

House _____ Amendment NO. _____

Offered By _____

1 AMEND Senate Bill No. 573, Page 1, Section A, Line 2, by inserting after all of said line the
2 following:

3 "30.750. As used in sections 30.750 to 30.765, the following terms mean:

4 (1) "Eligible agribusiness", a person engaged in the processing or adding of value to
5 agricultural products produced in Missouri;

6 (2) "Eligible alternative energy consumer", an individual who wishes to borrow moneys for
7 the purchase, installation, or construction of facilities or equipment related to the production of fuel
8 or power primarily for the individual's own use from energy sources other than fossil fuels,
9 including but not limited to solar, hydroelectric, wind, and qualified biomass;

10 (3) "Eligible alternative energy operation", a business enterprise engaged in the production
11 of fuel or power from energy sources other than fossil fuels, including but not limited to solar,
12 hydroelectric, wind, and qualified biomass. Such business enterprise shall conform to the
13 characteristics of paragraphs (a), (b), and (d) of subdivision (6) of this section;

14 (4) "Eligible beginning farmer":

15 (a) For any beginning farmer who seeks to participate in the linked deposit program alone, a
16 farmer who:

17 a. Is a Missouri resident;

18 b. Wishes to borrow for a farm operation located in Missouri;

19 c. Is at least eighteen years old; and

20 d. In the preceding five years has not owned, either directly or indirectly, farm land greater
21 than fifty percent of the average size farm in the county where the proposed farm operation is
22 located or farm land with an appraised value greater than four hundred fifty thousand dollars. A
23 farmer who qualifies as an eligible farmer under this provision may utilize the proceeds of a linked
24 deposit loan to purchase agricultural land, farm buildings, new and used farm equipment, livestock
25 and working capital;

26 (b) For any beginning farmer who is participating in both the linked deposit program and
27 the beginning farmer loan program administered by the Missouri agriculture and small business
28 development authority, a farmer who:

29 a. Qualifies under the definition of a beginning farmer utilized for eligibility for federal tax-
30 exempt financing, including the limitations on the use of loan proceeds; and

31 b. Meets all other requirements established by the Missouri agriculture and small business
32 development authority;

33 (5) "Eligible facility borrower", a borrower qualified under section 30.860 to apply for a
34 reduced-rate loan under sections 30.750 to 30.765;

35 (6) "Eligible farming operation", any person engaged in farming in an authorized farm
36 corporation, family farm, or family farm corporation as defined in section 350.010 that has all of the

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1 following characteristics:

2 (a) Is headquartered in this state;

3 (b) Maintains offices, operating facilities, or farming operations and transacts business in
4 this state;

5 (c) Employs less than ten employees;

6 (d) Is organized for profit;

7 (7) "Eligible governmental entity", any political subdivision of the state seeking to finance
8 capital improvements, capital outlay, or other significant programs through an eligible lending
9 institution;

10 (8) "Eligible higher education institution", any approved public or private institution as
11 defined in section 173.205;

12 (9) "Eligible job enhancement business", a new, existing, or expanding firm operating in
13 Missouri, or as a condition of accepting the linked deposit, will locate a facility or office in Missouri
14 associated with said linked deposit, which employs ten or more employees in Missouri on a yearly
15 average and which, as nearly as possible, is able to establish or retain at least one job in Missouri for
16 each fifty thousand dollars received from a linked deposit loan except when the applicant can
17 demonstrate significant costs for equipment, capital outlay, or capital improvements associated with
18 the physical expansion, renovation, or modernization of a facility or equipment. In such cases, the
19 maximum amount of the linked deposit shall not exceed fifty thousand dollars per job created or
20 retained plus the initial cost of the physical expansion, renovation or capital outlay;

21 (10) "Eligible lending institution", a financial institution that is eligible to make commercial
22 or agricultural or student loans or discount or purchase such loans, is a public depository of state
23 funds or obtains its funds through the issuance of obligations, either directly or through a related
24 entity, eligible for the placement of state funds under the provisions of Section 15, Article IV,
25 Constitution of Missouri, and agrees to participate in the linked deposit program;

26 (11) "Eligible livestock operation", any person engaged in production of livestock or poultry
27 in an authorized farm corporation, family farm, or family farm corporation as defined in section
28 350.010;

29 (12) "Eligible locally owned business", any person seeking to establish a new firm,
30 partnership, cooperative company, or corporation that shall retain at least fifty-one percent
31 ownership by residents in a county in which the business is headquartered, that consists of the
32 following characteristics:

33 (a) The county has a median population of twelve thousand five hundred or less; and

34 (b) The median income of residents in the county are equal to or less than the state median
35 income; or

