

FIRST REGULAR SESSION

HOUSE BILL NO. 1028

95TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES SCHOELLER (Sponsor), JONES (117), LOEHNER, PARKINSON, DIEHL, SMITH (150), GUERNSEY, WASSON, SILVEY, STREAM, RUZICKA, TALBOY, HOLSMAN, KUESSNER, CARTER, LOW, SCHUPP, SHIVELY, HUGHES, RUCKER, KANDER AND BIVINS (Co-sponsors).

1612L.02I

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 30.750, 30.753, 30.756, 30.758, 30.760, 30.765, and 135.403, RSMo, and to enact in lieu thereof seven new sections relating to incentives for alternative energy production, with penalty provisions.

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

Section A. Sections 30.750, 30.753, 30.756, 30.758, 30.760, 30.765, and 135.403, RSMo, are repealed and seven new sections enacted in lieu thereof, to be known as sections 30.750, 30.753, 30.756, 30.758, 30.760, 30.765, and 135.403, to read as follows:

30.750. As used in sections 30.750 to 30.767, the following terms mean:

(1) "Eligible agribusiness", a person engaged in the processing or adding of value to agricultural products produced in Missouri;

(2) "**Eligible alternative energy consumer**", **an individual who wishes to borrow moneys for the purchase, installation, or construction of facilities or equipment related to the production of fuel or power primarily for their own use from energy sources other than fossil fuels, including but not limited to solar, hydroelectric, wind, and qualified biomass;**

(3) "Eligible alternative energy operation", a business enterprise engaged in the production [and sale] of fuel or power from energy sources other than fossil fuels, including but not limited to solar, hydroelectric, wind, and qualified biomass. Such business enterprise shall conform to the characteristics of paragraphs (a), (b), and (d) of subdivision [(5)] (6) of this section;

[(3)] (4) "Eligible beginning farmer",

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

14 (a) For any beginning farmer who seeks to participate in the linked deposit program
15 alone, a farmer who:

16 a. Is a Missouri resident;

17 b. Wishes to borrow for a farm operation located in Missouri;

18 c. Is at least eighteen years old; and

19 d. In the preceding five years has not owned, either directly or indirectly, farm land
20 greater than fifty percent of the average size farm in the county where the proposed farm
21 operation is located or farm land with an appraised value greater than four hundred fifty thousand
22 dollars. A farmer who qualifies as an eligible farmer under this provision may utilize the
23 proceeds of a linked deposit loan to purchase agricultural land, farm buildings, new and used
24 farm equipment, livestock and working capital;

25 (b) For any beginning farmer who is participating in both the linked deposit program and
26 the beginning farmer loan program administered by the Missouri agriculture and small business
27 development authority, a farmer who:

28 a. Qualifies under the definition of a beginning farmer utilized for eligibility for federal
29 tax-exempt financing, including the limitations on the use of loan proceeds; and

30 b. Meets all other requirements established by the Missouri agriculture and small
31 business development authority;

32 [(4)] (5) "Eligible facility borrower", a borrower qualified under section 30.860 to apply
33 for a reduced-rate loan under sections 30.750 to 30.767;

34 [(5)] (6) "Eligible farming operation", any person engaged in farming in an authorized
35 farm corporation, family farm, or family farm corporation as defined in section 350.010, RSMo,
36 that has all of the following characteristics:

37 (a) Is headquartered in this state;

38 (b) Maintains offices, operating facilities, or farming operations and transacts business
39 in this state;

40 (c) Employs less than ten employees;

41 (d) Is organized for profit;

42 [(e) Possesses not more than sixty percent equity, where "percent equity" is defined as
43 total assets minus total liabilities divided by total assets, except that an otherwise eligible
44 farming operation applying for a loan for the purpose of installing or improving a waste
45 management practice in order to comply with environmental protection regulations shall be
46 exempt from this eligibility requirement;]

47 (7) "Eligible governmental entity", any political subdivision of the state or any
48 other public entity in the state seeking to finance capital improvements, capital outlay, or
49 other significant programs through an eligible lending institution;

