

SENATE SUBSTITUTE
FOR
HOUSE BILL NO. 1415

AN ACT

To repeal sections 162.1115, 178.550, 620.809, and 620.2020, RSMo, and to enact in lieu thereof seven new sections relating to workforce development.

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

1 Section A. Sections 162.1115, 178.550, 620.809, and
2 620.2020, RSMo, are repealed and seven new sections enacted in
3 lieu thereof, to be known as sections 160.572, 162.1115, 168.024,
4 170.028, 178.550, 620.809, and 620.2020, to read as follows:

5 160.572. 1. For purposes of this section, the following
6 terms mean:

7 (1) "ACT assessment", the ACT assessment or the ACT Plus
8 Writing assessment;

9 (2) "WorkKeys", the ACT WorkKeys assessments required for
10 the National Career Readiness Certificate.

11 2. (1) In any school year in which the department of
12 elementary and secondary education directs a state-funded census
13 administration of the ACT assessment to any group of students,
14 any student who would be allowed or required to participate in
15 the census administration shall receive the opportunity, on any
16 date within three months before the census administration, to
17 participate in a state-funded administration of WorkKeys.

18 (2) Any student who participated in a state-funded

1 administration of WorkKeys as described under subdivision (1) of
2 this subsection shall not participate in any state-funded census
3 administration of the ACT assessment.

4 (3) The department of elementary and secondary education
5 shall not require school districts or charter schools to
6 administer the ACT assessment to any student who participated in
7 a state-funded administration of WorkKeys as described under
8 subdivision (1) of this subsection.

9 3. (1) In any school year in which a school district
10 directs the administration of the ACT assessment to any group of
11 its students to be funded by the district, any student who would
12 be allowed or required to participate in the district-funded
13 administration shall receive the opportunity, on any date within
14 three months before the administration, to participate in an
15 administration of WorkKeys funded by the school district.

16 (2) Nothing in this section shall require a school district
17 to fund the administration of the ACT assessment to any student
18 who participated in a district-funded administration of WorkKeys
19 as described under subdivision (1) of this subsection.

20 162.1115. 1. Notwithstanding any provision of law to the
21 contrary, no district shall be penalized for any reason under the
22 Missouri school improvement program if students who graduate from
23 the district complete career and technical education programs
24 approved by the department of elementary and secondary education
25 but are not placed in occupations directly related to their
26 training within six months of graduating.

27 2. The department of elementary and secondary education
28 shall revise its scoring guide under the Missouri school

1 improvement program to provide additional points to districts
2 that create and enter into a partnership with area career
3 centers, comprehensive high schools, industry, and business to
4 develop and implement a pathway for students to:

5 (1) Enroll in a program of career and technical education
6 while in high school;

7 (2) Participate and complete an internship or
8 apprenticeship during their final year of high school; and

9 (3) Obtain the industry certification or credentials
10 applicable to their program or career and technical education and
11 internship or apprenticeship.

12 3. Each school district shall be authorized to create and
13 enter into a partnership with area career centers, comprehensive
14 high schools, industry, and business to develop and implement a
15 pathway for students to:

16 (1) Enroll in a program of career and technical education
17 while in high school;

18 (2) Participate and complete an internship or
19 apprenticeship during their final year of high school; and

20 (3) Obtain the industry certification or credentials
21 applicable to their program or career and technical education and
22 internship or apprenticeship.

23 4. In complying with the provisions of subsection 3 of this
24 section, each school district may rely on technical coursework
25 and skills assessments developed for industry-recognized
26 certificates and credentials.

27 5. The department of elementary and secondary education
28 shall permit student scores, that are from a nationally

1 recognized examination that demonstrates achievement of workplace
2 employability skills, to count towards credit for college and
3 career readiness standards on the Missouri school improvement
4 program or any subsequent school accreditation or improvement
5 program.

6 168.024. 1. For purposes of this section, "local business
7 externship" means an experience in which a teacher, supervised by
8 his or her school or school district, gains practical experience
9 at a business in the local community in which the teacher is
10 employed through observation and interaction with employers and
11 employees who are working on issues related to subjects taught by
12 the teacher.

13 2. Any hours spent in a local business externship shall
14 count as contact hours of professional development under section
15 168.021.

