

4308.0050 INTEREST RATE FOR LOANS.

The interest rate on a direct loan or on the department's portion of a participation loan shall be determined at the time of closing by the department and shall be set at, or up to, three percentage points below a full faith and credit obligation of the United States government of comparable maturity, calculated at the time of initial implementation of the program, rounded to the nearest one-half percent, and revised as needed on a semiannual basis. The interest rate for septic system loans shall be fixed at two percent per annum. The interest rate on a participation loan to the borrower shall be a blended rate of the bank's rate and the state's rate in proportion to the respective rate of participation.

Statutory Authority: *MS s 116J.035; 116J.617; 116J.980*

History: *14 SR 1419; 19 SR 887*

Published Electronically: *September 26, 2007*