36 (c) The unemployment rate of the county is equal to or greater than the state's
37 unemployment rate;

38 (13) "Eligible marketing enterprise", a business enterprise operating in this state which is in
39 the process of marketing its goods, products or services within or outside of this state or overseas,
40 which marketing is designed to increase manufacturing, transportation, mining, communications, or
41 other enterprises in this state, which has proposed its marketing plan and strategy to the department
42 of economic development and which plan and strategy has been approved by the department for
43 purposes of eligibility pursuant to sections 30.750 to 30.765. Such business enterprise shall
44 conform to the characteristics of paragraphs (a), (b) and (d) of subdivision (6) of this section and
45 also employ less than twenty-five employees;

46 (14) "Eligible multitenant development enterprise", a new enterprise that develops
47 multitenant space for targeted industries as determined by the department of economic development
48 and approved by the department for the purposes of eligibility pursuant to sections 30.750 to

1 30.765;

2 (15) "Eligible residential property developer", an individual who purchases and develops a
3 residential structure of either two or four units, if such residential property developer uses and
4 agrees to continue to use, for at least the five years immediately following the date of issuance of
5 the linked deposit loan, one of the units as his principal residence or if such person's principal
6 residence is located within one-half mile from the developed structure and such person agrees to
7 maintain the principal residence within one-half mile of the developed structure for at least the five
8 years immediately following the date of issuance of the linked deposit loan;

9 (16) "Eligible residential property owner", a person, firm or corporation who purchases,
10 develops or rehabilitates a multifamily residential structure;

11 (17) "Eligible small business", a person engaged in an activity with the purpose of
12 obtaining, directly or indirectly, a gain, benefit or advantage and which conforms to the
13 characteristics of paragraphs (a), (b) and (d) of subdivision (6) of this section, and also employs less
14 than one hundred employees or a veteran-owned small business as defined in subdivision (19) of
15 this section;

16 (18) "Eligible student borrower", any person attending, or the parent of a dependent
17 undergraduate attending, an eligible higher education institution in Missouri who may or may not
18 qualify for need-based student financial aid calculated by the federal analysis called Congressional
19 Methodology Formula pursuant to 20 U.S.C. 1078, as amended (the Higher Education Amendments
20 of 1986);

21 (19) "Eligible veteran-owned small business", any business owned by an honorably
22 discharged veteran and Missouri resident who has agreed to locate his or her business in Missouri
23 for a minimum of three years and employs less than one hundred employees, a majority of whom
24 are Missouri residents;

25 (20) "Eligible water supply system", a water system which serves fewer than fifty thousand
26 persons and which is owned and operated by:

27 (a) A public water supply district established pursuant to chapter 247; or

28 (b) A municipality or other political subdivision; or

29 (c) A water corporation; and which is certified by the department of natural resources in
30 accordance with its rules and regulations to have suffered a significant decrease in its capacity to
31 meet its service needs as a result of drought;

32 [(20)] (21) "Farming", using or cultivating land for the production of agricultural crops,
33 livestock or livestock products, forest products, poultry or poultry products, milk or dairy products,
34 or fruit or other horticultural products;

35 [(21)] (22) "Linked deposit", a certificate of deposit, or in the case of production credit
36 associations, the subscription or purchase outright of obligations described in Section 15, Article IV,
37 Constitution of Missouri, placed by the state treasurer with an eligible lending institution at rates
38 otherwise provided by law in section 30.758, provided the institution agrees to lend the value of
39 such deposit, according to the deposit agreement provided in sections 30.750 to 30.765, to eligible
40 multitenant development enterprises, eligible small businesses, eligible alternative energy
41 operations, eligible alternative energy consumers, eligible locally owned businesses, farming
42 operations, eligible job enhancement businesses, eligible marketing enterprises, eligible residential
43 property developers, eligible residential property owners, eligible governmental entities, eligible
44 agribusinesses, eligible beginning farmers, eligible livestock operations, eligible student borrowers,
45 eligible facility borrowers, or eligible water supply systems at below the present borrowing rate
46 applicable to each multitenant development enterprise, small business, alternative energy operation,
47 alternative energy consumer, farming operation, eligible job enhancement business, eligible
48 marketing enterprise, eligible residential property developer, eligible residential property owner,

1 eligible governmental entity, eligible agribusiness, eligible beginning farmer, eligible livestock
 2 operation, eligible student borrower, or supply system at the time of the deposit of state funds in the
 3 institution;

4 ~~[(22)]~~ (23) "Market rate", the interest rate more specifically described in subsection 6 of
 5 section 30.260;

6 ~~[(23)]~~ (24) "Professional forester", any individual who holds a bachelor of science degree in
 7 forestry from a regionally accredited college or university with a minimum of two years of
 8 professional forest management experience;

9 ~~[(24)]~~ (25) "Qualified biomass", any agriculture-derived organic material or any wood-
 10 derived organic material harvested in accordance with a site-specific forest management plan
 11 focused on long-term forest sustainability developed by a professional forester and qualified, in
 12 consultation with the conservation commission, by the agriculture and small business development
 13 authority;

14 ~~[(25)]~~ (26) "Water corporation", as such term is defined in section 386.020;

15 ~~[(26)]~~ (27) "Water system", as such term is defined in section 386.020.