16 170.028. 1. For purposes of this section, the following
17 terms mean:

18 (1) "Council", the career and technical education advisory
19 council established under section 178.550;

20 (2) "Industry certification", a full certification from a
21 recognized industry, trade, or professional association
22 validating essential skills of a particular occupation, which may
23 include, but shall not be limited to:

24 (a) Any certification related to a high-demand occupation
25 as described by the Missouri economic research and information
26 center (MERIC); and

27 (b) Perkins Technical Skills Assessment;

28 (3) "Occupational competency assessment", a national

1 standardized assessment of skills and knowledge in a specific
2 career or technical area, which may include, but shall not be
3 limited to, assessments offered by the National Occupational
4 Competency Testing Institute (NOCTI).

5 2. The council shall annually review, update, approve, and
6 recommend a list of industry certifications, state-issued
7 professional licenses, and occupational competency assessments.

8 3. A school district may use the list described under
9 subsection 2 of this section as a resource in establishing
10 programs of study that meet the district's regional workforce
11 needs under section 170.029.

12 4. The department of elementary and secondary education
13 shall identify any provider of a course that:

14 (1) Includes a Perkins Technical Skills Assessment that
15 leads to an industry-recognized credential that meets
16 requirements related to college and career readiness under the
17 Missouri school improvement program; and

18 (2) Is recommended for college credit by a nationally
19 recognized body that provides course equivalency information to
20 facilitate decisions on the awarding of course credit.

21 5. (1) At least annually, the department of elementary and
22 secondary education shall provide the council with a list of all
23 course providers identified under subsection 4 of this section.
24 The council may recommend to the department of elementary and
25 secondary education that agreements described under subdivision
26 (2) of this subsection be entered into with one or more course
27 providers identified in the list.

28 (2) The department of elementary and secondary education

1 may enter into an agreement with a course provider recommended by
2 the council that governs the conditions under which school
3 districts and local educational agencies contract with the course
4 provider.

5 (3) Any school district or local educational agency may
6 contract with a course provider recommended by the council to
7 design or deliver career and technical education programs
8 described under section 170.029.

9 178.550. 1. This section shall be known and may be cited
10 as the "Career and Technical Education Student Protection Act".
11 There is hereby established the "Career and Technical Education
12 Advisory Council" within the department of elementary and
13 secondary education.

14 2. The advisory council shall be composed of [fifteen]
15 sixteen members who shall be Missouri residents. The director of
16 the department of economic development, or his or her designee,
17 shall be a member. The commissioner of education shall appoint
18 the following members:

19 (1) A director or administrator of a career and technical
20 education center;

21 (2) An individual from the business community with a
22 background in commerce;

23 (3) A representative from State Technical College of
24 Missouri;

25 (4) Three current or retired career and technical education
26 teachers who also serve or served as an advisor to any of the
27 nationally recognized career and technical education student
28 organizations of:

- 1 (a) DECA;
- 2 (b) Future Business Leaders of America (FBLA);
- 3 (c) FFA;
- 4 (d) Family, Career and Community Leaders of America
5 (FCCLA);
- 6 (e) Health Occupations Students of America (HOSA);
- 7 (f) SkillsUSA; or
- 8 (g) Technology Student Association (TSA);
- 9 (5) A representative from a business organization,
10 association of businesses, or a business coalition;
- 11 (6) A representative from a Missouri community college;
- 12 (7) A representative from Southeast Missouri State
13 University or the University of Central Missouri;
- 14 (8) An individual participating in an apprenticeship
15 recognized by the department of labor and industrial relations or
16 approved by the United States Department of Labor's Office of
17 Apprenticeship;
- 18 (9) A school administrator or school superintendent of a
19 school that offers career and technical education.
- 20 3. Members appointed by the commissioner of education shall
21 serve a term of five years except for the initial appointments,
22 which shall be for the following lengths:
- 23 (1) One member shall be appointed for a term of one year;
- 24 (2) Two members shall be appointed for a term of two years;
- 25 (3) Two members shall be appointed for a term of three
26 years;
- 27 (4) Three members shall be appointed for a term of four
28 years;

1 (5) Three members shall be appointed for a term of five
2 years.

3 4. Four members shall be from the general assembly. The
4 president pro tempore of the senate shall appoint two members of
5 the senate of whom not more than one shall be of the same party.
6 The speaker of the house of representatives shall appoint two
7 members of the house of representatives of whom not more than one
8 shall be of the same party. The legislative members shall serve
9 on the advisory council until such time as they resign, are no
10 longer members of the general assembly, or are replaced by new
11 appointments.

12 5. The advisory council shall have three nonvoting ex
13 officio members:

14 (1) A director of guidance and counseling services at the
15 department of elementary and secondary education, or a similar
16 position if such position ceases to exist;

17 (2) The director of the division of workforce development;
18 and

19 (3) A member of the coordinating board for higher
20 education, as selected by the coordinating board.

