

1 House BILL NO. 622
2 INTRODUCED BY [Signature]
3

4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE MONTANA
5 GROWTH THROUGH AGRICULTURE ACT; ELIMINATING THE AGRICULTURAL
6 BUSINESS INCUBATOR PROGRAM; AMENDING SECTION 90-9-103, MCA;
7 AND REPEALING SECTION 90-9-302, MCA."
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9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 **Section 1.** Section 90-9-103, MCA, is amended to read:

11 "90-9-103. Definitions. As used in this chapter, the
12 following definitions apply:

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14 Act.

15 (2) "Agricultural business" means an enterprise engaged
16 in the production, processing, marketing, distribution, or
17 exporting of agricultural products. The term includes any
18 related business the primary function of which is providing
19 goods or services to an agricultural enterprise.

20 (3) "Agricultural development project" means either a
21 seed capital or research and development project designed to
22 discover, develop, transfer, use, or commercialize existing
23 or new agricultural products or processes in order to
24 strengthen and enhance agricultural economic development in
25 the state.

1 (4) "Agricultural development project loan agreement"
2 or "loan" means an agreement entered into between the
3 council and the loan recipient of a seed capital project
4 loan or a research and development project loan that:

- 5 (a) creates a debt relationship between the parties;
- 6 (b) provides for a financial return to the council;
- 7 (c) provides economic development potential to the
8 state; and
- 9 (d) contains various provisions and terms as required
10 by the act.

11 (5) "Company" means a natural person, firm,
12 partnership, corporation, association, or other entity
13 authorized to conduct business in the state.

14 (6) "Convertible debenture" means a debenture
15 convertible into stock under certain conditions by an
16 individual or company, but not by the council.

17 (7) "Council" means the Montana agriculture development
18 council established in 2-15-3015.

19 (8) "Debenture" or "note" means a writing or
20 certificate issued as evidence of debt.

21 (9) "Department" means the department of agriculture
22 established in 2-15-3001.

23 (10) "Expansion capital project" means an agricultural
24 technology development project undertaken to enable an
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1 marketing activities in order to move its agricultural
2 products or services into new markets or to expand existing
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4 (11) "Innovative agricultural technology" means the
5 involvement of an agricultural product or process that
6 embodies the use of implements, machinery, equipment,
7 chemical formulations, resources, materials, methods, or
8 other items in a manner that departs from previous
9 commercial developments, practices, or applications.

10 (12) "Investment" means an award of money, with or
11 without repayment requirements, for the purposes provided
12 for in 90-9-302 and 90-9-401.

13 (13) "Matching funds" means the funds received in cash
14 by the agricultural development project loan recipient from
15 nonstate appropriated sources and contributed by the loan
16 recipient to the project in an amount that is at least equal
17 to the funds loaned to the recipient by the council for use
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19 (14) "Portfolio company" means a startup or expansion
20 stage company that has received a seed capital project loan
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22 (15) "Private sector" means any entity or individual,
23 not principally a part of or associated with a governmental
24 unit, that is associated with or involved in commercial
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1 (16) "Research and development project" means an
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15 (21) "Technology transfer and assistance project" means
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23 (22) "Warrant" means an instrument issued by a
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2 NEW SECTION. **Section 2. Repealer.** Section 90-9-302,

3 MCA, is repealed.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0622, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:


This bill eliminates the agricultural business incubator program from the Montana Growth Through Agriculture Act.

ASSUMPTIONS:

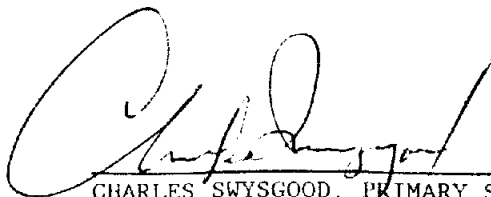
1. The Agricultural Development Council does not have any plans for funding any agricultural business incubators.

FISCAL IMPACT:

No fiscal impact



ROD SUNDSTED, BUDGET DIRECTOR 2-8-91
Office of Budget and Program Planning DATE



CHARLES SWYSGOOD, PRIMARY SPONSOR 2-9-91
Fiscal Note for HB0622, as introduced DATE
HB 622

APPROVED BY COMMITTEE
ON AGRICULTURE LIVESTOCK
& IRRIGATION

1 INTRODUCTION BY House BILL NO. 622
2 James Good

3
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