



Missouri House of Representatives

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Missouri House Passes HB 1803 to Boost Funding for MOBUCK\$ Program

JEFFERSON CITY, Mo. – The Missouri House of Representatives this week has given approval to legislation advocating for increased funding for the invaluable MOBUCK\$ program, which assists local lenders in reducing interest rates for eligible borrowers in Missouri.

This crucial legislation aims to fortify local lenders and spur economic growth by increasing the aggregate investment amount in linked deposits and introducing new provisions to enhance the MOBUCK\$ program. The MOBUCK\$ program, overseen by the Treasurer's Office, has emerged as a cornerstone in aiding local lenders to reduce interest rates for eligible buyers in Missouri. The proposed bill advocates for a significant \$400 million augmentation to the MOBUCK\$ program, responding to the escalating demand for the program and the imperative to counteract inflation.

Operating on an annual cycle from October 1 through September 30, the MOBUCK\$ program had to temporarily halt new applications in May due to overwhelming demand nearing the statutory cap of \$800 million. Collaborating with Missouri State Treasurer Vivek Malek, the bill sponsor, Rep. Terry Thompson, envisions that this legislation will address the challenge by expanding the program's capacity.

The bill's passage comes at a critical juncture, coinciding with Treasurer Malek's announcement of the resumption of MOBUCK\$ applications on January 2, 2024, with an available funding of approximately \$125 million. However, the anticipated demand for applications is expected to surpass this available funding without legislative intervention, as witnessed in 2023.

“Under President Biden, loan interest rates are at their highest level in 22 years,” House Speaker Dean Plocher, R-Des Peres, said. “The passage of HB 1803 demonstrates our commitment to fortifying the MOBUCK\$ program, which offers a vital financial lifeline to Missouri's farmers, small businesses, and citizens navigating economic challenges in the face of inflation.”

MOBUCK\$ operates as a linked deposit program, allowing institutions to obtain funds at reduced interest rates. The Treasurer's Office provides funds to a lender at a discounted market rate, enabling the lender to pass on the savings to the borrower. With this mechanism, lenders participating in MOBUCK\$ can decrease interest rates by 2-3 percent, providing significant benefits to qualified borrowers.

"This is a prime example of Missourians' money working for Missourians," Rep. Terry Thompson, R-Lexington, said. "MOBUCK\$ is a proven program that helps farmers and small businesses save on their bottom lines by providing a break on loan interest. As costs continue rising, it's more important than ever to provide relief to our citizens and ensure that every cent of their hard-earned dollars are given the best possible return on investment in today's economy."

With the passage of HB 1803, Missouri takes a significant step towards securing economic stability and reinforcing support for its citizens. The commitment to enhancing the MOBUCK\$ program reflects a proactive approach to fostering financial resilience in the midst of economic uncertainties. For more information on the MOBUCKS Program, Click [HERE](#).

Representative Terry Thompson, a Republican, represents Lafayette and parts of Lafayette and Ray Counties (District 53) in the Missouri House of Representatives. He was elected to his first two-year term in November 2020. For more information, please contact Rep. Thompson at 573-751-1462 or by email at Terry.Thompson@House.Mo.Gov.