50 [(6)] (8) "Eligible higher education institution", any approved public or private
51 institution as defined in section 173.205, RSMo;

52 [(7)] (9) "Eligible job enhancement business", a new, existing, or expanding firm
53 operating in Missouri, or as a condition of accepting the linked deposit, will locate a facility or
54 office in Missouri associated with said linked deposit, which employs ten or more employees in
55 Missouri on a yearly average and which, as nearly as possible, is able to establish or retain at
56 least one job in Missouri for each fifty thousand dollars received from a linked deposit loan
57 **except when the applicant can demonstrate significant costs for equipment, capital outlay,
58 or capital improvements associated with the physical expansion, renovation, or
59 modernization of a facility or equipment. In such cases, the maximum amount of the
60 linked deposit shall not exceed fifty thousand dollars per job created or retained plus the
61 initial cost of the physical expansion, renovation or capital outlay;**

62 [(8)] (10) "Eligible lending institution", a financial institution that is eligible to make
63 commercial or agricultural or student loans or discount or purchase such loans, is a public
64 depository of state funds or obtains its funds through the issuance of obligations, either directly
65 or through a related entity, eligible for the placement of state funds under the provisions of
66 section 15, article IV, Constitution of Missouri, and agrees to participate in the linked deposit
67 program;

68 [(9)] (11) "Eligible livestock operation", any person engaged in production of livestock
69 or poultry in an authorized farm corporation, family farm, or family farm corporation as defined
70 in section 350.010, RSMo;

71 [(10)] (12) "Eligible locally owned business", any person seeking to establish a new firm,
72 partnership, cooperative company, or corporation that shall retain at least fifty-one percent
73 ownership by residents in a county in which the business is headquartered, that consists of the
74 following characteristics:

75 (a) The county has a median population of twelve thousand five hundred or less; and

76 (b) The median income of residents in the county are equal to or less than the state
77 median income; or

78 (c) The unemployment rate of the county is equal to or greater than the state's
79 unemployment rate;

80 [(11)] (13) "Eligible marketing enterprise", a business enterprise operating in this state
81 which is in the process of marketing its goods, products or services within or outside of this state
82 or overseas, which marketing is designed to increase manufacturing, transportation, mining,
83 communications, or other enterprises in this state, which has proposed its marketing plan and
84 strategy to the department of economic development and which plan and strategy has been
85 approved by the department for purposes of eligibility pursuant to sections 30.750 to 30.767.

86 Such business enterprise shall conform to the characteristics of paragraphs (a), (b) and (d) of
87 subdivision [(5)] **(6)** of this section and also employ less than twenty-five employees;

88 [(12)] **(14)** "Eligible multitenant development enterprise", a new enterprise that develops
89 multitenant space for targeted industries as determined by the department of economic
90 development and approved by the department for the purposes of eligibility pursuant to sections
91 30.750 to 30.767;

92 [(13)] **(15)** "Eligible residential property developer", an individual who purchases and
93 develops a residential structure of either two or four units, if such residential property developer
94 uses and agrees to continue to use, for at least the five years immediately following the date of
95 issuance of the linked deposit loan, one of the units as his principal residence or if such person's
96 principal residence is located within one-half mile from the developed structure and such person
97 agrees to maintain the principal residence within one-half mile of the developed structure for at
98 least the five years immediately following the date of issuance of the linked deposit loan;

99 [(14)] **(16)** "Eligible residential property owner", a person, firm or corporation who
100 purchases, develops or rehabilitates a multifamily residential structure;

101 [(15)] **(17)** "Eligible small business", a person engaged in an activity with the purpose
102 of obtaining, directly or indirectly, a gain, benefit or advantage and which conforms to the
103 characteristics of paragraphs (a), (b) and (d) of subdivision [(5)] **(6)** of this section, and also
104 employs less than [twenty-five] **one hundred** employees;