21 6. The assistant commissioner for the office of college and
22 career readiness of the department of elementary and secondary
23 education shall provide staff assistance to the advisory council.

24 7. The advisory council shall meet at least four times
25 annually. The advisory council may make all rules it deems
26 necessary to enable it to conduct its meetings, elect its
27 officers, and set the terms and duties of its officers. The
28 advisory council shall elect from among its members a

1 chairperson, vice chairperson, a secretary-reporter, and such
2 other officers as it deems necessary. Members of the advisory
3 council shall serve without compensation but may be reimbursed
4 for actual expenses necessary to the performance of their
5 official duties for the advisory council.

6 8. Any business to come before the advisory council shall
7 be available on the advisory council's internet website at least
8 seven business days prior to the start of each meeting. All
9 records of any decisions, votes, exhibits, or outcomes shall be
10 available on the advisory council's internet website within
11 forty-eight hours following the conclusion of every meeting. Any
12 materials prepared for the members shall be delivered to the
13 members at least five days before the meeting, and to the extent
14 such materials are public records as defined in section 610.010
15 and are not permitted to be closed under section 610.021, shall
16 be made available on the advisory council's internet website at
17 least five business days in advance of the meeting.

18 9. The advisory council shall make an annual written report
19 to the state board of education and the commissioner of education
20 regarding the development, implementation, and administration of
21 the state budget for career and technical education.

22 10. The advisory council shall annually submit written
23 recommendations to the state board of education and the
24 commissioner of education regarding the oversight and procedures
25 for the handling of funds for student career and technical
26 education organizations.

27 11. The advisory council shall:

28 (1) Develop a comprehensive statewide short- and long-range

1 strategic plan for career and technical education;

2 (2) Identify service gaps and provide advice on methods to
3 close such gaps as they relate to youth and adult employees,
4 workforce development, and employers on training needs;

5 (3) Confer with public and private entities for the purpose
6 of promoting and improving career and technical education;

7 (4) Identify legislative recommendations to improve career
8 and technical education;

9 (5) Promote coordination of existing career and technical
10 education programs;

11 (6) Adopt, alter, or repeal by its own bylaws, rules and
12 regulations governing the manner in which its business may be
13 transacted.

14 12. For purposes of this section, the department of
15 elementary and secondary education shall provide such
16 documentation and information as to allow the advisory council to
17 be effective.

18 13. For purposes of this section, "advisory council" shall
19 mean the career and technical education advisory council.

20 620.809. 1. The Missouri community college job training
21 program fund, formerly established in the state treasury by
22 section 178.896, shall now be known as the "Missouri Works
23 Community College New Jobs Training Fund" and shall be
24 administered by the department for the training program. The
25 department of revenue shall credit to the fund, as received, all
26 new jobs credits. The fund shall also consist of any gifts,
27 contributions, grants, or bequests received from federal,
28 private, or other sources. The general assembly, however, shall

1 not provide for any transfer of general revenue funds into the
2 fund. Moneys in the fund shall be disbursed to the department
3 under regular appropriations by the general assembly. The
4 department shall disburse such appropriated funds in a timely
5 manner into the special funds established by community college
6 districts for training projects, which funds shall be used to pay
7 training project costs. Such disbursements shall be made to the
8 special fund for each training project as provided under
9 subsection 5 of this section. All moneys remaining in the fund
10 at the end of any fiscal year shall not lapse to the general
11 revenue fund, as provided in section 33.080, but shall remain in
12 the fund.

13 2. The Missouri community college job retention training
14 program fund, formerly established in the state treasury by
15 section 178.764, shall now be known as the "Missouri Works
16 Community College Job Retention Training Fund" and shall be
17 administered by the department for the Missouri works training
18 program. The department of revenue shall credit to the fund, as
19 received, all retained jobs credits. The fund shall also consist
20 of any gifts, contributions, grants, or bequests received from
21 federal, private, or other sources. The general assembly,
22 however, shall not provide for any transfer of general revenue
23 funds into the fund. Moneys in the fund shall be disbursed to
24 the department under regular appropriations by the general
25 assembly. The department shall disburse such appropriated funds
26 in a timely manner into the special funds established by
27 community college districts for projects, which funds shall be
28 used to pay training program costs, including the principal,

1 premium, and interest on certificates issued by the district to
2 finance or refinance, in whole or in part, a project. Such
3 disbursements by the department shall be made to the special fund
4 for each project as provided under subsection 5 of this section.
5 All moneys remaining in the fund at the end of any fiscal year
6 shall not lapse to the general revenue fund, as provided in
7 section 33.080, but shall remain in the fund.

