

FIRST REGULAR SESSION

[PERFECTED]

HOUSE BILL NO. 741

96TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BERNSKOETTER.

1643L.01P

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 30.750, 30.753, 30.756, 30.758, 30.760, 30.765, and 640.150, RSMo, and to enact in lieu thereof eight new sections relating to financing for energy efficiency improvements, with existing 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Section A. Sections 30.750, 30.753, 30.756, 30.758, 30.760, 30.765, and 640.150, RSMo, are repealed and eight new sections enacted in lieu thereof, to be known as sections 30.750, 30.753, 30.756, 30.758, 30.760, 30.765, 30.865, and 640.150, to read as follows:

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

- 2 (1) "Eligible agribusiness", a person engaged in the processing or adding of value to
3 agricultural products produced in Missouri;
- 4 (2) "Eligible alternative energy consumer", an individual who wishes to borrow moneys
5 for the purchase, installation, or construction of facilities or equipment related to the production
6 of fuel or power primarily for [their] **the individual's** own use from energy sources other than
7 fossil fuels, including but not limited to solar, hydroelectric, wind, and qualified biomass;
- 8 (3) "Eligible alternative energy operation", a business enterprise engaged in the
9 production of fuel or power from energy sources other than fossil fuels, including but not limited
10 to solar, hydroelectric, wind, and qualified biomass. Such business enterprise shall conform to
11 the characteristics of paragraphs (a), (b), and (d) of subdivision (6) of this section;
- 12 (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.

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

15 a. Is a Missouri resident;

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

17 c. Is at least eighteen years old; and

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

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

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

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

31 (5) **"Eligible energy-saving enterprise", any individual, partnership, corporation,**
32 **cooperative, or limited liability company organized or incorporated under the laws of this**
33 **state and conducting business in this state that has had an energy audit conducted on such**
34 **business within the two years immediately preceding the date of the linked deposit loan**
35 **application, and where such audit provided recommendations for energy savings and such**
36 **business seeks a loan to implement any such recommendations or make any other energy**
37 **improvements to the business that will result in more efficient use of, or less use of, energy;**

38 (6) "Eligible facility borrower", a borrower qualified under section 30.860 to apply for
39 a reduced-rate loan under sections 30.750 to 30.767;

40 [(6)] (7) "Eligible farming operation", any person engaged in farming in an authorized
41 farm corporation, family farm, or family farm corporation as defined in section 350.010 that has
42 all of the following characteristics:

43 (a) Is headquartered in this state;

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

46 (c) Employs less than ten employees;

47 (d) Is organized for profit;

48 [(7)] (8) "Eligible governmental entity", any political subdivision of the state seeking to
49 finance capital improvements, capital outlay, or other significant programs through an eligible
50 lending institution;

51 [(8)] (9) "Eligible higher education institution", any approved public or private
52 institution as defined in section 173.205;

53 [(9)] (10) "Eligible job enhancement business", a new, existing, or expanding firm
54 operating in Missouri, or as a condition of accepting the linked deposit, will locate a facility or
55 office in Missouri associated with said linked deposit, which employs ten or more employees in
56 Missouri on a yearly average and which, as nearly as possible, is able to establish or retain at
57 least one job in Missouri for each fifty thousand dollars received from a linked deposit loan
58 except when the applicant can demonstrate significant costs for equipment, capital outlay, or
59 capital improvements associated with the physical expansion, renovation, or modernization of
60 a facility or equipment. In such cases, the maximum amount of the linked deposit shall not
61 exceed fifty thousand dollars per job created or retained plus the initial cost of the physical
62 expansion, renovation or capital outlay;

63 [(10)] (11) "Eligible lending institution", a financial institution that is eligible to make
64 commercial or agricultural or student loans or discount or purchase such loans, is a public
65 depository of state funds or obtains its funds through the issuance of obligations, either directly
66 or through a related entity, eligible for the placement of state funds under the provisions of
67 section 15, article IV, Constitution of Missouri, and agrees to participate in the linked deposit
68 program;

69 [(11)] (12) "Eligible livestock operation", any person engaged in production of livestock
70 or poultry in an authorized farm corporation, family farm, or family farm corporation as defined
71 in section 350.010;

72 [(12)] (13) "Eligible locally owned business", any person seeking to establish a new firm,
73 partnership, cooperative company, or corporation that shall retain at least fifty-one percent
74 ownership by residents in a county in which the business is headquartered, that consists of the
75 following characteristics:

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

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

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

81 [(13)] (14) "Eligible marketing enterprise", a business enterprise operating in this state
82 which is in the process of marketing its goods, products or services within or outside of this state
83 or overseas, which marketing is designed to increase manufacturing, transportation, mining,

84 communications, or other enterprises in this state, which has proposed its marketing plan and
85 strategy to the department of economic development and which plan and strategy has been
86 approved by the department for purposes of eligibility pursuant to sections 30.750 to 30.767.
87 Such business enterprise shall conform to the characteristics of paragraphs (a), (b) and (d) of
88 subdivision (6) of this section and also employ less than twenty-five employees;

89 [(14)] (15) "Eligible multitenant development enterprise", a new enterprise that develops
90 multitenant space for targeted industries as determined by the department of economic
91 development and approved by the department for the purposes of eligibility pursuant to sections
92 30.750 to 30.767;

93 [(15)] (16) "Eligible residential property developer", an individual who purchases and
94 develops a residential structure of either two or four units, if such residential property developer
95 uses and agrees to continue to use, for at least the five years immediately following the date of
96 issuance of the linked deposit loan, one of the units as his principal residence or if such person's
97 principal residence is located within one-half mile from the developed structure and such person
98 agrees to maintain the principal residence within one-half mile of the developed structure for at
99 least the five years immediately following the date of issuance of the linked deposit loan;

100 [(16)] (17) "Eligible residential property owner", a person, firm or corporation who
101 purchases, develops or rehabilitates a multifamily residential structure;

102 [(17)] (18) "Eligible small business", a person engaged in an activity with the purpose
103 of obtaining, directly or indirectly, a gain, benefit or advantage and which conforms to the
104 characteristics of paragraphs (a), (b) and (d) of subdivision (6) of this section, and also employs
105 less than one hundred employees;

106 [(18)] (19) "Eligible student borrower", any person attending, or the parent of a
107 dependent undergraduate attending, an eligible higher education institution in Missouri who may
108 or may not qualify for need-based student financial aid calculated by the federal analysis called
109 Congressional Methodology Formula pursuant to 20 U.S.C. 1078, as amended (the Higher
110 Education Amendments of 1986);

111 [(19)] (20) "Eligible water supply system", a water system which serves fewer than fifty
112 thousand persons and which is owned and operated by:

113 (a) A public water supply district established pursuant to chapter 247; or

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

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

118 [(20)] (21) "Farming", using or cultivating land for the production of agricultural crops,
119 livestock or livestock products, forest products, poultry or poultry products, milk or dairy
120 products, or fruit or other horticultural products;

121 [(21)] (22) "Linked deposit", a certificate of deposit, or in the case of production credit
122 associations, the subscription or purchase outright of obligations described in section 15, article
123 IV, Constitution of Missouri, placed by the state treasurer with an eligible lending institution at
124 rates otherwise provided by law in section 30.758, provided the institution agrees to lend the
125 value of such deposit, according to the deposit agreement provided in sections 30.750 to 30.767,
126 to eligible multitenant development enterprises, eligible small businesses, eligible alternative
127 energy operations, eligible alternative energy consumers, eligible locally owned businesses,
128 farming operations, eligible job enhancement businesses, eligible marketing enterprises, eligible
129 residential property developers, eligible residential property owners, eligible governmental
130 entities, eligible agribusinesses, eligible beginning farmers, eligible livestock operations, eligible
131 student borrowers, eligible facility borrowers, **eligible energy-saving enterprises**, or eligible
132 water supply systems at below the present borrowing rate applicable to each multitenant
133 development enterprise, small business, alternative energy operation, alternative energy
134 consumer, farming operation, eligible job enhancement business, eligible marketing enterprise,
135 eligible residential property developer, eligible residential property owner, eligible governmental
136 entity, eligible agribusiness, eligible beginning farmer, eligible livestock operation, eligible
137 student borrower, **eligible energy-saving enterprise**, or supply system at the time of the deposit
138 of state funds in the institution;

139 [(22)] (23) "Market rate", the interest rate more specifically described in subsection 6 of
140 section 30.260;

141 [(23)] (24) "Professional forester", any individual who holds a bachelor of science degree
142 in forestry from a regionally accredited college or university with a minimum of two years of
143 professional forest management experience;

144 [(24)] (25) "Qualified biomass", any agriculture- derived organic material or any
145 wood-derived organic material harvested in accordance with a site-specific forest management
146 plan focused on long-term forest sustainability developed by a professional forester and
147 qualified, in consultation with the conservation commission, by the agriculture and small
148 business development authority;

149 [(25)] (26) "Water corporation", as such term is defined in section 386.020;

150 [(26)] (27) "Water system", as such term is defined in section 386.020.

