SECOND REGULAR SESSION

HOUSE COMMITTEE SUBSTITUTE FOR

SENATE SUBSTITUTE NO.2 FOR

SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 968

101ST GENERAL ASSEMBLY

4530H.09C DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 8.250, 44.032, 130.029, 135.800, 135.802, 135.805, 135.810, 135.815, 135.825, 143.081, 143.119, 288.132, 311.060, 347.143, 415.415, 493.050, 493.070, 537.528, and 620.1039, RSMo, and to enact in lieu thereof thirty-three new sections relating to business entities, with penalty provisions and with a delayed effective date for certain sections.

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

Section A. Sections 8.250, 44.032, 130.029, 135.800, 135.802, 135.805, 135.810, 135.815, 135.825, 143.081, 143.119, 288.132, 311.060, 347.143, 415.415, 493.050, 493.070, 537.528, and 620.1039, RSMo, are repealed and thirty-three new sections enacted in lieu thereof, to be known as sections 8.250, 44.032, 105.1500, 130.029, 135.800, 135.802, 135.805, 135.810, 135.815, 135.825, 143.081, 143.119, 143.436, 288.132, 288.133, 311.060, 311.094, 347.143, 407.475, 415.415, 431.204, 493.050, 493.070, 537.529, 620.1039, 620.3900, 620.3905, 620.3910, 620.3915, 620.3920, 620.3925, 620.3930, and 1, to read as follows:

8.250. 1. "Project" for the purposes of this chapter means the labor or material necessary for the construction, renovation, or repair of improvements to real property so that the work, when complete, shall be ready for service for its intended purpose and shall require no other work to be a completed system or component.

2. All contracts for projects, the cost of which exceeds twenty-five thousand dollars, entered into by any city containing five hundred thousand inhabitants or more shall be let to the lowest, responsive, responsible bidder or bidders after notice and publication of an

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.

advertisement for five days in a daily newspaper in the county where the work is located, or at least twice over a period of ten days or more in a newspaper in the county where the work is located, and in two daily newspapers in the state which do not have less than fifty thousand daily circulation, and by such other means as are determined to be most likely to reach potential bidders **or by posting an invitation for bid on the website of the city or through an electronic procurement system**.

3. All contracts for projects, the cost of which exceeds one hundred thousand dollars, entered into by an officer or agency of this state shall be let to the lowest, responsive, responsible bidder or bidders based on preestablished criteria after notice and publication of an advertisement for five days in a daily newspaper in the county where the work is located, or at least twice over a period of ten days or more in a newspaper in the county where the work is located and in one daily newspaper in the state which does not have less than fifty thousand daily circulation and by such other means as determined to be most likely to reach potential bidders **or by posting an invitation for bid on the website of the officer or agency or through an electronic procurement system**. For all contracts for projects between twenty-five thousand dollars and one hundred thousand dollars, a minimum of three contractors shall be solicited with the award being made to the lowest responsive, responsible bidder based on preestablished criteria.

4. The number of such public bids shall not be restricted or curtailed, but shall be open to all persons complying with the terms upon which the bids are requested or solicited unless debarred for cause. No contract shall be awarded when the amount appropriated for same is not sufficient to complete the work ready for service.

5. Dividing a project into component labor or material allocations for the purpose of avoiding bidding or advertising provisions required by this section is specifically prohibited.

44.032. 1. **(1) As used in this section, the term "rural electric cooperative" means any rural electric cooperative organized or operating under the provisions of chapter 394, any corporation organized on a nonprofit or a cooperative basis as described in subsection 1 of section 394.200, or any electrical corporation operating under a cooperative business plan as described in subsection 2 of section 393.110.**

(2) The general assembly recognizes the necessity for anticipating and making advance provisions to care for the unusual and extraordinary burdens imposed **by disasters or emergencies** on this state **[**~~and~~**],** its political subdivisions **[**~~by disasters or emergencies~~**], and rural electric cooperatives**. To meet such situations, it is the intention of the general assembly to confer emergency powers on the governor, acting through the director, and vesting the governor with adequate power and authority within the limitation of available funds in the Missouri disaster fund to meet any such emergency or disaster.

2. There is hereby established a fund to be known as the "Missouri Disaster Fund", to which the general assembly may appropriate funds and from which funds may be appropriated annually to the state emergency management agency. The funds appropriated shall be expended during a state emergency at the direction of the governor and upon the issuance of an emergency declaration which shall set forth the emergency and shall state that it requires the expenditure of public funds to furnish immediate aid and relief. The director of the state emergency management agency shall administer the fund.

3. Expenditures may be made upon direction of the governor for emergency management, as defined in section 44.010, or to implement the state disaster plans. Expenditures may also be made to meet the matching requirements of state and federal agencies for any applicable assistance programs.

4. Assistance may be provided from the Missouri disaster fund to political subdivisions of this state **[**~~which~~**] and rural electric cooperatives that** have suffered from a disaster to such an extent as to impose a severe financial burden exceeding the ordinary reserve capacity of the subdivision **or rural electric cooperative** affected. Applications for aid under this section shall be made to the state emergency management agency on such forms as may be prescribed and furnished by the agency, which forms shall require the furnishing of sufficient information to determine eligibility for aid and the extent of the financial burden incurred. The agency may call upon other agencies of the state in evaluating such applications. The director of the state emergency management agency shall review each application for aid under the provisions of this section and recommend its approval or disapproval, in whole or in part, to the governor. If approved, the governor shall determine and certify to the director of the state emergency management agency the amount of aid to be furnished. The director of the state emergency management agency shall thereupon issue **[**~~his~~**] the director's** voucher to the commissioner of administration, who shall issue **[**~~his~~**] the commissioner's** warrants therefor to the applicant.

5. When a disaster or emergency has been proclaimed by the governor or there is a national emergency, the director of the state emergency management agency, upon order of the governor, shall have authority to expend funds for the following:

(1) The purposes of sections 44.010 to 44.130 and the responsibilities of the governor and the state emergency management agency as outlined in sections 44.010 to 44.130;

(2) Employing, for the duration of the response and recovery to emergency, additional personnel and contracting or otherwise procuring necessary appliances, supplies, equipment, and transport;

(3) Performing services for and furnishing materials and supplies to state government agencies, counties, **[**~~and~~**]** municipalities**, and rural electric cooperatives** with respect to performance of any duties enjoined by law upon such agencies, counties, **[**~~and~~**]**

municipalities**, and rural electric cooperatives** which they are unable to perform because of extreme natural or man-made phenomena, and receiving reimbursement in whole or in part from such agencies, counties, **[**~~and~~**]** municipalities**, and rural electric cooperatives** able to pay therefor under such terms and conditions as may be agreed upon by the director of the state emergency management agency and any such agency, county, **[**~~or~~**]** municipality**, or rural electric cooperative**;

(4) Performing services for and furnishing materials to any individual in connection with alleviating hardship and distress growing out of extreme natural or man-made phenomena, and receiving reimbursement in whole or in part from such individual under such terms as may be agreed upon by the director of the state emergency management agency and such individual;

(5) Providing services to counties and municipalities with respect to quelling riots and civil disturbances;

(6) Repairing and restoring public infrastructure;

(7) Furnishing transportation for supplies to alleviate suffering and distress;

(8) Furnishing medical services and supplies to prevent the spread of disease and epidemics;

(9) Quelling riots and civil disturbances;

(10) Training individuals or governmental agencies for the purpose of perfecting the performance of emergency assistance duties as defined in the state disaster plans;

(11) Procurement, storage, and transport of special emergency supplies or equipment determined by the director to be necessary to provide rapid response by state government to assist counties and municipalities in impending or actual emergencies;

(12) Clearing or removing from publicly or privately owned land or water, debris and wreckage which may threaten public health or safety;

(13) Reimbursement to any urban search and rescue task force for any reasonable and necessary expenditures incurred in the course of responding to any declared emergency under this section; and

(14) Such other measures as are customarily necessary to furnish adequate relief in cases of catastrophe or disaster.

6. The governor may receive such voluntary contributions as may be made from any source to aid in carrying out the purposes of this section and shall credit the same to the Missouri disaster fund.

7. All obligations and expenses incurred by the governor in the exercise of the powers and duties vested by the provisions of this section shall be paid by the state treasurer out of available funds in the Missouri disaster fund, and the commissioner of administration shall draw warrants upon the state treasurer for the payment of such sum, or so much thereof as

may be required, upon receipt of proper vouchers provided by the director of the state emergency management agency.

8. The provisions of this section shall be liberally construed in order to accomplish the purposes of sections 44.010 to 44.130 and to permit the governor to cope adequately with any emergency which may arise, and the powers vested in the governor by this section shall be construed as being in addition to all other powers presently vested in the governor and not in derogation of any existing powers.

9. Such funds as may be made available by the government of the United States for the purpose of alleviating distress from disasters may be accepted by the state treasurer and shall be credited to the Missouri disaster fund, unless otherwise specifically provided in the act of Congress making such funds available.

10. The foregoing provisions of this section notwithstanding, any expenditure or proposed series of expenditures which total in excess of one thousand dollars per project shall be approved by the governor prior to the expenditure.

105.1500. 1. This section shall be known and may be cited as "The Personal Privacy Protection Act".

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

(1) "Personal information", any list, record, register, registry, roll, roster, or other compilation of data of any kind that directly or indirectly identifies a person as a member, supporter, or volunteer of, or donor of financial or nonfinancial support to, any entity exempt from federal income tax under Section 501(c) of the Internal Revenue Code of 1986, as amended;

(2) "Public agency", the state and any political subdivision thereof including, but not limited to, any department, agency, office, commission, board, division, or other entity of state government; any county, city, township, village, school district, community college district; or any other local governmental unit, agency, authority, council, board, commission, state or local court, tribunal or other judicial or quasi-judicial body.

3. (1) Notwithstanding any provision of law to the contrary, but subject to the exceptions listed under subsection 4 of this section, a public agency shall not:

(a) Require any individual to provide the public agency with personal information or otherwise compel the release of personal information;

(b) Require any entity exempt from federal income taxation under Section 501(c) of the Internal Revenue Code to provide the public agency with personal information or otherwise compel the release of personal information;

(c) Release, publicize, or otherwise publicly disclose personal information in possession of a public agency; or

(d) Request or require a current or prospective contractor or grantee with the public agency to provide the public agency with a list of entities exempt from federal income taxation under Section 501(c) of the Internal Revenue Code of 1986, as amended, to which it has provided financial or nonfinancial support.

(2) All personal information in the possession of a public agency shall be considered a closed record under chapter 610.

4. The provisions of this section shall not preclude any individual or entity from being required to comply with any of the following:

(1) Submitting any report or disclosure required by this chapter or chapter 130;

(2) Responding to any lawful request or subpoena for personal information from the Missouri ethics commission as a part of an investigation, or publicly disclosing personal information as a result of an enforcement action from the Missouri ethics commission pursuant to its authority in sections 105.955 to 105.966;

(3) Responding to any lawful warrant for personal information issued by a court of competent jurisdiction;

(4) Responding to any lawful request for discovery of personal information in litigation if:

(a) The requestor demonstrates a compelling need for the personal information by clear and convincing evidence; and

(b) The requestor obtains a protective order barring disclosure of personal information to any person not named in the litigation;

(5) Any report or disclosure required by state law to be filed with the secretary of state, provided that personal information obtained by the secretary of state is otherwise subject to the requirements of paragraph (c) of subdivision (1) of subsection 3 of this section, unless expressly required to be made public by state law; or

(6) Admitting any personal information as relevant evidence before a court of competent jurisdiction. However, no court shall publicly reveal personal information absent a specific finding of good cause.

5. (1) A person or entity alleging a violation of this section may bring a civil action for appropriate injunctive relief, damages, or both. Damages awarded under this section may include one of the following, as appropriate:

(a) A sum of moneys not less than two thousand five hundred dollars to compensate for injury or loss caused by each violation of this section; or

(b) For an intentional violation of this section, a sum of moneys not to exceed three times the sum described in paragraph (a) of this subdivision.

(2) A court, in rendering a judgment in an action brought under this section, may award all or a portion of the costs of litigation, including reasonable attorney's fees

and witness fees, to the complainant in the action if the court determines that the award is appropriate.

130.029. 1. Nothing herein contained shall be construed to prohibit any corporation organized under any general or special law of this state, or any other state or by an act of the Congress of the United States or any labor organization, cooperative association or mutual association from making any contributions or expenditures, provided:

(1) That the board of directors of any corporation by resolution has authorized contributions or expenditures, or by resolution has authorized a designated officer to make such contributions or expenditures; or

(2) That the members of any labor organization, cooperative association or mutual association have authorized contributions or expenditures by a majority vote of the members present at a duly called meeting of any such labor organization, cooperative association or mutual association or by such vote has authorized a designated officer to make such contributions or expenditures.

2. No provision of this section shall be construed to authorize contributions or expenditures otherwise prohibited by, or to change any necessary percentage of vote otherwise required by, the articles of incorporation or association or bylaws of such labor organization, corporation, cooperative or mutual association.

3. Authority to make contributions or expenditures as authorized by this section shall be adopted by general or specific resolution. This resolution shall state the total amount of contributions or expenditures authorized, the purposes of such contributions or expenditures and the time period within which such authority shall exist.