16 30.756. 1. An eligible lending institution that desires to receive a linked deposit shall accept
 17 and review applications for linked deposit loans from eligible multitenant enterprises, eligible
 18 farming operations, eligible alternative energy consumers, eligible alternative energy operations,
 19 eligible locally owned businesses, eligible small businesses, eligible job enhancement businesses,
 20 eligible marketing enterprises, eligible agribusinesses, eligible beginning farmers, eligible livestock
 21 operations, eligible residential property developers, eligible residential property owners, eligible
 22 governmental entities, eligible student borrowers, eligible facility borrowers, and eligible water
 23 supply systems. An eligible residential property owner shall certify on his or her loan application
 24 that the reduced rate loan will be used exclusively to purchase, develop or rehabilitate a multifamily
 25 residential property. The lending institution shall apply all usual lending standards to determine the
 26 creditworthiness of each eligible multitenant enterprise, eligible farming operation, eligible
 27 alternative energy operation, eligible alternative energy consumer, eligible locally owned business,
 28 eligible small business, eligible job enhancement business, eligible marketing enterprise, eligible
 29 residential property developer, eligible residential property owner, eligible governmental entities,
 30 eligible agribusiness, eligible beginning farmer, eligible livestock operation, eligible student
 31 borrower, eligible facility borrower, or eligible water supply system. No linked deposit loan made
 32 to any eligible multitenant development enterprise, eligible farming operation, eligible alternative
 33 energy operation, eligible alternative energy consumer, eligible locally owned business, eligible
 34 livestock operation, eligible agribusiness, eligible beginning farmer, eligible job enhancement
 35 business, eligible marketing enterprise, eligible residential property developer, eligible residential
 36 property owner, eligible governmental entity, eligible student borrower, eligible water supply
 37 system, or eligible small business shall exceed a dollar limit determined by the state treasurer in the
 38 state treasurer's best judgment, except as otherwise limited. Any link deposit loan made to an
 39 eligible facility borrower shall be in accordance with the loan amount and loan term requirements in
 40 section 30.860.

41 2. An eligible farming operation, small business or job enhancement business shall certify
 42 on its loan application that the reduced rate loan will be used exclusively for necessary production
 43 expenses or the expenses listed in subsection 2 of section 30.753 or the refinancing of an existing
 44 loan for production expenses or the expenses listed in subsection 2 of section 30.753 of an eligible
 45 farming operation, small business or job enhancement business. Whoever knowingly makes a false
 46 statement concerning such application is guilty of a class A misdemeanor. An eligible water supply
 47 system shall certify on its loan application that the reduced rate loan shall be used exclusively to pay
 48 the costs of upgrading or repairing an existing water system, constructing a new water system, or

1 making other capital improvements to a water system which are necessary to improve the service
2 capacity of the system.

3 3. In considering which eligible farming operations should receive reduced-rate loans, the
4 eligible lending institution shall give priority to those farming operations which have suffered
5 reduced yields due to drought or other natural disasters and for which the receipt of a reduced-rate
6 loan will make a significant contribution to the continued operation of the recipient farming
7 operation.

8 4. In considering which eligible small businesses should receive reduced-rate loans, the
9 eligible lending institution shall give priority to those small businesses that are owned by veterans.

10 5. The eligible financial institution shall forward to the state treasurer a linked deposit loan
11 package, in the form and manner as prescribed by the state treasurer. The package shall include
12 such information as required by the state treasurer, including the amount of each loan requested.
13 The institution shall certify that each applicant is an eligible multitenant development enterprise,
14 eligible farming operation, eligible alternative energy operation, eligible alternative energy
15 consumer, eligible locally owned business, eligible small business, eligible job enhancement
16 business, eligible marketing enterprise, eligible residential property developer, eligible residential
17 property owner, eligible governmental entity, eligible agribusiness, eligible beginning farmer,
18 eligible livestock operation, eligible student borrower, eligible facility borrower, or eligible water
19 supply system, and shall, for each eligible multitenant development enterprise, eligible farming
20 operation, eligible alternative energy operation, eligible alternative energy consumer, eligible small
21 business, eligible job enhancement business, eligible marketing enterprise, eligible residential
22 property developer, eligible residential property owner, eligible governmental entity, eligible
23 agribusiness, eligible beginning farmer, eligible livestock operation, eligible student borrower,
24 eligible facility borrower, or eligible water supply system, certify the present borrowing rate
25 applicable.