105 [(16)] **(18)** "Eligible student borrower", any person attending, or the parent of a
106 dependent undergraduate attending, an eligible higher education institution in Missouri who may
107 or may not qualify for need-based student financial aid calculated by the federal analysis called
108 Congressional Methodology Formula pursuant to 20 U.S.C. 1078, as amended (the Higher
109 Education Amendments of 1986);

110 [(17)] **(19)** "Eligible water supply system", a water system which serves fewer than fifty
111 thousand persons and which is owned and operated by:

112 (a) A public water supply district established pursuant to chapter 247, RSMo; or

113 (b) A municipality or other political subdivision; or

114 (c) A water corporation; and which is certified by the department of natural resources
115 in accordance with its rules and regulations to have suffered a significant decrease in its capacity
116 to meet its service needs as a result of drought;

117 [(18)] **(20)** "Farming", using or cultivating land for the production of agricultural crops,
118 livestock or livestock products, forest products, poultry or poultry products, milk or dairy
119 products, or fruit or other horticultural products;

120 [(19)] **(21)** "Linked deposit", a certificate of deposit, or in the case of production credit
121 associations, the subscription or purchase outright of obligations described in section 15, article

122 IV, Constitution of Missouri, placed by the state treasurer with an eligible lending institution at
123 rates otherwise provided by law in section 30.758, provided the institution agrees to lend the
124 value of such deposit, according to the deposit agreement provided in sections 30.750 to 30.767,
125 to **eligible multitenant development enterprises**, eligible small businesses, eligible alternative
126 energy operations, **eligible alternative energy consumers**, eligible locally owned businesses,
127 farming operations, eligible job enhancement businesses, eligible marketing enterprises, eligible
128 residential property developers, eligible residential property owners, **eligible governmental**
129 **entities**, eligible agribusinesses, eligible beginning farmers, eligible livestock operations, eligible
130 student borrowers, eligible facility borrowers, or eligible water supply systems at below the
131 present borrowing rate applicable to each **multitenant development enterprise**, small business,
132 **alternative energy operation, alternative energy consumer**, farming operation, eligible job
133 enhancement business, eligible marketing enterprise, eligible residential property developer,
134 eligible residential property owner, **eligible governmental entity**, eligible agribusiness, eligible
135 beginning farmer, eligible livestock operation, eligible student borrower, or supply system at the
136 time of the deposit of state funds in the institution;

137 [(20)] **(22)** "Market rate", the interest rate tied to federal government securities and more
138 specifically described in subsection 4 of section 30.260;

139 [(21)] **(23)** "Professional forester", any individual who holds a bachelor of science degree
140 in forestry from a regionally accredited college or university with a minimum of two years of
141 professional forest management experience;

142 [(22)] **(24)** "Qualified biomass", any agriculture-derived organic material or any
143 wood-derived organic material harvested in accordance with a site-specific forest management
144 plan focused on long-term forest sustainability developed by a professional forester and
145 qualified, in consultation with the conservation commission, by the agriculture and small
146 business development authority;

147 [(23)] **(25)** "Water corporation", as such term is defined in section 386.020, RSMo;

148 [(24)] **(26)** "Water system", as such term is defined in section 386.020, RSMo.

30.753. 1. The state treasurer may invest in linked deposits; however, the total amount
2 so deposited at any one time shall not exceed, in the aggregate, seven hundred twenty million
3 dollars. No more than three hundred thirty million dollars of the aggregate deposit shall be used
4 for linked deposits to eligible farming operations, eligible locally owned businesses, eligible
5 agribusinesses, eligible beginning farmers, eligible livestock operations, and eligible facility
6 borrowers, no more than one hundred ten million of the aggregate deposit shall be used for
7 linked deposits to small businesses, no more than twenty million dollars shall be used for linked
8 deposits to eligible multitenant development enterprises, and no more than twenty million dollars
9 of the aggregate deposit shall be used for linked deposits to eligible residential property

10 developers and eligible residential property owners, no more than two hundred twenty million
11 dollars of the aggregate deposit shall be used for linked deposits to eligible job enhancement
12 businesses and no more than twenty million dollars of the aggregate deposit shall be used for
13 linked deposit loans to eligible water systems. Linked deposit loans may be made to eligible
14 student borrowers [and] , eligible alternative energy operations, **eligible alternative energy**
15 **consumers, and eligible governmental entities** from the aggregate deposit. If demand for a
16 particular type of linked deposit exceeds the initial allocation, and funds initially allocated to
17 another type are available and not in demand, the state treasurer may commingle allocations
18 among the types of linked deposits.

