

16.123 Export business finance program powers.

In assisting Iowa export businesses, the authority has all the powers specified in section 16.5 and in this part including, but not limited to, the following:

1. The authority may provide financial assistance, including guarantees described in subsection 2, to mortgage lenders or export businesses to finance international exports from the state which, in the judgment of the authority, will create or maintain employment in Iowa. Financial assistance shall only be provided where at least twenty-five percent of the value of the international exports is derived from goods or services whose final production process occurs in the state. The authority may charge reasonable fees for providing financial assistance.
2. The authority may provide guarantees for international exports against political or commercial loss, in whole or in part, of principal and interest. The guarantees may include, without limitation, insurance against a loss up to a stated amount which shall be set by the authority. Guarantees may include a pool of individual export transactions. A guarantee entered into by the authority shall not constitute a general obligation of the state of Iowa. Guarantees made by the authority shall not be terminated, canceled, or otherwise revoked except in accordance with the terms of the guarantees.
3. The authority shall provide financial assistance only to the extent that the financial assistance is reasonably necessary to stimulate or facilitate the making of an international export transaction including, without limitation, the making of the international export transaction upon terms which will enable the transaction to be reasonably competitive with transactions in other states or in foreign countries. The authority may condition the provision of financial assistance upon such other terms and conditions as it may deem desirable to carry out the purposes of the program. Prior to providing financial assistance, the participating mortgage lender shall make an investigation of a line of credit to the export business in order to determine its viability, the economic benefits to be derived from the line of credit, the prospects for repayment, and other facts as it deems necessary in order to determine that financial assistance is consistent with the purposes of the program.

87 Acts, ch 141, § 5

CS87, § 220.123

C93, § 16.123