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, eligible alternative energy operations, eligible alternative energy consumers,
15 **eligible energy-saving enterprises**, and eligible governmental entities from the aggregate
16 deposit. If demand for a particular type of linked deposit exceeds the initial allocation, and funds
17 initially allocated to another type are available and not in demand, the state treasurer may
18 commingle allocations 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 **eligible energy-saving enterprises**, and eligible water supply systems. An eligible residential
9 property owner shall certify on his or her loan application that the reduced rate loan will be used
10 exclusively to purchase, develop or rehabilitate a multifamily residential property. The lending
11 institution shall apply all usual lending standards to determine the creditworthiness of each
12 eligible multitenant enterprise, eligible farming operation, eligible alternative energy operation,
13 eligible alternative energy consumer, eligible locally owned business, eligible small business,
14 eligible job enhancement business, eligible marketing enterprise, eligible residential property
15 developer, eligible residential property owner, eligible governmental [entities] **entity**, eligible

16 agribusiness, eligible beginning farmer, eligible livestock operation, eligible student borrower,
17 eligible facility borrower, **eligible energy-saving enterprise**, or eligible water supply system.
18 No linked deposit loan made to any eligible multitenant development enterprise, eligible farming
19 operation, eligible alternative energy operation, eligible alternative energy consumer, eligible
20 locally owned business, eligible livestock operation, eligible agribusiness, eligible beginning
21 farmer, eligible job enhancement business, eligible marketing enterprise, eligible residential
22 property developer, eligible residential property owner, eligible governmental entity, eligible
23 student borrower, eligible water supply system, **eligible energy-saving enterprise**, or eligible
24 small business shall exceed a dollar limit determined by the state treasurer in the state treasurer's
25 best judgment, except as otherwise limited. Any link deposit loan made to an eligible facility
26 borrower shall be in accordance with the loan amount and loan term requirements in section
27 30.860. **Any linked deposit loan made to an eligible energy-saving enterprise shall be in**
28 **accordance with section 30.865.**

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

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

44 4. The eligible financial institution shall forward to the state treasurer a linked deposit
45 loan package, in the form and manner as prescribed by the state treasurer. The package shall
46 include such information as required by the state treasurer, including the amount of each loan
47 requested.

48 The institution shall certify that each applicant is an eligible multitenant development enterprise,
49 eligible farming operation, eligible alternative energy operation, eligible alternative energy
50 consumer, eligible locally owned business, eligible small business, eligible job enhancement
51 business, eligible marketing enterprise, eligible residential property developer, eligible residential

52 property owner, eligible governmental entity, eligible agribusiness, eligible beginning farmer,
53 eligible livestock operation, eligible student borrower, eligible facility borrower, **eligible energy-**
54 **saving enterprise**, or eligible water supply system, and shall, for each eligible multitenant
55 development enterprise, eligible farming operation, eligible alternative energy operation, eligible
56 alternative energy consumer, eligible small business, eligible job enhancement business, eligible
57 marketing enterprise, eligible residential property developer, eligible residential property owner,
58 eligible governmental entity, eligible agribusiness, eligible beginning farmer, eligible livestock
59 operation, eligible student borrower, eligible facility borrower, **eligible energy-saving**
60 **enterprise**, or eligible water supply system, certify the present borrowing rate applicable.

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

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

87 eligible higher education institution as co-payees. The method of repayment of the loan shall be
88 the same as for repayment of loans made pursuant to sections 173.095 to 173.186.

