

1.1 **Department of Agriculture**1.2 **Proposed Permanent Rules Relating to Beginning Farmer Loans**1.3 **1650.0511 DEFINITIONS.**1.4 [For text of subps 1 to 15, see M.R.]

1.5 Subp. 16. **First-time farmer.** "First-time farmer" means an individual who, together
1.6 with the individual's spouse and minor children: meets the definition of first-time farmer
1.7 as defined by United States Code, title 26, section 147(c).

1.8 ~~A. has not at any time had any direct or indirect ownership interest in~~
1.9 ~~agricultural farmland that is 30 percent or more of the median size farm in the county~~
1.10 ~~where located or that had a market value at any time in excess of \$125,000 unless the~~
1.11 ~~farm was disposed of while the individual was insolvent and code section 108 applied to~~
1.12 ~~indebtedness with respect to the farm; and~~

1.13 ~~B. has not received other similar tax-exempt financing in any state in an amount~~
1.14 ~~that, together with the current loan, exceeds \$250,000.~~

1.15 [For text of subps 17 to 22, see M.R.]1.16 **1650.0531 OPERATION OF PROGRAM.**1.17 **Subpart 1. Loan transactions and security.**

1.18 A. The authority shall make unsecured loans to eligible borrowers for eligible
1.19 purposes under a loan agreement between the authority as lender and the eligible borrower
1.20 as borrower. The loans must be evidenced by promissory notes payable to the authority
1.21 or its assigns.

1.22 B. A loan may not be made that violates any of the restrictions in subitems
1.23 (1) to (6).

2.1 (1) A loan may not exceed ~~\$250,000 and may not finance more than~~
2.2 ~~\$62,500 of used depreciable agricultural property.~~ loan amount limitations set forth in
2.3 United States Code, title 26, sections 144 and 147(c).

2.4 [For text of subitems (2) to (6), see M.R.]

2.5 [For text of items C to E, see M.R.]

2.6 [For text of subps 2 to 8, see M.R.]