4. (1) Any limited liability company that is duly registered pursuant to chapter 347 and that has not elected to be classified as a corporation under the federal tax code may make contributions to any committee if the limited liability company has:

(a) Been in existence for at least one year prior to such contribution; and

(b) Electronically filed with the Missouri ethics commission indicating that the limited liability company is a legitimate business with a legitimate business interest and is not created for the sole purpose of making campaign contributions.

(2) The Missouri ethics commission shall develop a method for limited liability companies to use for purposes of paragraph (b) of subdivision (1) of this subsection. The commission shall post all information submitted pursuant to this subdivision on its website in a searchable format.

135.800. 1. The provisions of sections 135.800 to 135.830 shall be known and may be cited as the "Tax Credit Accountability Act of 2004".

2. As used in sections 135.800 to 135.830, the following terms mean:

(1) "Administering agency", the state agency or department charged with administering a particular tax credit program, as set forth by the program's enacting statute; where no department or agency is set forth, the department of revenue;

(2) "Agricultural tax credits", the agricultural product utilization contributor tax credit created pursuant to section 348.430, the new generation cooperative incentive tax credit created pursuant to section 348.432, the family farm breeding livestock loan tax credit created under section 348.505, the qualified beef tax credit created under section 135.679, and the wine and grape production tax credit created pursuant to section 135.700;

(3) **[**~~"All tax credit programs", or "any tax credit program", the tax credit programs included in the definitions of agricultural tax credits, business recruitment tax credits, community development tax credits, domestic and social tax credits, entrepreneurial tax credits, environmental tax credits, financial and insurance tax credits, housing tax credits, redevelopment tax credits, and training and educational tax credits;~~

~~(4)~~**]** "Business recruitment tax credits", the business facility tax credit created pursuant to sections 135.110 to 135.150 and section 135.258, the enterprise zone tax benefits created pursuant to sections 135.200 to 135.270, the business use incentives for large-scale development programs created pursuant to sections 100.700 to 100.850, the development tax credits created pursuant to sections 32.100 to 32.125, the rebuilding communities tax credit created pursuant to section 135.535, the film production tax credit created pursuant to section 135.750, the enhanced enterprise zone created pursuant to sections 135.950 to 135.970, and the Missouri quality jobs program created pursuant to sections 620.1875 to 620.1900;

[~~(5)~~**] (4)** "Community development tax credits", the neighborhood assistance tax credit created pursuant to sections 32.100 to 32.125, the family development account tax credit created pursuant to sections 208.750 to 208.775, the dry fire hydrant tax credit created pursuant to section 320.093, and the transportation development tax credit created pursuant to section 135.545;

[~~(6)~~**] (5)** "Domestic and social tax credits", the youth opportunities tax credit created pursuant to section 135.460 and sections 620.1100 to 620.1103, the shelter for victims of domestic violence created pursuant to section 135.550, the senior citizen or disabled person property tax credit created pursuant to sections 135.010 to 135.035, the adoption tax credit created pursuant to sections 135.325 to 135.339, the champion for children tax credit created pursuant to section 135.341, the maternity home tax credit created pursuant to section 135.600, the surviving spouse tax credit created pursuant to section 135.090, the residential treatment agency tax credit created pursuant to section 135.1150, the pregnancy resource center tax credit created pursuant to section 135.630, the food pantry tax credit created pursuant to section 135.647, **[**~~the health care access fund tax credit created pursuant to section 135.575,~~**]** the residential dwelling access tax credit created pursuant to section 135.562, the

developmental disability care provider tax credit created under section 135.1180, the shared care tax credit created pursuant to section 192.2015, **the health, hunger, and hygiene tax credit created pursuant to section 135.1125,** and the diaper bank tax credit created pursuant to section 135.621;

[~~(7)~~**] (6)** "Entrepreneurial tax credits", the capital tax credit created pursuant to sections 135.400 to 135.429, the certified capital company tax credit created pursuant to sections 135.500 to 135.529, the seed capital tax credit created pursuant to sections 348.300 to 348.318, the new enterprise creation tax credit created pursuant to sections 620.635 to 620.653, the research tax credit created pursuant to section 620.1039, the small business incubator tax credit created pursuant to section 620.495, the guarantee fee tax credit created pursuant to section 135.766, and the new generation cooperative tax credit created pursuant to sections 32.105 to 32.125;

[~~(8)~~**] (7)** "Environmental tax credits", the charcoal producer tax credit created pursuant to section 135.313, the wood energy tax credit created pursuant to sections 135.300 to 135.311, and the alternative fuel stations tax credit created pursuant to section 135.710;

[~~(9)~~**] (8)** "Financial and insurance tax credits", the bank franchise tax credit created pursuant to section 148.030, the bank tax credit for S corporations created pursuant to section 143.471, the exam fee tax credit created pursuant to section 148.400, the health insurance pool tax credit created pursuant to section 376.975, the life and health insurance guaranty tax credit created pursuant to section 376.745, the property and casualty guaranty tax credit created pursuant to section 375.774, and the self-employed health insurance tax credit created pursuant to section 143.119;

[~~(10)~~**] (9)** "Housing tax credits", the neighborhood preservation tax credit created pursuant to sections 135.475 to 135.487, the low-income housing tax credit created pursuant to sections 135.350 to 135.363, and the affordable housing tax credit created pursuant to sections 32.105 to 32.125;

[~~(11)~~**] (10)** "Recipient", the individual or entity who **both:**

(a) Is the original applicant for **[**~~and who receives proceeds from a tax credit program directly from the administering agency, the person or entity responsible for the reporting requirements established in section 135.805~~**] a tax credit; and**

(b) Who directly receives a tax credit or the right to transfer a tax credit under a tax credit program, regardless as to whether the tax credit has been used or redeemed; a recipient shall not include the transferee of a transferable tax credit;

[~~(12)~~**] (11)** "Redevelopment tax credits", the historic preservation tax credit created pursuant to sections 253.545 to 253.559, the brownfield redevelopment program tax credit created pursuant to sections 447.700 to 447.718, the community development corporations tax credit created pursuant to sections 135.400 to 135.430, the infrastructure tax credit created

pursuant to subsection 6 of section 100.286, the bond guarantee tax credit created pursuant to section 100.297, the disabled access tax credit created pursuant to section 135.490, the new markets tax credit created pursuant to section 135.680, and the distressed areas land assemblage tax credit created pursuant to section 99.1205;

(12) "Tax credit program", any of the tax credit programs included in the definitions of agricultural tax credits, business recruitment tax credits, community development tax credits, domestic and social tax credits, entrepreneurial tax credits, environmental tax credits, housing tax credits, redevelopment tax credits, and training and educational tax credits;

(13) "Training and educational tax credits", the Missouri works new jobs tax credit and Missouri works retained jobs credit created pursuant to sections 620.800 to 620.809.

135.802. 1. Beginning January 1, 2005, all applications for all tax credit programs shall include, in addition to any requirements provided by the enacting statutes of a particular credit program, the following information to be submitted to the department administering the tax credit:

(1) Name, address, and phone number of the applicant or applicants, and the name, address, and phone number of a contact person or agent for the applicant or applicants;

(2) Taxpayer type, whether individual, corporation, nonprofit or other, and taxpayer identification number, if applicable;

(3) Standard industry code, if applicable;

(4) Program name and type of tax credit, including the identity of any other state or federal program being utilized for the same activity or project; and

(5) Number of estimated jobs to be **directly** created, as a result of the tax credits, if applicable, separated by construction, part-time permanent, and full-time permanent.

2. In addition to the information required by subsection 1 of this section, an applicant for a community development tax credit shall also provide information detailing the title and location of the corresponding project, the estimated time period for completion of the project, and all geographic areas impacted by the project.

3. In addition to the information required by subsection 1 of this section, an applicant for a redevelopment tax credit shall also provide information detailing the location and legal description of the property, age of the structure, if applicable, whether the property is residential, commercial, or governmental, and the projected project cost, labor cost, and projected date of completion. Where a redevelopment tax credit applicant is required to submit contemporaneously a federal application for a similar credit on the same underlying project, the submission of a copy of the federal application shall be sufficient to meet the requirements of this subsection.

4. In addition to the information required by subsection 1 of this section, an applicant for a business recruitment tax credit shall also provide information detailing the category of business by size, the address of the business headquarters and all offices located within this state, the number of employees at the time of the application, the number of employees projected to increase as a result of the completion of the project, and the estimated project cost.

5. In addition to the information required by subsection 1 of this section, an applicant for a training and educational tax credit shall also provide information detailing the name and address of the educational institution to be used, the average salary of workers to be served, the estimated project cost, and the number of employees and number of students to be served.

6. In addition to the information required by subsection 1 of this section, an applicant for a housing tax credit also shall provide information detailing the address, legal description, and fair market value of the property, and the projected labor cost and projected completion date of the project. Where a housing tax credit applicant is required to submit contemporaneously a federal application for a similar credit on the same underlying project, the submission of a copy of the federal application shall be sufficient to meet the requirements of this subsection. For the purposes of this subsection, "fair market value" means the value as of the purchase of the property or the most recent assessment, whichever is more recent.

7. In addition to the information required by subsection 1 of this section, an applicant for an entrepreneurial tax credit shall also provide information detailing the amount of investment and the names of the project, fund, and research project.

8. In addition to the information required by subsection 1 of this section, an applicant for an agricultural tax credit shall also provide information detailing the type of agricultural commodity, the amount of contribution, the type of equipment purchased, and the name and description of the facility.

9. In addition to the information required by subsection 1 of this section, an applicant for an environmental tax credit shall also include information detailing the type of equipment, if applicable, purchased and any environmental impact statement, if required by state or federal law.

10. An administering agency**, or the department of economic development with the consent of an administering agency,** may, by rule, require additional information to be submitted by an applicant. Any rule or portion of a rule, as that term is defined in section 536.010, that is created pursuant to the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the

effective date or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2004, shall be void.

11. Where the sole requirement for receiving a tax credit in the enabling legislation of any tax credit is an obligatory assessment upon a taxpayer or a monetary contribution to a particular group or entity, the application requirements provided in this section shall apply to the recipient of such assessment or contribution and shall not apply to the assessed nor the contributor.

12. It shall be the duty of each administering agency to provide information to every applicant, at some time prior to authorization of an applicant's tax credit application, wherein the requirements of this section, the annual reporting requirements of section 135.805, and the penalty provisions of section 135.810 are described in detail. **Every applicant for a tax credit under a tax credit program, as part of the application process and as a condition of receiving such tax credit, shall sign a statement affirming that the applicant is aware of the reporting requirements of section 135.805 and the penalty provisions of section 135.810.**

135.805. 1. A recipient of any tax credit program, except domestic and social tax credits**[**~~, environmental tax credits,~~**]** or financial and insurance tax credits, shall **[**~~annually~~**] on June thirtieth of each year**, for a period of three years following the issuance of the tax credits, provide to the administering agency the actual number of jobs **directly** created **that year as of June thirtieth** as a result of the tax credits, **[**~~at the location on the last day of the annual reporting period,~~**]** separated by part-time permanent and full-time permanent for each month of the preceding twelve-month period.

2. A recipient of a community development tax credit shall **[**~~annually~~**] on June thirtieth of each year**, for a period of three years following issuance of tax credits, provide to the administering agency information confirming the title and location of the corresponding project, **the estimated and actual project cost,** the estimated **[**~~or~~**] and** actual time period for completion of the project, and all geographic areas impacted by the project.

3. A recipient of a redevelopment tax credit shall **[**~~annually~~**] on June thirtieth of each year**, for a period of three years following issuance of tax credits, provide to the administering agency information confirming whether the property is used for residential, commercial, or governmental purposes, and the projected **[**~~or~~**] and** actual project cost, labor cost, and date of completion.

4. A recipient of a business recruitment tax credit shall **[**~~annually~~**] on June thirtieth of each year**, for a period of three years following issuance of tax credits, provide to the administering agency information confirming the category of business by size, the address of the business headquarters and all offices located within this state, the number of employees at

the time of the annual update, an updated estimate of the number of employees projected to increase as a result of the completion of the project, and the estimated **[**~~or~~**]** **and** actual project cost.

5. A recipient of a training and educational tax credit shall **[**~~annually~~**]** **on June thirtieth of each year**, for a period of three years following issuance of tax credits, provide to the administering agency information confirming the name and address of the educational institution used, the average salary of workers served as of such annual update, the estimated **[**~~or~~**]** **and** actual project cost, and the number of employees and number of students served as of such annual update.

6. A recipient of a housing tax credit shall **[**~~annually~~**]** **on June thirtieth of each year**, for a period of three years following issuance of tax credits, provide to the administering agency information confirming the address of the property, the fair market value of the property, as defined in subsection 6 of section 135.802, and the projected **[**~~or~~**]** **and** actual labor **[**~~cost~~**]** **and project costs** and completion date of the project.

7. A recipient of an entrepreneurial tax credit shall **[**~~annually~~**]** **on June thirtieth of each year**, for a period of three years following issuance of tax credits, provide to the administering agency information confirming the amount of investment and the names of the project, fund, and research project.

8. A recipient of an agricultural tax credit shall **[**~~annually~~**]** **on June thirtieth of each year**, for a period of three years following issuance of tax credits, provide to the administering agency information confirming the type of agricultural commodity, the amount of contribution, the type of equipment purchased, and the name and description of the facility, except that if the agricultural credit is issued as a result of a producer member investing in a new generation processing entity or new generation cooperative then the new generation processing entity or new generation cooperative, and not the recipient, shall **[**~~annually~~**]** **on June thirtieth of each year**, for a period of three years following issuance of tax credits, provide to the administering agency information confirming the type of agricultural commodity, the amount of contribution, the type of equipment purchased, and the name and description of the facility.

