

261—405.3(15) Borrowers.

405.3(1) *Eligible borrowers.* The project shall be wholly owned by the borrower. Eligible borrowers include:

- a.* Persons whose primary residence is in Iowa.
- b.* Businesses registered and domiciled in Iowa. For businesses organized as limited liability companies, each member of the limited liability company must be domiciled in Iowa and be an eligible borrower.
- c.* Water and wastewater utilities subject to Iowa Code chapter 388, rural water districts subject to Iowa Code chapters 357A and 504, and sanitary districts subject to Iowa Code chapter 358.

405.3(2) *Ineligible borrowers.* Ineligible borrowers include:

- a.* An organization that is lending to a project and also owns the project or is a member of an organization that owns the project.
- b.* An individual or an organization with a history of defaulted loans or compliance violations with other state programs or rules.
- c.* Regents institutions.
- d.* Community colleges.
- e.* State agencies.
- f.* Cities, but not water or wastewater utilities subject to Iowa Code chapter 388.
- g.* Counties.
- h.* School districts.
- i.* Nonprofit organizations.
- j.* Gas and electric utilities subject to Iowa Code chapter 388 or rural electric cooperatives subject to Iowa Code chapter 476.

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