

taxes or special assessments are owing before the property is acquired by the state or a political subdivision of this state, the county treasurer shall give notice to the appropriate governing body which shall pay the amount of the delinquent mobile home taxes, regular property taxes, or special assessments due. If the governing body fails to immediately pay the taxes or special assessments due, the board of supervisors may abate all of the delinquent mobile home taxes, regular property taxes, or special assessments.

Approved May 13, 1987

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## CHAPTER 127

### AGRICULTURAL LOAN ASSISTANCE AGREEMENTS

*S.F. 146*

**AN ACT** relating to the agricultural loan assistance program of the Iowa agricultural development authority.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 175.35, subsection 5, paragraph a, Code 1987, is amended to read as follows:

a. Enter into an agreement with the lending institution and the farmer to supplement the assistance to be received pursuant to the federal program in which agreement the lending institution shall agree to reduce for ~~one year~~ up to three years the interest rate on the farmer's operating loan to the rate determined by the authority to be necessary to qualify the farmer and lending institution for participation in the federal program and the farmer shall agree to comply with the rules and requirements established by the authority.

Sec. 2. Section 175.35, subsection 6, paragraph c, Code 1987, is amended to read as follows:

c. Not give a grant pursuant to subsection 5, paragraph "b" in an amount greater than three percent per annum of up to one hundred thousand dollars of the principal balance of the farmer's operating loan outstanding from time to time, for the term of the loan or for ~~one year~~ three years, whichever is less.

Sec. 3. Section 175.35, subsection 7, paragraphs a and b, Code 1987, are amended to read as follows:

a. Enter into an agreement with the lending institution and the farmer in which the lending institution shall agree to reduce for ~~one year~~ up to three years the interest rate on the farmer's operating loan to a rate determined by the authority below the lending institution's farm operating loan rate as certified to the authority and the farmer shall agree to comply with the rules and requirements established by the authority.

b. Agree to give to the lending institution, for the benefit of the farmer, a grant in the amount, as determined by the authority, up to three percent per annum of up to one hundred thousand dollars of the principal balance of the farmer's operating loan outstanding from time to time, for the term of the loan or for ~~one year~~ three years, whichever is less, to partially reimburse the lending institution for the reduction of the interest rate on the borrower's operating loan. However, the grant shall not exceed fifty percent of the amount of interest foregone by the lending institution pursuant to the rate reduction under paragraph "a".

Approved May 13, 1987