9. A recipient of an environmental tax credit shall **[**~~annually~~**]** **on June thirtieth of each year**, for a period of three years following issuance of tax credits, provide to the administering agency information detailing any change to the type of equipment purchased, if applicable, and any change to any environmental impact statement, if such statement is required by state or federal law.

10. **[**~~The reporting requirements established in this section shall be due annually on June thirtieth of each year.~~**]** No person or entity shall be required to make an annual report until at least one **[**~~year~~**]** **month** after the credit issuance date.

11. Where the sole requirement for receiving a tax credit in the enabling legislation of any tax credit is an obligatory assessment upon a taxpayer or a monetary contribution to a particular group or entity, the reporting requirements provided in this section shall apply to the recipient of such assessment or contribution and shall not apply to the assessed nor the contributor.

12. Where the enacting statutes of a particular tax credit program or the rules of a particular administering agency require reporting of information that includes the information required in sections 135.802 to 135.810, upon reporting of the required information, the applicant shall be deemed to be in compliance with the requirements of sections 135.802 to 135.810. The administering agency shall notify in writing the department of economic development of the administering agency's status as custodian of any particular tax credit program and that all records pertaining to the program are available at the administering agency's office **or electronically** for review by the department of economic development.

13. The provisions of subsections 1 to 10 of this section shall apply beginning on June 30, 2005.

14. Notwithstanding provisions of law to the contrary, every agency of this state charged with administering a tax credit program authorized under the laws of this state shall make available for public inspection the name of each tax credit recipient and the amount of tax credits issued to each such recipient. **An administering agency may satisfy this requirement by making such information available to the public through the department of economic development's website or the Missouri accountability portal.**

15. The department of economic development shall make all information provided under the provisions of this section available for public inspection on the department's website and the Missouri accountability portal.

16. The administering agency of any tax credit program for which reporting requirements are required under the provisions of subsection 1 of this section shall publish guidelines and may promulgate rules to implement the provisions of such subsection. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2009, shall be invalid and void.

135.810. 1. After credits have been issued, any failure to meet the annual reporting requirements established in section 135.805 or any determination of fraud in the application **or reporting** process shall result in penalties as follows:

(1) Failure to **file the first annual** report **due under section 135.805** for more than **[**~~six~~**] three** months **[**~~but less than one year~~**]** shall result in a penalty equal to **[**~~two~~**] one** percent of the value of the credits issued for each month of delinquency **[**~~during such time period~~**], provided such penalty shall not exceed a maximum of ten percent of the value of the credits issued**;

(2) Failure to **[**~~report~~**] file the second or third annual reports due under section 135.805** for more than **[**~~one year~~**] three months** shall result in a penalty equal to **[**~~ten~~**] one and one-half** percent of the value of the credits issued for each month of delinquency **[**~~during such time period~~**]** up to **[**~~one hundred percent of the value of the credit issued is assessed by way of penalty~~**] a maximum of twenty percent, per report, of the value of the credits issued**;

(3) Fraud in the application **or reporting** process shall result in a penalty equal to **[**~~one~~**] two** hundred percent of the credits issued. No **[**~~taxpayer~~**] recipient** shall be deemed to have committed fraud in the application **or reporting** process for any credit unless such conclusion has been reached by **[**~~a court of competent jurisdiction or~~**]** the administrative hearing commission. **The department of revenue, the department of economic development, or the administering agency may, by filing a complaint, submit to the administrative hearing commission the question of whether fraud in the application or reporting process for any credit has occurred. The burden of proof shall be on the governmental agency in such disputes. The issue shall be decided by the administrative hearing commission under the same procedural and evidentiary rules as ordinary contested cases before it.**

2. **[**~~Ninety~~**] Thirty** days after the annual report is past due, the administering agency shall send notice by registered **or certified** mail to the last known address of the person or entity obligated to complete the annual reporting informing such person or entity of the past-due annual report and describing in detail the pending penalties and their respective deadlines. **[**~~Six~~**] Three** months after the annual report is past due, the administering agency shall notify the department of revenue of any **[**~~taxpayer~~**] recipient** subject to penalties. The **[**~~taxpayer shall be liable for any penalties as of December thirty-first of any tax year and such liability~~**] payment of a penalty under this section** shall be due as of the filing date of the **[**~~taxpayer's~~**] recipient's** next income tax return. If the **[**~~taxpayer~~**] recipient** is not required to file an income tax return, the **[**~~taxpayer's~~**] recipient's** liability for penalties shall be due as of **the next** April fifteenth**[**~~ of each year~~**]**. The director of the department of revenue shall prepare forms and promulgate rules to allow for the reporting and satisfaction of liability for such penalties**, and, for valuable consideration, may enter into agreements to compromise or abate some or all of the penalty amount**. The director of the department of revenue shall offset any credits claimed on a contemporaneously filed tax return against an outstanding

penalty before applying such credits to the tax year against which they were originally claimed. Any nonpayment of liability for penalties **by the date due under this subsection** shall be subject to the same provisions of law as a liability for unpaid income taxes, including **[**~~, but not limited to, interest and penalty provisions~~**] underpayment interest provisions but excluding income tax penalty and addition to tax provisions**.

3. Penalties shall remain the liability of the person or entity obligated to complete the annual reporting, without regard to any transfer of the credits.

4. Any person or entity obligated to complete the annual reporting requirements provided in section 135.805 shall provide the proper administering agency with notice of change of address when **[**~~necessary~~**] a change of address occurs. The administering agency shall notify the department of revenue and the department of economic development of such change of address**.

5. An administering agency may promulgate rules in order to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2004, shall be invalid and void.

135.815. 1. Prior to authorization of any tax credit application, an administering agency shall verify through the department of revenue that the tax credit applicant does not owe any delinquent income, sales, or use taxes, or interest**, additions,** or penalties on such taxes, and through the department of commerce and insurance that the applicant does not owe any delinquent insurance taxes. Such delinquency shall not affect the authorization of the application for such tax credits, except that the amount of credits issued shall be reduced by the applicant's tax delinquency. If the department of revenue or the department of commerce and insurance concludes that a taxpayer is delinquent after June fifteenth but before July first of any year, and the application of tax credits to such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy the deficiency in which interest, penalties, and additions to tax shall be tolled. After applying all available credits towards a tax delinquency, the administering agency shall notify the appropriate department, and that department shall update the amount of outstanding delinquent tax owed by the applicant. If any credits remain after satisfying all insurance, income, sales, and use tax delinquencies, the remaining credits shall be issued to the applicant, subject to the restrictions of other provisions of law.

2. Any applicant of a tax credit program **[**~~contained in the definition of the term "all tax credit programs"~~**]** who **[**~~purposely and directly~~**] knowingly** employs unauthorized aliens shall forfeit any tax credits issued to such applicant which have not been redeemed, and shall repay the amount of any tax credits redeemed by such applicant during the period of time such unauthorized alien was employed by the applicant. **Such forfeiture and repayment shall be additional to, and not in lieu of, any penalties imposed pursuant to section 135.810.** As used in this subsection, the term "unauthorized alien" shall mean an alien who does not have the legal right or authorization under federal law to work in the United States, as defined under Section 8 U.S.C. 1324a(h)(3). **The amount of tax credits required to be repaid under this subsection, but which are not repaid by the applicant, shall be subject to the same procedure and provisions of law as a liability for unpaid income tax arising on the date that the department of revenue became aware of the violation of this provision.**

135.825. 1. The administering agencies for all tax credit programs shall, in cooperation with the department of revenue **and the department of economic development**, implement a system for tracking the amount of tax credits authorized, issued, and redeemed. Any such agency may promulgate rules for the implementation of this section.

2. The provisions of this section shall not apply to any credit that is issued and redeemed simultaneously.

3. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2004, shall be invalid and void.

143.081. 1. A resident individual, resident estate, and resident trust shall be allowed a credit against the tax otherwise due pursuant to sections 143.005 to 143.998 for the amount of any income tax imposed for the taxable year by another state of the United States (or a political subdivision thereof) or the District of Columbia on income derived from sources therein and which is also subject to tax pursuant to sections 143.005 to 143.998. For purposes of this subsection, the phrase "income tax imposed" shall be that amount of tax before any income tax credit allowed by such other state or the District of Columbia if the other state or the District of Columbia authorizes a reciprocal benefit for residents of this state.

2. The credit provided pursuant to this section shall not exceed an amount which bears the same ratio to the tax otherwise due pursuant to sections 143.005 to 143.998 as the

amount of the taxpayer's Missouri adjusted gross income derived from sources in the other taxing jurisdiction bears to the taxpayer's Missouri adjusted gross income derived from all sources. In applying the limitation of the previous sentence to an estate or trust, Missouri taxable income shall be substituted for Missouri adjusted gross income. If the tax of more than one other taxing jurisdiction is imposed on the same item of income, the credit shall not exceed the limitation that would result if the taxes of all the other jurisdictions applicable to the item were deemed to be of a single jurisdiction.

3. **(1)** For the purposes of this section, in the case of an S corporation, each resident S shareholder shall be considered to have paid a tax imposed on the shareholder in an amount equal to the shareholder's pro rata share of any net income tax paid by the S corporation to a state which does not measure the income of shareholders on an S corporation by reference to the income of the S corporation or where a composite return and composite payments are made in such state on behalf of the S shareholders by the S corporation.

(2) A resident S shareholder shall be eligible for a credit issued pursuant to this section in an amount equal to the shareholder's pro rata share of any income tax imposed pursuant to chapter 143 on income derived from sources in another state of the United States, or a political subdivision thereof, or the District of Columbia, and which is subject to tax pursuant to chapter 143 but is not subject to tax in such other jurisdiction.

4. For purposes of subsection 3 of this section, in the case of an S corporation that is a bank chartered by a state, the Office of Thrift Supervision, or the comptroller of currency, each Missouri resident S shareholder of such out-of-state bank shall qualify for the shareholder's pro rata share of any net tax paid, including a bank franchise tax based on the income of the bank, by such S corporation where bank payment of taxes are made in such state on behalf of the S shareholders by the S bank to the extent of the tax paid.

143.119. 1. A self-employed taxpayer, as such term is used in the federal internal revenue code, who is otherwise ineligible for the federal income tax health insurance deduction under Section 162 of the federal internal revenue code shall be entitled to a credit against the tax otherwise due under this chapter, excluding withholding tax imposed by sections 143.191 to 143.265, in an amount equal to the portion of such taxpayer's federal tax liability incurred due to such taxpayer's inclusion of such payments in federal adjusted gross income. **To be eligible for a credit under this section, the self-employed taxpayer shall have a Missouri income tax liability, before any other tax credits, of less than three thousand dollars.** The tax credits authorized under this section shall be nontransferable**, nonrefundable, and shall not be carried back or forward to any other tax year**. **[**~~To the extent tax credit issued under this section exceeds a taxpayer's state income tax liability, such excess shall be considered an overpayment of tax and shall be refunded to the taxpayer.~~**] A**

self-employed taxpayer shall not claim both a tax credit under this section and a subtraction under section 143.113, for the same tax year.

2. The director of the department of revenue shall promulgate rules and regulations to administer the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void.

3. Pursuant to section 23.253 of the Missouri sunset act:

(1) The provisions of this section shall sunset automatically on December 31, 2028, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, this section shall sunset automatically December thirty-first six years after the effective date of the reauthorization of this section; and

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset; and

(4) The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to redeem tax credits authorized on or before the date the program authorized pursuant to this section expires, or a taxpayer's ability to redeem such tax credits.

143.436. 1. This section shall be known and may be cited as the "SALT Parity Act".

2. For the purposes of this section, the following terms shall mean:

(1) "Affected business entity", any partnership or S corporation that elects to be subject to tax pursuant to subsection 10 of this section;

(2) "Direct member", a member that holds an interest directly in an affected business entity;

(3) "Indirect member", a member that itself holds an interest, through a direct or indirect member that is a partnership or an S corporation, in an affected business entity;

(4) "Member":

(a) A shareholder of an S corporation;

(b) A partner in a general partnership, a limited partnership, or a limited liability partnership; or

(c) A member of a limited liability company that is treated as a partnership or S corporation for federal income tax purposes;

(5) "Partnership", the same meaning as provided in 26 U.S.C. Section 7701(a)(2). The term "partnership" shall include a limited liability company that is treated as a partnership for federal income tax purposes;

(6) "S corporation", a corporation or limited liability company that is treated as an S corporation for federal income tax purposes;

(7) "Tax year", the tax year of a partnership or S corporation for federal income tax purposes.

3. (1) Notwithstanding any provision of law to the contrary, a tax is hereby imposed on each affected business entity that is a partnership and that is doing business in this state. Such affected business entity shall, at the time that the affected business entity's return is due, pay a tax in an amount equal to the sum of the separately and nonseparately computed items, as described in 26 U.S.C. Section 702(a), of the affected business entity, to the extent derived from or connected with sources within this state, as determined pursuant to section 143.455, decreased by the deduction allowed under 26 U.S.C. Section 199A computed as if such deduction was allowed to be taken by the affected business entity for federal tax purposes, and increased or decreased by any modification made pursuant to section 143.471 that relates to an item of the affected business entity's income, gain, loss, or deduction, to the extent derived from or connected with sources within this state, as determined pursuant to section 143.455, with such sum multiplied by the highest rate of tax used to determine a Missouri income tax liability for an individual pursuant to section 143.011. An affected entity paying the tax pursuant to this subsection shall include with the payment of such taxes each report provided to a member pursuant to subsection 7 of this section.