8 3. The department of revenue shall develop such forms as
9 are necessary to demonstrate accurately each qualified company's
10 new jobs credit paid into the Missouri works community college
11 new jobs training fund or retained jobs credit paid into the
12 Missouri works community college job retention training fund.
13 The new or retained jobs credits shall be accounted as separate
14 from the normal withholding tax paid to the department of revenue
15 by the qualified company. Reimbursements made by all qualified
16 companies to the Missouri works community college new jobs
17 training fund and the Missouri works community college job
18 retention training fund shall be no less than all allocations
19 made by the department to all community college districts for all
20 projects. The qualified company shall remit the amount of the
21 new or retained jobs credit, as applicable, to the department of
22 revenue in the same manner as provided in sections 143.191 to
23 143.265.

24 4. A community college district, with the approval of the
25 department in consultation with the office of administration, may
26 enter into an agreement to establish a training project and
27 provide training project services to a qualified company. As
28 soon as possible after initial contact between a community

1 college district and a potential qualified company regarding the
2 possibility of entering into an agreement, the district shall
3 inform the department of the potential training project. The
4 department shall evaluate the proposed training project within
5 the overall job training efforts of the state to ensure that the
6 training project will not duplicate other job training programs.
7 The department shall have fourteen days from receipt of a notice
8 of intent to approve or disapprove a training project. If no
9 response is received by the qualified company within fourteen
10 days, the training project shall be deemed approved. Disapproval
11 of any training project shall be made in writing and state the
12 reasons for such disapproval. If an agreement is entered into,
13 the district and the qualified company shall notify the
14 department of revenue within fifteen calendar days. In addition
15 to any provisions required under subsection 6 of this section for
16 a qualified company applying to receive a retained job credit, an
17 agreement may provide, but shall not be limited to:

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

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

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

28 (c) Tuition, student fees, or special charges fixed by the

1 board of trustees to defray training project costs in whole or in
2 part;

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

5 (3) Costs of on-the-job training for employees which shall
6 include wages or salaries of participating employees. Payments
7 for on-the-job training shall not exceed the average of fifty
8 percent of the total wages paid by the qualified company to each
9 participant during the period of training. Payment for
10 on-the-job training may continue for up to six months from the
11 date the training begins;

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

16 (5) Any payment required to be made by a qualified company.
17 This payment shall constitute a lien upon the qualified company's
18 business property until paid, shall have equal priority with
19 ordinary taxes and shall not be divested by a judicial sale.
20 Property subject to such lien may be sold for sums due and
21 delinquent at a tax sale, with the same forfeitures, penalties,
22 and consequences as for the nonpayment of ordinary taxes. The
23 purchasers at tax sale shall obtain the property subject to the
24 remaining payments.

25 5. (1) For projects that are funded exclusively under
26 paragraph (a) of subdivision (1) of subsection 4 of this section,
27 the department shall disburse such funds to the special fund for
28 each training project in the same proportion as the new jobs or

1 retained jobs credits remitted by the qualified company
2 participating in such project bears to the total new jobs or
3 retained jobs credits from withholding remitted by all qualified
4 companies participating in projects during the period for which
5 the disbursement is made.

6 (2) Subject to appropriation, for projects that are funded
7 through a combination of funds under paragraphs (a) and (b) of
8 subdivision (1) of subsection 4 of this section, the department
9 shall disburse funds appropriated under paragraph (b) of
10 subdivision (1) of subsection 4 of this section to the special
11 fund for each training project upon commencement of the project.
12 The department shall disburse funds appropriated under paragraph
13 (a) of subdivision (1) of subsection 4 of this section to the
14 special fund for each training project in the same proportion as
15 the new jobs or retained jobs credits remitted by the qualified
16 company participating in such project bears to the total new jobs
17 or retained jobs credits from withholding remitted by all
18 qualified companies participating in projects during the period
19 for which the disbursement is made, reduced by the amount of
20 funds appropriated under paragraph (b) of subdivision (1) of
21 subsection 4 of this section.

