

SENATE FILE NO. SF0008

Farm loan program.

Sponsored by: Joint Agriculture, State and Public Lands
and Water Resources Interim Committee

A BILL

for

1 AN ACT relating to the farm loan program; repealing the
2 drought assistance for breeding livestock; increasing loan
3 limits; modifying loan terms and conditions; making
4 conforming amendments; and providing for an effective date.

5

6 *Be It Enacted by the Legislature of the State of Wyoming:*

7

8 **Section 1.** W.S. 11-34-113 by creating a new
9 subsection (j), 11-34-114(a) and by creating a new
10 subsection (c), 11-34-115 and 11-34-117(a), (c) and (d) are
11 amended to read:

12

13 **11-34-113. Terms and conditions of loans.**

14

15 (j) Notwithstanding the terms and conditions
16 specified in paragraph (a)(ii) of this section, the board

1 may make loans for the purpose of enhancing or restoring
2 livestock numbers in the state. Loans made under this
3 subsection shall be for a term not to exceed seven (7)
4 years.

5
6 **11-34-114. Limitation on loans; percentages of**
7 **appraised value.**

8
9 (a) No loan secured by a first mortgage shall exceed
10 seventy percent (70%) of the appraised value of the land
11 with the necessary existing improvements, as ascertained
12 and fixed by the board except as provided by W.S.
13 11-34-117. ~~and subsection (b) of this section.~~ If a loan is
14 secured by a second mortgage, the sum of the first and
15 second mortgages shall not exceed eighty percent (80%) of
16 the appraised value of the land and improvements and the
17 balance due on the loans secured by the first or second
18 mortgage shall not exceed ~~six hundred thousand dollars~~
19 ~~(\$600,000.00)~~ eight hundred thousand dollars (\$800,000.00).

20 The appraisal shall be made by the state loan and
21 investment board, with the advice of two (2) residents of
22 the immediate locality in which the loan is being
23 considered.

24

1 (c) No loan made pursuant to W.S. 11-34-113(j) shall
2 exceed seventy percent (70%) of the appraised value of the
3 security. Loans may be secured by a first or second
4 mortgage on the borrower's real estate as approved by the
5 board and shall be aggregated with all other loans for
6 purposes of determining compliance with the loan
7 percentages specified in subsection (a) of this section.

8
9 **11-34-115. Minimum and maximum amount of loans.**

10
11 The amount of loans to any one (1) borrower shall not be
12 less than ~~one thousand dollars (\$1,000.00)~~ ten thousand
13 dollars (\$10,000.00) nor more than ~~six hundred thousand~~
14 ~~dollars (\$600,000.00)~~ eight hundred thousand dollars
15 (\$800,000.00) if all loans to the borrower are made for the
16 purposes of purchasing farm lands or other purposes as
17 defined by W.S. 11-34-109(a)(i) through (iv). ~~In addition,~~
18 ~~a qualified borrower may borrow not more than two hundred~~
19 ~~thousand dollars (\$200,000.00) pursuant to W.S.~~
20 ~~11-34-113(h).~~

21
22 **11-34-117. Rates of interest; length of loan; amount.**

1 (a) The board may set rates of interest on all farm
2 loans according to current interest rates but not less than
3 four percent (4%) nor more than ten percent (10%) whether
4 the money is loaned upon the amortization plan or otherwise
5 except that loans pursuant to W.S. ~~11-34-113(h)~~
6 11-34-113(j) shall be loaned for a fixed period of up to
7 seven (7) years with a set interest rate ~~matching the~~
8 ~~overall market return rate earned during the prior fiscal~~
9 ~~year by the state treasurer on investable funds, excluding~~
10 ~~legislatively designated investments. If the borrower~~
11 ~~qualifies, at the end of the five (5) year period, the~~
12 ~~unpaid balance may be converted to a standard farm loan at~~
13 ~~the board approved interest rate for such loans at the time~~
14 ~~of the conversion~~ equal to seventy percent (70%) of the
15 lowest current rate set by the board for farm loans other
16 than loans under W.S. 11-34-113(j).

17

18 (c) The total value of loans outstanding pursuant to
19 subsection (b) of this section shall not exceed ~~seven~~
20 ~~million dollars (\$7,000,000.00)~~ ten percent (10%) of the
21 total amount of farm loan investment authorized by W.S.
22 11-34-129.

23

(d) The total value of loans outstanding pursuant to W.S. ~~11-34-113(h)~~ 11-34-113(j) shall not exceed ~~fifty million dollars (\$50,000,000.00)~~ twenty percent (20%) of the total amount of farm loan investment authorized by W.S. 11-34-129. The amount loaned to any one (1) borrower shall not be more than ~~two hundred thousand dollars (\$200,000.00)~~ three hundred thousand dollars (\$300,000.00).

8

9 **Section 2.** W.S. 11-34-109(a)(v), 11-34-113(h) and
10 11-34-114(b) are repealed.

11

12 **Section 3.** This act is effective July 1, 2008.

13

14 (END)