

SENATE SUBSTITUTE  
FOR  
SENATE COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL NO. 120  
AN ACT

To repeal sections 36.020, 379.122, 620.2005, and 620.2010, RSMo, and to enact in lieu thereof ten new sections relating to military affairs, with an emergency clause for certain sections.

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

Section A. Sections 36.020, 379.122, 620.2005, and  
2 620.2010, RSMo, are repealed and ten new sections enacted in  
3 lieu thereof, to be known as sections 9.297, 36.020, 36.221,  
4 41.201, 42.390, 105.1204, 160.710, 379.122, 620.2005, and  
5 620.2010, to read as follows:

9.297. The month of November is hereby designated as  
2 "Military Family Month" in Missouri. The citizens of this  
3 state are encouraged to participate in appropriate events  
4 and activities to honor the daily sacrifices of all military  
5 families who support their loved ones serving our country.

36.020. Unless the context clearly requires otherwise,  
2 the following terms mean:

(1) "Agency", "state agency" or "agency of the state",  
4 each department, board, commission or office of the state  
5 except for offices of the elected officials, the general  
6 assembly, the judiciary and academic institutions;

(2) "Appointing authority", an officer or agency  
8 subject to this chapter having power to make appointments;

(3) "Board", the personnel advisory board as  
10 established by section 36.050;

11           (4) "Broad classification band", a grouping of  
12 positions with similar levels of responsibility or expertise;

13           (5) "Class", "class of positions", or "job class", a  
14 group of positions subject to this chapter sufficiently  
15 alike in duties, authority and responsibilities to justify  
16 the same qualifications and the same schedule of pay to all  
17 positions in the group;

18           (6) "Director", the director of the division of  
19 personnel of the office of administration;

20           (7) "Disabled veteran", a veteran who has served on  
21 active duty in the Armed Forces at any time who receives  
22 compensation as a result of a service-connected disability  
23 claim allowed by the federal agency responsible for the  
24 administration of veteran's affairs, or who receives  
25 disability retirement or disability pension benefits from a  
26 federal agency as a result of such a disability or a  
27 National Guard veteran who was permanently disabled as a  
28 result of active service to the state at the call of the  
29 governor;

30           (8) "Division of service" or "division", a state  
31 department or any division or branch of the state, or any  
32 agency of the state government, all the positions and  
33 employees in which are under the same appointing authority;

34           (9) "Eleemosynary or penal institutions", an  
35 institution within state government holding, housing, or  
36 caring for inmates, patients, veterans, juveniles, or other  
37 individuals entrusted to or assigned to the state where it  
38 is anticipated that such individuals will be in residence  
39 for longer than one day. Eleemosynary or penal institutions  
40 shall not include elementary, secondary, or higher education  
41 institutions operated separately or independently from the  
42 foregoing institutions;

43           (10) "Eligible", a person whose name is on a register  
44 or who has been determined to meet the qualifications for a  
45 class or position;

46           (11) "Employee", shall include only those persons  
47 employed in excess of thirty-two hours per calendar week,  
48 for a duration that could exceed six months, by a state  
49 agency and shall not include patients, inmates, or residents  
50 in state eleemosynary or penal institutions who work for the  
51 state agency operating an eleemosynary or penal institutions;

52           (12) "Examination" or "competitive examination", a  
53 means of determining eligibility or fitness for a class or  
54 position;

55           (13) "Open competitive examination", a selection  
56 process for positions in a particular class, admission to  
57 which is not limited to persons employed in positions  
58 subject to this chapter pursuant to subsection 1 of section  
59 36.030;

60           (14) "Promotional examination", a selection process  
61 for positions in a particular class, admission to which is  
62 limited to employees with regular status in positions  
63 subject to this chapter pursuant to subsection 1 of section  
64 36.030;

65           (15) "Register of eligibles", a list, which may be  
66 restricted by locality, of persons who have been found  
67 qualified for appointment to a position subject to this  
68 chapter pursuant to subsection 1 of section 36.030;

69           (16) "Regular employee", a person employed in a  
70 position described under subdivision (2) of subsection 1 of  
71 section 36.030 who has successfully completed a probationary  
72 period as provided in section 36.250;

73           (17) "State equal employment opportunity officer", the  
74 individual designated by the governor or the commissioner of  
75 administration as having responsibility for monitoring the

76 compliance of the state as an employer with applicable equal  
77 employment opportunity law and regulation and for leadership  
78 in efforts to establish a state workforce which reflects the  
79 diversity of Missouri citizens at all levels of employment;

80 (18) "Surviving spouse", the unmarried surviving  
81 spouse of a deceased disabled veteran or the unmarried  
82 [survivor's] surviving spouse of any person who was killed  
83 while on active duty in the Armed Forces of the United  
84 States or an unmarried surviving spouse of a National Guard  
85 veteran who was killed as a result of active service to the  
86 state at the call of the governor;

87 (19) "Veteran", any person who is a citizen of this  
88 state who has been separated under honorable conditions from  
89 the Armed Forces of the United States who served on active  
90 duty during peacetime or wartime for at least six  
91 consecutive months, unless released early as a result of a  
92 service-connected disability or a reduction in force at the  
93 convenience of the government, or any member of a reserve or  
94 National Guard component who has satisfactorily completed at  
95 least six years of service or who was called or ordered to  
96 active duty by the President and participated in any  
97 campaign or expedition for which a campaign badge or service  
98 medal has been authorized.

