

HB 109 -- LINKED DEPOSIT PROGRAM

SPONSOR: Wells

COMMITTEE ACTION: Voted "do pass by consent" by the Committee on Financial Institutions by a vote of 16 to 0.

Currently, the State Treasurer is not able to invest in any linked deposit, the value of which is to be lent to a recipient other than an eligible water supply system or an eligible student borrower, after December 31, 2015, or invest in any linked deposit, the value of which is to be lent to any new eligible facility borrower, after January 1, 2020. This bill repeals this provision allowing the State Treasurer to invest in these deposits after those dates.

The bill contains an emergency clause.

FISCAL NOTE: No impact on state funds in FY 2012, FY 2013, and FY 2014.

PROPONENTS: Supporters say that the bill will remove the expiration date on this program so that it can continue to help the citizens of Missouri expand businesses, help the economy, and create jobs. The program has continued to grow and prosper since its inception in 1986.

Testifying for the bill were Representative Wells; Office of the State Treasurer; Missouri Bankers Association; and Harry Gallagher, Farm Credit Services.

OPPONENTS: There was no opposition voiced to the committee.