**§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).]

[PL 2021, c. 560, §7 (AMD).]

**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).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

*All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the First Regular and First Special Session of the 131st Maine Legislature and is current through November 1, 2023
 . The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.*

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.