2 36.221. In filling any position where employees are  
3 selected on the basis of merit under subsection 1 of section  
4 36.030, the appointing authority shall offer an interview to  
5 every person who is or was a member of the Missouri National  
6 Guard whose name appears on the register of eligibles for  
7 the position.

2 41.201. Service members of the Missouri National Guard  
3 shall be considered state employees for the purposes of  
4 operating state-owned vehicles for official state business  
5 unless the members are called into active federal military

5 service by order of the President of the United States  
6 pursuant to Title 10 of the United States Code.

7 42.390. 1. Every state agency shall ensure that any  
8 form, including digital forms posted on an Internet website,  
9 used to collect data from individuals include the following  
10 questions in substantially similar form:

11 (1) Have you ever served on active duty in the  
12 Armed Forces of the United States and separated  
13 from such service under conditions other than  
14 dishonorable?

15 (2) If answering question (1) in the  
16 affirmative, would you like to receive  
17 information and assistance regarding the  
18 agency's veteran services?

19 2. Every state agency shall prepare information  
20 regarding the agency's applicable services and benefits that  
21 are available to veterans and provide such information to  
22 those who answer the questions provided in subsection 1 of  
23 this section in the affirmative.

24 3. The provisions of subsection 1 of this section  
25 shall only apply to any form first created on or after  
26 August 28, 2021, or any form created before August 28, 2021,  
27 and subsequently modified on or after August 28, 2021.

28 105.1204. In filling any position in a state agency,  
29 as that term is defined under section 36.020, where  
30 employees are not required to be selected on the basis of  
31 merit under subsection 1 of section 36.030, the employing  
32 agency shall offer an interview to every applicant who is or  
33 was a member of the Missouri National Guard and who meets  
34 the minimum qualifications established for the position.

35 160.710. 1. As used in this section, the following  
36 terms mean:

3           (1) "Military connected student", a student enrolled  
4 in a school district or charter school who:

5           (a) Is a dependent of a current or former member of  
6 the Armed Forces of the United States, the Missouri National  
7 Guard, or any reserve component of the Armed Forces of the  
8 United States; or

9           (b) Was a dependent of a member of the Armed Forces of  
10 the United States, the Missouri National Guard, or any  
11 reserve component of the Armed Forces of the United States  
12 who was killed while on active duty.

13           2. The department of elementary and secondary  
14 education shall designate a school district as a purple star  
15 campus if the school district applies and qualifies for the  
16 designation under this section.

17           3. To qualify as a purple star campus, a school  
18 district shall:

19           (1) Designate a staff member as a military liaison to  
20 serve as the point of contact between the school district  
21 and military connected students and their families;

22           (2) Identify military connected students enrolled in  
23 the school district;

24           (3) Determine appropriate services available to  
25 military connected students;

26           (4) Coordinate programs relevant to military connected  
27 students;

28           (5) Maintain on the school district website an easily  
29 accessible webpage that includes resources for military  
30 connected students and their families, including information  
31 regarding:

32           (a) Relocation to, enrollment at, registration at, and  
33 transferring records to the school district;

34           (b) Academic planning, course sequences, and advanced  
35 classes available;

36 (c) Counseling and other support services available  
37 for military connected students enrolled in the school  
38 district;

39 (d) The military liaison designated under subdivision  
40 (1) of this section;

41 (6) Establish and maintain a transition program led by  
42 the students, when appropriate, that assists military  
43 connected students in transitioning into the school district;

44 (7) Offer professional development and education for  
45 staff members on issues related to military connected  
46 students; and

47 (8) Offer at least one of the following programs:

48 (a) A resolution showing support for military  
49 connected students and their families;

50 (b) Recognition of the military holidays with relevant  
51 events hosted by the school district; or

52 (c) A partnership with a local military installation  
53 that provides opportunities for active duty military members  
54 to volunteer with the school district, speak at an assembly,  
55 or host a field trip.

379.122. 1. No insurer shall refuse to write a policy  
2 for an applicant or base an adverse underwriting decision,  
3 including but not limited to charging an increased premium,  
4 solely on the fact that the applicant has never purchased  
5 such a policy of motor vehicle insurance where the lack of  
6 motor vehicle insurance coverage is due to the applicant  
7 serving in the armed services and the applicant has not  
8 operated a motor vehicle in violation of any financial  
9 responsibility or compulsory insurance requirement within  
10 the past twelve months.

11 2. No insurer shall refuse to write a policy for an  
12 applicant or base an adverse underwriting decision,  
13 including but not limited to charging an increased premium,

14 solely on the fact that the applicant has not owned or been  
15 covered by such a policy of motor vehicle insurance during  
16 any specified period immediately preceding the date of  
17 application where the lack of motor vehicle insurance  
18 coverage is due to the applicant serving in the armed  
19 services and the applicant has not operated a motor vehicle  
20 in violation of any financial responsibility or compulsory  
21 insurance requirement within the past twelve months.  
22 Nothing in this subsection shall prohibit an insurer from  
23 giving a discount for such an applicant that has been  
24 covered by a policy of insurance during such a specified  
25 period.