(2) If the amount calculated pursuant to subdivision (1) of this section results in a net loss, such net loss may be carried forward to succeeding tax years for which the affected business entity elects to be subject to tax pursuant to subsection 11 of this section until fully used.

4. (1) Notwithstanding any provision of law to the contrary, a tax is hereby imposed on each affected business entity that is an S corporation and that is doing business in this state. Such affected business entity shall, at the time that the affected business entity's return is due, pay a tax in an amount equal to the sum of the separately and nonseparately computed items, as described in 26 U.S.C. Section 1366, of the affected business entity, to the extent derived from or connected with sources within this

state, as determined pursuant to section 143.455, decreased by the deduction allowed under 26 U.S.C. Section 199A computed as if such deduction was allowed to be taken by the affected business entity for federal tax purposes, and increased or decreased by any modification made pursuant to section 143.471 that relates to an item of the affected business entity's income, gain, loss, or deduction, to the extent derived from or connected with sources within this state, as determined pursuant to section 143.455, with such sum multiplied by the highest rate of tax used to determine a Missouri income tax liability for an individual pursuant to section 143.011. An affected entity paying the tax pursuant to this subsection shall include with the payment of such taxes each report provided to a member pursuant to subsection 7 of this section.

(2) If the amount calculated pursuant to subdivision (1) of this section results in a net loss, such net loss may be carried forward to succeeding tax years for which the affected business entity elects to be subject to tax pursuant to subsection 11 of this section until fully used.

5. If an affected business entity is a direct or indirect member of another affected business entity, the member affected business entity shall, when calculating its net income or loss pursuant to subsections 3 or 4 of this section, subtract its distributive share of income or add its distributive share of loss from the affected business entity in which it is a direct or indirect member to the extent that the income or loss was derived from or connected with sources within this state, as determined pursuant to section 143.455.

6. A nonresident individual who is a member shall not be required to file an income tax return pursuant to this chapter for a tax year if, for such tax year, the only source of income derived from or connected with sources within the state for such member, or the member and the member's spouse if a joint federal income tax return is or shall be filed, is from one or more affected business entities and such affected business entity or entities file and pay the tax due under this section.

7. Each partnership and S corporation shall report to each of its members, for each tax year, such member's direct pro rata share of the tax imposed pursuant to this section on such partnership or S corporation if it is an affected business entity and its indirect pro rata share of the tax imposed on any affected business entity in which such affected business entity is a direct or indirect member.

8. (1) Each member that is subject to the tax imposed pursuant to section 143.011 shall be entitled to a credit against the tax imposed pursuant to section 143.011. Such credit shall be in an amount equal to such member's direct and indirect pro rata share of the tax paid pursuant to this section by any affected business entity of which such member is directly or indirectly a member.

(2) If the amount of the credit authorized by this subsection exceeds such member's tax liability for the tax imposed pursuant to section 143.011, the excess amount shall not be refunded but may be carried forward to each succeeding tax year until such credit is fully taken.

9. (1) Each member that is subject to the tax imposed pursuant to section 143.011 as a resident or part-year resident of this state shall be entitled to a credit against the tax imposed pursuant to section 143.011 for such member's direct and indirect pro rata share of taxes paid to another state of the United States or to the District of Columbia, on income of any partnership or S corporation of which such person is a member that is derived therefrom, provided the taxes paid to another state of the United States or to the District of Columbia results from a tax that the director of revenue determines is substantially similar to the tax imposed pursuant to this section. Any such credit shall be calculated in a manner to be prescribed by the director of revenue, provided such calculation is consistent with the provisions of this section, and further provided that the limitations provided in subsection 2 of section 143.081 shall apply to the credit authorized by this subsection.

(2) If the amount of the credit authorized by this subsection exceeds such member's tax liability for the tax imposed pursuant to section 143.011, the excess amount shall not be refunded and shall not be carried forward.

10. (1) Each corporation that is subject to the tax imposed pursuant to section 143.071 and that is a member shall be entitled to a credit against the tax imposed pursuant to section 143.071. Such credit shall be in an amount equal to such corporation's direct and indirect pro rata share of the tax paid pursuant to this section by any affected business entity of which such corporation is directly or indirectly a member. Such credit shall be applied after all other credits.

(2) If the amount of the credit authorized by this subsection exceeds such corporation's tax liability for the tax imposed pursuant to section 143.071, the excess amount shall not be refunded but may be carried forward to each succeeding tax year until such credit is fully taken.

11. A partnership or an S corporation may elect to become an affected business entity that is required to pay the tax pursuant to this section in any tax year. A separate election shall be made for each taxable year. Such election shall be made on such form and in such manner as the director of revenue may prescribe by rule. An election made pursuant to this subsection shall be signed by:

(1) Each member of the electing entity who is a member at the time the election is filed; or

(2) Any officer, manager, or member of the electing entity who is authorized to make the election and who attests to having such authorization under penalty of perjury.

12. The provisions of sections 143.425 and 143.601 shall apply to any modifications made to an affected business entity's federal return, and such affected business entity shall pay any resulting underpayment of tax to the extent not already paid pursuant to section 143.425.

13. (1) With respect to an action required or permitted to be taken by an affected business entity pursuant to this section, a proceeding under section 143.631 for reconsideration by the director of revenue, an appeal to the administrative hearing commission, or a review by the judiciary with respect to such action, the affected business entity shall designate an affected business entity representative for the tax year, and such affected business entity representative shall have the sole authority to act on behalf of the affected business entity, and the affected business entity's members shall be bound by those actions.

(2) The department of revenue may establish reasonable qualifications and procedures for designating a person to be the affected business entity representative.

(3) The affected business entity representative shall be considered an authorized representative of the affected business entity and its members under section 32.057 for the purposes of compliance with this section, or participating in a proceeding described in subdivision (1) of this subsection.

14. The provisions of this section shall only apply to tax years ending on or after December 31, 2022.

15. The department of revenue may promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2022, shall be invalid and void.

288.132. 1. There is hereby created in the state treasury the "Unemployment Automation Fund", which shall consist of money collected under subsection 1 of section **[**~~288.131~~**]** **288.133**, and such other state funds appropriated by the general assembly. The state treasurer shall be custodian of the fund and may approve disbursements from the fund in accordance with sections 30.170 and 30.180. Upon appropriation, money in the fund shall be

used solely for the purpose of providing automated systems, and the payment of associated costs, to improve the administration of the state's unemployment insurance program. Notwithstanding the provisions of section 33.080 to the contrary, all moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general revenue fund. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and money earned on such investments shall be credited to the fund.

2. The unemployment automation fund shall not be used in whole or in part for any purpose or in any manner that would permit its substitution for, or a corresponding reduction in, federal funds that would be available in its absence to finance expenditures for the administration of this chapter, or cause the appropriate agency of the United States government to withhold any part of an administrative grant which would otherwise be made.

288.133. 1. Each employer liable for contributions pursuant to this chapter, except employers with a contribution rate equal to zero, shall pay an annual unemployment automation adjustment in an amount equal to two-hundredths of one percent of such employer's total taxable wages for the twelve-month period ending the preceding June thirtieth.

2. Notwithstanding subsection 1 of this section to the contrary, the division may reduce the automation adjustment percentage to ensure that the total amount of adjustment due from all employers under this section shall not exceed five million dollars annually.

3. Each employer liable to pay an automation adjustment shall be notified of the amount due under this section by March thirty-first of each year and such amount shall be considered delinquent thirty days thereafter. Delinquent unemployment automation adjustment amounts may be collected in the manner provided under sections 288.160 and 288.170. All moneys collected under this section shall be deposited in the unemployment automation fund established in section 288.132.

4. For the first quarter of each calendar year, the total amount of contribution otherwise due from each employer liable to pay contributions under this chapter shall be reduced by the dollar amount of unemployment automation adjustment due from such employer under subsection 1 of this section. However, the amount of contributions due from such employer for the first quarter of the calendar year in question shall not be reduced below zero.

311.060. 1. No person shall be granted a license hereunder unless such person is of good moral character and a qualified legal voter and a taxpaying citizen of the county, town, city or village, nor shall any corporation be granted a license hereunder unless the managing officer of such corporation is of good moral character and a qualified legal voter and taxpaying citizen of the county, town, city or village; and, except as otherwise provided under

subsection 7 of this section, no person shall be granted a license or permit hereunder whose license as such dealer has been revoked, or who has been convicted, since the ratification of the twenty-first amendment to the Constitution of the United States, of a violation of the provisions of any law applicable to the manufacture or sale of intoxicating liquor, or who employs in his or her business as such dealer any person whose license has been revoked unless five years have passed since the revocation as provided under subsection 6 of this section, or who has been convicted of violating such law since the date aforesaid; provided, that nothing in this section contained shall prevent the issuance of licenses to nonresidents of Missouri or foreign corporations for the privilege of selling to duly licensed wholesalers and soliciting orders for the sale of intoxicating liquors to, by or through a duly licensed wholesaler, within this state.

2. (1) No person, partnership or corporation shall be qualified for a license under this law if such person, any member of such partnership, or such corporation, or any officer, director, or any stockholder owning, legally or beneficially, directly or indirectly, ten percent or more of the stock of such corporation, or other financial interest therein, or ten percent or more of the interest in the business for which the person, partnership or corporation is licensed, or any person employed in the business licensed under this law shall have had a license revoked under this law except as otherwise provided under subsections 6 and 7 of this section, or shall have been convicted of violating the provisions of any law applicable to the manufacture or sale of intoxicating liquor since the ratification of the twenty-first amendment to the Constitution of the United States, or shall not be a person of good moral character.

(2) No license issued under this chapter shall be denied, suspended, revoked or otherwise affected based solely on the fact that an employee of the licensee has been convicted of a felony unrelated to the manufacture or sale of intoxicating liquor. The division of liquor control shall promulgate rules to enforce the provisions of this subdivision.

(3) No wholesaler license shall be issued to a corporation for the sale of intoxicating liquor containing alcohol in excess of five percent by weight, except to a resident corporation as defined in this section.

3. A "resident corporation" is defined to be a corporation incorporated under the laws of this state, all the officers and directors of which, and all the stockholders, who legally and beneficially own or control sixty percent or more of the stock in amount and in voting rights, shall be qualified legal voters and taxpaying citizens of the county and municipality in which they reside and who shall **[**~~have been~~**] be** bona fide residents of the state **[**~~for a period of three years continuously immediately prior to~~**] on** the date of filing of application for a license, provided that a stockholder need not be a voter or a taxpayer, and all the resident stockholders of which shall own, legally and beneficially, at least sixty percent of all the financial interest in the business to be licensed under this law; provided, that no corporation, licensed under the

provisions of this law on January 1, 1947, nor any corporation succeeding to the business of a corporation licensed on January 1, 1947, as a result of a tax-free reorganization coming within the provisions of Section 112, United States Internal Revenue Code, shall be disqualified by reason of the new requirements herein, except corporations engaged in the manufacture of alcoholic beverages containing alcohol in excess of five percent by weight, or owned or controlled, directly or indirectly, by nonresident persons, partnerships or corporations engaged in the manufacture of alcoholic beverages containing alcohol in excess of five percent by weight.

4. The term "financial interest" as used in this chapter is defined to mean all interest, legal or beneficial, direct or indirect, in the capital devoted to the licensed enterprise and all such interest in the net profits of the enterprise, after the payment of reasonable and necessary operating business expenses and taxes, including interest in dividends, preferred dividends, interest and profits, directly or indirectly paid as compensation for, or in consideration of interest in, or for use of, the capital devoted to the enterprise, or for property or money advanced, loaned or otherwise made available to the enterprise, except by way of ordinary commercial credit or bona fide bank credit not in excess of credit customarily granted by banking institutions, whether paid as dividends, interest or profits, or in the guise of royalties, commissions, salaries, or any other form whatsoever.

5. The supervisor shall by regulation require all applicants for licenses to file written statements, under oath, containing the information reasonably required to administer this section. Statements by applicants for licenses as wholesalers and retailers shall set out, with other information required, full information concerning the residence of all persons financially interested in the business to be licensed as required by regulation. All material changes in the information filed shall be promptly reported to the supervisor.

6. Any person whose license or permit issued under this chapter has been revoked shall be automatically eligible to work as an employee of an establishment holding a license or permit under this chapter five years after the date of the revocation.

7. Any person whose license or permit issued under this chapter has been revoked shall be eligible to apply and be qualified for a new license or permit five years after the date of the revocation. The person may be issued a new license or permit at the discretion of the division of alcohol and tobacco control. If the division denies the request for a new permit or license, the person may not submit a new application for five years from the date of the denial. If the application is approved, the person shall pay all fees required by law for the license or permit. Any person whose request for a new license or permit is denied may seek a determination by the administrative hearing commission as provided under section 311.691.

