

FIRST REGULAR SESSION

# SENATE BILL NO. 342

97TH GENERAL ASSEMBLY

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INTRODUCED BY SENATORS PARSON, BROWN AND MUNZLINGER.

Read 1st time February 18, 2013, and ordered printed.

TERRY L. SPIELER, Secretary.

1511S.011

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## AN ACT

To repeal section 348.521, RSMo, and to enact in lieu thereof one new section relating to agricultural loans.

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*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Section 348.521, RSMo, is repealed and one new section  
2 enacted in lieu thereof, to be known as section 348.521, to read as follows:

348.521. 1. The authority may issue certificates of guaranty covering a  
2 first loss guarantee up to but not more than fifty percent of the loan on a  
3 declining principal basis for loans to individuals executing a note or other  
4 evidence of a loan made for livestock feed and crop input, but not to exceed the  
5 amount of [forty] **one hundred** thousand dollars for any one individual and to  
6 pay from the livestock feed and crop input loan guarantee fund to an eligible  
7 lender up to fifty percent of the amount on a declining principal basis of any loss  
8 on any guaranteed loan made under the provisions of sections 348.515 to 348.533,  
9 in the event of default on the loan. Upon payment of the loan, the authority shall  
10 be subrogated to all the rights of the eligible lender.

11 2. As used in sections 348.515 to 348.533, the term "eligible lender" means  
12 those entities defined as lenders under subdivision (8) of section 348.015.

13 3. The authority shall charge for each guaranteed loan a one-time  
14 participation fee of fifty dollars which shall be collected by the lender at the time  
15 of closing and paid to the authority. In addition, the authority may charge a  
16 special loan guarantee fee of up to one percent per annum of the outstanding  
17 principal which shall be collected from the borrower by the lender and paid to the  
18 authority. Amounts so collected shall be deposited in the livestock feed and crop  
19 input loan program fund and used, upon appropriation, to pay the costs of

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

20 administering the program.

21           4. All moneys paid to satisfy a defaulted guaranteed loan shall only be  
22 paid out of the livestock feed and crop input loan guarantee fund established by  
23 sections 348.515 to 348.533.

24           5. The total outstanding guaranteed loans shall at no time exceed an  
25 amount which, according to sound actuarial judgment, would allow immediate  
26 redemption of twenty percent of the outstanding loans guaranteed by the fund at  
27 any one time.

Unofficial ✓

Bill

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