89 7. Beginning August 28, 2005, in considering which eligible multitenant enterprise,
90 eligible farming operation, eligible alternative energy operation, eligible alternative energy
91 consumer, eligible locally owned business, eligible small business, eligible job enhancement
92 business, eligible marketing enterprise, eligible residential property developer, eligible residential
93 property owner, eligible governmental entity, eligible agribusiness, eligible beginning farmer,
94 eligible livestock operation, eligible student borrower, eligible facility borrower, **eligible energy-**
95 **saving enterprise**, or eligible water supply system should receive reduced-rate loans, the eligible
96 lending institution shall give priority to an eligible multitenant enterprise, eligible farming
97 operation, eligible alternative energy operation, eligible alternative energy consumer, eligible
98 locally owned business, eligible small business, eligible job enhancement business, eligible
99 marketing enterprise, eligible residential property developer, eligible residential property owner,
100 eligible governmental entity, eligible agribusiness, eligible beginning farmer, eligible livestock
101 operation, eligible student borrower, eligible facility borrower, **eligible energy-saving**
102 **enterprise**, or eligible water supply system that has not previously received a reduced-rate loan
103 through the linked deposit program. However, nothing shall prohibit an eligible lending
104 institution from making a reduced-rate loan to any entity that previously has received such a loan,
105 if such entity otherwise qualifies for such 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, **eligible energy-saving**
11 **enterprises**, or eligible water supply systems. Results of such effort shall be included in the
12 linked deposit review committee's annual 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. All linked deposit rates are determined and calculated by the state treasurer. When
19 necessary, the treasurer may place linked deposits prior to acceptance of a linked deposit loan
20 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, **eligible energy-saving enterprise**, or job
32 enhancement business. Interest shall be paid 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, **eligible energy-saving enterprise**, or eligible water supply system, except as
44 otherwise provided in this subsection. Within thirty days after the annual anniversary date of the
45 linked deposit, the eligible lending institution shall repay the state treasurer any linked deposit
46 principal received from borrowers in the previous yearly period and thereafter repay such
47 principal within thirty days of the yearly anniversary date calculated separately for each linked
48 deposit loan, and repaid at the linked deposit rate. Such principal payment shall be accelerated
49 when more than thirty percent of the linked deposit loan is repaid within a single monthly period.
50 Any principal received and not repaid, up to the point of the thirty percent or more payment, shall
51 be repaid within thirty days of that payment at the linked deposit rate. Finally, when the linked
52 deposit is tied to a revolving line of credit agreement between the banking institution and its

53 borrower, the full amount of the line of credit shall be excluded from the repayment provisions
54 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, **eligible energy-**
8 **saving enterprise**, or eligible water supply system listed in the linked deposit loan package
9 required by section 30.756 and in accordance with the deposit agreement required by section
10 30.758. The loan shall be at a fixed rate of interest reduced by the amount established under
11 subsection 3 of section 30.758 to each eligible multitenant enterprise, eligible farming operation,
12 eligible alternative energy operation, eligible alternative energy consumer, eligible locally owned
13 business, eligible small business, eligible job enhancement business, eligible marketing
14 enterprise, eligible residential property developer, eligible residential property owner, eligible
15 governmental entity, eligible agribusiness, eligible beginning farmer, eligible livestock operation,
16 eligible student borrower, eligible facility borrower, **eligible energy-saving enterprise**, or
17 eligible water supply system as determined pursuant to rules and regulations promulgated by the
18 state treasurer under the provisions of chapter 536, including emergency rules issued pursuant
19 to section 536.025. In addition, the loan agreement shall specify that the eligible multitenant
20 enterprise, eligible farming operation, eligible alternative energy operation, eligible alternative
21 energy consumer, eligible locally owned business, eligible small business, eligible job
22 enhancement business, eligible marketing enterprise, eligible residential property developer,
23 eligible residential property owner, eligible governmental entity, eligible agribusiness, eligible
24 beginning farmer, eligible livestock operation, eligible student borrower, eligible facility
25 borrower, **eligible energy-saving enterprise**, or eligible water supply system shall use the
26 proceeds as required by sections 30.750 to 30.765, and that in the event the loan recipient does
27 not use the proceeds in the manner prescribed by sections 30.750 to 30.765, the remaining
28 proceeds shall be immediately returned to the lending institution and that any proceeds used by
29 the loan recipient shall be repaid to the lending institution as soon as practicable. All records and
30 documents pertaining to the programs established by sections 30.750 to 30.765 shall be
31 segregated by the lending institution for ease of identification and examination. A certification
32 of compliance with this section in the form and manner as prescribed by the state treasurer shall
33 be required of the eligible lending institution. Any lender or lending officer of an eligible

34 lending institution who knowingly violates the provisions of sections 30.750 to 30.765 is guilty
35 of a class A misdemeanor.

