

**PROGRAM DESCRIPTION**

<b>Department: Agriculture</b>	<b>HB Section(s): 6.035 - 6.065</b>
<b>Program Name: Beginning Farmer Loan Program</b>	
<b>Program is found in the following core budget(s): MASBDA</b>	

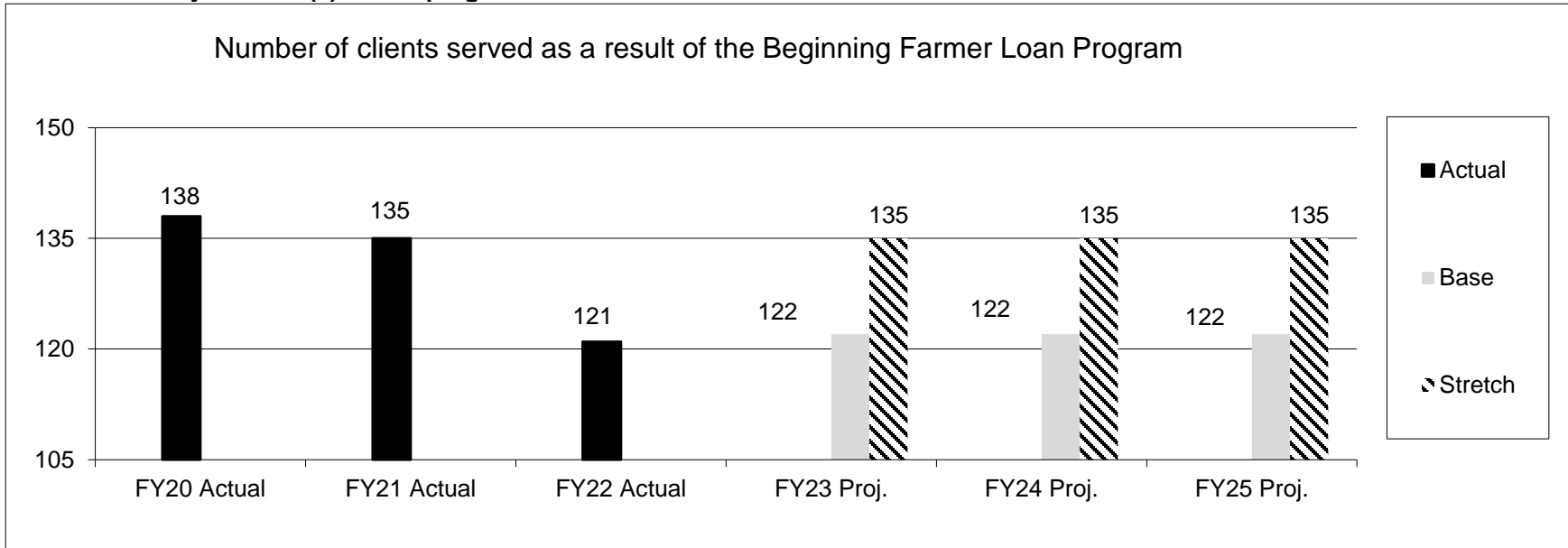
**1a. What strategic priority does this program address?**

- Empower More Persons Entering Agriculture

**1b. What does this program do?**

- This program is designed to provide assistance to beginning farmers in Missouri to acquire agricultural property at reduced interest rates
- Enables lenders to receive federally tax exempt income on loans made to beginning farmers
- Tax savings passed on to beginning farmers in the form of lower interest rates
- A qualified borrower can borrow up to \$552,500 to purchase agricultural land, farm buildings, equipment, and breeding livestock
- The maximum loan/bond amount is indexed each January 1<sup>st</sup>

