

§974-A. State loans

1. State loans. State loans are subject to the following conditions.

A. No state loan for any project under this article, the total cost of which exceeds \$150,000, may exceed 45% of the project cost and no state loan may be provided for such a project unless the applicant demonstrates a commitment of private funds of at least 10% of the total cost of the project, except that, in order to encourage the undertaking of cooperative projects by 2 or more farmers, no state loan for such a project may exceed 50% of the total cost of the project and no state loan may be provided unless the cooperating farmers as a group demonstrate a commitment of private funds of at least 5% of the total cost of the project. [PL 2017, c. 6, §1 (AMD).]

B. No state loan for any project under this article, the total cost of which is \$150,000 or less, may exceed 55% of the total cost of the project. [PL 2017, c. 6, §1 (AMD).]

C. State loans must be at the interest rate established pursuant to subsection 2-A. [PL 2021, c. 31, §1 (AMD).]

D. Other terms and conditions prescribed by rule by the board. [PL 2021, c. 560, §7 (AMD).]
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2. State loan interest rate.

[PL 2021, c. 31, §2 (RP).]

2-A. State loan interest rate. The interest rate for state loans is the federal prime rate on the date of loan commitment but may not be greater than 5%. Loans current on the effective date of this subsection may be refinanced at the borrower's request to an interest rate of the federal prime rate but not greater than 5%.

A fee for administrative costs, which must be at a rate set by rule by the board but may not exceed 1% of the loan, must be charged on a loan made for a project the total cost of which exceeds \$50,000. This fee must be deposited in the fund.

[PL 2021, c. 31, §3 (NEW).]

3. Approval of loans and grants. The commissioner has authority to approve all loans and grants from the fund.

[PL 2013, c. 403, §8 (NEW).]

SECTION HISTORY

PL 1987, c. 319, §4 (NEW). PL 1987, c. 754, §2 (AMD). PL 1999, c. 127, §A14 (AMD). PL 2001, c. 125, §4 (AMD). PL 2005, c. 335, §4 (AMD). PL 2013, c. 403, §§6-8 (AMD). PL 2017, c. 6, §1 (AMD). PL 2021, c. 31, §§1-3 (AMD). PL 2021, c. 560, §7 (AMD).

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