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

(1) "Common area", any area designated as a common area in a development plan for the entertainment district approved by the governing body of the city, any area of a public right-of-way that is adjacent to or within the entertainment district when it is closed to vehicular traffic and any other area identified in the development plan where a physical barrier precludes motor vehicle traffic and limits pedestrian accessibility;

(2) "Entertainment district", any area located in a city with more than twelve thousand five hundred but fewer than fourteen thousand inhabitants and located in a county with more than fifty thousand but fewer than sixty thousand inhabitants and with a county seat with more than one thousand but fewer than four thousand inhabitants that:

(a) Is located in the city's central business district and borders the White River; and

(b) Contains a combination of entertainment venues, bars, nightclubs, and restaurants.

2. Notwithstanding any other provision of this chapter to the contrary, any person or entity, who possesses the qualifications required by this chapter, and who meets the requirements of and complies with the provisions of this chapter, may apply for, and the supervisor of alcohol and tobacco control may issue, an entertainment district special license to sell intoxicating liquor by the drink for retail for consumption dispensed from his or her establishment within the common areas of the entertainment district until 3:00 a.m. on Mondays through Saturdays and from 6:00 a.m. on Sundays and until 1:30 a.m. on Mondays.

3. An applicant granted an entertainment district special license under this section shall pay a license fee of three hundred dollars per year.

4. No person shall take any alcoholic beverage or alcoholic beverages outside the boundaries of the entertainment district.

5. Every licensee within the entertainment district shall serve alcoholic beverages in containers that display and contain the licensee's trade name or logo or some other mark that is unique to that license and licensee.

6. The holder of an entertainment district special license is solely responsible for alcohol violations occurring at its establishment and in any common area.

347.143. 1. A limited liability company may be dissolved involuntarily by a decree of the circuit court for the county in which the registered office of the limited liability company is situated in an action filed by the attorney general when it is established that the limited liability company:

(1) Has procured its articles of organization through fraud;

(2) Has exceeded or abused the authority conferred upon it by law;

(3) Has carried on, conducted, or transacted its business in a fraudulent or illegal manner; or

(4) By the abuse of its powers contrary to the public policy of the state, has become liable to be dissolved.

2. On application by or for a member, the circuit court for the county in which the registered office of the limited liability company is located may decree dissolution of a limited liability company **[**~~whenever~~**] if the court determines:**

(1) It is not reasonably practicable to carry on the business in conformity with the operating agreement**;**

(2) Dissolution is reasonably necessary for the protection of the rights or interests of the complaining members;

(3) The business of the limited liability company has been abandoned;

(4) The management of the limited liability company is deadlocked or subject to internal dissension; or

(5) Those in control of the limited liability company have been found guilty of, or have knowingly countenanced, persistent and pervasive fraud, mismanagement, or abuse of authority.

407.475. 1. Except when specifically required or authorized by federal law, no state agency or state official shall impose any additional annual filing or reporting requirements on an organization regulated or specifically exempted from regulation under sections 407.450 to 407.478 that are more stringent, restrictive, or expansive than the requirements authorized under section 407.462.

2. This section shall not apply to state grants or contracts, nor investigations under section 407.472 and shall not restrict enforcement actions against specific charitable organizations. This section shall not apply to labor organizations, as that term is defined in section 105.500.

3. This section shall not apply when an organization regulated or specifically exempted from regulation under sections 407.450 to 407.478 is providing any report or disclosure required by state law to be filed with the secretary of state.

415.415. 1. The operator of a self-service storage facility has a lien on all personal property stored within each leased space for rent, labor, or other charges, and for expenses reasonably incurred in sale of such personal property, as provided in sections 415.400 to 415.425. The lien established by this subsection shall have priority over all other liens except those liens that have been perfected and recorded on personal property. The rental agreement shall contain a statement, in bold type, advising the occupant of the existence of such lien and that property stored in the leased space may be sold to satisfy such lien if the occupant is in default, and that any proceeds from the sale of the property which remain after satisfaction of

the lien will be paid to the state treasurer if unclaimed by the occupant within one year after the sale of the property.

2. If the occupant is in default for a period of more than forty-five days, the operator may enforce the lien granted in subsection 1 of this section and sell the property stored in the leased space for cash. Sale of the property stored on the premises may be done at a public or private sale, may be done as a unit or in parcels, or may be by way of one or more contracts, and may be at any time or place and on any terms as long as the sale is done in a commercially reasonable manner in accordance with the provisions of section 400.9-627. The operator may otherwise dispose of any property which has no commercial value.

3. The proceeds of any sale made under this subsection shall be applied to satisfy the lien, with any surplus being held for delivery on demand to the occupant or any other lienholders which the operator knows of or which are contained in the statement filed by the occupant pursuant to subsection 3 of section 415.410 for a period of one year after receipt of proceeds of the sale and satisfaction of the lien. No proceeds shall be paid to an occupant until such occupant files a sworn affidavit with the operator stating that there are no other valid liens outstanding against the property sold and that he or she, the occupant, shall indemnify the operator for any damages incurred or moneys paid by the operator due to claims arising from other lienholders of the property sold. After the one-year period set in this subsection, any proceeds remaining after satisfaction of the lien shall be considered abandoned property to be reported and paid to the state treasurer in accordance with laws pertaining to the disposition of unclaimed property.

4. Before conducting a sale under subsection 2 of this section, the operator shall:

(1) At least forty-five days before any disposition of property under this section, which shall run concurrently with subsection 2 of this section, notify the occupant and each lienholder which is contained in any statement filed by the occupant pursuant to subsection 3 of section 415.410 of the default by first-class mail or electronic mail at the occupant's or lienholder's last known address, and shall notify any third-party owner identified by the occupant pursuant to subsection 3 of section 415.410;

(2) No sooner than ten days after mailing the notice required in subdivision (1) of this subsection, mail a second notice of default, by verified mail or electronic mail, to the occupant at the occupant's or lienholder's last known address, which notice shall include:

(a) A statement that the contents of the occupant's leased space are subject to the operator's lien;

(b) A statement of the operator's claim, indicating the charges due on the date of the notice, the amount of any additional charges which shall become due before the date of release for sale and the date those additional charges shall become due;

(c) A demand for payment of the charges due within a specified time, not less than ten days after the date on which the second notice was mailed;

(d) A statement that unless the claim is paid within the time stated, the contents of the occupant's space will be sold after a specified time; and

(e) The name, street address and telephone number of the operator, or a designated agent whom the occupant may contact, to respond to the notice;

(3) At least seven days before the sale, advertise the time, place**,** and terms of the sale in **the classified section of** a newspaper of general circulation in the jurisdiction where the sale is to be held **or in any other commercially reasonable manner**. **[**~~Such~~**] The manner of** advertisement shall be **[**~~in the classified section of the newspaper and shall state that the items will be released for sale~~**] deemed commercially reasonable if at least three independent bidders attend or view the sale at the time and place advertised**.

5. If the property is a vehicle, watercraft, or trailer and rent and other charges remain unpaid for sixty days, the owner may treat the vehicle, watercraft, or trailer as an abandoned vehicle and have the vehicle, watercraft, or trailer towed from the self-service storage facility. When the vehicle, watercraft, or trailer is towed from the self-service storage facility, the owner shall not be liable for the vehicle, watercraft, or trailer for any damages to the motor vehicle, watercraft, or trailer once the tower takes possession of the property.

6. At any time before a sale under this section, the occupant may pay the amount necessary to satisfy the lien and redeem the occupant's personal property.

431.204. 1. A reasonable covenant in writing promising not to solicit, recruit, hire, induce, persuade, encourage, or otherwise interfere with, directly or indirectly, the employment of one or more employees or owners of a business entity shall be presumed to be enforceable and not a restraint of trade pursuant to subsection 1 of section 416.031 if it is between a business entity and the owner of the business entity and does not continue for more than two years following the end of the owner's business relationship with the business entity.

2. A reasonable covenant in writing promising not to solicit, induce, direct, or otherwise interfere with, directly or indirectly, a business entity's customers, including any reduction, termination, or transfer of any customer's business, in whole or in part, for the purposes of providing any product or any service that is competitive with those provided by the business entity shall be presumed to be enforceable and not a restraint of trade pursuant to subsection 1 of section 416.031 if the covenant is limited to customers with whom the owner dealt and if the covenant is between a business entity and an owner, so long as the covenant does not continue for more than five years following the end of the owner's business relationship with the business entity.

3. A provision in writing by which an owner promises to provide prior notice of the owner's intent to terminate, sell, or otherwise dispose of such owner's ownership interest in the business entity shall be presumed to be enforceable and not a restraint of trade pursuant to subsection 1 of section 416.031.

4. If a covenant is overbroad, overlong, or otherwise not reasonably necessary to protect the protectable business interests of the business entity seeking enforcement of the covenant, a court shall modify the covenant, enforce the covenant as modified, and grant only the relief reasonably necessary to protect such interests.

5. Nothing in this section is intended to create or to affect the validity or enforceability of covenants not to compete, other types of covenants, or nondisclosure or confidentiality agreements, except as expressly provided in this section.

6. Except as provided in subsection 3 of this section, nothing in this section shall be construed to limit an owner's ability to seek or accept employment with another business entity immediately upon, or at any time subsequent to, termination of the owner's business relationship with the business entity, whether such termination was voluntary or nonvoluntary.

493.050. All public advertisements and orders of publication required by law to be made and all legal publications affecting the title to real estate shall be published in some daily, triweekly, semiweekly or weekly newspaper of general circulation in the county where located**,** and **[**~~which~~**] such a newspaper** shall have**:**

(1) Been admitted to the post office as periodicals class matter in the city of publication; **[**~~shall have~~**]**

(2) Been **either:**

(a) Published regularly and consecutively for a period of **[**~~three years~~**] one year**, except that a newspaper of general circulation may be deemed to be the successor to a defunct newspaper of general circulation, and subject to all of the rights and privileges of said prior newspaper under this statute, if the successor newspaper shall begin publication no later than **[**~~thirty~~**] ninety** consecutive days after the termination of publication of the prior newspaper; **[**~~shall have~~**] or**

(b) Purchased or newly established by a newspaper that satisfies the requirements of paragraph (a) of this subdivision; and

(3) A list of bona fide subscribers voluntarily engaged as such, who have paid or agreed to pay a stated price for a subscription for a definite period of time**[**~~; provided, that when~~**].**

If a public notice, required by law to be published once a week for a given number of weeks, **[**~~shall~~**] is to** be published in a daily, triweekly, semiweekly or weekly newspaper, the notice

shall appear once a week, on the same day of each week**[**~~, and further provided, that~~**]**. Every affidavit to proof of publication shall state that the newspaper in which such notice was published has complied with the provisions of this section**[**~~; provided further, that~~**]**. The duration of consecutive publication provided for in this section shall not affect newspapers which have become legal publications prior to September 6, 1937**[**~~; provided, however, that when~~**]**. **If** any newspaper shall be forced to suspend publication in any time of war, due to the owner or publisher being inducted into the Armed Forces of the United States, the newspaper may be reinstated within one year after actual hostilities have ceased, with all the benefits provided pursuant to the provisions of this section, upon the filing with the secretary of state of notice of intention of such owner or publisher, the owner's surviving spouse or legal heirs, to republish such newspaper, setting forth the name of the publication, its volume and number, its frequency of publication, and its readmission to the post office where it was previously entered as periodicals class mail matter, and **[**~~when~~**]** **if** it **[**~~shall have~~**]** **has** a list of bona fide subscribers voluntarily engaged as such who have paid or agreed to pay a stated price for subscription for a definite period of time. All laws or parts of laws in conflict with this section except sections 493.070 to 493.120, are hereby repealed.

493.070. In all cities of this state which now have, or shall hereafter have, a population of one hundred thousand inhabitants or more, all public notices and advertisements, directed by any court**[**~~,~~**]** or required by law to be published in a newspaper, shall be published in some daily newspaper of such city, of general circulation therein, which shall have been established and continuously published as such for a period of at least **[**~~three consecutive years~~**]** **one year** next prior to the publication of any such notice.

537.529. 1. This section shall be known and may be cited as the "Uniform Public Expression Protection Act".

2. (1) As used in this section:

(a) "Goods or services", does not include a dramatic, literary, musical, political, journalistic, or artistic work;

(b) "Governmental unit" means any city, county, or other political subdivision of this state, or any department, division, board, or other agency of any political subdivision of this state;

(c) "Person" means an individual, estate, trust, partnership, business or nonprofit entity, governmental unit, or other legal entity.

(2) Except as otherwise provided in subdivision (3) of this subsection, this section applies to a cause of action asserted in a civil action against a person based on the person's:

(a) Communication in a legislative, executive, judicial, administrative, or other governmental proceeding;

(b) Communication on an issue under consideration or review in a legislative, executive, judicial, administrative, or other governmental proceeding; or

(c) Exercise of the right of freedom of speech or of the press, the right to assemble or petition, or the right of association, guaranteed by the Constitution of the United States or the Constitution of Missouri, on a matter of public concern.

(3) This section does not apply to a cause of action asserted:

(a) Against a governmental unit or an employee or agent of a governmental unit acting or purporting to act in an official capacity;

(b) By a governmental unit or an employee or agent of a governmental unit acting in an official capacity to enforce a law to protect against an imminent threat to public health or safety; or

(c) Against a person primarily engaged in the business of selling or leasing goods or services if the cause of action arises out of a communication related to the person's sale or lease of the goods or services.