26 3. Nothing in this section shall prohibit an insurer  
27 from basing an adverse underwriting decision on an  
28 applicant's previous driving record where such record  
29 indicates that the applicant is a substandard risk.

30 4. In order to establish compliance with this section,  
31 an insurer may require any applicant claiming to meet the  
32 criteria of subsection 1 or 2 of this section to provide  
33 proof of eligibility in a manner as the insurer may  
34 prescribe.

35 5. The adjutant general shall ensure that members of  
36 the state military forces, as defined in section 40.005,  
37 receive notice of the protections provided under this  
38 section at such time as information regarding the  
39 Servicemembers Civil Relief Act, 50 U.S.C. 3901, et seq., is  
40 provided, or at such other times as the adjutant general  
41 deems appropriate. The notice shall specifically state that  
42 insurers are prohibited under this section from refusing to  
43 issue a policy of motor vehicle insurance, or from charging  
44 higher premiums, based solely on a lack of prior coverage  
45 where the lack of prior coverage was due to military  
46 service. The secretaries of the branches of the United



47 States Armed Forces are hereby encouraged to likewise notify  
48 servicemembers under their jurisdictions of the protections  
49 provided under this section.

620.2005. 1. As used in sections 620.2000 to  
2 620.2020, the following terms mean:

3 (1) "Average wage", the new payroll divided by the  
4 number of new jobs, or the payroll of the retained jobs  
5 divided by the number of retained jobs;

6 (2) "Commencement of operations", the starting date  
7 for the qualified company's first new employee, which shall  
8 be no later than twelve months from the date of the approval;

9 (3) "Contractor", a person, employer, or business  
10 entity that enters into an agreement to perform any service  
11 or work or to provide a certain product in exchange for  
12 valuable consideration. This definition shall include but  
13 not be limited to a general contractor, subcontractor,  
14 independent contractor, contract employee, project manager,  
15 or a recruiting or staffing entity;

16 (4) "County average wage", the average wages in each  
17 county as determined by the department for the most recently  
18 completed full calendar year. However, if the computed  
19 county average wage is above the statewide average wage, the  
20 statewide average wage shall be deemed the county average  
21 wage for such county for the purpose of determining  
22 eligibility. The department shall publish the county  
23 average wage for each county at least annually.

24 Notwithstanding the provisions of this subdivision to the  
25 contrary, for any qualified company that in conjunction with  
26 their project is relocating employees from a Missouri county  
27 with a higher county average wage, the company shall obtain  
28 the endorsement of the governing body of the community from  
29 which jobs are being relocated or the county average wage

30 for their project shall be the county average wage for the  
31 county from which the employees are being relocated;

32 (5) "Department", the Missouri department of economic  
33 development;

34 (6) "Director", the director of the department of  
35 economic development;

36 (7) "Employee", a person employed by a qualified  
37 company, excluding:

38 (a) Owners of the qualified company unless the  
39 qualified company is participating in an employee stock  
40 ownership plan; or

41 (b) Owners of a noncontrolling interest in stock of a  
42 qualified company that is publicly traded;

43 (8) "Existing Missouri business", a qualified company  
44 that, for the ten-year period preceding submission of a  
45 notice of intent to the department, had a physical location  
46 in Missouri and full-time employees who routinely performed  
47 job duties within Missouri;

48 (9) "Full-time employee", an employee of the qualified  
49 company that is scheduled to work an average of at least  
50 thirty-five hours per week for a twelve-month period, and  
51 one for which the qualified company offers health insurance  
52 and pays at least fifty percent of such insurance premiums.  
53 An employee that spends less than fifty percent of the  
54 employee's work time at the facility shall be considered to  
55 be located at a facility if the employee receives his or her  
56 directions and control from that facility, is on the  
57 facility's payroll, one hundred percent of the employee's  
58 income from such employment is Missouri income, and the  
59 employee is paid at or above the applicable percentage of  
60 the county average wage;

61 (10) "Industrial development authority", an industrial  
62 development authority organized under chapter 349 that has

63 entered into a formal written memorandum of understanding  
64 with an entity of the United States Department of Defense  
65 regarding a qualified military project;

66 (11) "Infrastructure projects", highways, roads,  
67 streets, bridges, sewers, traffic control systems and  
68 devices, water distribution and supply systems, curbing,  
69 sidewalks, storm water and drainage systems, broadband  
70 internet infrastructure, and any other similar public  
71 improvements, but in no case shall infrastructure projects  
72 include private structures;

73 (12) "Local incentives", the present value of the  
74 dollar amount of direct benefit received by a qualified  
75 company for a project facility from one or more local  
76 political subdivisions, but this term shall not include  
77 loans or other funds provided to the qualified company that  
78 shall be repaid by the qualified company to the political  
79 subdivision;

80 (13) "Manufacturing capital investment", expenditures  
81 made by a qualified manufacturing company to retool or  
82 reconfigure a manufacturing project facility directly  
83 related to the manufacturing of a new product or the  
84 expansion or modification of the manufacture of an existing  
85 product;

