
Rules of
Department of Natural Resources
Division 70—Soil and Water Districts Commission
Chapter 7—State Loan Interest-Share Program

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**Title 10—DEPARTMENT OF
NATURAL RESOURCES**
**Division 70—Soil and Water Districts
Commission**
**Chapter 7—State Loan Interest-Share
Program**

**10 CSR 70-7.100 Availability and Appor-
tionment of Funds**

PURPOSE: This rule establishes commission guidelines for use and allocation of funds available to the Missouri Soil and Water Conservation Loan Interest-Share Program.

(1) General Availability of Program. The Loan Interest-Share Program shall be available to landowners, land representatives and tenants of land located within Missouri soil and water conservation districts.

(2) District Use of Funds. Soil and water conservation districts shall be credited for use, a sum to be determined according to criteria developed by the commission. No actual transfer of funds will be made.

*AUTHORITY: section 278.080, RSMo 1986. * This rule was previously filed as 10 CSR 70-5.100. Original rule filed July 12, 1985, effective Nov. 15, 1985. Amended: Filed Oct. 29, 1987, effective Feb. 17, 1988.*

**Original authority: 278.080, RSMo 1943, amended 1961, 1980, 1986, 1995, 2000.*

**10 CSR 70-7.110 Application and Eligibi-
lity for Funds**

PURPOSE: This rule establishes criteria and methods of application for persons desiring assistance through the Loan Interest-Share Program.

Editor's Note: Forms mentioned in this rule follow 10 CSR 70-7.150.

(1) Establishing Project Eligibility. The commission shall establish a list of eligible projects and practices for which loan interest-share assistance may be available and annually shall review and affirm or amend the list. Program participants shall be eligible for assistance only for the types of practices and projects so designated as eligible, providing that the projects and practices for which assistance is requested are contained within the relevant conservation plan.

(2) Application for Assistance. To be eligible for assistance under the Loan Interest-Share

Program, program participants must make application on forms provided by the commission. The forms will be available at the soil and water district office. The district board of supervisors will recommend to the commission only applications which meet the following criteria. The program participant must—

- (A) Be a district cooperator;
- (B) Have an active conservation plan as approved by the district; and
- (C) Be able to secure, through a licensed lending institution, a loan for at least the amount of program assistance requested.

(3) Funding Determination and Limits. Loan interest-share assistance shall be considered only on loans of a minimum twenty-five hundred dollars (\$2500) up to a maximum twenty-five thousand dollars (\$25,000) per participant per year. Assistance shall not be available for the participant's portion of an individual practice receiving assistance from any other governmental program, except for specific practices and/or in special project areas so designated by the commission. In those special areas, program participants may receive a maximum twenty-five thousand dollar (\$25,000) loan interest-share over the life of the special project. The commission has the authority to reduce the minimum loan amount for specific practices within those special project areas. The maximum length for any loan interest-share assistance shall be ten (10) years, or less, as stated within individual practice and project specifications.

(4) Multi-Year Contracts. Loan interest-share assistance shall not be provided for specific practices and projects which are included in a multi-year contract or agreement executed by the program participants in accordance with a federal cost-share program. Neither shall loan interest-share assistance be provided on any project or practice under maintenance agreement through any other governmental program.

(5) Compliance with Applicable Law. In the installation or construction of any eligible practice or project, the participant shall be solely responsible for assuring compliance with any applicable federal, state or local laws, ordinances and rules. The participant also is responsible for obtaining all permits, licenses or other instruments of permission required prior to the installation or construction of the proposed projects and practices.

*AUTHORITY: section 278.080, RSMo 1986. * This rule was previously filed as 10 CSR 70-5.110. Original rule filed July 12, 1985,*

effective Nov. 15, 1985. Amended: Filed Oct. 29, 1987, effective Feb. 17, 1988. Amended: Filed March 1, 1988, effective June 15, 1988.

**Original authority: 278.080, RSMo 1943, amended 1961, 1980, 1986, 1995, 2000.*

**10 CSR 70-7.120 Design, Layout and Con-
struction of Proposed Practices and
Projects; Operation and Maintenance**

PURPOSE: This rule specifies technical aspects and certification and establishes responsibility for operation and maintenance.

PUBLISHER'S NOTE: The secretary of state has determined that the publication of the entire text of the material which is incorporated by reference as a portion of this rule would be unduly cumbersome or expensive. Therefore, the material which is so incorporated is on file with the agency who filed this rule, and with the Office of the Secretary of State. Any interested person may view this material at either agency's headquarters or the same will be made available at the Office of the Secretary of State at a cost not to exceed actual cost of copy reproduction. The entire text of the rule is printed here. This note refers only to the incorporated by reference material. The forms mentioned in this rule follow 10 CSR 70-7.150.

