



ADMINISTRATIVE RULES OF MONTANA



8.97.1308 AUTHORIZED LOAN TYPES

- (1) The loan program includes the following types of loans for the Montana coal tax trust fund:
 - (a) federally guaranteed loans up to 100% of the guaranteed interest of loans guaranteed by the United States or any agency or instrumentality of the United States, including, but not limited to, the small business administration, the U.S. department of agriculture and the federal aviation administration;
 - (b) participation loans up to 80% in loans to Montana businesses. The board's security in a participation loan must be in the same proportion as the loan participation amount;
 - (c) linked deposit loans with financial institutions that utilize the deposits to fund loans to businesses. The financial institution retains all risk on loans financed with the proceeds of a linked deposit and the deposits are subject to the collateral and pledging requirements provided in 17-6-101 through 17-6-105, MCA, or such other collateral and pledging requirements as may be necessary to secure the deposits; and
 - (d) infrastructure loans to local governments to finance infrastructure provided to businesses creating permanent, full-time jobs in the basic sector of the Montana economy. The local government borrower must demonstrate that the business for whom the infrastructure is provided has the ability to repay the loan upon the terms and conditions set by the board.

Authorizing statute(s): Sec. 17-6-324, MCA

Implementing statute(s): Sec. 17-6-308, MCA

History: NEW, 2000 MAR p. 1043, Eff. 2/11/00.