3. No later than sixty days after a party is served with a complaint, crossclaim, counterclaim, third-party claim, or other pleading that asserts a cause of action to which this section applies, or at a later time on a showing of good cause, the party may file a special motion to dismiss the cause of action or part of the cause of action.

4. (1) Except as otherwise provided in this subsection:

(a) All other proceedings between the moving party and responding party in an action, including discovery and a pending hearing or motion, are stayed on the filing of a motion under subsection 3 of this section; and

(b) On motion by the moving party, the court may stay:

a. A hearing or motion involving another party if the ruling on the hearing or motion would adjudicate a legal or factual issue that is material to the motion under subsection 3 of this section; or

b. Discovery by another party if the discovery relates to the issue.

(2) A stay under subdivision (1) of this subsection remains in effect until entry of an order ruling on the motion filed under subsection 3 of this section and the expiration of the time to appeal the order.

(3) If a party appeals from an order ruling on a motion under subsection 3 of this section, all proceedings between all parties in an action are stayed. The stay remains in effect until the conclusion of the appeal.

(4) During a stay under subdivision (1) of this subsection, the court may allow limited discovery if a party shows that specific information is necessary to establish whether a party has satisfied or failed to satisfy a burden imposed by subdivision (1) of subsection 7 of this section and is not reasonably available without discovery.

(5) A motion for costs and expenses under subsection 10 of this section shall not be subject to a stay under this section.

(6) A stay under this subsection does not affect a party's ability to voluntarily dismiss a cause of action or part of a cause of action or move to sever a cause of action.

(7) During a stay under this section, the court for good cause may hear and rule on:

(a) A motion unrelated to the motion under subsection 3 of this section; and

(b) A motion seeking a special or preliminary injunction to protect against an imminent threat to public health or safety.

5. (1) The court shall hear a motion under subsection 3 of this section no later than sixty days after filing of the motion, unless the court orders a later hearing:

(a) To allow discovery under subdivision (4) of subsection 4 of this section; or

(b) For other good cause.

(2) If the court orders a later hearing under paragraph (a) of subdivision (1) of this subsection, the court shall hear the motion under subsection 3 of this section no later than sixty days after the court order allowing the discovery, subject to paragraph (b) of subdivision (1) of this subsection.

6. In ruling on a motion under subsection 3 of this section, the court shall consider the parties' pleadings, the motion, any replies and responses to the motion, and any evidence that could be considered in ruling on a motion for summary judgment.

7. (1) In ruling on a motion under subsection 3 of this section, the court shall dismiss with prejudice a cause of action or part of a cause of action if:

(a) The moving party establishes under subdivision (2) of subsection 2 of this section that this section applies;

(b) The responding party fails to establish under subdivision (3) of subsection 2 of this section that this section does not apply; and

(c) Either:

a. The responding party fails to establish a prima facie case as to each essential element of the cause of action; or

b. The moving party establishes that:

(i) The responding party failed to state a cause of action upon which relief can be granted; or

(ii) There is no genuine issue as to any material fact and the party is entitled to judgment as a matter of law on the cause of action or part of the cause of action.

(2) A voluntary dismissal without prejudice of a responding party's cause of action, or part of a cause of action, that is the subject of a motion under subsection 3 of this section does not affect a moving party's right to obtain a ruling on the motion and

seek costs, reasonable attorney's fees, and reasonable litigation expenses under subsection 10 of this section.

(3) A voluntary dismissal with prejudice of a responding party's cause of action, or part of a cause of action, that is the subject of a motion under subsection 3 of this section establishes for the purpose of subsection 10 of this section that the moving party prevailed on the motion.

8. The court shall rule on a motion under subsection 3 of this section no later than sixty days after the hearing under subsection 5 of this section.

9. A moving party may appeal within twenty-one days as a matter of right from an order denying, in whole or in part, a motion under subsection 3 of this section.

10. On a motion under subsection 3 of this section, the court shall award costs, reasonable attorney's fees, and reasonable litigation expenses related to the motion:

(1) To the moving party if the moving party prevails on the motion; or

(2) To the responding party if the responding party prevails on the motion and the court finds that the motion was frivolous or filed solely with intent to delay the proceeding.

11. This section shall be broadly construed and applied to protect the exercise of the right of freedom of speech and of the press, the right to assemble and petition, and the right of association, guaranteed by the Constitution of the United States or the Constitution of Missouri.

12. In applying and construing this section, consideration shall be given to the need to promote uniformity of the law with respect to its subject matter among states that enact it.

13. This section applies to a civil action filed or cause of action asserted in a civil action on or after August 28, 2022.

620.1039. 1. As used in this section, the **[**~~term~~**] following terms shall mean:**

(1) "Additional qualified research expenses", the difference between qualified research expenses, as certified by the director of economic development, incurred in a tax year subtracted by the average of the taxpayer's qualified research expenses incurred in the three immediately preceding tax years;

(2) "Minority business enterprise", a business that is:

(a) A sole proprietorship owned and controlled by a minority;

(b) A partnership or joint venture owned and controlled by minorities in which at least fifty-one percent of the ownership interest is held by minorities and the management and daily business operations of which are controlled by one or more of the minorities who own it; or

(c) A corporation or other entity whose management and daily business operations are controlled by one or more minorities who own it and that is at least fifty-one percent owned by one or more minorities or, if stock is issued, at least fifty-one percent of the stock is owned by one or more minorities;

(3) "Missouri qualified research and development equipment", tangible personal property that has not previously been used in this state for any purpose and is acquired by the purchaser for the purpose of research and development activities devoted to experimental or laboratory research and development for new products, new uses of existing products, or improving or testing existing products;

(4) "Qualified research expenses", for expenses within this state, the same meaning as prescribed in 26 U.S.C. 41;

(5) "Small business", a corporation, partnership, sole proprietorship or other business entity, including its affiliates, that:

(a) Is independently owned and operated; and

(b) Employs fifty or fewer full-time employees;

(6) "Taxpayer" **[**~~means~~**],** an individual, a partnership, or any charitable organization which is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143, or a corporation as described in section 143.441 or 143.471, or section 148.370**[**~~, and the term "qualified research expenses" has the same meaning as prescribed in 26 U.S.C. 41~~**];**

(7) "Women's business enterprise", a business that is:

(a) A sole proprietorship owned and controlled by a woman;

(b) A partnership or joint venture owned and controlled by women in which at least fifty-one percent of the ownership interest is held by women and the management and daily business operations of which are controlled by one or more of the women who own it; or

(c) A corporation or other entity whose management and daily business operations are controlled by one or more women who own it and that is at least fifty-one percent owned by women or, if stock is issued, at least fifty-one percent of the stock is owned by one or more women.

2. **(1)** For tax years beginning on or after January 1, 2001, **and ending before January 1, 2005,** the director of the department of economic development may authorize a taxpayer to receive a tax credit against the tax otherwise due pursuant to chapter 143, or chapter 148, other than the taxes withheld pursuant to sections 143.191 to 143.265, in an amount up to six and one-half percent of the excess of the taxpayer's qualified research expenses, as certified by the director of the department of economic development, within this state during the taxable year over the average of the taxpayer's qualified research expenses

within this state over the immediately preceding three taxable years; except that, no tax credit shall be allowed on that portion of the taxpayer's qualified research expenses incurred within this state during the taxable year in which the credit is being claimed, to the extent such expenses exceed two hundred percent of the taxpayer's average qualified research expenses incurred during the immediately preceding three taxable years.

(2) For all tax years beginning on or after January 1, 2023, the director of economic development may authorize a taxpayer to receive a tax credit against the tax otherwise due under chapters 143 and 148, other than the taxes withheld under sections 143.191 to 143.265 in an amount equal to the greater of:

(a) Fifteen percent of the taxpayer's additional qualified research expenses; or

(b) If such qualified research expenses relate to research conducted in conjunction with a public or private college or university located in this state, twenty percent of the taxpayer's additional qualified research expenses.

However, in no case shall a tax credit be allowed for any portion of qualified research expenses that exceed two hundred percent of the taxpayer's average qualified research expenses incurred during the three immediately preceding tax years.

3. The director of economic development shall prescribe the manner in which the tax credit may be applied for. The tax credit authorized by this section may be claimed by the taxpayer to offset the tax liability imposed by chapter 143 or chapter 148 that becomes due in the tax year during which such qualified research expenses were incurred. **For tax years ending before January 1, 2005,** where the amount of the credit exceeds the tax liability, the difference between the credit and the tax liability may only be carried forward for the next five succeeding taxable years or until the full credit has been claimed, whichever first occurs. **For all tax years beginning on or after January 1, 2023, where the amount of the credit exceeds the tax liability, the difference between the credit and the tax liability may only be carried forward for the next twelve succeeding tax years or until the full credit has been claimed, whichever occurs first.** The application for tax credits authorized by the director pursuant to subsection 2 of this section shall be made no later than the end of the taxpayer's tax period immediately following the tax period for which the credits are being claimed.

4. **(1)** Certificates of tax credit issued pursuant to this section may be transferred, sold or assigned by filing a notarized endorsement thereof with the department which names the transferee and the amount of tax credit transferred. The director of economic development may allow a taxpayer to transfer, sell or assign up to forty percent of the amount of the certificates of tax credit issued to and not claimed by such taxpayer pursuant to this section during any tax year commencing on or after January 1, 1996, and ending not later than

December 31, 1999. Such taxpayer shall file, by December 31, 2001, an application with the department which names the transferee, the amount of tax credit desired to be transferred, and a certification that the funds received by the applicant as a result of the transfer, sale or assignment of the tax credit shall be expended within three years at the state university for the sole purpose of conducting research activities agreed upon by the department, the taxpayer and the state university. Failure to expend such funds in the manner prescribed pursuant to this section shall cause the applicant to be subject to the provisions of section 620.017.

(2) Up to one hundred percent of tax credits provided under this program may be transferred, sold, or assigned by filing a notarized endorsement thereof with the department that names the transferee, the amount of tax credit transferred, and the value received for the credit, as well as any other information reasonably requested by the department. For a taxpayer with flow-through tax treatment to its members, partners, or shareholders, the tax credit shall be allowed to members, partners, or shareholders in proportion to their share of ownership on the last day of the taxpayer's tax period.

5. **[**~~No rule or portion of a rule promulgated under the authority of this section shall become effective unless it has been promulgated pursuant to the provisions of chapter 536. All rulemaking authority delegated prior to June 27, 1997, is of no force and effect and repealed; however, nothing in this section shall be interpreted to repeal or affect the validity of any rule filed or adopted prior to June 27, 1997, if such rule complied with the provisions of chapter 536. The provisions of this section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, including the ability to review, to delay the effective date, or to disapprove and annul a rule or portion of a rule, are subsequently held unconstitutional, then the purported grant of rulemaking authority and any rule so proposed and contained in the order of rulemaking shall be invalid and void.~~**]** **Purchases of Missouri qualified research and development equipment are hereby specifically exempted from all state and local sales and use tax including, but not limited to, sales and use tax authorized or imposed under section 32.085 and chapter 144.**

6. **The department may adopt such rules, statements of policy, procedures, forms, and guidelines as may be necessary to carry out the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant**

of rulemaking authority and any rule proposed or adopted after August 28, 2022, shall be invalid and void.

7. (1) For tax years ending before January 1, 2005, the aggregate of all tax credits authorized pursuant to this section shall not exceed nine million seven hundred thousand dollars in any year.

(2) (a) For all tax years beginning on or after January 1, 2023, the aggregate of all tax credits authorized under this section shall not exceed ten million dollars in any year.

(b) Five million dollars of such ten million dollars shall be reserved for minority business enterprises, women's business enterprises, and small businesses. Any reserved amount not issued or awarded to a minority business enterprise, women's business enterprise, or small business by November first of the tax year may be issued to any taxpayer otherwise eligible for a tax credit under this section.

(c) No single taxpayer shall be issued or awarded more than three hundred thousand dollars in tax credits under this section in any year.

(d) In the event that total eligible claims for credits received in a calendar year exceed the annual cap, each eligible claimant shall be issued credits based upon a pro-rata basis, given that all new businesses, defined as a business less than five years old, are issued full tax credits first.

[~~7. For all tax years beginning on or after January 1, 2005, no tax credits shall be approved, awarded, or issued to any person or entity claiming any tax credit under this section.~~**]**

8. Under section 23.253 of the Missouri sunset act:

(1) The provisions of the program authorized under this section shall automatically sunset December thirty-first, six years after the effective date of this section;

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset December thirty-first, twelve years after the effective date of the reauthorization of this section; and

(3) This section shall terminate on December thirty-first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset.

620.3900. 1. Sections 620.3900 to 620.3930 shall be known and may be cited as the "Regulatory Sandbox Act".

