

SECOND REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1739
93RD GENERAL ASSEMBLY

4965L.02T

2006

AN ACT

To repeal sections 30.800, 30.810, 30.820, 30.830, 30.840, 30.850, and 348.015, RSMo, and to enact in lieu thereof seven new sections relating to agricultural property loans.

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

Section A. Sections 30.800, 30.810, 30.820, 30.830, 30.840, 30.850, and 348.015, RSMo, are repealed and seven new sections enacted in lieu thereof, to be known as sections 30.800, 30.810, 30.820, 30.830, 30.840, 30.850, and 348.015, to read as follows:

30.800. As used in sections 30.800 to 30.850, the following terms shall mean:

- (1) "Eligible guaranteed agribusiness", a person, corporation or other business entity engaged in the processing or adding of value to agricultural products produced in Missouri, which is located in Missouri, and which has received a loan guarantee pursuant to the provisions of sections 348.400 to 348.415, RSMo;
- (2) "Eligible guaranteed livestock operation", a person engaged in the production of livestock or poultry in Missouri in an authorized farm corporation, family farm, or family farm corporation as defined in section 350.010, RSMo, who has received a single-purpose animal facilities loan guarantee pursuant to the provisions of sections 348.185 to 348.225, RSMo;
- (3) "**Eligible guaranteed vermiculture operation**", a person, corporation, or other business entity engaged in the raising of earthworms under a controlled environment which is located in Missouri and which has received a single-purpose animal facilities loan guarantee under sections 348.185 to 348.225, RSMo.

30.810. Except for specific provisions to the contrary in sections 30.800 to 30.850, all definitions, requirements, responsibilities, rights, remedies and other matters set forth in sections

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

3 30.750 to 30.767 shall apply to linked deposits and linked deposit loans to eligible guaranteed
4 agribusinesses [and], eligible guaranteed livestock operations, **and eligible guaranteed**
5 **vermiculture operations.**

30.820. A linked deposit loan to an eligible guaranteed agribusiness [or], an eligible
2 guaranteed livestock operation, **or an eligible guaranteed vermiculture operation** may not
3 exceed two hundred fifty thousand dollars, and no service of separate loans to such entities may
4 be made which exceeds such limit.

30.830. The state treasurer may utilize up to sixty million dollars of the three hundred
2 thirty million dollar linked deposit allocation for agriculture set forth in subsection 1 of section
3 30.753 for linked deposits for eligible guaranteed agribusinesses [and], eligible guaranteed
4 livestock operations, **and eligible guaranteed vermiculture operations.**

30.840. The state treasurer may renew a linked deposit for an eligible guaranteed
2 agribusiness [or], an eligible guaranteed livestock operation, **or an eligible guaranteed**
3 **vermiculture operation** for additional, up to five-year, terms, not to exceed ten years.

30.850. The proceeds of a linked deposit loan to an eligible guaranteed agribusiness [or],
2 an eligible guaranteed livestock operation, **or an eligible guaranteed vermiculture operation**
3 shall be used exclusively for necessary production expenses as set forth in subsection 2 of section
4 30.753.

348.015. As used in sections 348.005 to 348.225, the following terms shall mean:

- 2 (1) "Agricultural development loan", a loan for the acquisition, construction,
3 improvement, or rehabilitation of agricultural property;
- 4 (2) "Agricultural property", any land and easements and real and personal property,
5 including, but not limited to, buildings, structures, improvements, equipment, and livestock,
6 which is used or is to be used in Missouri by Missouri residents for:
 - 7 (a) The operation of a farm or ranch;
 - 8 (b) Planting, cultivating, or harvesting cereals, natural fibers, fruits, vegetables, or trees;
 - 9 (c) Grazing, feeding, or the care of livestock, poultry, or fish;
 - 10 (d) Dairy production;
 - 11 (e) Storing, transporting, or processing farm and ranch products, including, without
12 limitation, facilities such as grain elevators, cotton gins, shipping heads, livestock pens,
13 warehouses, wharfs, docks, creameries, or feed plants; [and]
 - 14 (f) Supplying and conserving water, draining or irrigating land, collecting, treating, and
15 disposing of liquid and solid waste, or controlling pollution, as needed for the operations set out
16 in this subdivision; **and**
 - 17 (g) **A vermiculture operation. For purposes of this paragraph, "vermiculture"**
18 **means the raising of earthworms under a controlled environment;**