19 2. The minimum deposit to be made by the state treasurer to an eligible lending
20 institution for eligible job enhancement business loans shall be ninety thousand dollars. Linked
21 deposit loans for eligible job enhancement businesses may be made for the purposes of assisting
22 with relocation expenses, working capital, interim construction, inventory, site development,
23 machinery and equipment, or other expenses necessary to create or retain jobs in the recipient
24 firm.

30.756. 1. An eligible lending institution that desires to receive a linked deposit shall
2 accept and review applications for linked deposit loans from eligible multitenant enterprises,
3 eligible farming operations, **eligible alternative energy consumers**, eligible alternative energy
4 operations, eligible locally owned businesses, eligible small businesses, eligible job enhancement
5 businesses, eligible marketing enterprises, eligible agribusinesses, eligible beginning farmers,
6 eligible livestock operations, eligible residential property developers, eligible residential property
7 owners, **eligible governmental entities**, eligible student borrowers, eligible facility borrowers,
8 and eligible water supply systems. An eligible residential property owner shall certify on his or
9 her loan application that the reduced rate loan will be used exclusively to purchase, develop or
10 rehabilitate a multifamily residential property. The lending institution shall apply all usual
11 lending standards to determine the creditworthiness of each eligible multitenant enterprise,
12 eligible farming operation, eligible alternative energy operation, **eligible alternative energy**
13 **consumer**, eligible locally owned business, eligible small business, eligible job enhancement
14 business, eligible marketing enterprise, eligible residential property developer, eligible residential
15 property owner, **eligible governmental entities**, eligible agribusiness, eligible beginning farmer,
16 eligible livestock operation, eligible student borrower, eligible facility borrower, or eligible water
17 supply system. No linked deposit loan made to any **eligible multitenant development**
18 **enterprise**, eligible farming operation, eligible alternative energy operation, **eligible alternative**
19 **energy consumer**, eligible locally owned business, eligible livestock operation, eligible
20 agribusiness **eligible beginning farmer, eligible job enhancement business, eligible**
21 **marketing enterprise, eligible residential property developer, eligible residential property**

22 **owner, eligible governmental entity, eligible student borrower, eligible water supply**
23 **system**, or eligible small business shall exceed a dollar limit determined by the state treasurer
24 in the state treasurer's best judgment, except as otherwise limited. Any link deposit loan made
25 to an eligible facility borrower shall be in accordance with the loan amount and loan term
26 requirements in section 30.860.

27 2. An eligible farming operation, small business or job enhancement business shall
28 certify on its loan application that the reduced rate loan will be used exclusively for necessary
29 production expenses or the expenses listed in subsection 2 of section 30.753 or the refinancing
30 of an existing loan for production expenses or the expenses listed in subsection 2 of section
31 30.753 of an eligible farming operation, small business or job enhancement business. Whoever
32 knowingly makes a false statement concerning such application is guilty of a class A
33 misdemeanor. An eligible water supply system shall certify on its loan application that the
34 reduced rate loan shall be used exclusively to pay the costs of upgrading or repairing an existing
35 water system, constructing a new water system, or making other capital improvements to a water
36 system which are necessary to improve the service capacity of the system.

37 3. In considering which eligible farming operations should receive reduced-rate loans,
38 the eligible lending institution shall give priority to those farming operations which have suffered
39 reduced yields due to drought or other natural disasters and for which the receipt of a
40 reduced-rate loan will make a significant contribution to the continued operation of the recipient
41 farming operation.

