

House Amendment to  
Senate File 586

S-5104

- 1 Amend Senate File 586, as passed by the Senate, as follows:
- 2 1. Page 12, lines 7 and 8, by striking <section 534.217,  
3 subsection 2> and inserting <section 524.217, subsection 2>
- 4 2. Page 52, after line 34 by inserting:
- 5 <NEW SUBSECTION. 11. A state bank, upon the approval of the  
6 superintendent, may invest up to five percent of its aggregate  
7 capital in a tax equity financing transaction in which the  
8 state bank provides equity financing to fund a project or  
9 projects that generate tax credits and the equity-based  
10 structure of the transaction permits the transfer of such tax  
11 credits to the state bank. A state bank may take a majority  
12 financial position, but shall be a passive investor and shall  
13 not take a management position, in each such project, subject  
14 to the following:
- 15 a. The state bank shall not participate in the operation of  
16 any project or facility resulting from such a transaction or  
17 the sale of energy, if any, derived from the project.
- 18 b. The state bank shall obtain a legal opinion or otherwise  
19 demonstrate a good-faith determination that the tax credits  
20 are available before engaging in a tax equity financing  
21 transaction.
- 22 c. The tax benefits or other payments the state bank  
23 receives from the transaction shall repay the state bank's  
24 investment and provide the expected rate of return at the time  
25 of the investment.
- 26 d. Except as provided under paragraph "c", the state bank  
27 shall not share in any appreciation in value of its interests  
28 in the project or in any of the real or personal assets  
29 associated with the project.
- 30 e. The state bank's total investment in any combination  
31 of shares or equity interests of any tax equity financing  
32 transactions pursuant to this subsection shall be limited to  
33 fifteen percent of its aggregate capital.>
- 34 3. Page 92, by striking lines 17 through 26.
- 35 4. Title page, lines 1 and 2, by striking <providing civil

1 penalties,>

2 5. By renumbering as necessary.