

## AN ACT

To repeal section 620.017, RSMo, and to enact in lieu thereof one new section relating to accountability for economic incentive and tax credits.

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BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI, AS FOLLOWS:

Section A. Section 620.017, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 620.017, to read as follows:

620.017. 1. Beginning January 1, 2005, the department of economic development shall require that any contract or agreement with any party which provides grants, loans, tax credits, or other financial assistance or services, to which a monetary value can be assigned, to such party through a program administered by the department of economic development shall:

(1) Specify that such party shall use the proceeds of any such grant, loan, other financial assistance or the benefits of any services solely as required by that program through which the loan, grant, financial assistance or service is provided;

(2) Describe the economic incentive, including the amount and type of economic incentive;

(3) State why the economic incentive is needed;

(4) State the public purpose or purposes for the economic incentive;

(5) State the goal or goals for the economic incentive and the time periods by which these goals will be met;

(6) Describe the financial obligation of the party if the requirements of the contract or agreement are not met;

(7) State the name and address of the parent corporation of the recipient, if any; and

(8) State all other financial assistance known by the department that was received by the recipient for the same project.

2. In addition, such a contract or agreement shall require that any recipient which uses the proceeds or services for any other purpose or fails to comply with any requirement established by the program through which the loan, grant, tax credit, financial assistance or service is provided shall return any remaining proceeds to the department and shall also require that any proceeds expended or the value of any services received by the party shall be repaid to the department as required by the contract.

3. The contracts or agreements required by this section shall be governed by and enforceable through the applicable provisions of contract law.

4. The department of economic development shall prepare an annual report regarding all economic incentives administered in the previous calendar year and submit such report to the president pro tem of the senate and the speaker of the house of

representatives by July first of each year. The annual report shall be made available to the public and shall include, but not be limited to, the following elements:

(1) The total amount of economic incentives awarded by municipality;

(2) The total amount of economic incentives awarded by county;

(3) The total amount of economic incentives awarded by industry;

(4) The distribution of economic incentives by type and public purpose;

(5) The distribution of economic incentives by the size of all business recipients;

(6) A reporting of any legal action taken by the department or the state with any parties which have failed to comply with a contract or agreement pursuant to this section.