86 (14) "Memorandum of understanding", an agreement  
87 executed by an industrial development authority and an  
88 entity of the United States Department of Defense, a copy of  
89 which is provided to the department of economic development,  
90 that states, but is not limited to:

91 (a) A requirement for the military to provide the  
92 total number of existing jobs, jobs directly created by a  
93 qualified military project, and average salaries of such  
94 jobs to the industrial development authority and the

95 department of economic development annually for the term of  
96 the benefit;

97 (b) A requirement for the military to provide an  
98 accounting of the expenditures of capital investment made by  
99 the military directly related to the qualified military  
100 project to the industrial development authority and the  
101 department of economic development annually for the term of  
102 the benefit;

103 (c) The process by which the industrial development  
104 authority shall monetize the tax credits annually and any  
105 transaction cost or administrative fee charged by the  
106 industrial development authority to the military on an  
107 annual basis;

108 (d) A requirement for the industrial development  
109 authority to provide proof to the department of economic  
110 development of the payment made to the qualified military  
111 project annually, including the amount of such payment;

112 (e) The schedule of the maximum amount of tax credits  
113 which may be authorized in each year for the project and the  
114 specified term of the benefit, as provided by the department  
115 of economic development; and

116 (f) A requirement that the annual benefit paid shall  
117 be the lesser of:

- 118 a. The maximum amount of tax credits authorized; or
- 119 b. The actual calculated benefit derived from the  
120 number of new jobs and average salaries;

121 (15) "NAICS" or "NAICS industry classification", the  
122 classification provided by the most recent edition of the  
123 North American Industry Classification System as prepared by  
124 the Executive Office of the President, Office of Management  
125 and Budget;

126 (16) "New capital investment", shall include costs  
127 incurred by the qualified company at the project facility

128 after acceptance by the qualified company of the proposal  
129 for benefits from the department or the approval notice of  
130 intent, whichever occurs first, for real or personal  
131 property, and may include the value of finance or capital  
132 leases for real or personal property for the term of such  
133 lease at the project facility executed after acceptance by  
134 the qualified company of the proposal for benefits from the  
135 department or the approval of the notice of intent;

136 (17) "New direct local revenue", the present value of  
137 the dollar amount of direct net new tax revenues of the  
138 local political subdivisions likely to be produced by the  
139 project over a ten-year period as calculated by the  
140 department, excluding local earnings tax, and net new  
141 utility revenues, provided the local incentives include a  
142 discount or other direct incentives from utilities owned or  
143 operated by the political subdivision;

144 (18) "New job", the number of full-time employees  
145 located at the project facility that exceeds the project  
146 facility base employment less any decrease in the number of  
147 full-time employees at related facilities below the related  
148 facility base employment. No job that was created prior to  
149 the date of the notice of intent shall be deemed a new job;

150 (19) "New payroll", the amount of wages paid for all  
151 new jobs, located at the project facility during the  
152 qualified company's tax year that exceeds the project  
153 facility base payroll;

154 (20) "New product", a new model or line of a  
155 manufactured good that has not been manufactured in Missouri  
156 by a qualified manufacturing company at any time prior to  
157 the date of the notice of intent, or an existing brand,  
158 model, or line of a manufactured good that is redesigned;

159 (21) "Notice of intent", a form developed by the  
160 department and available online, completed by the qualified

161 company, and submitted to the department stating the  
162 qualified company's intent to request benefits under this  
163 program. The notice of intent shall be accompanied with a  
164 detailed plan by the qualifying company to make good faith  
165 efforts to employ, at a minimum, commensurate with the  
166 percentage of minority populations in the state of Missouri,  
167 as reported in the previous decennial census, the following:  
168 racial minorities, contractors who are racial minorities,  
169 and contractors that, in turn, employ at a minimum racial  
170 minorities commensurate with the percentage of minority  
171 populations in the state of Missouri, as reported in the  
172 previous decennial census. At a minimum, such plan shall  
173 include monitoring the effectiveness of outreach and  
174 recruitment strategies in attracting diverse applicants and  
175 linking with different or additional referral sources in the  
176 event that recruitment efforts fail to produce a diverse  
177 pipeline of applicants;

178 (22) "Percent of local incentives", the amount of  
179 local incentives divided by the amount of new direct local  
180 revenue;

181 (23) "Program", the Missouri works program established  
182 in sections 620.2000 to 620.2020;

183 (24) "Project facility", the building or buildings  
184 used by a qualified company at which new or retained jobs  
185 and any new capital investment are or will be located or by  
186 a qualified manufacturing company at which a manufacturing  
187 capital investment is or will be located. A project  
188 facility may include separate buildings located within sixty  
189 miles of each other such that their purpose and operations  
190 are interrelated; provided that where the buildings making  
191 up the project facility are not located within the same  
192 county, the average wage of the new payroll shall exceed the  
193 applicable percentage of the highest county average wage