26 [5-] 6. The eligible lending institution shall be responsible for determining if a student
27 borrower is an eligible student borrower. A student borrower shall be eligible for an initial or
28 renewal reduced-rate loan only if, at the time of the application for the loan, the student is a citizen
29 or permanent resident of the United States, a resident of the state of Missouri as defined by the
30 coordinating board for higher education, is enrolled or has been accepted for enrollment in an
31 eligible higher education institution, and establishes that the student has financial need. In
32 considering which eligible student borrowers may receive reduced-rate loans, the eligible lending
33 institution may give priority to those eligible student borrowers whose income, or whose family
34 income, if the eligible student borrower is a dependent, is such that the eligible student borrower
35 does not qualify for need-based student financial aid pursuant to 20 U.S.C. 1078, as amended (the
36 Higher Education Amendments of 1986). The eligible lending institution shall require the eligible
37 student borrower to document that the student has applied for and has obtained all need-based
38 student financial aid for which the student is eligible prior to application for a reduced-rate loan
39 pursuant to this section. In no case shall the combination of all financial aid awarded to any student
40 in any particular enrollment period exceed the total cost of attendance at the institution in which the
41 student is enrolled. No eligible lending institution shall charge any additional fees, including but
42 not limited to an origination, service or insurance fee on any loan agreement under the provisions of
43 sections 30.750 to 30.765.

44 [6-] 7. The eligible lending institution making an initial loan to an eligible student borrower
45 may make a renewal loan or loans to the student. The total of such reduced-rate loans from eligible
46 lending institutions made pursuant to this section to any individual student shall not exceed the
47 cumulative totals established by 20 U.S.C. 1078, as amended. An eligible student borrower shall
48 certify on his or her loan application that the reduced-rate loan shall be used exclusively to pay the

costs of tuition, incidental fees, books and academic supplies, room and board and other fees directly related to enrollment in an eligible higher education institution. The eligible lending institution shall make the loan payable to the eligible student borrower and the eligible higher education institution as co-payees. The method of repayment of the loan shall be the same as for repayment of loans made pursuant to sections 173.095 to 173.186.

[7-] 8. Beginning August 28, 2005, in considering which eligible multitenant enterprise, eligible farming operation, eligible alternative energy operation, eligible alternative energy consumer, eligible locally owned business, eligible small business, eligible job enhancement business, eligible marketing enterprise, eligible residential property developer, eligible residential property owner, eligible governmental entity, eligible agribusiness, eligible beginning farmer, eligible livestock operation, eligible student borrower, eligible facility borrower, or eligible water supply system should receive reduced-rate loans, the eligible lending institution shall give priority to an eligible multitenant enterprise, eligible farming operation, eligible alternative energy operation, eligible alternative energy consumer, eligible locally owned business, eligible small business, eligible job enhancement business, eligible marketing enterprise, eligible residential property developer, eligible residential property owner, eligible governmental entity, eligible agribusiness, eligible beginning farmer, eligible livestock operation, eligible student borrower, eligible facility borrower, or eligible water supply system that has not previously received a reduced-rate loan through the linked deposit program. However, nothing shall prohibit an eligible lending institution from making a reduced-rate loan to any entity that previously has received such a loan, if such entity otherwise qualifies for such a reduced-rate loan."; and

Further amend said bill, Page 2, Section 143.175, Line 32, by inserting after all of said line the following:

"620.3250. 1. Any veteran who receives a small business loan through the state treasurer's linked deposit program set forth in sections 30.750 to 30.765 shall also be subject to the provisions of this section.

2. After receiving a loan from an eligible lending institution, as that term is defined in subdivision (10) of section 37.750, the owner of a veteran-owned small business shall complete a boots-to-business program that is approved by the department.

3. After receiving a loan from an eligible lending institution, as that term is defined in subdivision (10) of section 37.750, the owner of a veteran-owned small business will be assigned a mentor for the three hundred sixty five days following the date of approval. The owner shall meet with his or her mentor at least once every ninety days.

4. The department may adopt rules in establishing or approving boots-to-business programs under subsection 2 of this section and mentor programs under subsection 3 of this section.

5. 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, 2018, shall be invalid and void."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.