

HOUSE BILL NO. 1533

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BUTLER.

4102H.02I

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 620, RSMo, by adding thereto one new section relating to the economic education partnership act.

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

Section A. Chapter 620, RSMo, is amended by adding thereto one new section, to be known as section 620.3030, to read as follows:

620.3030. 1. This section shall be known and may be cited as the "Economic Education Partnership Act".

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

(1) "Educational benefits", 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 a qualified individual pursuing an associates degree, bachelor's degree, master's degree, or doctoral degree in health care, engineering, or information technology related programs;

(2) "Employer", a business:

a. With facilities in Missouri;

b. With fifty or fewer employees; and

c. That has entered into an agreement with the department of economic development that memorializes the employer's obligations under this section;

(3) "Qualified individual", an individual:

a. Who is a resident of this state;

b. Who is employed by or interning with an employer in Missouri;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

- 17 **c. Who has an annual individual gross income of two hundred thousand dollars or**
18 **less; and**
- 19 **d. Who:**
- 20 **(i) Receives training from an employer for no longer than one year; or**
21 **(ii) Pursues an associates degree, bachelor's degree, master's degree, or doctoral**
22 **degree**
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- 24 **in fields relating to health care, engineering, or information technology;**
- 25 **(4) "Training wages", the wages paid by an employer to a qualified individual while**
26 **the employer is training the qualified individual for an employment position in the health**
27 **care, engineering, or information technology fields;**
- 28 **(5) "Withholding tax", the state tax imposed by sections 143.191 to 143.265.**
- 29 **3. An employer that provides educational benefits or training wages to a qualified**
30 **individual may retain the qualified individual's withholding tax up to the amount of**
31 **educational benefit or training wage provided and for a period of five years from the first**
32 **date on which the employer provides the educational benefits or training wages.**
- 33 **4. Before an employer is authorized to retain withholding taxes under subsection**
34 **3 of this section, the employer shall enter into an agreement with the department of**
35 **economic development that memorializes the employer's obligation to employ the qualified**
36 **individual for at least the same length of time as the employer is authorized to retain**
37 **withholding taxes under this section.**
- 38 **5. Any employer that fails to comply with its agreement with the department of**
39 **economic development shall immediately cease retaining any withholding tax and shall**
40 **forfeit all rights to retain withholding tax. The employer shall repay any amounts of**
41 **withholding tax retained plus interest of five percent per annum.**
- 42 **6. No employer shall retain withholding tax for educational benefits or training**
43 **wages provided to any qualified individual who is a relative of a director, manager, or**
44 **owner of the business within the fourth degree by consanguinity or affinity.**
- 45 **7. The aggregate amount of withholding tax that may be retained by all employers**
46 **under this section shall not exceed two million dollars.**
- 47 **8. The department of economic development may audit employers to ensure**
48 **compliance with the provisions of this section.**
- 49 **9. The department of economic development and the department of revenue may**
50 **promulgate rules to implement the provisions of this section. Any rule or portion of a rule,**
51 **as that term is defined in section 536.010, that is created under the authority delegated in**
52 **this section shall become effective only if it complies with and is subject to all of the**

53 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536
54 are nonseverable, and if any of the powers vested with the general assembly pursuant to
55 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
56 subsequently held unconstitutional, then the grant of rulemaking authority and any rule
57 proposed or adopted after August 28, 2018, shall be invalid and void.

58 10. Notwithstanding the provisions of section 23.253, the program authorized under
59 this section shall expire seven years after the effective date of this act.

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