2. For the purposes of sections 620.3900 to 620.3930, the following terms shall mean:

(1) "Advisory committee", the general regulatory sandbox program advisory committee created in section 620.3910;

(2) "Applicable agency", a department or agency of the state that by law regulates a business activity and persons engaged in such business activity, including the issuance of licenses or other types of authorization, and which the regulatory relief office determines would otherwise regulate a sandbox participant. A participant may fall under multiple applicable agencies if multiple agencies regulate the business activity that is subject to the sandbox program application. "Applicable agency" shall not include the division of professional registration and its boards, commissions, committees and offices;

(3) "Applicant" or "sandbox applicant", a person or business that applies to participate in the sandbox program;

(4) "Consumer", a person who purchases or otherwise enters into a transaction or agreement to receive a product or service offered through the sandbox program pursuant to a demonstration by a program participant;

(5) "Demonstrate" or "demonstration", to temporarily provide an offering of an innovative product or service in accordance with the provisions of the sandbox program;

(6) "Department", the department of economic development;

(7) "Innovation", the use or incorporation of a new idea, a new or emerging technology, or a new use of existing technology to address a problem, provide a benefit, or otherwise offer a product, production method, or service;

(8) "Innovative offering", an offering of a product or service that includes an innovation;

(9) "Product", a commercially distributed good that is:

(a) Tangible personal property; and

(b) The result of a production process;

(10) "Production", the method or process of creating or obtaining a good, which may include assembling, breeding, capturing, collecting, extracting, fabricating, farming, fishing, gathering, growing, harvesting, hunting, manufacturing, mining, processing, raising, or trapping a good;

(11) "Regulatory relief office", the office responsible for administering the sandbox program within the department;

(12) "Sandbox participant" or "participant", a person or business whose application to participate in the sandbox program is approved in accordance with the provisions of section 620.3915;

(13) "Sandbox program", the general regulatory sandbox program created in sections 620.3900 to 620.3930 that allows a person to temporarily demonstrate an innovative offering of a product or service under a waiver or suspension of one or more state laws or regulations;

(14) "Sandbox program director", the director of the regulatory relief office;

(15) "Service", any commercial activity, duty, or labor performed for another person or business.

620.3905. 1. There is hereby created within the department of economic development the "Regulatory Relief Office", which shall be administered by the sandbox program director. The sandbox program director shall report to the director of the department and may appoint staff, subject to the approval of the director of the department.

2. The regulatory relief office shall:

(1) Administer the sandbox program pursuant to sections 620.3900 to 620.3930;

(2) Act as a liaison between private businesses and applicable agencies that regulate such businesses to identify state laws or regulations that could potentially be waived or suspended under the sandbox program;

(3) Consult with each applicable agency; and

(4) Establish a program to enable a person to obtain legal protections and monitored access to the market in the state to demonstrate an innovative product or service without obtaining a license or other authorization that might otherwise be required.

3. The regulatory relief office shall:

(1) Review state laws and regulations that may unnecessarily inhibit the creation and success of new companies or industries and provide recommendations to the governor and the general assembly on modifying or repealing such state laws and regulations;

(2) Create a framework for analyzing the risk level of the health, safety, and financial well-being of consumers related to permanently removing or temporarily waiving laws and regulations inhibiting the creation or success of new and existing companies or industries;

(3) Propose and enter into reciprocity agreements between states that use or are proposing to use similar regulatory sandbox programs as described in sections 620.3900 to 620.3930, provided that such reciprocity agreement is supported by a majority vote of the advisory committee and the regulatory relief office is directed by an order of the governor to pursue such reciprocity agreement;

(4) Enter into agreements with or adopt best practices of corresponding federal regulatory agencies or other states that are administering similar programs;

(5) Consult with businesses in the state about existing or potential proposals for the sandbox program; and

(6) In accordance with the provisions of chapter 536 and the provisions of sections 620.3900 to 620.3930, make rules regarding the administration of the sandbox program, including making rules regarding the application process and the reporting requirements of sandbox participants. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable, and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2022, shall be invalid and void.

4. (1) The regulatory relief office shall create and maintain on the department's website a web page that invites residents and businesses in the state to make suggestions regarding laws and regulations that could be modified or eliminated to reduce the regulatory burden on residents and businesses in the state.

(2) On at least a quarterly basis, the regulatory relief office shall compile the relevant suggestions from the web page created pursuant to subdivision (1) of this subsection and provide a written report to the governor and the general assembly.

(3) In creating the report described in subdivision (2) of this subsection, the regulatory relief office:

(a) Shall provide the identity of residents and businesses that make suggestions on the web page if those residents and businesses wish to comment publicly, and shall ensure that the private information of residents and businesses that make suggestions on the web page is not made public if they do not wish to comment publicly; and

(b) May evaluate the suggestions and provide analysis and suggestions regarding which state laws and regulations could be modified or eliminated to reduce the regulatory burden on residents and businesses in the state while still protecting consumers.

5. (1) By October first of each year, the department shall submit an annual report to the governor and the general assembly, which shall include:

(a) Information regarding each participant in the sandbox program, including industries represented by each participant and the anticipated or actual cost savings that each participant experienced;

(b) The anticipated or actual benefit to consumers created by each demonstration in the sandbox program;

(c) Recommendations regarding any laws or regulations that should be permanently modified or repealed;

(d) Information regarding any health and safety events related to the activities of a participant in the sandbox program; and

(e) Recommendations for changes to the sandbox program or other duties of the regulatory relief office.

(2) The department may provide an interim report from the sandbox program director to the governor and general assembly on specific, time-sensitive issues for the functioning of the sandbox program, for the health and safety of consumers, for the success of participants in the program, and for other issues of urgent need.

620.3910. 1. There is hereby created the "General Regulatory Sandbox Program Advisory Committee", to be composed of the following members:

(1) The director of the department of economic development;

(2) The director of the department of commerce and insurance;

(3) The attorney general or his or her designee;

(4) A member of the public or of an institution of higher education, to be appointed by the governor;

(5) A member of the public or of an institution of higher education, to be appointed by the speaker of the house of representatives;

(6) A member of the public or of an institution of higher education, to be appointed by the president pro tempore of the senate;

(7) One member of the house of representatives, to be appointed by the speaker of the house of representatives; and

(8) One member of the senate, to be appointed by the president pro tempore of the senate.

2. (1) Advisory committee members shall be appointed to a four-year term. Members who cease holding elective office shall be replaced by the speaker of the house of representatives or the president pro tempore of the senate, as applicable. The sandbox program director may establish the terms of initial appointments so that approximately half of the advisory committee is appointed every two years.

(2) The sandbox program director shall select a chair of the advisory committee every two years.

(3) No appointee of the governor, speaker of the house of representatives, or president pro tempore of the senate may serve more than two complete terms.

3. A majority of the advisory committee shall constitute a quorum for the purpose of conducting business, and the action of a majority of a quorum shall constitute the action of the advisory committee, except as provided in subsection 4 of this section.

4. The advisory committee may, at its own discretion, meet to override a decision of the regulatory relief office on the admission or denial of an applicant to the sandbox program, provided such override is decided with a majority vote of the members of the advisory committee, and further provided that such vote shall be taken within ten business days of the regulatory relief office's decision.

5. The advisory committee shall advise and make recommendations to the regulatory relief office on whether to approve applications to the sandbox program pursuant to section 620.3915.

6. The regulatory relief office shall provide administrative staff support for the advisory committee.

7. The members of the advisory committee shall serve without compensation, but may be reimbursed for any actual and necessary expenses incurred in the performance of the advisory committee's official duties.

8. Meetings of the advisory committee shall be considered public meetings for the purposes of chapter 610. However, a meeting of the committee shall be a closed meeting if the purpose of the meeting is to discuss an application for participation in the regulatory sandbox and failing to hold a closed meeting would reveal information that constitutes proprietary or confidential trade secrets.

620.3915. 1. An applicant for the sandbox program shall provide to the regulatory relief office an application in a form prescribed by the regulatory relief office that:

(1) Confirms the applicant is subject to the jurisdiction of the state;

(2) Confirms the applicant has established physical residence or a virtual location in the state from which the demonstration of an innovative offering will be developed and performed, and where all required records, documents, and data will be maintained;

(3) Contains relevant personal and contact information for the applicant, including legal names, addresses, telephone numbers, email addresses, website addresses, and other information required by the regulatory relief office;

(4) Discloses criminal convictions of the applicant or other participating personnel, if any; and

(5) Contains a description of the innovative offering to be demonstrated, including statements regarding:

(a) How the innovative offering is subject to licensing, legal prohibition, or other authorization requirements outside of the sandbox program;

(b) Each law or regulation that the applicant seeks to have waived or suspended while participating in the sandbox program;

(c) How the innovative offering would benefit consumers;

(d) How the innovative offering is different from other innovative offerings available in the state;

(e) The risks that might exist for consumers who use or purchase the innovative offering;

(f) How participating in the sandbox program would enable a successful demonstration of the innovative offering of an innovative product or service;

(g) A description of the proposed demonstration plan, including estimated time periods for beginning and ending the demonstration;

(h) Recognition that the applicant will be subject to all laws and regulations pertaining to the applicant's innovative offering after the conclusion of the demonstration;

(i) How the applicant will end the demonstration and protect consumers if the demonstration fails;

(j) A list of each applicable agency, if any, that the applicant knows regulates the applicant's business; and

(k) Any other required information as determined by the regulatory relief office.

2. An applicant shall remit to the regulatory relief office an application fee of three hundred dollars per application for each innovative offering.

3. An applicant shall file a separate application for each innovative offering that the applicant wishes to demonstrate.

4. An applicant for the sandbox program may contact the regulatory relief office to request a consultation regarding the sandbox program before submitting an application. The regulatory relief office may provide assistance to an applicant in preparing an application for submission.

5. (1) After an application is filed, the regulatory relief office shall:

(a) Consult with each applicable agency that regulates the applicant's business regarding whether more information is needed from the applicant; and

(b) Seek additional information from the applicant that the regulatory relief office determines is necessary.

(2) No later than five business days after the day on which a completed application is received by the regulatory relief office, the regulatory relief office shall:

(a) Review the application and refer the application to each applicable agency that regulates the applicant's business; and

(b) Provide to the applicant:

a. An acknowledgment of receipt of the application; and

b. The identity and contact information of each applicable agency to which the application has been referred for review.

(3) No later than thirty days after the day on which an applicable agency receives a completed application for review, the applicable agency shall provide a written report to the sandbox program director with the applicable agency's findings. Such report shall:

(a) Describe any identifiable, likely, and significant harm to the health, safety, or financial well-being of consumers that the relevant law or regulation protects against; and

(b) Make a recommendation to the regulatory relief office that the applicant either be admitted or denied entrance into the sandbox program.

(4) An applicable agency may request an additional five business days to deliver the written report required by subdivision (3) of this subsection by providing notice to the sandbox program director, which request shall automatically be granted. An applicable agency may request only one extension per application.

(5) If an applicable agency recommends an applicant under this section be denied entrance into the sandbox program, the written report required by subdivision (3) of this subsection shall include a description of the reasons for such recommendation, including the reason a temporary waiver or suspension of the relevant laws or regulations would potentially significantly harm the health, safety, or financial well-being of consumers or the public and the assessed likelihood of such harm occurring.

(6) If an applicable agency determines that the consumer's or public's health, safety, or financial well-being can be protected through less restrictive means than the existing relevant laws or regulations, the applicable agency shall provide a recommendation of how that can be achieved.

(7) If an applicable agency fails to deliver the written report required by subdivision (3) of this subsection, the sandbox program director shall assume that the applicable agency does not object to the temporary waiver or suspension of the relevant laws or regulations for an applicant seeking to participate in the sandbox program.

6. (1) Notwithstanding any provision of this section to the contrary, an applicable agency may, by written notice to the regulatory relief office:

(a) Reject an application, provided such rejection occurs within thirty days after the day on which the applicable agency receives a complete application for review, or

within thirty-five days if an extension has been requested by the applicable agency, if the applicable agency determines, in the applicable agency's sole discretion, that the applicant's offering fails to comply with standards or specifications:

a. Required by federal rule or regulation; or

b. Previously approved for use by a federal agency; or

(b) Reject an application preliminarily approved by the regulatory relief office, if the applicable agency:

a. Recommends rejection of the application in the applicable agency's written report submitted pursuant to subdivision (3) of subsection 5 of this section; and

b. Provides in the written report submitted pursuant to subdivision (3) of subsection 5 of this section a description of the applicable agency's reasons approval of the application would create a substantial risk of harm to the health or safety of the public, or create unreasonable expenses for taxpayers in the state.

(2) If any applicable agency rejects an application on a nonpreliminary basis pursuant to subdivision (1) of this subsection, the regulatory relief office shall not approve the application.

7. (1) The sandbox program director shall provide all applications and associated written reports to the advisory committee upon receiving a written report from an applicable agency.

(2) The sandbox program director may call the advisory committee to meet as needed, but not less than once per quarter if applications are available for review.

(3) After receiving and reviewing the application and each associated written report, the advisory committee shall provide to the sandbox program director the advisory committee's recommendation as to whether the applicant should be admitted as a sandbox participant.

(4) As part of the advisory committee's review of each report, the advisory committee shall use criteria used by applicable agencies to evaluate applications.

8. The regulatory relief office shall consult with each applicable agency and the advisory committee before admitting an applicant into the sandbox program. Such consultation may include seeking information about whether:

(1) The applicable agency has previously issued a license or other authorization to the applicant; and

(2) The applicable agency has previously investigated, sanctioned, or pursued legal action against the applicant.

9. In reviewing an application under this section, the regulatory relief office and applicable agencies shall consider whether:

(1) A competitor to the applicant is or has been a sandbox participant and, if so, weigh that as a factor in favor of allowing the applicant to also become a sandbox participant;

(2) The applicant's plan will adequately protect consumers from potential harm identified by an applicable agency in the applicable agency's written report;

(3) The risk of harm to consumers is outweighed by the potential benefits to consumers from the applicant's participation in the sandbox program; and

(4) Certain state laws or regulations that regulate an innovative offering should not be waived or suspended even if the applicant is approved as a sandbox participant, including applicable anti-fraud or disclosure provisions.

