

House \_\_\_\_\_ Amendment NO. \_\_\_\_\_

Offered By \_\_\_\_\_

1 AMEND House Committee Substitute for Senate Bill No. 365, Page 16, Section 620.2020, Line  
2 245, by inserting after all of said section and line the following:

3  
4 "620.2250. 1. This section shall be known and may be cited as the "Targeted Industrial  
5 Manufacturing Enhancement Zones Act".

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

7 (1) "County average wage", the average wage in each county as determined by the  
8 department for the most recently completed full calendar year. However, if the computed county  
9 average wage is above the statewide average wage, the statewide average wage shall be deemed the  
10 county average wage for such county for the purpose of determining eligibility;

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

12 (3) "New job", the number of full-time employees located at the project facility that exceeds  
13 the project facility base employment less any decrease in the number of full-time employees at  
14 related facilities below the related facility base employment. No job that was created prior to the  
15 date of the completion of an agreement pursuant to subsection 6 of this section and no job that is  
16 relocated from another location within this state shall be deemed a new job. An employee that  
17 spends less than fifty percent of the employee's work time at the facility is still considered to be  
18 located at a facility if the employee receives his or her directions and control from that facility, is on  
19 the facility's payroll, one hundred percent of the employee's income from such employment is  
20 Missouri income, and the employee is paid at or above the county average wage;

21 (4) "Political subdivision", a town, village, city, or county located in this state;

22 (5) "Related facility", a facility operated by a company or a related company prior to the  
23 establishment of the TIME zone in question, and which is directly related to the operations of the  
24 facility within the new TIME zone;

25 (6) "TIME zone", an area identified through an ordinance or resolution passed pursuant to  
26 subsection 4 of this section that is being developed or redeveloped for any purpose so long as any  
27 infrastructure or building built or improved is in the development area;

28 (7) "Zone board", the governing body of a TIME zone.

29 3. The governing bodies of at least two contiguous or overlapping political subdivisions in  
30 this state may establish one or more TIME zones, which shall be political subdivisions of the state,  
31 for the purposes of completing infrastructure projects to promote the economic development of the  
32 region. Such zones may only include the area within the governing bodies' jurisdiction, ownership,  
33 or control, and may include any such area. The governing bodies shall determine the boundaries for  
34 each TIME zone, and more than one TIME zone may exist within the governing bodies' jurisdiction  
35 or under the governing bodies' ownership or control, and may be expanded or contracted by  
36 resolution of the zone board.

Action Taken \_\_\_\_\_ Date \_\_\_\_\_

4. (1) To establish a TIME zone, the governing bodies of at least two political subdivisions shall each propose an ordinance or resolution creating such zone. Such ordinance or resolution shall set forth the names of the political subdivisions which will form the TIME zone, the general nature of the proposed improvements, the estimated cost of such improvements, the boundaries of the proposed TIME zone, and the estimated number of new jobs to be created in the TIME zone. Prior to approving such ordinance or resolution, each governing body shall hold a public hearing to consider the creation of the TIME zone and the proposed improvements therein. The governing bodies shall hear and pass upon all objections to the TIME zone and the proposed improvements, if any, and may amend the proposed improvements, and the plans and specifications therefor.

(2) After the passage or adoption of the ordinance or resolution creating the TIME Zone, governance of the TIME zone shall be by the zone board, which shall consist of seven members selected from the political subdivisions creating the TIME zone. Members of a zone board shall receive no salary or other compensation for their services as members, but shall receive their necessary traveling and other expenses incurred while actually engaged in the discharge of their official duties. The zone board may expand or contract such TIME zone through an ordinance or resolution following a public hearing conducted to consider such expansion or contraction.

5. The boundaries of the proposed TIME zone shall be described by metes and bounds, streets, or other sufficiently specific description.

6. (1) Prior to retaining any state withholding tax pursuant to subsection 9 of this section, a zone board shall enter into an agreement with the department. Such agreement shall include, but shall not be limited to:

- (a) The estimated number of new jobs to be created;
- (b) The estimated average wage of new jobs to be created;
- (c) The estimated net fiscal impact of the new jobs;
- (d) The estimated costs of the proposed improvements;
- (e) The estimated amount of withholding tax to be retained pursuant to subsection 9 of this section over the period of the agreement; and
- (f) A copy of the ordinance establishing the board and a list of its members.

(2) The department shall not approve an agreement with a zone board unless the zone board commits to creating the following number of new jobs:

- (a) For a TIME zone with a total population of less than five thousand inhabitants as determined by the most recent decennial census, a minimum of five new jobs with an average wage that equals or exceeds ninety percent of the county average wage;
- (b) For a TIME zone with a total population of at least five thousand inhabitants but less than fifty thousand inhabitants as determined by the most recent decennial census, a minimum of ten new jobs with an average wage that equals or exceeds ninety percent of the county average wage;
- (c) For a TIME zone with a total population of at least fifty thousand inhabitants but less than one hundred fifty thousand inhabitants as determined by the most recent decennial census, a minimum of fifteen new jobs with an average wage that equals or exceeds ninety percent of the county average wage; and
- (d) For a TIME zone with a total population of at least one hundred fifty thousand inhabitants as determined by the most recent decennial census, a minimum of twenty-five new jobs with an average wage that equals or exceeds ninety percent of the county average wage.

