends less than fifty percent of the employee's work time at the facility shall be considered to be located at a facility if the employee receives his or her directions and control from that facility, is on the facility's payroll, one hundred percent of the employee's income from such employment is Missouri income, and the employee is paid at or above the applicable percentage of the county average wage;

(10) "Industrial development authority", an industrial development authority organized under chapter 349 that has

63 entered into a formal written memorandum of understanding  
64 with an entity of the United States Department of Defense  
65 regarding a qualified military project;

66 (11) "Infrastructure projects", highways, roads,  
67 streets, bridges, sewers, traffic control systems and  
68 devices, water distribution and supply systems, curbing,  
69 sidewalks, storm water and drainage systems, broadband  
70 internet infrastructure, and any other similar public  
71 improvements, but in no case shall infrastructure projects  
72 include private structures;

73 (12) "Local incentives", the present value of the  
74 dollar amount of direct benefit received by a qualified  
75 company for a project facility from one or more local  
76 political subdivisions, but this term shall not include  
77 loans or other funds provided to the qualified company that  
78 shall be repaid by the qualified company to the political  
79 subdivision;

80 (13) "Manufacturing capital investment", expenditures  
81 made by a qualified manufacturing company to retool or  
82 reconfigure a manufacturing project facility directly  
83 related to the manufacturing of a new product or the  
84 expansion or modification of the manufacture of an existing  
85 product;

86 (14) "Memorandum of understanding", an agreement  
87 executed by an industrial development authority and an  
88 entity of the United States Department of Defense, a copy of  
89 which is provided to the department of economic development,  
90 that states, but is not limited to:

91 (a) A requirement for the military to provide the  
92 total number of existing jobs, jobs directly created by a  
93 qualified military project, and average salaries of such  
94 jobs to the industrial development authority and the

department of economic development annually for the term of the benefit;

(b) A requirement for the military to provide an accounting of the expenditures of capital investment made by the military directly related to the qualified military project to the industrial development authority and the department of economic development annually for the term of the benefit;

(c) The process by which the industrial development authority shall monetize the tax credits annually and any transaction cost or administrative fee charged by the industrial development authority to the military on an annual basis;

(d) A requirement for the industrial development authority to provide proof to the department of economic development of the payment made to the qualified military project annually, including the amount of such payment;

(e) The schedule of the maximum amount of tax credits which may be authorized in each year for the project and the specified term of the benefit, as provided by the department of economic development; and

(f) A requirement that the annual benefit paid shall be the lesser of:

a. The maximum amount of tax credits authorized; or

b. The actual calculated benefit derived from the number of new jobs and average salaries;

(15) "NAICS" or "NAICS industry classification", the classification provided by the most recent edition of the North American Industry Classification System as prepared by the Executive Office of the President, Office of Management and Budget;

(16) "New capital investment", shall include costs incurred by the qualified company at the project facility

after acceptance by the qualified company of the proposal for benefits from the department or the approval notice of intent, whichever occurs first, for real or personal property, and may include the value of finance or capital leases for real or personal property for the term of such lease at the project facility executed after acceptance by the qualified company of the proposal for benefits from the department or the approval of the notice of intent;

(17) "New direct local revenue", the present value of the dollar amount of direct net new tax revenues of the local political subdivisions likely to be produced by the project over a ten-year period as calculated by the department, excluding local earnings tax, and net new utility revenues, provided the local incentives include a discount or other direct incentives from utilities owned or operated by the political subdivision;

(18) "New job", the number of full-time employees located at the project facility that exceeds the project facility base employment less any decrease in the number of full-time employees at related facilities below the related facility base employment. No job that was created prior to the date of the notice of intent shall be deemed a new job;

(19) "New payroll", the amount of wages paid for all new jobs, located at the project facility during the qualified company's tax year that exceeds the project facility base payroll;

(20) "New product", a new model or line of a manufactured good that has not been manufactured in Missouri by a qualified manufacturing company at any time prior to the date of the notice of intent, or an existing brand, model, or line of a manufactured good that is redesigned;

