

Missouri Economic Development Council Legislative Agenda

Approved – October 26, 2011



The Missouri Economic Development Council (MEDC) has, for a number of years, been an active participant in the Missouri Legislature regarding economic development legislation. In the past, the more than 400 members of the organization have rallied around specific pieces of legislation to create incentive programs like Missouri Quality Jobs and Enhanced Enterprise Zones as well as other workforce training, infrastructure and community development programs.

As the 2012 legislative session develops, MEDC will use the following principles to guide its legislative advocacy effort in the capitol. While they are general in nature, the organization will remain committed to advocating for its core values of promoting economic development in Missouri and providing its members the tools necessary to assist companies creating new jobs and investment in our communities.

MEDC is also very aware that in these challenging economic times it is important to not forsake the programs and tools that will create jobs and return revenue to the state coffers.

Principle #1 – MEDC supports the use of tax credits as economic development incentives.

This method of incentive has long been proven successful. Missouri's current economic development tax credits have provided a significant impact to a number of companies and their decision to locate jobs and investment in our state. If tax credits are changed and modified throughout this legislative session MEDC supports using tax credits to create quality jobs for the state with programs that are flexible in order to meet the needs of both large and small projects as well as provide a return on investment to the state.

Principle #2 – MEDC supports legislation that creates a business-friendly environment.

While Missouri has made strides in recent years, our state must continue to modify existing state laws and/or create new laws in a fashion that supports business growth and job creation. These actions could not only strengthen the business climate in our state but will not cost the state money. Businesses that are free from unnecessary regulatory burdens are much more likely to grow and create jobs for Missourians.

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Principle #3 – MEDC supports workforce training programs.

By providing training incentives, we are investing in our state's workers and providing them the skills that are needed for the jobs of today and tomorrow. Often times, companies base their location decisions on the availability of a skilled workforce and the ability of the state and local community to provide training to ensure workers are knowledgeable about the jobs they perform. In these times of high unemployment 270,000 Missouri's are seeking employment, often times with skills that don't match the current needs of employers creating new jobs.

Workforce development incentives in Missouri are effective in training workers with new skills a company needs today, yet these programs are significantly under-funded. In the past year only 18% of the more than \$52M in training request were filled. MEDC will advocate for increasing the Customized Job Training funding level.

Principle #4 - MEDC supports maintaining current state funding levels of the Missouri Partnership

In 2005 the Missouri General Assembly granted the Department of Economic Development the authority to charge fees on tax credit issuances of up to 2.5% of the issuance amount on many tax credit programs. The fees, deposited in the Economic Development Advancement Fund, are to be used to effectively market the state's advantages and recruit new business and jobs to Missouri. DED contracts with the Hawthorn Foundation which subcontracts with the Missouri Partnership to fulfill this purpose. Originally funded at \$2.5 million per year, the allocation was reduced to \$2.25 million for Fiscal Year 2011. MEDC supports funding of at least \$2.25 million for Fiscal Year 2013 to provide these services that are critical to Missouri's economic development efforts.