42 4. The eligible financial institution shall forward to the state treasurer a linked deposit
43 loan package, in the form and manner as prescribed by the state treasurer. The package shall
44 include such information as required by the state treasurer, including the amount of each loan
45 requested. The institution shall certify that each applicant is an **eligible multitenant**
46 **development enterprise**, eligible farming operation, eligible alternative energy operation,
47 **eligible alternative energy consumer**, eligible locally owned business, eligible small business,
48 eligible job enhancement business, eligible marketing enterprise, eligible residential property
49 developer, eligible residential property owner, **eligible governmental entity**, eligible
50 agribusiness, eligible beginning farmer, eligible livestock operation, eligible student borrower,
51 eligible facility borrower, or eligible water supply system, and shall, for each **eligible**
52 **multitenant development enterprise**, eligible farming operation, **eligible alternative energy**
53 **operation, eligible alternative energy consumer, eligible** small business, eligible job
54 enhancement business, eligible marketing enterprise, eligible residential property developer,
55 eligible residential property owner, **eligible governmental entity**, eligible agribusiness, eligible
56 beginning farmer, eligible livestock operation, eligible student borrower, eligible facility
57 borrower, or eligible water supply system, certify the present borrowing rate applicable.

58 5. The eligible lending institution shall be responsible for determining if a student
59 borrower is an eligible student borrower. A student borrower shall be eligible for an initial or
60 renewal reduced-rate loan only if, at the time of the application for the loan, the student is a
61 citizen or permanent resident of the United States, a resident of the state of Missouri as defined
62 by the coordinating board for higher education, is enrolled or has been accepted for enrollment
63 in an eligible higher education institution, and establishes that the student has financial need.
64 In considering which eligible student borrowers may receive reduced-rate loans, the eligible
65 lending institution may give priority to those eligible student borrowers whose income, or whose
66 family income, if the eligible student borrower is a dependent, is such that the eligible student
67 borrower does not qualify for need-based student financial aid pursuant to 20 U.S.C. 1078, as
68 amended (the Higher Education Amendments of 1986). The eligible lending institution shall
69 require the eligible student borrower to document that the student has applied for and has
70 obtained all need-based student financial aid for which the student is eligible prior to application
71 for a reduced-rate loan pursuant to this section. In no case shall the combination of all financial
72 aid awarded to any student in any particular enrollment period exceed the total cost of attendance
73 at the institution in which the student is enrolled. No eligible lending institution shall charge any
74 additional fees, including but not limited to an origination, service or insurance fee on any loan
75 agreement under the provisions of sections 30.750 to 30.765.

76 6. The eligible lending institution making an initial loan to an eligible student borrower
77 may make a renewal loan or loans to the student. The total of such reduced-rate loans from
78 eligible lending institutions made pursuant to this section to any individual student shall not
79 exceed the cumulative totals established by 20 U.S.C. 1078, as amended. An eligible student
80 borrower shall certify on his or her loan application that the reduced rate loan shall be used
81 exclusively to pay the costs of tuition, incidental fees, books and academic supplies, room and
82 board and other fees directly related to enrollment in an eligible higher education institution. The
83 eligible lending institution shall make the loan payable to the eligible student borrower and the
84 eligible higher education institution as co-payees. The method of repayment of the loan shall be
85 the same as for repayment of loans made pursuant to sections 173.095 to 173.186, RSMo.

86 7. Beginning August 28, 2005, in considering which eligible multitenant **development**
87 enterprise, eligible farming operation, eligible alternative energy operation, **eligible alternative**
88 **energy consumer**, eligible locally owned business, eligible small business, eligible job
89 enhancement business, eligible marketing enterprise, eligible residential property developer,
90 eligible residential property owner, **eligible governmental entity**, eligible agribusiness, eligible
91 beginning farmer, eligible livestock operation, eligible student borrower, eligible facility
92 borrower, or eligible water supply system should receive reduced-rate loans, the eligible lending
93 institution shall give priority to an eligible multitenant enterprise, eligible farming operation,

94 eligible alternative energy operation, **eligible alternative energy consumer**, eligible locally
95 owned business, eligible small business, eligible job enhancement business, eligible marketing
96 enterprise, eligible residential property developer, eligible residential property owner, **eligible**
97 **governmental entity**, eligible agribusiness, eligible beginning farmer, eligible livestock
98 operation, eligible student borrower, eligible facility borrower, or eligible water supply system
99 that has not previously received a reduced-rate loan through the linked deposit program.
100 However, nothing shall prohibit an eligible lending institution from making a reduced-rate loan
101 to any entity that previously has received such a loan, if such entity otherwise qualifies for such
102 a reduced-rate loan.