194 among the counties in which the buildings are located. Upon  
195 approval by the department, a subsequent project facility  
196 may be designated if the qualified company demonstrates a  
197 need to relocate to the subsequent project facility at any  
198 time during the project period. For qualified military  
199 projects, the term "project facility" means the military  
200 base or installation at which such qualified military  
201 project is or shall be located;

202 (25) "Project facility base employment", the greater  
203 of the number of full-time employees located at the project  
204 facility on the date of the notice of intent or, for the  
205 twelve-month period prior to the date of the notice of  
206 intent, the average number of full-time employees located at  
207 the project facility. In the event the project facility has  
208 not been in operation for a full twelve-month period, the  
209 average number of full-time employees for the number of  
210 months the project facility has been in operation prior to  
211 the date of the notice of intent;

212 (26) "Project facility base payroll", the annualized  
213 payroll for the project facility base employment or the  
214 total amount of taxable wages paid by the qualified company  
215 to full-time employees of the qualified company located at  
216 the project facility in the twelve months prior to the  
217 notice of intent. For purposes of calculating the benefits  
218 under this program, the amount of base payroll shall  
219 increase each year based on an appropriate measure, as  
220 determined by the department;

221 (27) "Project period", the time period within which  
222 benefits are awarded to a qualified company or within which  
223 the qualified company is obligated to perform under an  
224 agreement with the department, whichever is greater;

225 (28) "Projected net fiscal benefit", the total fiscal  
226 benefit to the state less any state benefits offered to the  
227 qualified company, as determined by the department;

228 (29) "Qualified company", a firm, partnership, joint  
229 venture, association, private or public corporation whether  
230 organized for profit or not, or headquarters of such entity  
231 registered to do business in Missouri that is the owner or  
232 operator of a project facility, certifies that it offers  
233 health insurance to all full-time employees of all  
234 facilities located in this state, and certifies that it pays  
235 at least fifty percent of such insurance premiums. For the  
236 purposes of sections 620.2000 to 620.2020, the term  
237 "qualified company" shall not include:

238 (a) Gambling establishments (NAICS industry group  
239 7132);

240 (b) Store front consumer-based retail trade  
241 establishments (under NAICS sectors 44 and 45), except with  
242 respect to any company headquartered in this state with a  
243 majority of its full-time employees engaged in operations  
244 not within the NAICS codes specified in this subdivision;

245 (c) Food and drinking places (NAICS subsector 722);

246 (d) Public utilities (NAICS 221 including water and  
247 sewer services);

248 (e) Any company that is delinquent in the payment of  
249 any nonprotested taxes or any other amounts due the state or  
250 federal government or any other political subdivision of  
251 this state;

252 (f) Any company requesting benefits for retained jobs  
253 that has filed for or has publicly announced its intention  
254 to file for bankruptcy protection. However, a company that  
255 has filed for or has publicly announced its intention to  
256 file for bankruptcy may be a qualified company provided that  
257 such company:



- 258           a. Certifies to the department that it plans to  
259 reorganize and not to liquidate; and
- 260           b. After its bankruptcy petition has been filed, it  
261 produces proof, in a form and at times satisfactory to the  
262 department, that it is not delinquent in filing any tax  
263 returns or making any payment due to the state of Missouri,  
264 including but not limited to all tax payments due after the  
265 filing of the bankruptcy petition and under the terms of the  
266 plan of reorganization. Any taxpayer who is awarded  
267 benefits under this subsection and who files for bankruptcy  
268 under Chapter 7 of the United States Bankruptcy Code, Title  
269 11 U.S.C., shall immediately notify the department and shall  
270 forfeit such benefits and shall repay the state an amount  
271 equal to any state tax credits already redeemed and any  
272 withholding taxes already retained;
- 273           (g) Educational services (NAICS sector 61);
- 274           (h) Religious organizations (NAICS industry group  
275 8131);
- 276           (i) Public administration (NAICS sector 92);
- 277           (j) Ethanol distillation or production;
- 278           (k) Biodiesel production; or
- 279           (l) Health care and social services (NAICS sector 62).

280 Notwithstanding any provision of this section to the  
281 contrary, the headquarters, administrative offices, or  
282 research and development facilities of an otherwise excluded  
283 business may qualify for benefits if the offices or  
284 facilities serve a multistate territory. In the event a  
285 national, state, or regional headquarters operation is not  
286 the predominant activity of a project facility, the jobs and  
287 investment of such operation shall be considered eligible  
288 for benefits under this section if the other requirements  
289 are satisfied;

290           (30) "Qualified manufacturing company", a company that:

291 (a) Is a qualified company that manufactures motor  
292 vehicles (NAICS group 3361);  
293 (b) Manufactures goods at a facility in Missouri;  
294 (c) Manufactures a new product or has commenced making  
295 a manufacturing capital investment to the project facility  
296 necessary for the manufacturing of such new product, or  
297 modifies or expands the manufacture of an existing product  
298 or has commenced making a manufacturing capital investment  
299 for the project facility necessary for the modification or  
300 expansion of the manufacture of such existing product; and  
301 (d) Continues to meet the requirements of paragraphs  
302 (a) to (c) of this subdivision for the project period;  
303 (31) "Qualified military project", the expansion or  
304 improvement of a military base or installation within this  
305 state that causes:  
306 (a) An increase of ten or more part-time or full-time  
307 military or civilian support personnel:  
308 a. Whose average salaries equal or exceed ninety  
309 percent of the county average wage; and  
310 b. Who are offered health insurance, with an entity of  
311 the United States Department of Defense paying at least  
312 fifty percent of such insurance premiums; and  
313 (b) Investment in real or personal property at the  
314 base or installation expressly for the purposes of serving a  
315 new or expanded military activity or unit.