**2a. Provide an activity measure(s) for the program.**



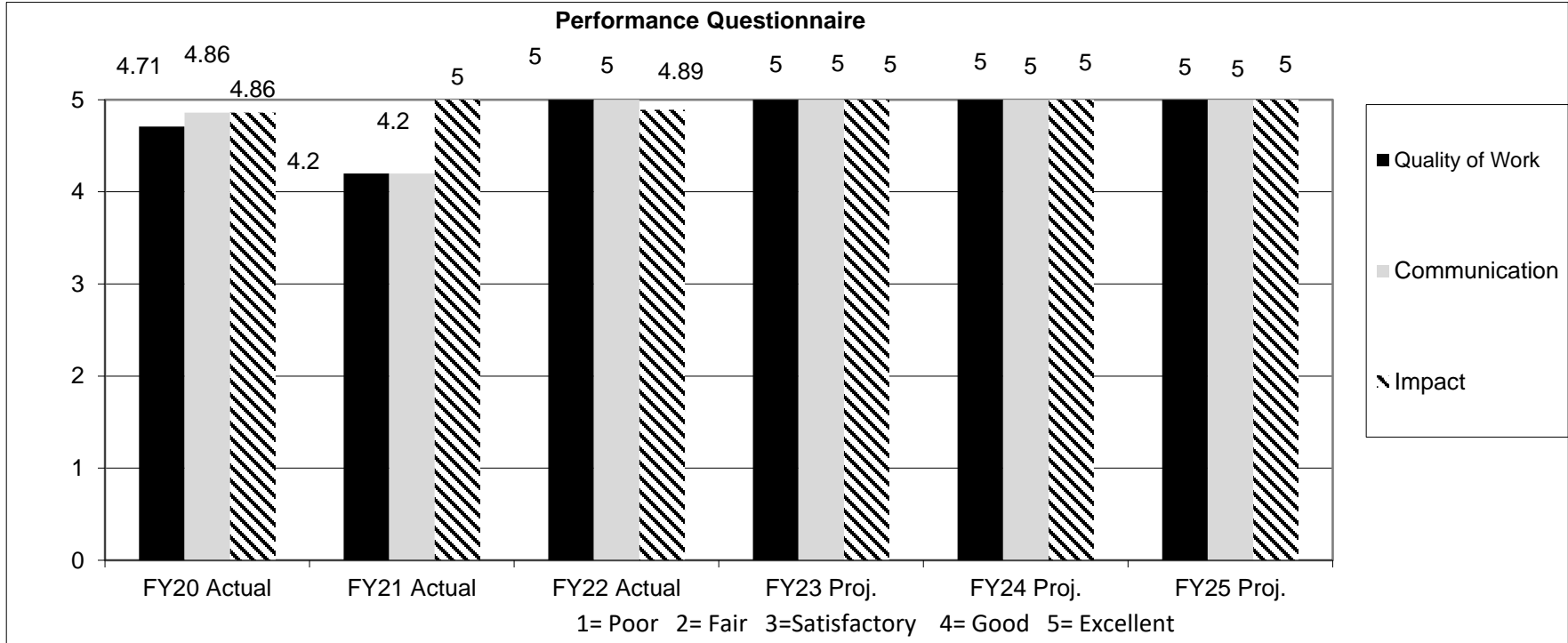
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2b. Provide a measure(s) of the program's quality.



\*Quality of Work = Competency of staff and service provided \*Communication = Written and verbal communication between staff and lenders

