

FIRST REGULAR SESSION

HOUSE BILL NO. 1263

94TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES BAKER (25) (Sponsor) AND HOLSMAN (Co-sponsor).

Read 1st time March 29, 2007 and copies ordered printed.

D. ADAM CRUMBLISS, Chief Clerk

2788L.01I

AN ACT

To amend chapter 393, RSMo, by adding thereto one new section relating to renewable energy.

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

Section A. Chapter 393, RSMo, is amended by adding thereto one new section, to be
2 known as section 393.1121, to read as follows:

3 **393.1121. 1. There is hereby established as a governmental instrumentality of the**
4 **state of Missouri the "Missouri Renewable Energy Loan Authority", which shall constitute**
5 **a body corporate and politic.**

6 **2. The authority shall ensure all applicants including local governments,**
7 **municipalities, cooperatives, utilities, and owners of residential, commercial, and**
8 **agricultural property receive a low interest loan for the purpose of financing renewable**
9 **energy producing products or facilities or qualifying energy efficient and energy**
10 **conserving appliances and products in this state. The authority shall develop a method for**
11 **such applicants to apply to the authority for loans and approve disbursements of the loans.**
12 **Loan applications shall be considered on a need-based program as well as according to**
13 **efficiency and size of the project with priority given to larger and more efficient proposed**
14 **renewable energy projects. Priorities only apply to new projects and not for existing**
15 **projects.**

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

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.

15 (1) "Applicant", any local government, municipality, cooperative, utility, and
16 owner of residential, commercial, and agricultural property, which submits an application
17 for loans on financial assistance to the authority;

18 (2) "Authority", the Missouri renewable energy loan authority;

19 (3) "Commission", the Missouri public service commission;

20 (4) "Department", the Missouri department of natural resources.

21 4. The authority shall consist of five members appointed by the governor by and
22 with the advice and consent of the senate. Not more than three members shall be of the
23 same political party. All members shall be residents of this state. In making appointments
24 to the authority, the governor shall take into consideration nominees recommended to him
25 for appointment by the department. The members of the authority first appointed by the
26 governor shall be appointed to serve for terms of one, two, and three years, the term of
27 each member to be designated by the governor. The successor of each member shall be
28 appointed for a term of three years or until their successors have been appointed, but any
29 person appointed to fill a vacancy shall be appointed to serve only for the unexpired term.
30 Any member shall be eligible for reappointment. The authority shall elect one of its
31 members as chairman and another as vice chairman and shall appoint a secretary and a
32 treasurer, which offices may be combined, and who need not be members of the authority.
33 Three members of the authority shall constitute a quorum for the purpose of conducting
34 business and exercising the powers of the authority. Action may be taken by the authority
35 upon the affirmative vote of at least three of its members. Each member of the authority
36 shall not be entitled to compensation except for their reasonable and necessary expenses
37 actually incurred in discharging their duties under the provisions of this section. Any
38 member of the authority may be removed by the governor for misfeasance, malfeasance,
39 willful neglect of duty, or other cause after notice and a public hearing unless the notice or
40 hearing shall be expressly waived in writing.

41 5. There is hereby established in the state treasury a fund to be known as the
42 "Missouri Renewable Energy Loan Authority Fund", which shall consist of moneys
43 appropriated annually by the general assembly, which includes a one-time start-up amount
44 of fifteen million dollars to establish such fund. In addition the fund may include any gifts,
45 contributions, grants, or bequests received from federal, state, private, or other sources.
46 The fund shall be administered by the authority. Upon appropriation, money in the fund
47 shall be used solely to provide low interest loans for renewable energy projects and related
48 expenses. If any amount is used for purposes otherwise provided in this section, two
49 hundred percent of the loan amount shall be repaid and deposited into the fund created
50 under this section. Notwithstanding the provisions of section 33.080, RSMo, to the

51 contrary, moneys in the fund shall not be transferred to the credit of the general revenue
52 fund at the end of the biennium. Interest and moneys earned on the fund shall be credited
53 to the fund.

54 **6. The authority shall have the following powers, together with all powers**
55 **incidental thereto or necessary for the performance thereof:**

56 **(1) To have perpetual succession as a body politic and corporate;**

57 **(2) To adopt bylaws for the regulation of its affairs and the conduct of its business;**

58 **(3) To sue and be sued and to prosecute and defend, at law or in equity, in any**
59 **court having jurisdiction of the subject matter and of the parties;**

60 **(4) To have and to use a corporate seal and to alter the same at pleasure;**

61 **(5) To maintain an office at such place or places in the state of Missouri as it may**
62 **designate;**

63 **(6) To accept appropriations, gifts, grants, bequests, and devises and to utilize or**
64 **dispose of the same to carry out its purpose;**

65 **(7) To make and execute contracts, releases, compromises, and other instruments**
66 **necessary or convenient for the exercise of its powers, or to carry out its purpose;**

67 **(8) To collect reasonable fees and charges in connection with making and servicing**
68 **its loans, notes, bonds, obligations, commitments, and other evidences of indebtedness, and**
69 **in connection with providing technical, consultative and project assistant services. Such**
70 **fees and charges shall be used to pay the costs of the authority;**

71 **(9) To invest any funds not required for immediate disbursement in obligations of**
72 **the state of Missouri or of the United States government or any instrumentality thereof, the**
73 **principal and interest of which are guaranteed by the state of Missouri, or the United**
74 **States government or any instrumentality thereof, or certificates of deposit or time deposits**
75 **of federally insured banks, or federally insured savings and loan associations or of insured**
76 **credit unions, or, with respect to moneys pledged or held under a trust estate or otherwise**
77 **available for the owners of bonds or other forms of indebtedness, any investment**
78 **authorized under the bond resolution governing the security and payment of such**
79 **obligations or repurchase agreements for the specified investments;**

80 **(10) To acquire, hold and dispose of personal property for its purposes;**

81 **(11) To enter into agreements or other transactions with any federal or state**
82 **agency, any person and any domestic or foreign partnership, corporation, association or**
83 **organization.**

84 **7. The authority may from time to time issue renewal notes. Renewal notes may**
85 **be sold at public or private sale and the proceeds applied to the purchase, redemption, or**
86 **payment of the notes to be refunded.**

87 **8. (1) The authority may set interest rates between one percent and two points**
88 **below the prime interest rates.**

89 **(2) The ratio of loan to project cost and the amortization period of loans made by**
90 **the authority shall be determined in accordance with regulations promulgated by the**
91 **authority.**

92 **9. The renewable energy loan authority is assigned to the department. The**
93 **authority shall annually file with the director of the department a report of its previous**
94 **year's income, expenditures and bonds or other forms of indebtedness issued and**
95 **outstanding.**

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