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

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

28 (2) Retained, at the project facility, the same number of

1 employees that existed in the taxable year immediately preceding
2 the year in which application is made; and

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

8 (a) Has made substantial investment in new technology
9 requiring the upgrading of employee skills; or

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

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

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

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

21 (2) A portion of the total payments made by the qualified
22 companies under sections 143.191 to 143.265 shall be designated
23 as the new or retained jobs credit from withholding. Such
24 portion shall be an amount equal to two and one-half percent of
25 the gross wages paid by the qualified company for each of the
26 first one hundred jobs included in the project and one and
27 one-half percent of the gross wages paid by the qualified company
28 for each of the remaining jobs included in the project. If

1 business or employment conditions cause the amount of the new or
2 retained jobs credit from withholding to be less than the amount
3 projected in the agreement for any time period, then other
4 withholding tax paid by the qualified company under sections
5 143.191 to 143.265 shall be credited to the applicable fund by
6 the amount of such difference. The qualified company shall remit
7 the amount of the new or retained jobs credit to the department
8 of revenue in the manner prescribed in sections 143.191 to
9 143.265. When all training program costs have been paid, the new
10 or retained jobs credits shall cease;

11 (3) The community college district participating in a
12 project shall establish a special fund for and in the name of the
13 training project. All funds appropriated by the general assembly
14 from the funds established under subsections 1 and 2 of this
15 section and disbursed by the department for the training project
16 and other amounts received by the district for training project
17 costs as required by the agreement shall be deposited in the
18 special fund. Amounts held in the special fund shall be used and
19 disbursed by the district only to pay training project costs for
20 such training project. The special fund may be divided into such
21 accounts and subaccounts as shall be provided in the agreement,
22 and amounts held therein may be invested in the same manner as
23 the district's other funds;

24 (4) Any disbursement for training project costs received
25 from the department under sections 620.800 to 620.809 and
26 deposited into the training project's special fund may be
27 irrevocably pledged by a community college district for the
28 payment of the principal, premium, and interest on the

1 certificate issued by a community college district to finance or
2 refinance, in whole or in part, such training project;

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

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

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

15 8. To provide funds for the present payment of the training
16 project costs of new or retained jobs training project through
17 the training program, a community college district may borrow
18 money and issue and sell certificates payable from a sufficient
19 portion of the future receipts of payments authorized by the
20 agreement including disbursements from the Missouri works
21 community college new jobs training fund or the Missouri works
22 community college job retention training fund, to the special
23 fund established by the district for each project. The total
24 amount of outstanding certificates sold by all community college
25 districts shall not exceed the total amount authorized under law
26 as of January 1, 2013, unless an increased amount is authorized
27 in writing by a majority of members of the committee. The
28 certificates shall be marketed through financial institutions

1 authorized to do business in Missouri. The receipts shall be
2 pledged to the payment of principal of and interest on the
3 certificates. Certificates may be sold at public sale or at
4 private sale at par, premium, or discount of not less than
5 ninety-five percent of the par value thereof, at the discretion
6 of the board of trustees, and may bear interest at such rate or
7 rates as the board of trustees shall determine, notwithstanding
8 the provisions of section 108.170 to the contrary. However, the
9 provisions of chapter 176 shall not apply to the issuance of such
10 certificates. Certificates may be issued with respect to a
11 single project or multiple projects and may contain terms or
12 conditions as the board of trustees may provide by resolution
13 authorizing the issuance of the certificates.

14 9. Certificates issued to refund other certificates may be
15 sold at public sale or at private sale as provided in this
16 section, with the proceeds from the sale to be used for the
17 payment of the certificates being refunded. The refunding
18 certificates may be exchanged in payment and discharge of the
19 certificates being refunded, in installments at different times
20 or an entire issue or series at one time. Refunding certificates
21 may be sold or exchanged at any time on, before, or after the
22 maturity of the outstanding certificates to be refunded. They
23 may be issued for the purpose of refunding a like, greater, or
24 lesser principal amount of certificates and may bear a rate of
25 interest that is higher, lower, or equivalent to that of the
26 certificates being renewed or refunded.

27 10. Before certificates are issued, the board of trustees
28 shall publish once a notice of its intention to issue the

1 certificates, stating the amount, the purpose, and the project or
2 projects for which the certificates are to be issued. A person
3 with standing may, within fifteen days after the publication of
4 the notice, by action in the circuit court of a county in the
5 district, appeal the decision of the board of trustees to issue
6 the certificates. The action of the board of trustees in
7 determining to issue the certificates shall be final and
8 conclusive unless the circuit court finds that the board of
9 trustees has exceeded its legal authority. An action shall not
10 be brought which questions the legality of the certificates, the
11 power of the board of trustees to issue the certificates, the
12 effectiveness of any proceedings relating to the authorization of
13 the project, or the authorization and issuance of the
14 certificates from and after fifteen days from the publication of
15 the notice of intention to issue.

