

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4099-01
Bill No.: HB 1238
Subject: Agriculture and Animals; Agriculture Dept.
Type: Original
Date: March 4, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 3 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Agriculture** assume this proposal will have a positive impact on the ability of livestock producers to obtain financing on animal facilities. The guarantee amount is doubled and reserve amount is cut in half so the net impact is zero.

Officials with the **State Treasurer's Office** assume no fiscal impact to their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2005	FY 2006	FY 2007
	(10 Mo.)		
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2005

FY 2006

FY 2007

(10 Mo.)

\$0

\$0

\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION


Currently, the Missouri Agricultural and Small Business Development Authority issues certificates of guaranty covering a first loss guarantee up to 25% of an Agricultural Business Development Loan, up to \$250,000. This bill increases the guarantee to up to 50% of a loan.

The bill also decreases from 40% to 20% the immediate redemption amount of the outstanding loans guaranteed by way of the Agricultural Product Utilization and Business Development Loan Guarantee Fund.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Agriculture
State Treasurer's Office


Mickey Wilson, CPA
Director
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