(21) "Notice of intent", a form developed by the department and available online, completed by the qualified

company, and submitted to the department stating the qualified company's intent to request benefits under this program. The notice of intent shall be accompanied with a detailed plan by the qualifying company to make good faith efforts to employ, at a minimum, commensurate with the percentage of minority populations in the state of Missouri, as reported in the previous decennial census, the following: racial minorities, contractors who are racial minorities, and contractors that, in turn, employ at a minimum racial minorities commensurate with the percentage of minority populations in the state of Missouri, as reported in the previous decennial census. At a minimum, such plan shall include monitoring the effectiveness of outreach and recruitment strategies in attracting diverse applicants and linking with different or additional referral sources in the event that recruitment efforts fail to produce a diverse pipeline of applicants;

(22) "Percent of local incentives", the amount of local incentives divided by the amount of new direct local revenue;

(23) "Program", the Missouri works program established in sections 620.2000 to 620.2020;

(24) "Project facility", the building or buildings used by a qualified company at which new or retained jobs and any new capital investment are or will be located or by a qualified manufacturing company at which a manufacturing capital investment is or will be located. A project facility may include separate buildings located within sixty miles of each other such that their purpose and operations are interrelated; provided that where the buildings making up the project facility are not located within the same county, the average wage of the new payroll shall exceed the applicable percentage of the highest county average wage

among the counties in which the buildings are located. Upon approval by the department, a subsequent project facility may be designated if the qualified company demonstrates a need to relocate to the subsequent project facility at any time during the project period. For qualified military projects, the term "project facility" means the military base or installation at which such qualified military project is or shall be located;

(25) "Project facility base employment", the greater of the number of full-time employees located at the project facility on the date of the notice of intent or, for the twelve-month period prior to the date of the notice of intent, the average number of full-time employees located at the project facility. In the event the project facility has not been in operation for a full twelve-month period, the average number of full-time employees for the number of months the project facility has been in operation prior to the date of the notice of intent;

(26) "Project facility base payroll", the annualized payroll for the project facility base employment or the total amount of taxable wages paid by the qualified company to full-time employees of the qualified company located at the project facility in the twelve months prior to the notice of intent. For purposes of calculating the benefits under this program, the amount of base payroll shall increase each year based on an appropriate measure, as determined by the department;

(27) "Project period", the time period within which benefits are awarded to a qualified company or within which the qualified company is obligated to perform under an agreement with the department, whichever is greater;

(28) "Projected net fiscal benefit", the total fiscal benefit to the state less any state benefits offered to the qualified company, as determined by the department;

(29) "Qualified company", a firm, partnership, joint venture, association, private or public corporation whether organized for profit or not, or headquarters of such entity registered to do business in Missouri that is the owner or operator of a project facility, certifies that it offers health insurance to all full-time employees of all facilities located in this state, and certifies that it pays at least fifty percent of such insurance premiums. For the purposes of sections 620.2000 to 620.2020, the term "qualified company" shall not include:

(a) Gambling establishments (NAICS industry group 7132);

(b) Store front consumer-based retail trade establishments (under NAICS sectors 44 and 45), except with respect to any company headquartered in this state with a majority of its full-time employees engaged in operations not within the NAICS codes specified in this subdivision;

(c) Food and drinking places (NAICS subsector 722);

(d) Public utilities (NAICS 221 including water and sewer services);

(e) Any company that is delinquent in the payment of any nonprotested taxes or any other amounts due the state or federal government or any other political subdivision of this state;

(f) Any company requesting benefits for retained jobs that has filed for or has publicly announced its intention to file for bankruptcy protection. However, a company that has filed for or has publicly announced its intention to file for bankruptcy may be a qualified company provided that such company:



258           a. Certifies to the department that it plans to  
259 reorganize and not to liquidate; and  
260           b. After its bankruptcy petition has been filed, it  
261 produces proof, in a form and at times satisfactory to the  
262 department, that it is not delinquent in filing any tax  
263 returns or making any payment due to the state of Missouri,  
264 including but not limited to all tax payments due after the  
265 filing of the bankruptcy petition and under the terms of the  
266 plan of reorganization. Any taxpayer who is awarded  
267 benefits under this subsection and who files for bankruptcy  
268 under Chapter 7 of the United States Bankruptcy Code, Title  
269 11 U.S.C., shall immediately notify the department and shall  
270 forfeit such benefits and shall repay the state an amount  
271 equal to any state tax credits already redeemed and any  
272 withholding taxes already retained;  
273           (g) Educational services (NAICS sector 61);  
274           (h) Religious organizations (NAICS industry group  
275 8131);  
276           (i) Public administration (NAICS sector 92);  
277           (j) Ethanol distillation or production;  
278           (k) Biodiesel production; or  
279           (l) Health care and social services (NAICS sector 62).

280 Notwithstanding any provision of this section to the  
281 contrary, the headquarters, administrative offices, or  
282 research and development facilities of an otherwise excluded  
283 business may qualify for benefits if the offices or  
284 facilities serve a multistate territory. In the event a  
285 national, state, or regional headquarters operation is not  
286 the predominant activity of a project facility, the jobs and  
287 investment of such operation shall be considered eligible  
288 for benefits under this section if the other requirements  
289 are satisfied;

290           (30) "Qualified manufacturing company", a company that:

291 (a) Is a qualified company that manufactures motor  
292 vehicles (NAICS group 3361);  
293 (b) Manufactures goods at a facility in Missouri;  
294 (c) Manufactures a new product or has commenced making  
295 a manufacturing capital investment to the project facility  
296 necessary for the manufacturing of such new product, or  
297 modifies or expands the manufacture of an existing product  
298 or has commenced making a manufacturing capital investment  
299 for the project facility necessary for the modification or  
300 expansion of the manufacture of such existing product; and  
301 (d) Continues to meet the requirements of paragraphs  
302 (a) to (c) of this subdivision for the project period;  
303 (31) "Qualified military project", the expansion or  
304 improvement of a military base or installation within this  
305 state that causes:

306 (a) An increase of ten or more part-time or full-time  
307 military or civilian support personnel:

308 a. Whose average salaries equal or exceed ninety  
309 percent of the county average wage; and

310 b. Who are offered health insurance, with an entity of  
311 the United States Department of Defense paying at least  
312 fifty percent of such insurance premiums; and

313 (b) Investment in real or personal property at the  
314 base or installation expressly for the purposes of serving a  
315 new or expanded military activity or unit.

316 For the purposes of this subdivision, part-time military or  
317 civilian support personnel shall be converted to full-time  
318 new jobs by, in hire date order, counting one full-time new  
319 job for every thirty-five averaged hours worked per week by  
320 part-time military or civilian support personnel in jobs  
321 directly created by the qualified military project. For each  
322 such full-time new job, the sum of the wages of the part-  
323 time military or civilian support personnel combined and

converted to form the new job shall be the wage for the one full-time new job. Each part-time military or civilian support personnel whose job is combined and converted for such a full-time new job shall be offered health insurance as described in subparagraph b of paragraph (a) of this subdivision;

(32) "Related company", shall mean:

(a) A corporation, partnership, trust, or association controlled by the qualified company;

(b) An individual, corporation, partnership, trust, or association in control of the qualified company; or

(c) Corporations, partnerships, trusts or associations controlled by an individual, corporation, partnership, trust, or association in control of the qualified company.