30.758. 1. The state treasurer may accept or reject a linked deposit loan package or any
2 portion thereof.

3 2. The state treasurer shall make a good faith effort to ensure that the linked deposits are
4 placed with eligible lending institutions to make linked deposit loans to minority- or
5 female-owned eligible multitenant enterprises, eligible farming operations, eligible alternative
6 energy operations, **eligible alternative energy consumers**, eligible locally owned businesses,
7 eligible small businesses, eligible job enhancement businesses, eligible marketing enterprises,
8 eligible residential property developers, eligible residential property owners, **eligible**
9 **governmental entities**, eligible agribusinesses, eligible beginning farmers, eligible livestock
10 operations, eligible student borrowers, eligible facility borrowers, or eligible water supply
11 systems. Results of such effort shall be included in the linked deposit review committee's annual
12 report to the governor.

13 3. Upon acceptance of the linked deposit loan package or any portion thereof, the state
14 treasurer may place linked deposits with the eligible lending institution as follows: when market
15 rates are five percent or above, the state treasurer shall reduce the market rate by up to three
16 percentage points to obtain the linked deposit rate; when market rates are less than five percent,
17 the state treasurer shall reduce the market rate by up to sixty percent to obtain the linked deposit
18 rate, provided that the linked deposit rate is not below one percent. All linked deposit rates are
19 determined and calculated by the state treasurer. When necessary, the treasurer may place linked
20 deposits prior to acceptance of a linked deposit loan package.

21 4. The eligible lending institution shall enter into a deposit agreement with the state
22 treasurer, which shall include requirements necessary to carry out the purposes of sections 30.750
23 to 30.767. The deposit agreement shall specify the length of time for which the lending
24 institution will lend funds upon receiving a linked deposit, and the original deposit plus renewals
25 shall not exceed five years, except as otherwise provided in this chapter. The agreement shall
26 also include provisions for the linked deposit of a linked deposit for an eligible facility borrower,
27 eligible multitenant enterprise, eligible farming operation, eligible alternative energy operation,

28 **eligible alternative energy consumer**, eligible locally owned business, eligible small business,
29 eligible marketing enterprise, eligible residential property developer, eligible residential property
30 owner, **eligible governmental entity**, eligible agribusiness, eligible beginning farmer, eligible
31 livestock operation, eligible student borrower or job enhancement business. Interest shall be paid
32 at the times determined by the state treasurer.

33 5. The period of time for which such linked deposit is placed with an eligible lending
34 institution shall be neither longer nor shorter than the period of time for which the linked deposit
35 is used to provide loans at reduced interest rates. The agreement shall further provide that the
36 state shall receive market interest rates on any linked deposit or any portion thereof for any
37 period of time for which there is no corresponding linked deposit loan outstanding to an eligible
38 multitenant enterprise, eligible farming operation, eligible alternative energy operation, **eligible**
39 **alternative energy consumer**, eligible locally owned business, eligible small business, eligible
40 job enhancement business, eligible marketing enterprise, eligible residential property developer,
41 eligible residential property owner, **eligible governmental entity**, eligible agribusiness, eligible
42 beginning farmer, eligible livestock operation, eligible student borrower, eligible facility
43 borrower, or eligible water supply system, except as otherwise provided in this subsection.
44 Within thirty days after the annual anniversary date of the linked deposit, the eligible lending
45 institution shall repay the state treasurer any linked deposit principal received from borrowers
46 in the previous yearly period and thereafter repay such principal within thirty days of the yearly
47 anniversary date calculated separately for each linked deposit loan, and repaid at the linked
48 deposit rate. Such principal payment shall be accelerated when more than thirty percent of the
49 linked deposit loan is repaid within a single monthly period. Any principal received and not
50 repaid, up to the point of the thirty percent or more payment, shall be repaid within thirty days
51 of that payment at the linked deposit rate. Finally, when the linked deposit is tied to a revolving
52 line of credit agreement between the banking institution and its borrower, the full amount of the
53 line of credit shall be excluded from the repayment provisions of this subsection.