316 For the purposes of this subdivision, part-time military or  
317 civilian support personnel shall be converted to full-time  
318 new jobs by, in hire date order, counting one full-time new  
319 job for every thirty-five averaged hours worked per week by  
320 part-time military or civilian support personnel in jobs  
321 directly created by the qualified military project. For each  
322 such full-time new job, the sum of the wages of the part-  
323 time military or civilian support personnel combined and

324 converted to form the new job shall be the wage for the one  
325 full-time new job. Each part-time military or civilian  
326 support personnel whose job is combined and converted for  
327 such a full-time new job shall be offered health insurance  
328 as described in subparagraph b of paragraph (a) of this  
329 subdivision;

330 (32) "Related company", shall mean:

331 (a) A corporation, partnership, trust, or association  
332 controlled by the qualified company;

333 (b) An individual, corporation, partnership, trust, or  
334 association in control of the qualified company; or

335 (c) Corporations, partnerships, trusts or associations  
336 controlled by an individual, corporation, partnership,  
337 trust, or association in control of the qualified company.

338 As used in this paragraph, "control of a qualified company"  
339 shall mean:

340 a. Ownership, directly or indirectly, of stock  
341 possessing at least fifty percent of the total combined  
342 voting power of all classes of stock entitled to vote in the  
343 case of a qualified company that is a corporation;

344 b. Ownership of at least fifty percent of the capital  
345 or profit interest in such qualified company if it is a  
346 partnership or association;

347 c. Ownership, directly or indirectly, of at least  
348 fifty percent of the beneficial interest in the principal or  
349 income of such qualified company if it is a trust, and  
350 ownership shall be determined as provided in Section 318 of  
351 the Internal Revenue Code of 1986, as amended;

352 (33) "Related facility", a facility operated by the  
353 qualified company or a related company located in this state  
354 that is directly related to the operations of the project  
355 facility or in which operations substantially similar to the  
356 operations of the project facility are performed;

357 (34) "Related facility base employment", the greater  
358 of the number of full-time employees located at all related  
359 facilities on the date of the notice of intent or, for the  
360 twelve-month period prior to the date of the notice of  
361 intent, the average number of full-time employees located at  
362 all related facilities of the qualified company or a related  
363 company located in this state;

364 (35) "Related facility base payroll", the annualized  
365 payroll of the related facility base payroll or the total  
366 amount of taxable wages paid by the qualified company to  
367 full-time employees of the qualified company located at a  
368 related facility in the twelve months prior to the filing of  
369 the notice of intent. For purposes of calculating the  
370 benefits under this program, the amount of related facility  
371 base payroll shall increase each year based on an  
372 appropriate measure, as determined by the department;

373 (36) "Rural area", a county in Missouri with a  
374 population less than seventy-five thousand or that does not  
375 contain an individual city with a population greater than  
376 fifty thousand according to the most recent federal  
377 decennial census;

378 (37) "Tax credits", tax credits issued by the  
379 department to offset the state taxes imposed by chapters 143  
380 and 148, or which may be sold or refunded as provided for in  
381 this program;

382 (38) "Withholding tax", the state tax imposed by  
383 sections 143.191 to 143.265. For purposes of this program,  
384 the withholding tax shall be computed using a schedule as  
385 determined by the department based on average wages.

386 2. This section is subject to the provisions of  
387 section 196.1127.

620.2010. 1. In exchange for the consideration  
2 provided by the new tax revenues and other economic stimuli

3 that will be generated by the new jobs created, a qualified  
4 company may, for a period of five years from the date the  
5 new jobs are created, or for a period of six years from the  
6 date the new jobs are created if the qualified company is an  
7 existing Missouri business, retain an amount equal to the  
8 withholding tax as calculated under subdivision (38) of  
9 section 620.2005 from the new jobs that would otherwise be  
10 withheld and remitted by the qualified company under the  
11 provisions of sections 143.191 to 143.265 if:

12 (1) The qualified company creates ten or more new  
13 jobs, and the average wage of the new payroll equals or  
14 exceeds ninety percent of the county average wage;

15 (2) The qualified company creates two or more new jobs  
16 at a project facility located in a rural area, the average  
17 wage of the new payroll equals or exceeds ninety percent of  
18 the county average wage, and the qualified company commits  
19 to making at least one hundred thousand dollars of new  
20 capital investment at the project facility within two years;  
21 or

22 (3) The qualified company creates two or more new jobs  
23 at a project facility located within a zone designated under  
24 sections 135.950 to 135.963, the average wage of the new  
25 payroll equals or exceeds eighty percent of the county  
26 average wage, and the qualified company commits to making at  
27 least one hundred thousand dollars in new capital investment  
28 at the project facility within two years of approval.

