

HCS HB 915 & 923 -- GRAIN DEALERS

SPONSOR: Munzlinger (Hobbs)

COMMITTEE ACTION: Voted "do pass" by the Committee on Agri-Business by a vote of 10 to 0.

This substitute increases the amount of the surety bond that the Department of Agriculture must require of a licensed grain dealer with one or multiple licenses from between \$20,000 and \$300,000 to between \$50,000 and \$600,000. The formula for determining the amount of the surety bond is changed from between 1% and 5% to not less than 1.5% of the aggregate dollar amount paid by the grain dealer during the previous fiscal year for grain purchased in Missouri and from states which Missouri has entered into contracts or agreements.

Any licensed grain dealer who acts outside the scope of his or her license or classification of licensure as established in the Missouri Grain Dealer Law or any other related regulation will be guilty of a class A misdemeanor.

FISCAL NOTE: No impact on state funds in FY 2010, FY 2011, and FY 2012.

PROPOSERS: Supporters say that the bonding requirements implemented in 1981 are inadequate due to the increased value of grain. Increased bonding requirements, while necessary, would not have alleviated the current grain buyers crisis.

Testifying for the bills were Representative Hobbs; Missouri Soybean Association; Missouri Agribusiness Association; Department of Agriculture; Missouri Corn Growers Association; and Missouri Farm Bureau.

OPPOSERS: There was no opposition voiced to the committee.