

## **Industrial Commission approves new BND loans for feedlots and businesses**

**BISMARCK** - The Industrial Commission has approved new Bank of North Dakota (BND) loan programs for promoting cattle feeding and handling livestock waste in addition to business PACE loans. The new loan programs include: Feedlot Loan Guarantee, Livestock Waste Management System, Biodiesel PACE, and Flex PACE programs.

“The new agricultural and PACE programs provide more financial options for small business owners and farm or ranch operators across the state,” Gov. John Hoeven said. “The BND programs can assist in expansion and help both the business and agricultural economies to grow.”

The Feedlot Loan Guarantee program is designed to help expand the cattle feeding industry in North Dakota. The Bank will work in partnership with other lenders to guarantee loans for owners of feedlots that backgrounds cattle to harvest-ready weight.

The Livestock Waste Management System loan program is designed to reduce or prevent water quality impacts associated with livestock waste by providing low interest financial assistance to producers for installing waste management facilities. BND is working in conjunction with the State Health Department on the waste management program.

Agriculture Commissioner Roger Johnson said the new programs can help livestock producers to expand their operations. “The BND Feedlot Loan Guarantee and Waste Management programs will assist agricultural producers across the state by increasing loan limits and focusing on the needs of the farmer today,” Johnson said.

The Biodiesel PACE program will provide funding for Biodiesel production facilities located in North Dakota involved in production of diesel fuel containing at least five percent biodiesel. Eligible uses of Biodiesel PACE loan proceeds are for the purchase of real property and equipment, expansion of facilities, working capital, and inventory.

Flex PACE is a special feature of the PACE (Partnership in Assisting Community Expansion) Program which will provide interest buy down to non-PACE qualifying businesses where the Community determines eligibility and accountability standards. The unique part of the Flex PACE program will allow businesses to attain funding without the criteria of creating new jobs, it will also allow communities the ability to provide assistance to businesses that have criteria

such as: jobs retention, technology creation with no new jobs, retail, smaller tourist businesses and essential community businesses.

Attorney General Wayne Stenehjem said, “We hope by offering these new programs small business owners and local communities will be encouraged to start a business or expand their current one which leads to investing even more into their local communities and the state’s economy.”

Eric Hardmeyer, BND president noted that the Bank staff look forward to working with local lenders, business owners and farmers in providing more options to promote the State’s economy. “The new programs illustrate how BND can develop loans to meet market demands and work closely with the legislature and bankers to meet the needs of farming operations and local communities throughout North Dakota,” said Hardmeyer.

The new feedlot and biodiesel programs, which take effect Aug. 1, are a result of legislation adopted by the 2005 Legislature. The livestock waste and Flex PACE programs will also go into effect on August 1, 2005.

The nation’s only state-owned bank, BND was established in 1919 to encourage and promote agriculture, commerce and industry in North Dakota. BND is overseen by the Industrial Commission of North Dakota, consisting of Gov. John Hoeven as chairman, Attorney General Wayne Stenehjem, and Agriculture Commissioner Roger Johnson.

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