

781—4.11(12) LIFT—value-added agriculture linked investment loan program.**4.11(1) Definitions.**

“*Agricultural commodities*” means corn, soybeans, oats, hay, hogs, cattle, dairy cattle, milk, sheep, chicken, turkey and eggs.

“*Economic development officials*” means value-added agriculture experts from the Iowa department of economic development, the department of agriculture and land stewardship and any other governmental, academic and industry groups involved in promoting value-added agriculture.

“*Value-added agriculture*” means processing agricultural commodities raised in Iowa into a more highly valued state by the addition of capital and labor inputs in which the form of the original agricultural commodity is changed or the agricultural commodity is produced for a new market.

“*Value-added project*” means specific company or business operation that qualifies for the value-added linked investment program.

4.11(2) Eligibility.

a. The value-added project, business or farming operation, borrower, and lender must be located in Iowa.

b. The borrower must be at least 18 years of age.

c. A borrower that is currently participating in any LIFT program or that has previously participated in any LIFT program in the state treasurer’s office, other than traditional livestock, is not eligible.

4.11(3) Terms and conditions.

a. A borrower who qualifies for a value-added linked investment loan may use the loan proceeds for new debt directly related to a value-added agriculture project approved by the state treasurer’s office. The borrower may not refinance debt under this program.

b. A borrower who qualifies for a value-added linked investment loan may not use the loan proceeds for financing of vehicles.

c. The maximum any value-added project can receive from all borrowers shall be \$1,000,000. The treasurer may increase this amount for a specific project, in consultation with economic development officials, when unique or compelling circumstances merit such an action.

d. The maximum amount that a borrower may borrow from this program is \$250,000.

e. For a value-added linked investment, the initial certificate of deposit for a given borrower shall have a maturity of one year. The certificate of deposit may be renewed on an annual basis for a total term not to exceed five years.

4.11(4) Application process and evaluation.

a. A lender shall use Form 655-0217 to apply for the program and verify that the borrower qualifies for the program.

b. The treasurer of state recognizes this program is part of a state effort to develop and promote value-added agriculture. Economic development officials will make recommendations to the treasurer’s office on the type of projects that they believe would best suit the LIFT value-added program. The treasurer will give stronger consideration to these types of projects.

c. Applications will be reviewed by the treasurer’s office to determine that they meet the requirements under the Iowa Code and administrative rules.

d. Prospective projects that are not part of the economic development officials’ recommendations will be forwarded to one or more economic development officials for review and comment.

e. The recommendations of the economic development officials will be given full and fair consideration but they are not conclusive.

This rule is intended to implement Iowa Code Supplement section 12.43B.