As used in this paragraph, "control of a qualified company" shall mean:

a. Ownership, directly or indirectly, of stock possessing at least fifty percent of the total combined voting power of all classes of stock entitled to vote in the case of a qualified company that is a corporation;

b. Ownership of at least fifty percent of the capital or profit interest in such qualified company if it is a partnership or association;

c. Ownership, directly or indirectly, of at least fifty percent of the beneficial interest in the principal or income of such qualified company if it is a trust, and ownership shall be determined as provided in Section 318 of the Internal Revenue Code of 1986, as amended;

(33) "Related facility", a facility operated by the qualified company or a related company located in this state that is directly related to the operations of the project facility or in which operations substantially similar to the operations of the project facility are performed;

357 (34) "Related facility base employment", the greater  
358 of the number of full-time employees located at all related  
359 facilities on the date of the notice of intent or, for the  
360 twelve-month period prior to the date of the notice of  
361 intent, the average number of full-time employees located at  
362 all related facilities of the qualified company or a related  
363 company located in this state;

364 (35) "Related facility base payroll", the annualized  
365 payroll of the related facility base payroll or the total  
366 amount of taxable wages paid by the qualified company to  
367 full-time employees of the qualified company located at a  
368 related facility in the twelve months prior to the filing of  
369 the notice of intent. For purposes of calculating the  
370 benefits under this program, the amount of related facility  
371 base payroll shall increase each year based on an  
372 appropriate measure, as determined by the department;

373 (36) "Rural area", a county in Missouri with a  
374 population less than seventy-five thousand or that does not  
375 contain an individual city with a population greater than  
376 fifty thousand according to the most recent federal  
377 decennial census;

378 (37) "Tax credits", tax credits issued by the  
379 department to offset the state taxes imposed by chapters 143  
380 and 148, or which may be sold or refunded as provided for in  
381 this program;

382 (38) "Withholding tax", the state tax imposed by  
383 sections 143.191 to 143.265. For purposes of this program,  
384 the withholding tax shall be computed using a schedule as  
385 determined by the department based on average wages.

386 2. This section is subject to the provisions of  
387 section 196.1127.

620.2010. 1. In exchange for the consideration  
2 provided by the new tax revenues and other economic stimuli

3 that will be generated by the new jobs created, a qualified  
4 company may, for a period of five years from the date the  
5 new jobs are created, or for a period of six years from the  
6 date the new jobs are created if the qualified company is an  
7 existing Missouri business, retain an amount equal to the  
8 withholding tax as calculated under subdivision (38) of  
9 section 620.2005 from the new jobs that would otherwise be  
10 withheld and remitted by the qualified company under the  
11 provisions of sections 143.191 to 143.265 if:

12 (1) The qualified company creates ten or more new  
13 jobs, and the average wage of the new payroll equals or  
14 exceeds ninety percent of the county average wage;

15 (2) The qualified company creates two or more new jobs  
16 at a project facility located in a rural area, the average  
17 wage of the new payroll equals or exceeds ninety percent of  
18 the county average wage, and the qualified company commits  
19 to making at least one hundred thousand dollars of new  
20 capital investment at the project facility within two years;  
21 or

22 (3) The qualified company creates two or more new jobs  
23 at a project facility located within a zone designated under  
24 sections 135.950 to 135.963, the average wage of the new  
25 payroll equals or exceeds eighty percent of the county  
26 average wage, and the qualified company commits to making at  
27 least one hundred thousand dollars in new capital investment  
28 at the project facility within two years of approval.

29 2. In addition to any benefits available under  
30 subsection 1 of this section, the department may award a  
31 qualified company that satisfies subdivision (1) of  
32 subsection 1 of this section additional tax credits, issued  
33 each year for a period of five years from the date the new  
34 jobs are created, or for a period of six years from the date  
35 the new jobs are created if the qualified company is an

existing Missouri business, in an amount equal to or less than six percent of new payroll; provided that in no event may the total amount of benefits awarded to a qualified company under this section exceed nine percent of new payroll in any calendar year. The amount of tax credits awarded to a qualified company under this subsection shall not exceed the projected net fiscal benefit to the state, as determined by the department, and shall not exceed the least amount necessary to obtain the qualified company's commitment to initiate the project. In determining the amount of tax credits to award to a qualified company under this subsection or a qualified manufacturing company under subsection 3 of this section, the department shall consider the following factors:

(1) The significance of the qualified company's need for program benefits;

(2) The amount of projected net fiscal benefit to the state of the project and the period in which the state would realize such net fiscal benefit;

(3) The overall size and quality of the proposed project, including the number of new jobs, new capital investment, manufacturing capital investment, proposed wages, growth potential of the qualified company, the potential multiplier effect of the project, and similar factors;

(4) The financial stability and creditworthiness of the qualified company;

(5) The level of economic distress in the area;

(6) An evaluation of the competitiveness of alternative locations for the project facility, as applicable; and

(7) The percent of local incentives committed.