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

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

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

27 (1) The [new] program authorized under sections 620.800 to
28 620.809 shall [automatically sunset July 1, 2019, unless

1 reauthorized by an act of the general assembly] be reauthorized
2 as of the effective date of this act and shall expire on August
3 28, 2030; and

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

8 (3) Sections 620.800 to 620.809 shall terminate on
9 September first of the calendar year immediately following the
10 calendar year in which a program authorized under sections
11 620.800 to 620.809 is sunset.

12 620.2020. 1. The department shall respond to a written
13 request, by or on behalf of a qualified company, for a proposed
14 benefit award under the provisions of this program within five
15 business days of receipt of such request. Such response shall
16 contain either a proposal of benefits for the qualified company,
17 or a written response refusing to provide such a proposal and
18 stating the reasons for such refusal. A qualified company that
19 intends to seek benefits under the program shall submit to the
20 department a notice of intent. The department shall respond
21 within thirty days to a notice of intent with an approval or a
22 rejection, provided that the department may withhold approval or
23 provide a contingent approval until it is satisfied that proper
24 documentation of eligibility has been provided. Failure to
25 respond on behalf of the department shall result in the notice of
26 intent being deemed approved. A qualified company receiving
27 approval for program benefits may receive additional benefits for
28 subsequent new jobs at the same facility after the full initial

1 project period if the applicable minimum job requirements are
2 met. There shall be no limit on the number of project periods a
3 qualified company may participate in the program, and a qualified
4 company may elect to file a notice of intent to begin a new
5 project period concurrent with an existing project period if the
6 applicable minimum job requirements are achieved, the qualified
7 company provides the department with the required annual
8 reporting, and the qualified company is in compliance with this
9 program and any other state programs in which the qualified
10 company is currently or has previously participated. However,
11 the qualified company shall not receive any further program
12 benefits under the original approval for any new jobs created
13 after the date of the new notice of intent, and any jobs created
14 before the new notice of intent shall not be included as new jobs
15 for purposes of the benefit calculation for the new approval.
16 When a qualified company has filed and received approval of a
17 notice of intent and subsequently files another notice of intent,
18 the department shall apply the definition of project facility
19 under subdivision (18) of section 620.2005 to the new notice of
20 intent as well as all previously approved notices of intent and
21 shall determine the application of the definitions of new job,
22 new payroll, project facility base employment, and project
23 facility base payroll accordingly.

24 2. Notwithstanding any provision of law to the contrary,
25 the benefits available to the qualified company under any other
26 state programs for which the company is eligible and which
27 utilize withholding tax from the new or retained jobs of the
28 company shall first be credited to the other state program before

1 the withholding retention level applicable under this program
2 will begin to accrue.

3 If any qualified company also participates in a job training
4 program utilizing withholding tax, the company shall retain no
5 withholding tax under this program, but the department shall
6 issue a refundable tax credit for the full amount of benefit
7 allowed under this program. The calendar year annual maximum
8 amount of tax credits which may be issued to a qualifying company
9 that also participates in a job training program shall be
10 increased by an amount equivalent to the withholding tax retained
11 by that company under a jobs training program.

12 3. A qualified company receiving benefits under this
13 program shall provide an annual report of the number of jobs and
14 such other information as may be required by the department to
15 document the basis for program benefits available no later than
16 ninety days prior to the end of the qualified company's tax year
17 immediately following the tax year for which the benefits
18 provided under the program are attributed. In such annual
19 report, if the average wage is below the applicable percentage of
20 the county average wage, the qualified company has not maintained
21 the employee insurance as required, or if the number of jobs is
22 below the number required, the qualified company shall not
23 receive tax credits or retain the withholding tax for the balance
24 of the project period. Failure to timely file the annual report
25 required under this section shall result in the forfeiture of tax
26 credits attributable to the year for which the reporting was
27 required and a recapture of withholding taxes retained by the
28 qualified company during such year.

1 4. The department may withhold the approval of any benefits
2 under this program until it is satisfied that proper
3 documentation has been provided, and shall reduce the benefits to
4 reflect any reduction in full-time employees or payroll. Upon
5 approval by the department, the qualified company may begin the
6 retention of the withholding taxes when it reaches the required
7 number of jobs and the average wage meets or exceeds the
8 applicable percentage of county average wage. Tax credits, if
9 any, may be issued upon satisfaction by the department that the
10 qualified company has exceeded the applicable percentage of
11 county average wage and the required number of jobs.

