

FIRST REGULAR SESSION

[PERFECTED]

HOUSE COMMITTEE SUBSTITUTE FOR

# HOUSE BILL NO. 346

94TH GENERAL ASSEMBLY

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Reported from the Special Committee on Agri-Business February 15, 2007 with recommendation that House Committee Substitute for House Bill No. 346 Do Pass. Referred to the Committee on Rules pursuant to Rule 25(21)(f).

Reported from the Committee on Rules February 20, 2007 with recommendation that House Committee Substitute for House Bill No. 346 Do Pass.

Taken up for Perfection March 6, 2007. House Committee Substitute for House Bill No. 346 ordered Perfected and printed.

D. ADAM CRUMBLISS, Chief Clerk

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## AN ACT

To repeal section 348.434, RSMo, and to enact in lieu thereof three new sections relating to the Missouri agriculture and small business development authority.

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

Section A. Section 348.434, RSMo, is repealed and three new sections enacted in lieu thereof, to be known as sections 348.230, 348.235, and 348.434, to read as follows:

**348.230. 1. The Missouri agriculture and small business development authority, subject to appropriation, shall pay for the first full year of charged interest on any applicable Missouri linked deposit program loan, as provided in sections 30.750 to 30.850, RSMo. For the purpose of this section, the term "applicable loan" shall mean any loan made and used solely for the acquisition of dairy cows and other replacement dairy females.**

**2. The Missouri agriculture and small business development authority may charge a fee for the service in subsection 1 of this section, not to exceed fifty dollars per individual. Revenue generated from the fee shall be used to defray administrative costs.**

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.

2           **348.235. 1. The Missouri agriculture and small business development authority,**  
3 **subject to appropriation not to exceed fifty thousand dollars, shall develop and implement**  
4 **dairy business planning grants as provided in this section.**

5           **2. The Missouri agriculture and small business development authority may charge**  
6 **an application fee for the grants developed under this section, not to exceed fifty dollars**  
7 **per application. Revenue generated from the application fee shall be used to defray the**  
8 **cost of administering the grants.**

9           **3. Eligible applicants shall be existing or start-up dairy operations wholly located**  
10 **in the state of Missouri that are at least fifty-one percent owned by residents of this state.**

11           **4. A single grant shall not exceed five thousand dollars or finance more than ninety**  
12 **percent of the cost of the business plan, whichever is less.**

13           **5. Proceeds from a grant shall only be used to contract with a dairy business**  
14 **planning professional that is approved by the Missouri agriculture and small business**  
15 **development authority.**

16           **6. The Missouri agriculture and small business development authority may**  
17 **promulgate rules establishing eligibility and award criteria under this section including,**  
18 **but not limited to, the following:**

19           **(1) The potential to improve the profitability, modernization, and expansion of the**  
20 **dairy operation;**

21           **(2) The education, experience, and past relevant experience of the dairy business**  
22 **planning professional;**

23           **(3) The qualifications, education, and experience of the dairy owner or owners and**  
24 **management team;**

25           **(4) The potential for timely near-term application of the results of the study;**

26           **(5) The potential economic benefit to the state of Missouri;**

27           **(6) Such other factors as the Missouri agriculture and small business development**  
28 **authority may establish.**

29           **7. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo,**  
30 **that is created under the authority delegated in this section shall become effective only if**  
31 **it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if**  
32 **applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable**  
33 **and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo,**  
34 **to review, to delay the effective date, or to disapprove and annul a rule are subsequently**  
35 **held unconstitutional, then the grant of rulemaking authority and any rule proposed or**  
**adopted after August 28, 2007, shall be invalid and void.**

348.434. 1. The aggregate of tax credits issued per fiscal year pursuant to sections  
2 348.430 and 348.432 shall not exceed [six] **twelve** million dollars.

3 2. Upon July 2, 1999, and ending June 30, 2000, tax credits shall be issued pursuant to  
4 section 348.430, except that, the authority shall allocate no more than three million dollars to  
5 fund section 348.432 in fiscal year 2000. Beginning in fiscal year 2001 and each subsequent  
6 year, tax credits shall be issued pursuant to section 348.432; **except that, one million dollars**  
7 **in tax credits may be issued under section 348.430 each fiscal year.**

8 3. Beginning the first day of May of each fiscal year following implementation of section  
9 348.432, the authority may determine the extent of tax credits, pursuant to section 348.432, that  
10 will be utilized in each fiscal year. If the authority determines that:

11 (1) Less than [six] **eleven** million dollars for a fiscal year is to be utilized in tax credits  
12 pursuant to section 348.432; and

13 (2) The assets available to the authority, pursuant to section 348.430, do not exceed  
14 twelve million dollars;

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16 then, the authority may offer the remaining authorized tax credits be issued pursuant to section  
17 348.430.

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