10. An applicant shall become a sandbox participant if the regulatory relief office approves the application for the sandbox program and enters into a written agreement with the applicant describing the specific laws and regulations that are waived or suspended as part of participation in the sandbox program. Notwithstanding any other provision of this section to the contrary, the regulatory relief office shall not enter into a written agreement with an applicant that exempts the applicant from any income, property, or sales tax liability unless such applicant otherwise qualifies for an exemption from such tax.

11. (1) The sandbox program director may deny at his or her sole discretion any application submitted under this section for any reason, including if the sandbox program director determines that the preponderance of evidence demonstrates that suspending or waiving enforcement of a law or regulation would cause significant risk of harm to consumers or residents of the state.

(2) If the sandbox program director denies an application submitted under this section, the regulatory relief office shall provide to the applicant a written description of the reasons for not allowing the applicant to become a sandbox participant.

(3) The denial of an application submitted under this section shall not be subject to judicial or administrative review.

(4) The acceptance or denial of an application submitted under this section may be overridden by an affirmative vote of a majority of the advisory committee at the discretion of the advisory committee, provided such vote shall take place within ten business days of the sandbox program director's decision. Notwithstanding any other provision of this section to the contrary, the advisory committee shall not override a rejection made by an applicable agency.

(5) The sandbox program director shall deny an application for participation in the sandbox program if the applicant or any person who seeks to participate with the applicant in demonstrating an innovative offering has been convicted, entered into a

plea of nolo contendere, or entered a plea of guilty or nolo contendere held in abeyance, for any crime involving significant theft, fraud, or dishonesty if the crime bears a significant relationship to the applicant's or other participant's ability to safely and competently participate in the sandbox program.

12. When an applicant is approved for participation in the sandbox program, the sandbox program director may provide notice of the approval to competitors of the applicant and to the general public.

13. Applications to participate in the sandbox program shall be considered public records for the purposes of chapter 610, provided, however, that any information contained in such applications that constitutes proprietary or confidential trade secrets shall not be subject to disclosure pursuant to chapter 610.

620.3920. 1. If the regulatory relief office approves an application pursuant to section 620.3915, the sandbox participant shall have twenty-four months after the day on which the application was approved to demonstrate the innovative offering described in the sandbox participant's application.

2. An innovative offering that is demonstrated within the sandbox program shall only be available to consumers who are residents of the state. No law or regulation shall be waived or suspended if waiving or suspending such law or regulation would prevent a consumer from seeking restitution in the event that the consumer is harmed.

3. Nothing in sections 620.3900 to 620.3930 shall restrict a sandbox participant that holds a license or other authorization in another jurisdiction from acting in accordance with such license or other authorization in that jurisdiction.

4. A sandbox participant shall be deemed to possess an appropriate license or other authorization under the laws of this state for the purposes of any provision of federal law requiring licensure or other authorization by the state.

5. (1) During the demonstration period, a sandbox participant shall not be subject to the enforcement of state laws or regulations identified in the written agreement between the regulatory relief office and the sandbox participant.

(2) A prosecutor shall not file or pursue charges pertaining to any action related to a law or regulation identified in the written agreement between the regulatory relief office and the sandbox participant that occurs during the demonstration period.

(3) A state agency shall not file or pursue any punitive action against a sandbox participant, including a fine or license suspension or revocation, for the violation of a law or regulation that is identified as being waived or suspended in the written agreement between the regulatory relief office and the sandbox participant that occurs during the demonstration period.

6. Notwithstanding any provision of this section to the contrary, a sandbox participant shall not have immunity related to any criminal offense committed during the sandbox participant's participation in the sandbox program.

7. By written notice, the regulatory relief office may end a sandbox participant's participation in the sandbox program at any time and for any reason, including if the sandbox program director determines that a sandbox participant is not operating in good faith to bring an innovative offering to market; provided, however, that the sandbox program director's decision may be overridden by an affirmative vote of a majority of the members of the advisory committee.

8. The regulatory relief office and regulatory relief office's employees shall not be liable for any business losses or the recouping of application expenses or other expenses related to the sandbox program, including for:

(1) Denying an applicant's application to participate in the sandbox program for any reason; or

(2) Ending a sandbox participant's participation in the sandbox program at any time and for any reason.

620.3925. 1. Before demonstrating an innovative offering to a consumer, a sandbox participant shall disclose the following information to the consumer:

(1) The name and contact information of the sandbox participant;

(2) A statement that the innovative offering is authorized pursuant to the sandbox program and, if applicable, that the sandbox participant does not have a license or other authorization to provide an innovative offering under state laws that regulate offerings outside of the sandbox program;

(3) A statement that specific laws and regulations have been waived for the sandbox participant for the duration of its demonstration in the sandbox program, with a summary of such waived laws and regulations;

(4) A statement that the innovative offering is undergoing testing and may not function as intended and may expose the consumer to certain risks as identified by the applicable agency's written report;

(5) A statement that the provider of the innovative offering is not immune from civil liability for any losses or damages caused by the innovative offering;

(6) A statement that the provider of the innovative offering is not immune from criminal prosecution for violations of state law or regulations that are not suspended or waived as allowed within the sandbox program;

(7) A statement that the innovative offering is a temporary demonstration that may be discontinued at the end of the demonstration period;

(8) The expected end date of the demonstration period; and

(9) A statement that a consumer may contact the regulatory relief office and file a complaint regarding the innovative offering being demonstrated, providing the regulatory relief office's telephone number, email address, and website address where a complaint may be filed.

2. The disclosures required by subsection 1 of this section shall be provided to a consumer in a clear and conspicuous form and, for an internet- or application-based innovative offering, a consumer shall acknowledge receipt of the disclosure before any transaction may be completed.

3. The regulatory relief office may require that a sandbox participant make additional disclosures to a consumer.

620.3930. 1. At least thirty days before the end of the twenty-four-month demonstration period, a sandbox participant shall:

(1) Notify the regulatory relief office that the sandbox participant will exit the sandbox program and discontinue the sandbox participant's demonstration after the day on which the twenty-four-month demonstration period ends; or

(2) Seek an extension pursuant to subsection 4 of this section.

2. If the regulatory relief office does not receive notification as required by subsection 1 of this section, the demonstration period shall end at the end of the twenty-four-month demonstration period.

3. If a demonstration includes an innovative offering that requires ongoing services or duties beyond the twenty-four-month demonstration period, the sandbox participant may continue to demonstrate the innovative offering but shall be subject to enforcement of the laws or regulations that were waived or suspended as part of the sandbox program.

4. (1) No later than thirty days before the end of the twenty-four-month demonstration period, a sandbox participant may request an extension of the demonstration period.

(2) The regulatory relief office shall grant or deny a request for an extension by the end of the twenty-four month demonstration period.

(3) The regulatory relief office may grant an extension for not more than twelve months after the end of the demonstration period.

(4) Sandbox participants may apply for additional extensions in accordance with the criteria used to assess their initial application, up to a cumulative maximum of seven years inclusive of the original twenty-four-month demonstration period.

5. (1) A sandbox participant shall retain records, documents, and data produced in the ordinary course of business regarding an innovative offering demonstrated in the sandbox program for twenty-four months after exiting the sandbox program.

(2) The regulatory relief office may request relevant records, documents, and data from a sandbox participant, and, upon the regulatory relief office's request, the sandbox participant shall make such records, documents, and data available for inspection by the regulatory relief office.

6. If a sandbox participant ceases to provide an innovative offering before the end of a demonstration period, the sandbox participant shall notify the regulatory relief office and each applicable agency and report on actions taken by the sandbox participant to ensure consumers have not been harmed as a result.

7. The regulatory relief office shall establish quarterly reporting requirements for each sandbox participant, including information about any consumer complaints.

8. (1) The sandbox participant shall notify the regulatory relief office and each applicable agency of any incidents that result in harm to the health, safety, or financial well-being of a consumer. The parameters for such incidents that shall be reported shall be laid out in the written agreement between the applicant and the regulatory relief office. Any incident reports shall be publicly available on the regulatory sandbox webpage provided, however, that any information contained in such reports that constitutes proprietary or confidential trade secrets shall not be subject to disclosure pursuant to chapter 610.

(2) If a sandbox participant fails to notify the regulatory relief office and each applicable agency of any incidents required to be reported, or the regulatory relief office or an applicable agency has evidence that significant harm to a consumer has occurred, the regulatory relief office may immediately remove the sandbox participant from the sandbox program.

9. No later than thirty days after the day on which a sandbox participant exits the sandbox program, the sandbox participant shall submit a written report to the regulatory relief office and each applicable agency describing an overview of the sandbox participant's demonstration. Failure to submit such a report shall result in the sandbox participant and any entity that later employs a member of the leadership team of the sandbox participant being prohibited from future participation in the sandbox program. Such report shall include any:

(1) Incidents of harm to consumers;

(2) Legal action filed against the sandbox participant as a result of the participant's demonstration; or

(3) Complaint filed with an applicable agency as a result of the sandbox participant's demonstration.

Any incident reports of harm to consumers, legal actions filed against a sandbox participant, or complaints filed with an applicable agency shall be compiled and made publicly available on the regulatory sandbox webpage provided, however, that any information contained in such reports or complaints that constitutes proprietary or confidential trade secrets shall not be subject to disclosure pursuant to chapter 610.

10. No later than thirty days after the day on which an applicable agency receives the quarterly report required by subsection 7 of this section or a written report from a sandbox participant as required by subsection 9 of this section, the applicable agency shall provide a written report to the regulatory relief office on the demonstration, which describes any statutory or regulatory reform the applicable agency recommends as a result of the demonstration.

11. The regulatory relief office may remove a sandbox participant from the sandbox program at any time if the regulatory relief office determines that a sandbox participant has engaged in, is engaging in, or is about to engage in any practice or transaction that is in violation of sections 620.3900 to 620.3930 or that constitutes a violation of a law or regulation for which suspension or waiver has not been granted pursuant to the sandbox program. Information on any removal of a sandbox participant for engaging in any practice or transaction that constitutes a violation of law or regulation for which suspension or waiver has not been granted pursuant to the sandbox program shall be made publicly available on the regulatory sandbox webpage provided, however, that any information that constitutes proprietary or confidential trade secrets shall not be subject to disclosure pursuant to chapter 610.

Section 1. In recognition of the negative effects of COVID-19 and global supply chain disruptions, all qualified companies and qualified military projects under the program shall have an additional twelve months to reach any requirement or commitment regarding the number of new jobs or new payroll and provide evidence and documentation of the same to the department, provided that such qualified company or qualified military project has reached at least fifty percent of its required or committed number of new jobs on or before the expiration of its original time period to meet such requirement. The foregoing extension shall apply to all deadlines and time periods regarding requirements and commitments for new jobs and new payroll under the program, including, without limitation, such deadlines and time periods under any agreements entered into between the qualified company or qualified military project and the department and providing documentation of the same, including the verification of eligibility threshold, to the department. Any agreements between the qualified company or qualified military project and the department are automatically deemed amended to include the extension under this section. This section shall be deemed to

apply only to benefits requested by qualified companies and qualified military projects for which a notice of intent has been submitted under the program prior to the effective date of this statute.

~~[537.528. 1. Any action against a person for conduct or speech undertaken or made in connection with a public hearing or public meeting, in a quasi-judicial proceeding before a tribunal or decision-making body of the state or any political subdivision of the state is subject to a special motion to dismiss, motion for judgment on the pleadings, or motion for summary judgment that shall be considered by the court on a priority or expedited basis to ensure the early consideration of the issues raised by the motion and to prevent the unnecessary expense of litigation. Upon the filing of any special motion described in this subsection, all discovery shall be suspended pending a decision on the motion by the court and the exhaustion of all appeals regarding the special motion.~~

~~2. If the rights afforded by this section are raised as an affirmative defense and if a court grants a motion to dismiss, a motion for judgment on the pleadings or a motion for summary judgment filed within ninety days of the filing of the moving party's answer, the court shall award reasonable attorney fees and costs incurred by the moving party in defending the action. If the court finds that a special motion to dismiss or motion for summary judgment is frivolous or solely intended to cause unnecessary delay, the court shall award costs and reasonable attorney fees to the party prevailing on the motion.~~

~~3. Any party shall have the right to an expedited appeal from a trial court order on the special motions described in subsection 2 of this section or from a trial court's failure to rule on the motion on an expedited basis.~~

~~4. As used in this section, a "public meeting in a quasi-judicial proceeding" means and includes any meeting established and held by a state or local governmental entity, including without limitations meetings or presentations before state, county, city, town or village councils, planning commissions, review boards or commissions.~~

~~5. Nothing in this section limits or prohibits the exercise of a right or remedy of a party granted pursuant to another constitutional, statutory, common law or administrative provision, including civil actions for defamation.~~

~~6. If any provision of this section or the application of any provision of this section to a person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of this section that can be given effect without the invalid provision or application, and to this end the provisions of this section are severable.~~

~~7. The provisions of this section shall apply to all causes of actions.]~~

Section B. The provisions of sections 288.132 and 288.133 of section A of this act shall become effective on January 1, 2023.

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