

Government Operations and Audit Committee
 Summary of Various Loan Programs Administered by State Agencies
 September 23, 2008

Department of Agriculture						
Rural Rehabilitation Program					VAFA	
	Rural Development Loan Program	Livestock Loan Participation	Value Added Livestock Underwriting Guaranty	Junior Livestock Guaranty Program	Stock Purchase Guaranty Program	Value Added Agribusiness Relending Program
SDCL's	36-6	36-6	36-6	36-6	36-6	1-16E
ARSD's	12:07:12	12:07:13	12:07:14	12:07:17	12:07:20	12:22:02
Interest Rate	If federal discount rate is 7% or less, the rate shall not be less than the federal discount rate plus 2% per annum. If federal discount rate is greater than 7%, interest rate may exceed the federal discount rate by no more than 1 1/2% per annum.		Interest rate can not exceed the lenders lowest interest rate for loans for the type of livestock to be purchased with the proceeds of the loan			Interest rate may not exceed the prime rate and may not be less than the federal discount rate, as published on date of approval
Source	Wall Street Journal on date loan is approved.					
Loan Maturity	Not to exceed ten years	Not to exceed five years	Guaranty not to exceed 26 months	Guaranty not to exceed 5 years	Guaranty not to exceed 5 years	No more than 10 years
Maximum Loan Amount	<\$500,000 with Federal guarantee or <\$300,000 without federal guarantee	Lesser of \$100,000 or 50% of the loan amount	Lesser of \$50,000 or 50% of the principal amount requested	Loan Max \$10,000 Guaranty not to exceed 30% of original principal amt.	Lesser of \$10,000 or 50% of the executed note	Lesser of \$250,000 or 50% of total project costs

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Department of Tourism and State Development						
	REDI Fund Loans	Tourism Enhancement Program	Economic Development Finance Authority Bond Program	Agricultural Processing and Export Fund Loan	Small Business Administration 504 Loan Program	MicroLoan Program
SDCL's	1-16G	1-16G	1-16B	1-16B	None	None
ARSD's	68:02:01	68:02:03	68:01:01	68:01:02	None	None
Interest Rate	Board shall consider the following in setting interest rates: State & national market interest rates, economic conditions and solvency and balance of VASF, and other economic or business information.	Board shall consider the following in setting interest rates: State & national market interest rates, economic conditions and solvency and balance of REDI, & and other economic or business information.	Bonds sold with interest rate set by market conditions	A fixed rate as negotiated.	Pegged to an increment above the current market rate for 5 year and 10 year U.S. Treasury issues.	3% interest rate for new applicants. Rate may be adjusted quarterly for new loans.
Loan Maturity	Not to exceed five years Board can up to 10 years	Not to exceed six years unless 2/3 of Board approves different terms	Bonds shall not mature more than 20 years from date of issue	Not to exceed 20 years.	Maturities of 10 and 20 years are available	Not to exceed five years
Maximum Loan Amount	Max \$1,000,000 unless waived by Board	Max \$100,000		May not exceed the lesser of \$250,000 or 75% of project		Max \$50,000 Min \$1,000

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	Dept. of Transportation	Department of Environment and Natural Resources				
	Railroad Trust Fund Loans	Construction and Study Loan Program	State Water Resources Management System loans	Consolidated Water Facilities Construction Program Loans	Solid Waste Management Program Loans	
SDCL's	49-16C	Pre 1986 Program	46A-1-66 46A-1-67.1	46A-1	46A-1	
ARSD's	70:05:03	74:06:08:18		74:06:08:18	74:05:10:12.02	
Interest Rate	.25% above the existing interest rate for Treasury notes of the same duration. i.e. If the current auction rate for a 10 year treasury was 4.25%, the 10 year loan rate would be 4.50%	6.125%	No interest charged until the Water Management Board has approved a water permit and established a maximum interest rate of 10%. Mni Wiconi and Perkins County - 3% for 40 years per SDCL 46A-1-13.4 & 46A-1-94. No interest to be charged until complete	Set by the Board at 5% Interest rate set based on: current market rates; current rate of alternative federal and state programs; and current demand for program funds. 74:05:07:15.01	Board set the rate at 3% in 1996 and 2.5% in March 2005 Interest rate set based on: current market rates; current rate of alternative federal & state programs; and current demand for program funds.	
Loan Maturity	Not more than 20 years	30 years	7 years	20 years	7 years	
Maximum Loan Amount						