

HB 3146 -4 STAFF MEASURE SUMMARY

House Committee On Business and Labor

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Meeting Dates: 4/5, 4/17

WHAT THE MEASURE DOES:

Specifies that wage requirements for workers hired by business benefiting from certain economic development programs must be determined with respect to permanent positions. Takes effect 91st day following adjournment sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-4 (Rep. Greg Smith) Limits provisions regarding calculation of wages and per capita income to facilities located in counties outside of all metropolitan statistical areas. Requires facilities participating in rural enterprise zone program to pay an average rate of compensation that is at least 130 percent of county's average annual wage. Requires facilities participating in business development income tax exemption program to provide annual compensation of at least 130 percent of county's per capita personal income. Requires facilities participating in business retention expansion program to compensate employees at least 130 percent of lesser of county or state average annual per employee compensation. Requires facilities participating in industrial site readiness program to compensate at an average of at least 130 percent of lesser of county or state average wage.

BACKGROUND:

House Bill 3146 affects the following economic development programs: enterprise zones, business development income tax exemption program, business retention and expansion program, and industrial site readiness program. All of these economic development programs require firms benefiting from the tax advantages of the programs to compensate their employees (individually or on average, depending on the program) at or above a specified standard, such as the state or county average wage or per capita income. House Bill 3146 requires the standard to be based on the average wage or per capita income of permanent positions.