68           3.   (1)   The department may award tax credits to a  
69   qualified manufacturing company that makes a manufacturing  
70   capital investment of at least five hundred million dollars  
71   not more than three years following the department's  
72   approval of a notice of intent and the execution of an  
73   agreement that meets the requirements of subsection 4 of  
74   this section.   Such tax credits shall be issued no earlier  
75   than January 1, 2023, and may be issued each year for a  
76   period of five years. A qualified manufacturing company may  
77   qualify for an additional five-year period under this  
78   subsection if it makes an additional manufacturing capital  
79   investment of at least two hundred fifty million dollars  
80   within five years of the department's approval of the  
81   original notice of intent.

82           (2)   The maximum amount of tax credits that any one  
83   qualified manufacturing company may receive under this  
84   subsection shall not exceed five million dollars per  
85   calendar year.   The aggregate amount of tax credits awarded  
86   to all qualified manufacturing companies under this  
87   subsection shall not exceed ten million dollars per calendar  
88   year.

89           (3)   If, at the project facility at any time during the  
90   project period, the qualified manufacturing company  
91   discontinues the manufacturing of the new product, or  
92   discontinues the modification or expansion of an existing  
93   product, and does not replace it with a subsequent or  
94   additional new product or with a modification or expansion  
95   of an existing product, the company shall immediately cease  
96   receiving any benefit awarded under this subsection for the  
97   remainder of the project period and shall forfeit all rights  
98   to retain or receive any benefit awarded under this  
99   subsection for the remainder of such period.

(4) Notwithstanding any other provision of law to the contrary, any qualified manufacturing company that is awarded benefits under this section shall not simultaneously receive tax credits or exemptions under sections 100.700 to 100.850 for the jobs created or retained or capital improvement that qualified for benefits under this section. The provisions of subsection 5 of section 285.530 shall not apply to a qualified manufacturing company that is awarded benefits under this section.

4. Upon approval of a notice of intent to receive tax credits under subsection 2, 3, 6, or 7 of this section, the department and the qualified company shall enter into a written agreement covering the applicable project period. The agreement shall specify, at a minimum:

(1) The committed number of new jobs, new payroll, and new capital investment, or the manufacturing capital investment and committed percentage of retained jobs for each year during the project period;

(2) The date or time period during which the tax credits shall be issued, which may be immediately or over a period not to exceed two years from the date of approval of the notice of intent;

(3) Clawback provisions, as may be required by the department;

(4) Financial guarantee provisions as may be required by the department, provided that financial guarantee provisions shall be required by the department for tax credits awarded under subsection 7 of this section; and

(5) Any other provisions the department may require.

5. In lieu of the benefits available under sections 1 and 2 of this section, and in exchange for the consideration provided by the new tax revenues and other economic stimuli that will be generated by the new jobs created by the



program, a qualified company may, for a period of five years from the date the new jobs are created, or for a period of six years from the date the new jobs are created if the qualified company is an existing Missouri business, retain an amount equal to the withholding tax as calculated under subdivision (38) of section 620.2005 from the new jobs that would otherwise be withheld and remitted by the qualified company under the provisions of sections 143.191 to 143.265 equal to:

(1) Six percent of new payroll for a period of five years from the date the required number of new jobs were created if the qualified company creates one hundred or more new jobs and the average wage of the new payroll equals or exceeds one hundred twenty percent of the county average wage of the county in which the project facility is located; or

(2) Seven percent of new payroll for a period of five years from the date the required number of jobs were created if the qualified company creates one hundred or more new jobs and the average wage of the new payroll equals or exceeds one hundred forty percent of the county average wage of the county in which the project facility is located.

