



MISSOURI SENATE

JEFFERSON CITY

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**A Weekly Column for the
Week of October 31, 2005**

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Investing in Missouri

JEFFERSON CITY – During the 2005 legislative session, I sponsored a bill to revitalize the state’s linked-deposit program to create jobs, help farmers and boost small business in Missouri. Senate Bill 270 supports an “invest in Missouri” philosophy by updating and expanding the MOBUCKS linked deposit program to make it a viable resource for reduced-rate loans for qualifying small businesses, job creation, students and agricultural businesses.

State Treasurer Sarah Steelman worked closely with the General Assembly to ensure passage of SB 270, and the governor signed the bill into law in May. The treasurer has been promoting the program across the state after renaming it BIG Missouri – Believe, Invest and Grow in Missouri.

The treasurer’s office invests close to \$3 billion on a daily basis, but prior to SB 270, just ten to fifteen percent of those investments were in Missouri institutions. At one time, close to sixty percent of those investments were placed in Missouri financial institutions. When funds are invested in Missouri banks, loans are made to consumers, farmers, and small businesses in Missouri, resulting in job creation and an expanding tax base for the state.

Under the BIG linked deposit program, nearly \$720 million dollars will be invested in linked deposits over the next 36 months. Financial institutions will take the initial applications from borrowers in specified categories, such as small business, livestock operations or job creation. If the loan is approved by the financial institution, and the borrower qualifies under program guidelines, a linked-deposit may be placed in the financial institution at a preferred rate. This savings is then passed along, in its entirety, to the borrower.

The treasurer's office began processing applications on Sept. 30, in the categories of Farming Operations, Beginning Farmer, Agribusiness, Livestock Operations, Small Business, Job Creation, Multi-Family Housing, Drought Relief and Student Loans.

Applications also will be processed for a new category, Eligible Facility Borrowers, which would allow the program to be used to help build alternative fuel facilities, such as ethanol plants.

The main point is Missouri dollars should be invested in Missouri banks. The revitalized linked deposit program brings our money back to Missouri and puts it to work creating jobs and economic opportunities for Missourians.

If you have questions or comments about this or any other issue, please feel free to contact me at 573-751-8793 or by e-mail at: delbertscott@senate.state.mo.us

Senator Delbert Scott represents the people of Barton, Benton, Cedar, Dallas, Henry, Hickory, Pettis, Polk and St. Clair counties in the Missouri Senate.