12 5. Any qualified company approved for benefits under this
13 program shall provide to the department, upon request, any and
14 all information and records reasonably required to monitor
15 compliance with program requirements. This program shall be
16 considered a business recruitment tax credit under subdivision
17 (4) of subsection 2 of section 135.800, and any qualified company
18 approved for benefits under this program shall be subject to the
19 provisions of sections 135.800 to 135.830.

20 6. Any taxpayer who is awarded benefits under this program
21 who knowingly hires individuals who are not allowed to work
22 legally in the United States shall immediately forfeit such
23 benefits and shall repay the state an amount equal to any state
24 tax credits already redeemed and any withholding taxes already
25 retained.

26 7. The maximum amount of tax credits that may be authorized
27 under this program for any fiscal year shall be limited as
28 follows, less the amount of any tax credits previously obligated

1 for that fiscal year under any of the tax credit programs
2 referenced in subsection 13 of this section:

3 (1) For the fiscal year beginning on July 1, 2013, but
4 ending on or before June 30, 2014, no more than one hundred six
5 million dollars in tax credits may be authorized;

6 (2) For the fiscal year beginning on July 1, 2014, but
7 ending on or before June 30, 2015, no more than one hundred
8 eleven million dollars in tax credits may be authorized; and

9 (3) For any fiscal year beginning on or after July 1, 2015,
10 no more than one hundred sixteen million dollars in tax credits
11 may be authorized for each fiscal year.

12 8. For tax credits for the creation of new jobs under
13 section 620.2010, the department shall allocate the annual tax
14 credits based on the date of the approval, reserving such tax
15 credits based on the department's best estimate of new jobs and
16 new payroll of the project, and any other applicable factors in
17 determining the amount of benefits available to the qualified
18 company under this program. However, the annual issuance of tax
19 credits shall be subject to annual verification of actual payroll
20 by the department. Any authorization of tax credits shall expire
21 if, within two years from the date of commencement of operations,
22 or approval if applicable, the qualified company has failed to
23 meet the applicable minimum job requirements. The qualified
24 company may retain authorized amounts from the withholding tax
25 under the project once the applicable minimum job requirements
26 have been met for the duration of the project period. No
27 benefits shall be provided under this program until the qualified
28 company meets the applicable minimum new job requirements. In

1 the event the qualified company does not meet the applicable
2 minimum new job requirements, the qualified company may submit a
3 new notice of intent or the department may provide a new approval
4 for a new project of the qualified company at the project
5 facility or other facilities.

6 9. Tax credits provided under this program may be claimed
7 against taxes otherwise imposed by chapters 143 and 148, and may
8 not be carried forward, but shall be claimed within one year of
9 the close of the taxable year for which they were issued. Tax
10 credits provided under this program may be transferred, sold, or
11 assigned by filing a notarized endorsement thereof with the
12 department that names the transferee, the amount of tax credit
13 transferred, and the value received for the credit, as well as
14 any other information reasonably requested by the department.
15 For a qualified company with flow-through tax treatment to its
16 members, partners, or shareholders, the tax credit shall be
17 allowed to members, partners, or shareholders in proportion to
18 their share of ownership on the last day of the qualified
19 company's tax period.

20 10. Prior to the issuance of tax credits or the qualified
21 company beginning to retain withholding taxes, the department
22 shall verify through the department of revenue and any other
23 applicable state department that the tax credit applicant does
24 not owe any delinquent income, sales, or use tax or interest or
25 penalties on such taxes, or any delinquent fees or assessments
26 levied by any state department and through the department of
27 insurance, financial institutions and professional registration
28 that the applicant does not owe any delinquent insurance taxes or

1 other fees. Such delinquency shall not affect the approval,
2 except that any tax credits issued shall be first applied to the
3 delinquency and any amount issued shall be reduced by the
4 applicant's tax delinquency. If the department of revenue, the
5 department of insurance, financial institutions and professional
6 registration, or any other state department concludes that a
7 taxpayer is delinquent after June fifteenth but before July first
8 of any year and the application of tax credits to such
9 delinquency causes a tax deficiency on behalf of the taxpayer to
10 arise, then the taxpayer shall be granted thirty days to satisfy
11 the deficiency in which interest, penalties, and additions to tax
12 shall be tolled. After applying all available credits toward a
13 tax delinquency, the administering agency shall notify the
14 appropriate department and that department shall update the
15 amount of outstanding delinquent tax owed by the applicant. If
16 any credits remain after satisfying all insurance, income, sales,
17 and use tax delinquencies, the remaining credits shall be issued
18 to the applicant, subject to the restrictions of other provisions
19 of law.