The department shall issue a refundable tax credit for any difference between the amount of benefit allowed under this subsection and the amount of withholding tax retained by the company, in the event the withholding tax is not sufficient to provide the entire amount of benefit due to the qualified company under this subsection.

6. In addition to the benefits available under subsection 5 of this section, the department may award a qualified company that satisfies the provisions of subsection 5 of this section additional tax credits, issued each year for a period of five years from the date the new

166 jobs are created, or for a period of six years from the date  
167 the new jobs are created if the qualified company is an  
168 existing Missouri business, in an amount equal to or less  
169 than three percent of new payroll; provided that in no event  
170 may the total amount of benefits awarded to a qualified  
171 company under this section exceed nine percent of new  
172 payroll in any calendar year. The amount of tax credits  
173 awarded to a qualified company under this subsection shall  
174 not exceed the projected net fiscal benefit to the state, as  
175 determined by the department, and shall not exceed the least  
176 amount necessary to obtain the qualified company's  
177 commitment to initiate the project. In determining the  
178 amount of tax credits to award to a qualified company under  
179 this subsection, the department shall consider the factors  
180 provided under subsection 2 of this section.

181       7. In lieu of the benefits available under subsections  
182 1, 2, 5, and 6 of this section, and in exchange for the  
183 consideration provided by the new tax revenues and other  
184 economic stimuli that will be generated by the new jobs and  
185 new capital investment created by the program, the  
186 department may award a qualified company that satisfies the  
187 provisions of subdivision (1) of subsection 1 of this  
188 section tax credits, issued within one year following the  
189 qualified company's acceptance of the department's proposal  
190 for benefits, in an amount equal to or less than nine  
191 percent of new payroll. The amount of tax credits awarded  
192 to a qualified company under this subsection shall not  
193 exceed the projected net fiscal benefit to the state, as  
194 determined by the department, and shall not exceed the least  
195 amount necessary to obtain the qualified company's  
196 commitment to initiate the project. In determining the  
197 amount of tax credits to award to a qualified company under  
198 this subsection, the department shall consider the factors

provided under subsection 2 of this section and the qualified company's commitment to new capital investment and new job creation within the state for a period of not less than ten years. For the purposes of this subsection, each qualified company shall have an average wage of the new payroll that equals or exceeds one hundred percent of the county average wage. Notwithstanding the provisions of section 620.2020 to the contrary, this subsection, shall expire on June 30, 2025.

8. No benefits shall be available under this section for any qualified company that has performed significant, project-specific site work at the project facility, purchased machinery or equipment related to the project, or has publicly announced its intention to make new capital investment or manufacturing capital investment at the project facility prior to receipt of a proposal for benefits under this section or approval of its notice of intent, whichever occurs first.

9. In lieu of any other benefits under this chapter, the department of economic development may award a tax credit to an industrial development authority for a qualified military project in an amount equal to the estimated withholding taxes associated with the part-time and full-time civilian and military new jobs located at the facility and directly impacted by the project. The amount of the tax credit shall be calculated by multiplying:

(1) The average percentage of tax withheld, as provided by the department of revenue to the department of economic development;

(2) The average salaries of the jobs directly created by the qualified military project; and

(3) The number of jobs directly created by the qualified military project.

232 If the amount of the tax credit represents the least amount  
233 necessary to accomplish the qualified military project, the  
234 tax credits may be issued, but no tax credits shall be  
235 issued for a term longer than fifteen years. No qualified  
236 military project shall be eligible for tax credits under  
237 this subsection unless the department of economic  
238 development determines the qualified military project shall  
239 achieve a net positive fiscal impact to the state.

Section B. Because of the importance of military jobs  
2 to the state, the repeal and reenactment of sections  
3 620.2005 and 620.2010 of this act is deemed necessary for  
4 the immediate preservation of the public health, welfare,  
5 peace, and safety, and is hereby declared to be an emergency  
6 act within the meaning of the constitution, and the repeal  
7 and reenactment of sections 620.2005 and 620.2010 of this  
8 act shall be in full force and effect upon its passage and  
9 approval.