29 2. In addition to any benefits available under  
30 subsection 1 of this section, the department may award a  
31 qualified company that satisfies subdivision (1) of  
32 subsection 1 of this section additional tax credits, issued  
33 each year for a period of five years from the date the new  
34 jobs are created, or for a period of six years from the date  
35 the new jobs are created if the qualified company is an

36 existing Missouri business, in an amount equal to or less  
37 than six percent of new payroll; provided that in no event  
38 may the total amount of benefits awarded to a qualified  
39 company under this section exceed nine percent of new  
40 payroll in any calendar year. The amount of tax credits  
41 awarded to a qualified company under this subsection shall  
42 not exceed the projected net fiscal benefit to the state, as  
43 determined by the department, and shall not exceed the least  
44 amount necessary to obtain the qualified company's  
45 commitment to initiate the project. In determining the  
46 amount of tax credits to award to a qualified company under  
47 this subsection or a qualified manufacturing company under  
48 subsection 3 of this section, the department shall consider  
49 the following factors:

50 (1) The significance of the qualified company's need  
51 for program benefits;

52 (2) The amount of projected net fiscal benefit to the  
53 state of the project and the period in which the state would  
54 realize such net fiscal benefit;

55 (3) The overall size and quality of the proposed  
56 project, including the number of new jobs, new capital  
57 investment, manufacturing capital investment, proposed  
58 wages, growth potential of the qualified company, the  
59 potential multiplier effect of the project, and similar  
60 factors;

61 (4) The financial stability and creditworthiness of  
62 the qualified company;

63 (5) The level of economic distress in the area;

64 (6) An evaluation of the competitiveness of  
65 alternative locations for the project facility, as  
66 applicable; and

67 (7) The percent of local incentives committed.

68           3. (1) The department may award tax credits to a  
69 qualified manufacturing company that makes a manufacturing  
70 capital investment of at least five hundred million dollars  
71 not more than three years following the department's  
72 approval of a notice of intent and the execution of an  
73 agreement that meets the requirements of subsection 4 of  
74 this section. Such tax credits shall be issued no earlier  
75 than January 1, 2023, and may be issued each year for a  
76 period of five years. A qualified manufacturing company may  
77 qualify for an additional five-year period under this  
78 subsection if it makes an additional manufacturing capital  
79 investment of at least two hundred fifty million dollars  
80 within five years of the department's approval of the  
81 original notice of intent.

82           (2) The maximum amount of tax credits that any one  
83 qualified manufacturing company may receive under this  
84 subsection shall not exceed five million dollars per  
85 calendar year. The aggregate amount of tax credits awarded  
86 to all qualified manufacturing companies under this  
87 subsection shall not exceed ten million dollars per calendar  
88 year.

89           (3) If, at the project facility at any time during the  
90 project period, the qualified manufacturing company  
91 discontinues the manufacturing of the new product, or  
92 discontinues the modification or expansion of an existing  
93 product, and does not replace it with a subsequent or  
94 additional new product or with a modification or expansion  
95 of an existing product, the company shall immediately cease  
96 receiving any benefit awarded under this subsection for the  
97 remainder of the project period and shall forfeit all rights  
98 to retain or receive any benefit awarded under this  
99 subsection for the remainder of such period.

100           (4) Notwithstanding any other provision of law to the  
101 contrary, any qualified manufacturing company that is  
102 awarded benefits under this section shall not simultaneously  
103 receive tax credits or exemptions under sections 100.700 to  
104 100.850 for the jobs created or retained or capital  
105 improvement that qualified for benefits under this section.  
106 The provisions of subsection 5 of section 285.530 shall not  
107 apply to a qualified manufacturing company that is awarded  
108 benefits under this section.

109           4. Upon approval of a notice of intent to receive tax  
110 credits under subsection 2, 3, 6, or 7 of this section, the  
111 department and the qualified company shall enter into a  
112 written agreement covering the applicable project period.  
113 The agreement shall specify, at a minimum:

114           (1) The committed number of new jobs, new payroll, and  
115 new capital investment, or the manufacturing capital  
116 investment and committed percentage of retained jobs for  
117 each year during the project period;

118           (2) The date or time period during which the tax  
119 credits shall be issued, which may be immediately or over a  
120 period not to exceed two years from the date of approval of  
121 the notice of intent;

122           (3) Clawback provisions, as may be required by the  
123 department;

124           (4) Financial guarantee provisions as may be required  
125 by the department, provided that financial guarantee  
126 provisions shall be required by the department for tax  
127 credits awarded under subsection 7 of this section; and

128           (5) Any other provisions the department may require.