\*Impact = Value added to their business

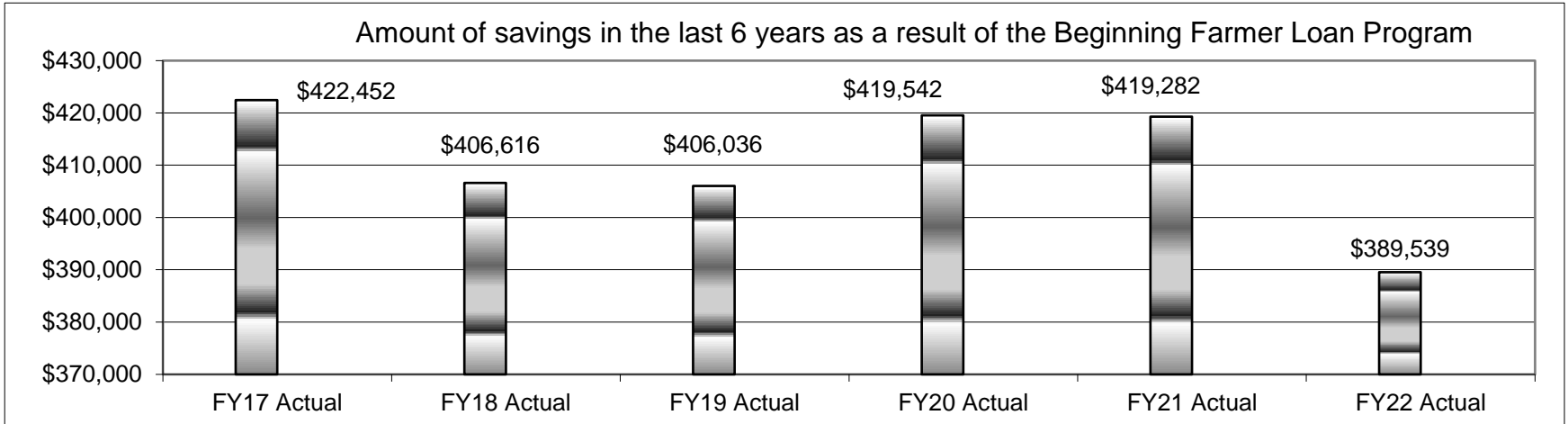
Note 1: MASBDA mailed 6 surveys and received 6 back from lenders and borrowers

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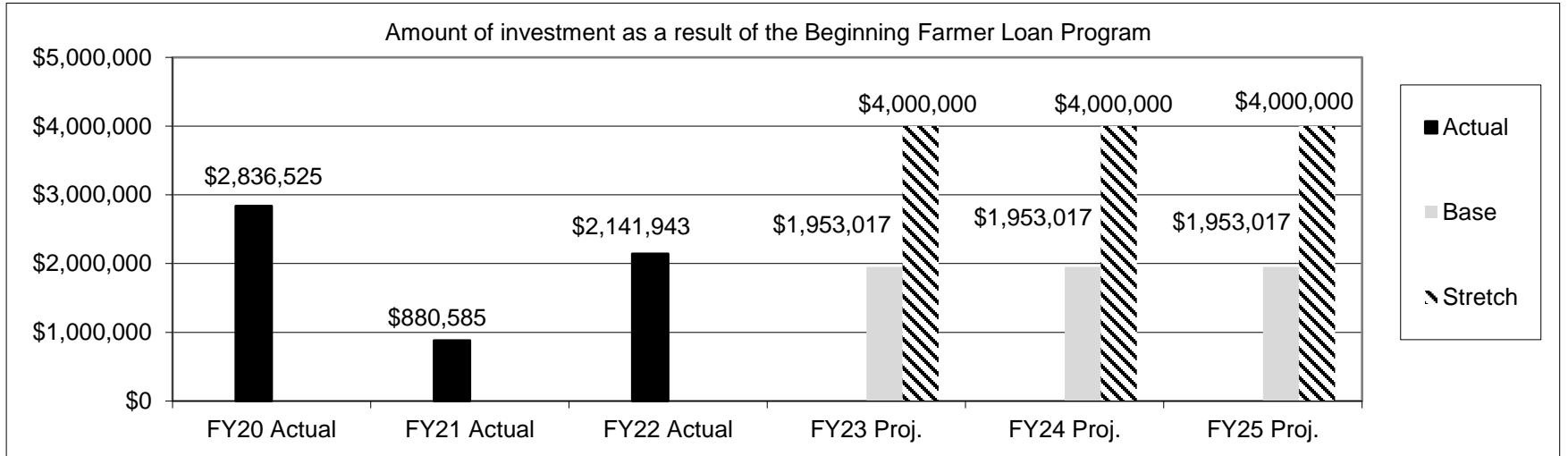
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**2c. Provide a measure(s) of the program's impact.**



Note 1: The Beginning Farmer Loan program interest savings for farmers is based on an average 2% savings on the total loans approved per year over a 30 year period of time.



