

HCS HB 520 -- SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS
FUND

SPONSOR: Hicks

COMMITTEE ACTION: Voted "Do Pass with Amendments" by the Standing Committee on Economic Development and Business Attraction and Retention by a vote of 10 to 0. Voted "Do Pass with HCS" by the Select Committee on Commerce by a vote of 10 to 0.

Beginning January 1, 2016, this bill specifies that any taxpayer who donates at least \$5,000 to the Science, Technology, Engineering and Mathematics Fund and hires an individual who is currently enrolled as a student majoring in science, technology, engineering, or mathematics at a Missouri public or private two-year or four-year college to fill an internship position in one of those fields for at least 15 hours a week for at least 12 weeks must be allowed to apply to the Department of Higher Education for a tax credit equal to \$5,000. The department must establish a procedure for approving applications, and the total amount of tax credits annually authorized under this program cannot exceed \$50,000 for all participating taxpayers. State tax liability means a person's income tax liability for individuals and a company's liability for income tax, corporate franchise tax, financial institution tax, and utility tax for businesses.

The bill establishes the Economic-Education Partnership Act. Beginning January 1, 2016, if an employer with facilities in Missouri donates at least \$5,000 to the fund and provides educational benefits to a qualified individual or trains a qualified individual for an employment position in one of the specified fields, the employer must be allowed a tax credit against specified tax liability in an amount equal to \$5,000. "Education benefits" are defined as 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 an employee who is a resident of Missouri to pursue an advanced certificate or an associates, bachelors, masters, or doctorate degree in health care, engineering, or information technology related programs. The department must establish a procedure for approving applications, and the total amount of tax credits annually authorized under this program cannot exceed \$50,000 for all participating taxpayers. The department may audit employers to ensure compliance with these provisions.

PROPOSERS: Supporters say that the bill provides a funding mechanism for the Science, Technology, Engineering and Mathematics Fund. The fund was created in 2012 but has not been appropriated any funds. It addresses an important component of workforce

development needs in those fields.

Testifying for the bill were Representative Hicks; Associated Students of the University Of Missouri; and Missouri Biotechnology Association.

OPPONENTS: There was no opposition voiced to the committee.