

HCS HB 1177 -- GOVERNMENT LENDING TRANSPARENCY

SPONSOR: Davis

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Downsizing State Government by a vote of 10 to 0.

The following is a summary of the House Committee Substitute for HB 1177.

This bill establishes the "Government Lending Transparency Act".

The bill defines the terms "credit support program" and "lending program" and requires each administering agency to report on all state lending programs and credit support programs to the Auditor. Each administering agency shall report annually to the Auditor before August 31st the total dollar amount of all lending programs administered by the agency as well as the total amount of debt supported by credit support programs administered by the agency. This bill also requires each administered agency to report to the Auditor reasonable estimates of the costs of likely defaults on lending programs and credit support programs administered by the agency, using equivalent private market debts to evaluate the likelihood and costs of defaults when possible.

The bill requires the Auditor to make an annual report compiling the data received from the administering agencies and submit the report to the General Assembly annually before December 16th.

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPOSERS: Supporters say that the bill will organize and explain how much money the government is currently lending. Currently, there is no collection of this information that places all the information in one place. The bill promotes transparency.

Testifying for the bill were Representative Davis; David G. Kirby, Missouri State Auditor's Office; Cicero Institute; and Arnie Dienoff.

OPPOSERS: There was no opposition voiced to the committee.

Written testimony has been submitted for this bill. The full written testimony can be found under Testimony on the bill page on the House website.