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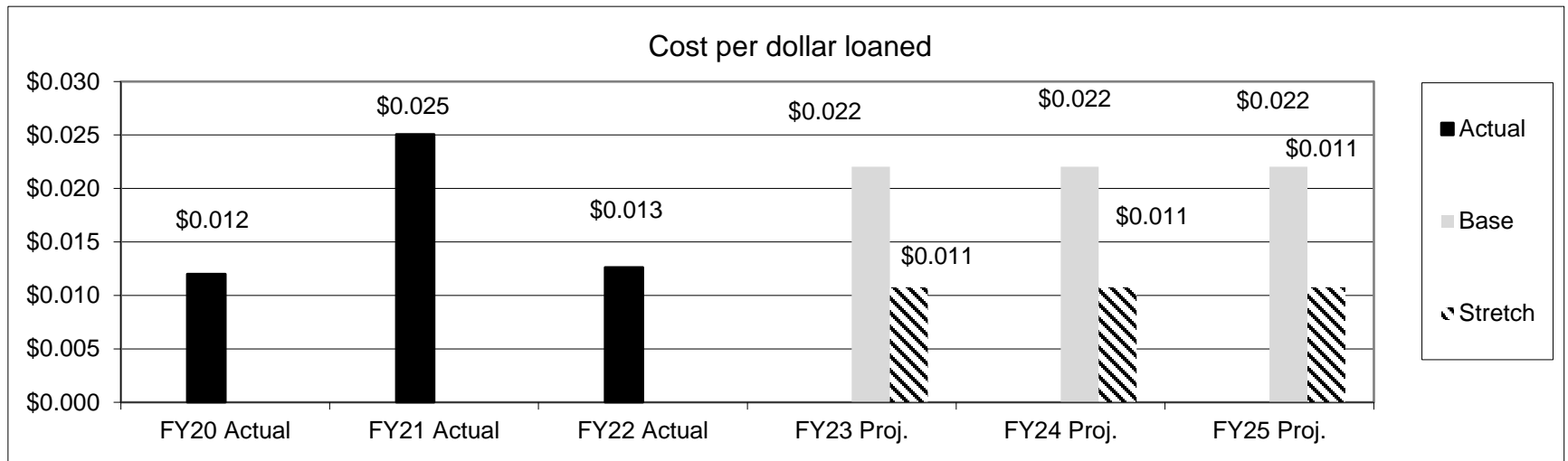
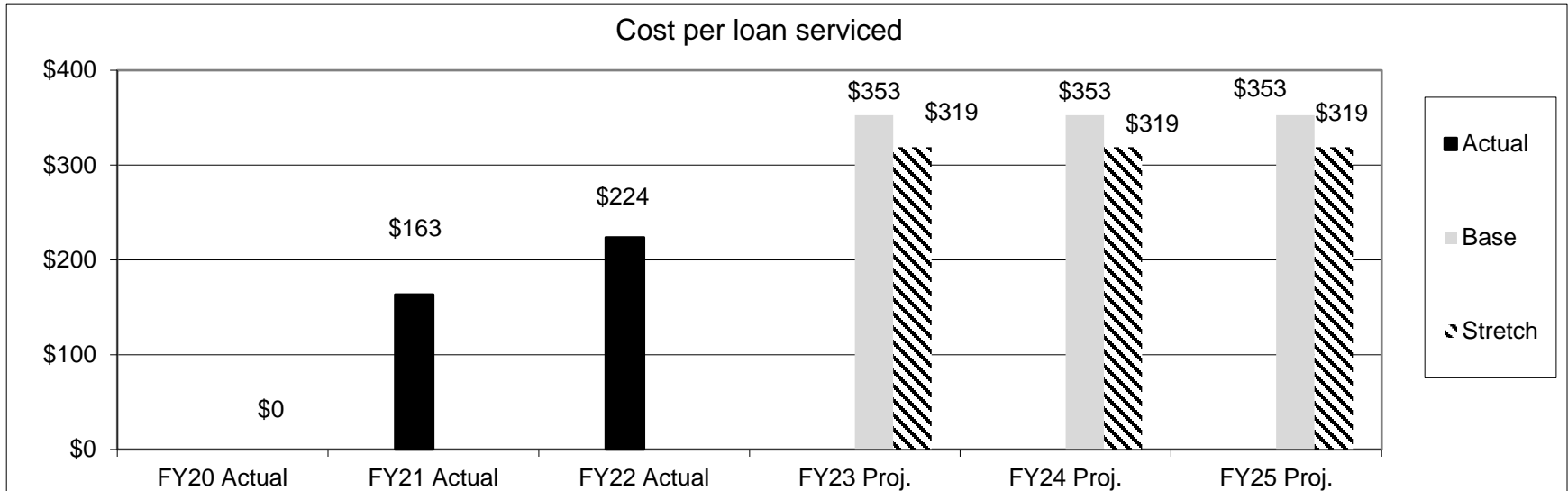
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**2d. Provide a measure(s) of the program's efficiency.**