7. (1) The term of the agreement entered into pursuant to subsection 6 of this section shall not exceed ten years. A zone board may apply to the department for approval to renew any agreement. Such application shall be made on forms provided by the department. In determining whether to approve the renewal of an agreement, the department shall consider:

- (a) The number of new jobs created and the average wage and net fiscal impact of such jobs;
- (b) The outstanding improvements to be made within the TIME zone and the funding

1 necessary to complete such improvements; and

2 (c) Any other factor the department requires.

3 (2) The department may approve the renewal of an agreement for a period not to exceed ten  
 4 years. If a zone board has not met the new job requirements pursuant to subdivision (2) of  
 5 subsection 6 of this section by the end of the agreement, the department shall recapture from such  
 6 zone board the amount of withholding tax retained by the zone board pursuant to this section and the  
 7 department shall not approve the renewal of an agreement with such zone board.

8 (3) A zone board shall not retain any withholding tax pursuant to this section in excess of  
 9 the costs of improvements completed by the zone board.

10 8. If a qualified company is retaining withholding tax pursuant to sections 620.2000 to  
 11 620.2020 for new jobs, as such terms are defined in section 620.2005, that also qualify for the  
 12 retention of withholding tax pursuant to this section, the department shall not authorize an  
 13 agreement pursuant to this section that results in more than fifty percent of the withholding tax for  
 14 such new jobs being retained pursuant to this section and sections 620.2000 to 620.2020.

15 9. Upon the completion of an agreement pursuant to subsection 6 of this section, twenty-five  
 16 percent of the state tax withholdings imposed by sections 143.191 to 143.265 on new jobs within a  
 17 TIME zone after development or redevelopment has commenced shall not be remitted to the general  
 18 revenue fund of the state of Missouri. Such moneys shall be deposited into the TIME zone fund  
 19 established pursuant to subsection 10 of this section for the purpose of continuing to expand,  
 20 develop, and redevelop TIME zones identified by the zone board, and may be used for managerial,  
 21 engineering, legal, research, promotion, planning, and any other expenses.

22 10. There is hereby created in the state treasury the "TIME Zone Fund", which shall consist  
 23 of money collected under this section. The state treasurer shall be custodian of the fund and may  
 24 approve disbursements from the fund in accordance with sections 30.170 and 30.180 to the zone  
 25 boards of the TIME zones from which the funds were collected, less the pro-rata portion  
 26 appropriated by the general assembly to be used solely for the administration of this section, which  
 27 shall not exceed ten percent of the total amount collected within the TIME zones of a zone board.  
 28 Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund  
 29 at the end of the biennium shall not revert to the credit of the general revenue fund. The state  
 30 treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any  
 31 interest and moneys earned on such investments shall be credited to the fund.

32 11. The zone board shall approve projects consistent with the provisions of this section that  
 33 begin construction and disburse any money collected under this section. The zone board shall  
 34 submit an annual budget for the funds to the department explaining how and when such money will  
 35 be spent.

36 12. A zone board shall submit an annual report by December thirty-first of each year to the  
 37 department and the general assembly. Such report shall include, but shall not be limited to:

38 (1) The locations of the established TIME zones governed by the zone board;

39 (2) The number of new jobs created within the TIME zones governed by the zone board;

40 (3) The average wage of the new jobs created within the TIME zones governed by the zone  
 41 board;

42 (4) The improvements utilizing TIME zone funding;

43 (5) The amount of TIME zone funding utilized for each improvement and the total amount  
 44 of TIME zone funds expended; and

45 (6) The amount of withholding tax retained pursuant to subsection 9 of this section from  
 46 new jobs created within the TIME zones governed by the zone board.

47 13. No political subdivision shall establish a TIME zone with boundaries that overlap the  
 48 boundaries of an advanced industrial manufacturing zone established pursuant to section 68.075.

49 14. The total amount of withholding taxes retained by all TIME zones pursuant to the

1 provisions of this section shall not exceed five million dollars per fiscal year.

2 15. The department may promulgate rules to implement the provisions of this section. Any  
3 rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority  
4 delegated in this section shall become effective only if it complies with and is subject to all of the  
5 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are  
6 nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to  
7 review, to delay the effective date, or to disapprove and annul a rule are subsequently held  
8 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after  
9 August 28, 2021, shall be invalid and void.

10 16. The provisions of section 23.253 notwithstanding, no TIME zone may be established  
11 after August 28, 2024. Any TIME zone created prior to such date shall continue to exist and be  
12 coterminous with the retirement of any debts incurred for improvements made within the TIME  
13 zone. No debts may be incurred or reauthorized using TIME zone revenue after August 28, 2024.";  
14 and

15  
16 Further amend said bill by amending the title, enacting clause, and intersectional references  
17 accordingly.