36 2. The state treasurer shall take any and all steps necessary to implement the linked
37 deposit program and monitor compliance of eligible multitenant enterprises, eligible lending
38 institutions, eligible farming operations, eligible alternative energy operations, eligible
39 alternative energy consumers, eligible locally owned businesses, eligible small businesses,
40 eligible job enhancement businesses, eligible marketing enterprises, eligible residential property
41 developers, eligible residential property owners, eligible governmental entities, eligible
42 agribusinesses, eligible beginning farmers, eligible livestock operations, eligible facility
43 borrowers, **eligible energy-saving enterprises**, 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, **eligible energy-saving enterprise**, or eligible water supply system. Any delay in
9 payments or default on the part of an eligible multitenant enterprise, eligible farming operation,
10 eligible alternative energy operation, eligible alternative energy consumer, eligible locally owned
11 business, eligible small business, eligible job enhancement business, eligible marketing
12 enterprise, eligible residential property developer, eligible residential property owner, eligible
13 governmental entity, eligible agribusiness, eligible beginning farmer, eligible livestock operation,
14 eligible student borrower, eligible facility borrower, **eligible energy-saving enterprise**, or
15 eligible water supply system does not in any manner affect the deposit agreement between the
16 eligible lending institution and the state treasurer.

**30.865. The state treasurer shall work in conjunction with the department of
2 natural resources in making linked deposits for eligible energy-saving enterprises under
3 sections 30.750 to 30.767. The department of natural resources shall serve as a technical
4 advisor and, as such, shall review all loan application packages for eligible energy-saving
5 enterprises and shall provide the state treasurer's office with information regarding the
6 potential energy savings associated with each project. The state treasurer shall use the
7 department's information to ensure that funding priority is given to projects with the
8 greatest energy savings potential. The state treasurer shall require a copy of the energy
9 audit conducted by an eligible energy-saving enterprise as part of the application for the
10 linked deposit.**

640.150. 1. The department of natural resources shall be vested with the powers and
2 duties prescribed by law and shall have the power to carry out the following activities:

3 (1) Assessing the impact of national energy policies on this state's supply and use of
4 energy and this state's public health, safety and welfare;

5 (2) Consulting and cooperating with all state and federal governmental agencies,
6 departments, boards and commissions and all other interested agencies and institutions,
7 governmental and nongovernmental, public and private, on matters of energy research and
8 development, management, conservation and distribution;

9 (3) The monitoring and analyzing of all federal, state, local and voluntarily disclosed
10 private sector energy research projects and voluntarily disclosed private sector energy related
11 data and information concerning supply and consumption, in order to plan for the future energy
12 needs of this state. All information gathered shall be maintained, revised and updated as an aid
13 to any interested person, foundation or other organization, public or private;

14 (4) Analyzing the potential for increased utilization of coal, nuclear, solar, resource
15 recovery and reuse, landfill gas, projects to reduce and capture methane and other greenhouse
16 gas emissions from landfills, energy efficient technologies and other energy alternatives, and
17 making recommendations for the expanded use of alternate energy sources and technologies;

18 (5) Entering into cooperative agreements with other states, political subdivisions, private
19 entities, or educational institutions for the purpose of seeking and securing federal grants for the
20 department and its partners in the grants;

21 (6) **Providing technical guidance regarding proposed energy conservation projects**
22 **funded through other state agencies;**

23 (7) The development and promotion of state energy conservation programs, including:

24 (a) Public education and information in energy-related areas;

25 (b) Developing energy efficiency standards for agricultural and industrial energy use and
26 for new and existing buildings, to be promoted through technical assistance efforts by
27 cooperative arrangements with interested public, business and civic groups and by cooperating
28 with political subdivisions of this state;

29 (c) Preparing plans for reducing energy use in the event of an energy or other resource
30 supply emergency.

31 2. No funds shall be expended to implement the provisions of this section until funds are
32 specifically appropriated for that purpose. In order to carry out its responsibilities under this
33 section, the department may expend any such appropriated funds by entering into agreements,
34 contracts, grants, subgrants, or cooperative arrangements under various terms and conditions in
35 the best interest of the state with other state, federal, or interstate agencies, political subdivisions,

36 not-for-profit entities or organizations, educational institutions, or other entities, both public and
37 private, to carry out its responsibilities.

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