

# SENATE BILL NO. 605

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR KOENIG.

2723S.02I

ADRIANE D. CROUSE, Secretary

## AN ACT

To amend chapter 29, RSMo, by adding thereto one new section relating to reports issued by the state auditor regarding certain loan and credit programs.

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

Section A. Chapter 29, RSMo, is amended by adding thereto one new section, to be known as section 29.420, to read as follows:

**29.420. 1. This section shall be known as the "Government Lending Transparency Act".**

**2. As used in this section, the following terms mean:**

**(1) "Credit support program", any state program that guarantees or provides credit enhancements, such as state support for interest or principal payments, to the debt of private parties or municipalities, under which the state would be required to provide moneys if the borrower failed to pay;**

**(2) "Lending program", any state program that offers moneys to private parties or municipalities that come with the expectation of repayment.**

**3. At the end of each fiscal year, the state auditor shall:**

**(1) Report on all lending programs and credit support programs in a single document, which shall also cite the authority for operation of the lending programs and credit support programs;**

19           (2) Compile the total dollar amount of all lending in  
20 lending programs and the total amount of debt supported by  
21 credit support programs, specified by program; and

22           (3) Make reasonable estimates of the costs of likely  
23 defaults on lending programs and credit support programs,  
24 specified by program. The state auditor shall use private  
25 sector accounting standards to evaluate the likelihood and  
26 costs of defaults.

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