129           5. In lieu of the benefits available under sections 1  
130 and 2 of this section, and in exchange for the consideration  
131 provided by the new tax revenues and other economic stimuli  
132 that will be generated by the new jobs created by the



133 program, a qualified company may, for a period of five years  
134 from the date the new jobs are created, or for a period of  
135 six years from the date the new jobs are created if the  
136 qualified company is an existing Missouri business, retain  
137 an amount equal to the withholding tax as calculated under  
138 subdivision (38) of section 620.2005 from the new jobs that  
139 would otherwise be withheld and remitted by the qualified  
140 company under the provisions of sections 143.191 to 143.265  
141 equal to:

142 (1) Six percent of new payroll for a period of five  
143 years from the date the required number of new jobs were  
144 created if the qualified company creates one hundred or more  
145 new jobs and the average wage of the new payroll equals or  
146 exceeds one hundred twenty percent of the county average  
147 wage of the county in which the project facility is located;  
148 or

149 (2) Seven percent of new payroll for a period of five  
150 years from the date the required number of jobs were created  
151 if the qualified company creates one hundred or more new  
152 jobs and the average wage of the new payroll equals or  
153 exceeds one hundred forty percent of the county average wage  
154 of the county in which the project facility is located.

155 The department shall issue a refundable tax credit for any  
156 difference between the amount of benefit allowed under this  
157 subsection and the amount of withholding tax retained by the  
158 company, in the event the withholding tax is not sufficient  
159 to provide the entire amount of benefit due to the qualified  
160 company under this subsection.

161 6. In addition to the benefits available under  
162 subsection 5 of this section, the department may award a  
163 qualified company that satisfies the provisions of  
164 subsection 5 of this section additional tax credits, issued  
165 each year for a period of five years from the date the new

166 jobs are created, or for a period of six years from the date  
167 the new jobs are created if the qualified company is an  
168 existing Missouri business, in an amount equal to or less  
169 than three percent of new payroll; provided that in no event  
170 may the total amount of benefits awarded to a qualified  
171 company under this section exceed nine percent of new  
172 payroll in any calendar year. The amount of tax credits  
173 awarded to a qualified company under this subsection shall  
174 not exceed the projected net fiscal benefit to the state, as  
175 determined by the department, and shall not exceed the least  
176 amount necessary to obtain the qualified company's  
177 commitment to initiate the project. In determining the  
178 amount of tax credits to award to a qualified company under  
179 this subsection, the department shall consider the factors  
180 provided under subsection 2 of this section.

181 7. In lieu of the benefits available under subsections  
182 1, 2, 5, and 6 of this section, and in exchange for the  
183 consideration provided by the new tax revenues and other  
184 economic stimuli that will be generated by the new jobs and  
185 new capital investment created by the program, the  
186 department may award a qualified company that satisfies the  
187 provisions of subdivision (1) of subsection 1 of this  
188 section tax credits, issued within one year following the  
189 qualified company's acceptance of the department's proposal  
190 for benefits, in an amount equal to or less than nine  
191 percent of new payroll. The amount of tax credits awarded  
192 to a qualified company under this subsection shall not  
193 exceed the projected net fiscal benefit to the state, as  
194 determined by the department, and shall not exceed the least  
195 amount necessary to obtain the qualified company's  
196 commitment to initiate the project. In determining the  
197 amount of tax credits to award to a qualified company under  
198 this subsection, the department shall consider the factors

199 provided under subsection 2 of this section and the  
200 qualified company's commitment to new capital investment and  
201 new job creation within the state for a period of not less  
202 than ten years. For the purposes of this subsection, each  
203 qualified company shall have an average wage of the new  
204 payroll that equals or exceeds one hundred percent of the  
205 county average wage. Notwithstanding the provisions of  
206 section 620.2020 to the contrary, this subsection, shall  
207 expire on June 30, 2025.

208 8. No benefits shall be available under this section  
209 for any qualified company that has performed significant,  
210 project-specific site work at the project facility,  
211 purchased machinery or equipment related to the project, or  
212 has publicly announced its intention to make new capital  
213 investment or manufacturing capital investment at the  
214 project facility prior to receipt of a proposal for benefits  
215 under this section or approval of its notice of intent,  
216 whichever occurs first.

217 9. In lieu of any other benefits under this chapter,  
218 the department of economic development may award a tax  
219 credit to an industrial development authority for a  
220 qualified military project in an amount equal to the  
221 estimated withholding taxes associated with the part-time  
222 and full-time civilian and military new jobs located at the  
223 facility and directly impacted by the project. The amount  
224 of the tax credit shall be calculated by multiplying:

225 (1) The average percentage of tax withheld, as  
226 provided by the department of revenue to the department of  
227 economic development;

228 (2) The average salaries of the jobs directly created  
229 by the qualified military project; and

230 (3) The number of jobs directly created by the  
231 qualified military project.

232 If the amount of the tax credit represents the least amount  
233 necessary to accomplish the qualified military project, the  
234 tax credits may be issued, but no tax credits shall be  
235 issued for a term longer than fifteen years. No qualified  
236 military project shall be eligible for tax credits under  
237 this subsection unless the department of economic  
238 development determines the qualified military project shall  
239 achieve a net positive fiscal impact to the state.

Section B. Because of the importance of military jobs  
2 to the state, the repeal and reenactment of sections  
3 620.2005 and 620.2010 of this act is deemed necessary for  
4 the immediate preservation of the public health, welfare,  
5 peace, and safety, and is hereby declared to be an emergency  
6 act within the meaning of the constitution, and the repeal  
7 and reenactment of sections 620.2005 and 620.2010 of this  
8 act shall be in full force and effect upon its passage and  
9 approval.