20 11. The director of revenue shall issue a refund to the
21 qualified company to the extent that the amount of tax credits
22 allowed under this program exceeds the amount of the qualified
23 company's tax liability under chapter 143 or 148.

24 12. An employee of a qualified company shall receive full
25 credit for the amount of tax withheld as provided in section
26 143.211.

27 13. Notwithstanding any provision of law to the contrary,
28 beginning August 28, 2013, no new benefits shall be authorized

1 for any project that had not received from the department a
2 proposal or approval for such benefits prior to August 28, 2013,
3 under the development tax credit program created under sections
4 32.100 to 32.125, the rebuilding communities tax credit program
5 created under section 135.535, the enhanced enterprise zone tax
6 credit program created under sections 135.950 to 135.973, and the
7 Missouri quality jobs program created under sections 620.1875 to
8 620.1890. The provisions of this subsection shall not be
9 construed to limit or impair the ability of any administering
10 agency to authorize or issue benefits for any project that had
11 received an approval or a proposal from the department under any
12 of the programs referenced in this subsection prior to August 28,
13 2013, or the ability of any taxpayer to redeem any such tax
14 credits or to retain any withholding tax under an approval issued
15 prior to that date. The provisions of this subsection shall not
16 be construed to limit or in any way impair the ability of any
17 governing authority to provide any local abatement or designate a
18 new zone under the enhanced enterprise zone program created by
19 sections 135.950 to 135.963. Notwithstanding any provision of
20 law to the contrary, no qualified company that is awarded
21 benefits under this program shall:

22 (1) Simultaneously receive benefits under the programs
23 referenced in this subsection at the same capital investment; or

24 (2) Receive benefits under the provisions of section
25 620.1910 for the same jobs.

26 14. If any provision of sections 620.2000 to 620.2020 or
27 application thereof to any person or circumstance is held
28 invalid, the invalidity shall not affect other provisions or

1 application of these sections which can be given effect without
2 the invalid provisions or application, and to this end, the
3 provisions of sections 620.2000 to 620.2020 are hereby declared
4 severable.

5 15. By no later than January 1, 2014, and the first day of
6 each calendar quarter thereafter, the department shall present a
7 quarterly report to the general assembly detailing the benefits
8 authorized under this program during the immediately preceding
9 calendar quarter to the extent such information may be disclosed
10 under state and federal law. The report shall include, at a
11 minimum:

12 (1) A list of all approved and disapproved applicants for
13 each tax credit;

14 (2) A list of the aggregate amount of new or retained jobs
15 that are directly attributable to the tax credits authorized;

16 (3) A statement of the aggregate amount of new capital
17 investment directly attributable to the tax credits authorized;

18 (4) Documentation of the estimated net state fiscal benefit
19 for each authorized project and, to the extent available, the
20 actual benefit realized upon completion of such project or
21 activity; and

22 (5) The department's response time for each request for a
23 proposed benefit award under this program.

24 16. The department may adopt such rules, statements of
25 policy, procedures, forms, and guidelines as may be necessary to
26 carry out the provisions of sections 620.2000 to 620.2020. Any
27 rule or portion of a rule, as that term is defined in section
28 536.010, that is created under the authority delegated in this

1 section shall become effective only if it complies with and is
2 subject to all of the provisions of chapter 536 and, if
3 applicable, section 536.028. This section and chapter 536 are
4 nonseverable and if any of the powers vested with the general
5 assembly pursuant to chapter 536 to review, to delay the
6 effective date, or to disapprove and annul a rule are
7 subsequently held unconstitutional, then the grant of rulemaking
8 authority and any rule proposed or adopted after August 28, 2013,
9 shall be invalid and void.

10 17. Under section 23.253 of the Missouri sunset act:

11 (1) The provisions of the [new] program authorized under
12 sections 620.2000 to 620.2020 shall [automatically sunset six
13 years after August 28, 2013, unless reauthorized by an act of the
14 general assembly] be reauthorized as of the effective date of
15 this act and shall expire on August 28, 2030; and

16 (2) If such program is reauthorized, the program authorized
17 under this section shall automatically sunset twelve years after
18 the effective date of this reauthorization of sections 620.2000
19 to 620.2020; and

20 (3) Sections 620.2000 to 620.2020 shall terminate on
21 September first of the calendar year immediately following the
22 calendar year in which the program authorized under sections
23 620.2000 to 620.2020 is sunset.