30.760. 1. Upon the placement of a linked deposit with an eligible lending institution,
2 such institution is required to lend such funds to each approved eligible multitenant enterprise,
3 eligible farm operation, eligible alternative energy operation, **eligible alternative energy**
4 **consumer**, eligible locally owned business, eligible small business, eligible job enhancement
5 business, eligible marketing enterprise, eligible residential property developer, eligible residential
6 property owner, **eligible governmental entity**, eligible agribusiness, eligible beginning farmer,
7 eligible livestock operation, eligible student borrower, eligible facility borrower, or eligible water
8 supply system listed in the linked deposit loan package required by section 30.756 and in
9 accordance with the deposit agreement required by section 30.758. The loan shall be at a fixed
10 rate of interest reduced by the amount established under subsection 3 of section 30.758 to each

11 eligible multitenant enterprise, eligible farming operation, eligible alternative energy operation,
12 **eligible alternative energy consumer**, eligible locally owned business, eligible small business,
13 eligible job enhancement business, eligible marketing enterprise, eligible residential property
14 developer, eligible residential property owner, **eligible governmental entity**, eligible
15 agribusiness, eligible beginning farmer, eligible livestock operation, eligible student borrower,
16 eligible facility borrower, or eligible water supply system as determined pursuant to rules and
17 regulations promulgated by the state treasurer under the provisions of chapter 536, RSMo,
18 including emergency rules issued pursuant to section 536.025, RSMo. In addition, the loan
19 agreement shall specify that the eligible multitenant enterprise, eligible farming operation,
20 eligible alternative energy operation, **eligible alternative energy consumer**, eligible locally
21 owned business, eligible small business, eligible job enhancement business, eligible marketing
22 enterprise, eligible residential property developer, eligible residential property owner, **eligible**
23 **governmental entity**, eligible agribusiness, eligible beginning farmer, eligible livestock
24 operation, eligible student borrower, eligible facility borrower, or eligible water supply system
25 shall use the proceeds as required by sections 30.750 to 30.765, and that in the event the loan
26 recipient does not use the proceeds in the manner prescribed by sections 30.750 to 30.765, the
27 remaining proceeds shall be immediately returned to the lending institution and that any proceeds
28 used by the loan recipient shall be repaid to the lending institution as soon as practicable. All
29 records and documents pertaining to the programs established by sections 30.750 to 30.765 shall
30 be segregated by the lending institution for ease of identification and examination. A
31 certification of compliance with this section in the form and manner as prescribed by the state
32 treasurer shall be required of the eligible lending institution. Any lender or lending officer of an
33 eligible lending institution who knowingly violates the provisions of sections 30.750 to 30.765
34 is guilty of a class A misdemeanor.

35 2. The state treasurer shall take any and all steps necessary to implement the linked
36 deposit program and monitor compliance of eligible multitenant enterprises, eligible lending
37 institutions, eligible farming operations, eligible alternative energy operations, **eligible**
38 **alternative energy consumers**, eligible locally owned businesses, eligible small businesses,
39 eligible job enhancement businesses, eligible marketing enterprises, eligible residential property
40 developers, eligible residential property owners, **eligible governmental entities**, eligible
41 agribusinesses, eligible beginning farmers, eligible livestock operations, eligible facility
42 borrowers, or eligible water supply systems.

