



# State of Tennessee

## PUBLIC CHAPTER NO. 510

### SENATE BILL NO. 1552

By Bailey, Bowling

Substituted for: House Bill No. 1522

By Mr. Speaker Cameron Sexton; Gant, Hardaway, Smith, Todd, Lynn, Camper, Cepicky, Farmer

AN ACT to amend Tennessee Code Annotated, Title 4; Title 5; Title 6; Title 7; Title 12; Title 13; Title 42; Title 43; Title 44; Title 45; Title 46; Title 47; Title 48; Title 50; Title 53; Title 54; Title 55; Title 56; Title 61; Title 62; Title 65; Title 66; Title 67 and Title 68, relative to commerce.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 4-28-102, is amended by adding the following language as new, appropriately designated subdivisions:

( ) "End date profit share percentage" means a fee paid to the state by a qualified TNInvestco as provided in § 4-28-109 in an amount equal to ninety-nine percent (99%) of all distributions or payments made by a qualified TNInvestco that are not classified as qualified distributions, other than distributions or repayments of capital contributions by the TNInvestco's equity owners who are not participating investors and that occur after the program end date;

( ) "Program end date" means December 31, 2024;

SECTION 2. Tennessee Code Annotated, Section 4-28-108(c), is amended by deleting the language "The profit share percentage shall be paid to the state" and substituting instead the language "The profit share percentage or the end date profit share percentage shall be paid to the state".

SECTION 3. Tennessee Code Annotated, Section 4-28-109(a)(1)(A), is amended by deleting the following language:

At any time that the TNInvestco makes distributions, other than qualified distributions or distributions representing repayments of capital contributions, to its equity investors, the qualified TNInvestco shall pay to the state the profit share percentage.

and substituting instead the following:

Prior to or on the program end date, at any time that the TNInvestco makes distributions, other than qualified distributions or distributions representing repayments of capital contributions, to its equity investors, the qualified TNInvestco shall pay to the state the profit share percentage. After the program end date, at any time that the TNInvestco makes distributions, other than qualified distributions or distributions representing repayments of capital contributions, to its equity investors, the qualified TNInvestco shall pay to the state the end date profit share percentage.

SECTION 4. Tennessee Code Annotated, Section 4-28-109(a)(1)(B), is amended by deleting the language "to support the state's profit share percentage" and substituting instead the language "to support the state's profit share percentage or the end date profit share percentage".

SECTION 5. Tennessee Code Annotated, Section 4-28-115, is amended by adding the following language at the end of the section:

Qualified investments that are liquidated after the program end date must be distributed between the qualified TNInvestco and the state according to the end date profit share percentage.

SECTION 6. This act takes effect upon becoming a law, the public welfare requiring it.

SENATE BILL NO. 1552

PASSED: May 5, 2021

  
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RANDY McNALLY  
SPEAKER OF THE SENATE

  
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CAMERON SEXTON, SPEAKER  
HOUSE OF REPRESENTATIVES

APPROVED this 25<sup>th</sup> day of May 2021

  
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BILL LEE, GOVERNOR