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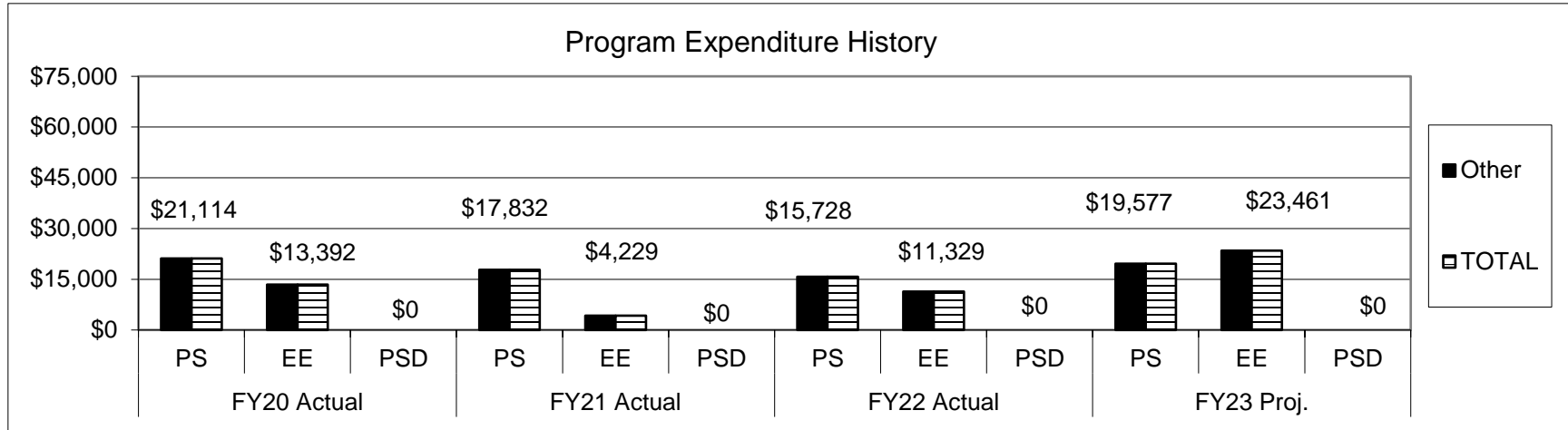
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**3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)**



**4. What are the sources of the "Other " funds?**

Agriculture Development Fund (0904), Single-Purpose Animal Facilities Loan Guarantee Fund (0409), and other non-state funds

**5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

348.070 RSMo, 348.080 RSMo, Internal Revenue Service - Section 108

**6. Are there federal matching requirements? If yes, please explain.**

No

**7. Is this a federally mandated program? If yes, please explain.**

No