19 (3) "Authority", the Missouri agricultural and small business development authority
20 organized pursuant to the provisions of sections 348.005 to 348.180;

21 (4) "Bonds", any bonds, notes, debentures, interim certificates, bond, grant, or revenue
22 anticipation notes, or any other evidences of indebtedness;

23 (5) "Borrower", any individual, partnership, corporation, including a corporation or other
24 entity organized pursuant to section 274.220, RSMo, firm, cooperative, association, trust, estate,
25 political subdivision, state agency, or other legal entity or its representative executing a note or
26 other evidence of a loan;

27 (6) "Eligible borrower", a borrower qualifying for an agricultural development loan, a
28 small business development loan, or a small business pollution control facility loan under such
29 criteria and priorities as may be established in rules of the authority or in procedural manuals
30 issued thereunder for the purpose of directing the use of available loan funds on the basis of need
31 for and value of each loan for the maintenance of the agricultural economy or small business and
32 on the meeting of pollution control objectives and assuring conformity with conditions
33 established by insurers or guarantors of loans and the preservation of the security of bonds or
34 notes issued to finance the loan;

35 (7) "Insurer" or "guarantor", the Farmers Home Administration of the Department of
36 Agriculture of the United States, the United States Small Business Administration, or any other
37 or successor agency or instrumentality of the United States having power, or any insurance
38 company qualified under Missouri law, to ensure or guarantee the payment of agricultural
39 development loans, small business development loans, or small business pollution control
40 facility loans and interest thereon, or any portion thereof;

41 (8) "Lender", any state or national bank, federal land bank, production credit association,
42 bank for cooperatives, federal or state-chartered savings and loan association or building and
43 loan association or small business investment company that is subject to credit examination by
44 an agency of the state or federal government, or any other lending institution approved by the
45 insurer or guarantor of an agricultural development loan, small business development loan, or
46 small business pollution control facility loan which undertakes to make or service such a loan;

47 (9) "Pollution", any form of environmental pollution including, but not limited to, water
48 pollution, air pollution, land pollution, solid waste pollution, thermal pollution, radiation
49 contamination, or noise pollution;

50 (10) "Pollution control facility" or "facilities", any land, interest in land, building,
51 structure, facility, system, fixture, improvement, appurtenance, machinery, equipment, or any
52 combination thereof, and all real and personal property deemed necessary therewith, having to
53 do with, or the end purpose of which is, reducing, controlling, or preventing pollution;

54 (11) "Small business", those enterprises which, at the time of their application to the
55 authority, meet the criteria, as interpreted and applied by the authority, for definition as a "small
56 business" established for the Small Business Administration and set forth in Section 121.301 of
57 Part 121 of Title 13 of the Code of Federal Regulations;

58 (12) "Small business development loan", a loan for the acquisition, construction,
59 improvement, or rehabilitation of property owned or to be acquired by a small business as
60 defined herein;

61 (13) "Small business pollution control facility loan", a loan for the acquisition,
62 construction, improvement, or rehabilitation of a pollution control facility or facilities by a small
63 business;

64 (14) "Value-added agricultural products", any product or products that are the result of:

65 (a) Using an agricultural product grown in this state to produce a meat or dairy product
66 in this state;

67 (b) A change in the physical state or form of the original agricultural product;

68 (c) An agricultural product grown in this state whose value has been enhanced by special
69 production methods such as organically grown products; or

70 (d) A physical segregation of a commodity or agricultural product grown in this state that
71 enhances its value such as identity preserved marketing systems.

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