30.765. The state and the state treasurer are not liable to any eligible lending institution
2 in any manner for payment of the principal or interest on the loan to an eligible multitenant
3 enterprise, eligible farm operation, eligible alternative energy operation, **eligible alternative**
4 **energy consumer**, eligible locally owned business, eligible small business, eligible job

5 enhancement business, eligible marketing enterprise, eligible residential property developer,
6 eligible residential property owner, **eligible governmental entity**, eligible agribusiness, eligible
7 beginning farmer, eligible livestock operation, eligible student borrower, eligible facility
8 borrower, or eligible water supply system. Any delay in payments or default on the part of an
9 eligible multitenant enterprise, eligible farming operation, eligible alternative energy operation,
10 **eligible alternative energy consumer**, eligible locally owned business, eligible small business,
11 eligible job enhancement business, eligible marketing enterprise, eligible residential property
12 developer, eligible residential property owner, **eligible governmental entity**, eligible
13 agribusiness, eligible beginning farmer, eligible livestock operation, eligible student borrower,
14 eligible facility borrower, or eligible water supply system does not in any manner affect the
15 deposit agreement between the eligible lending institution and the state treasurer.

135.403. 1. Any investor who makes a qualified investment in a Missouri small business
2 shall be entitled to receive a tax credit equal to forty percent of the amount of the investment or,
3 in the case of a qualified investment in a Missouri small business in a distressed community as
4 defined by section 135.530, a credit equal to sixty percent of the amount of the investment, and
5 any investor who makes a qualified investment in a community bank or a community
6 development corporation shall be entitled to receive a tax credit equal to fifty percent of the
7 amount of the investment if the investment is made in a community bank or community
8 development corporation for direct investment. The total amount of tax credits available for
9 qualified investments in Missouri small businesses shall not exceed [thirteen] **thirty** million
10 dollars **and at least twenty million dollars of the amount authorized by this section and**
11 **certified by the department of economic development shall be for Missouri small businesses**
12 **involved in the manufacture of alternative power generation equipment** and at least four
13 million dollars of the amount authorized by this section and certified by the department of
14 economic development shall be for investment in Missouri small businesses in distressed
15 communities. Authorization for all or any part of this four-million-dollar amount shall in no way
16 restrict the eligibility of Missouri small businesses in distressed communities, as defined in
17 section 135.530, for the remaining amounts authorized within this section. No more than twenty
18 percent of the tax credits available each year for investments in community banks or community
19 development corporations for direct investment shall be certified for any one project, as defined
20 in section 135.400. The tax credit shall be evidenced by a tax credit certificate in accordance
21 with the provisions of sections 135.400 to 135.430 and may be used to satisfy the state tax
22 liability of the owner of the certificate that becomes due in the tax year in which the qualified
23 investment is made, or in any of the ten tax years thereafter. When the qualified small business
24 is in a distressed community, as defined in section 135.530, the tax credit may also be used to
25 satisfy the state tax liability of the owner of the certificate that was due during each of the

26 previous three years in addition to the year in which the investment is made and any of the ten
27 years thereafter. No investor may receive a tax credit pursuant to sections 135.400 to 135.430
28 unless that person presents a tax credit certificate to the department of revenue for payment of
29 such state tax liability. The department of revenue shall grant tax credits in the same order as
30 established by subsection 1 of section 32.115, RSMo. Subject to the provisions of sections
31 135.400 to 135.430, certificates of tax credit issued in accordance with these sections may be
32 transferred, sold or assigned by notarized endorsement thereof which names the transferee.

33 2. Five hundred thousand dollars in tax credits shall be available annually from the total
34 amount of tax credits authorized by section 32.110, RSMo, and subdivision (4) of subsection 2
35 of section 32.115, RSMo, as a result of investments in community banks or community
36 development corporations. Aggregate investments eligible for tax credits in any one Missouri
37 small business shall not be more than one million dollars. Aggregate investments eligible for
38 tax credits in any one Missouri small business shall not be less than five thousand dollars as of
39 the date of issuance of the first tax credit certificate for investment in that business.

40 3. This section and section 620.1039, RSMo, shall become effective January 1, 2001.

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