(1) Technical Specifications. Specifications for soil and water conservation practices and projects set forth in the *USDA—Soil Conservation Service-Field Office Technical Guide* are to be used as the basis for determining need and practicability of proposed practices, for preparing plans and specifications, for designing and laying out practices and for certifying the proper installation of these practices. Specifications for additional projects and practices not contained within the *Field Office Technical Guide* and modifications to those so included may be considered and authorized by the commission.

(2) Inspections and Certifications. In the event that any technician responsible for complying with any portion of this rule is different from the technician who originally planned a program participant's conservation plan, and if the technician is other than an individual employed for these purposes by the district or the soil conservation service, the qualifications of this technician shall be established to the satisfaction of the board before proceeding with the program process.

(A) Technical Certification of Proper Installation. A responsible technician shall

inspect work in progress to determine that specifications are met. Following installation or construction, it will be the responsibility of the technician to certify to the district that each practice or project was or was not properly installed or constructed. If the district does not receive certification of proper installation, it shall not continue to process the participant's request for program assistance.

(B) Technical Certification of Proper Operation and Maintenance. Annually, a responsible technician shall conduct an inspection of all projects and practices implemented or constructed through program assistance and shall certify to the district that all maintenance and operations requirements of the technical guide and the conservation plan are being met. If certification is not forthcoming, the district shall not forward to the commission the program participant's annual claim for reimbursement of interest expenses.

(3) Operation and Maintenance. The program participant shall be responsible for operation and maintenance of all projects and practices installed or constructed with assistance from the Loan Interest-Share Program. The participant shall operate and maintain all practices and projects to assure their continued effectiveness for the purposes for which they were intended.

(4) Loan Interest-Share Agreement. As a condition of receiving loan interest-share assistance for eligible projects and practices, the program participant shall enter into an agreement of maintenance on forms supplied by the commission. The agreement shall state—If any project or practice implemented, installed or constructed through assistance of the Loan Interest-Share Program is removed, altered or modified so as to lessen its effectiveness for the life span of the loan or is not properly maintained or operated according to the technical specifications and the requirements of the resource management plan, the participant shall forfeit his/her right of participation in the program and any current or future annual interest-share benefits.

*AUTHORITY: section 278.080, RSMo 1986. * This rule was previously filed as 10 CSR 70-5.120. Original rule filed July 12, 1985, effective Nov. 15, 1985. Amended: Filed Oct. 29, 1987, effective Feb. 17, 1988.*

**Original authority: 278.080, RSMo 1943, amended 1961, 1980, 1986, 1995, 2000.*

10 CSR 70-7.130 Loan Interest-Share Application; Eligibility of Costs; and Reimbursement Procedures

PURPOSE: This rule establishes policies and procedures for the operation of the Loan Interest-Share Program.

Editor's Note: Forms mentioned in this rule follow 10 CSR 70-7.150.

(1) Application for Participation. A potential program participant may apply for assistance through the Loan Interest-Share Program on forms available in the district office. The application, accompanied by associated cost information, a lender agreement-in-principle of participant eligibility for a loan and anticipated soil erosion benefits, shall be forwarded to the commission for consideration.

(2) Eligible Costs. Eligible costs shall be those actually incurred by the program participant in the installation, construction or implementation of requested projects and practices. Estimates of actual costs shall be based upon cost information available to the district in coordination with the participant and his/her lender.

(3) Reimbursement Procedures. Annually, upon receipt of district and technical certification of proper operation and maintenance of projects and practices, accompanied by lender verification of annual interest payment, the commission shall forward to the participant the appropriate interest-share amount as stipulated in 10 CSR 70-7.150(5).

*AUTHORITY: section 278.080, RSMo 1986. * This rule was previously filed as 10 CSR 70-5.130. Original rule filed July 12, 1985, effective Nov. 15, 1985. Amended: Filed Oct. 29, 1987, effective Feb. 17, 1988.*

**Original authority: 278.080, RSMo 1943, amended 1961, 1980, 1986, 1995, 2000.*

10 CSR 70-7.140 District Administration of the Loan Interest-Share Program

PURPOSE: This rule establishes commission guidelines for district administration and function in the Loan Interest-Share Program.

Editor's Note: Forms mentioned in this rule follow 10 CSR 70-7.150.

(1) Application. This rule applies to any Missouri soil and water conservation district wishing to recommend to the commission

applications designated as eligible by 10 CSR 70-7.110(2).

(2) District Action on Applications. The district board of supervisors shall coordinate efforts among the program participant, his/her lender and the technical assistance available to the district to determine needs, applicability, costs and private loan eligibility as required by these rules, and to forward documentation as may be required by the commission to determine participation in the program.

(3) Annual Maintenance and Operation Review. Annually, prior to interest reimbursement to the program participant, the district shall forward to the commission verification of compliance with the technical operation and maintenance requirement of the assisted projects and practices and requirements of the conservation plan. Also, the lender certification of annual interest payment is required to be forwarded with maintenance and operation verification. These certifications will be upon forms supplied for these purposes by the commission. Should a participant fail to make an annual interest payment or fail to be in compliance with maintenance and operation requirements of the assisted projects and practices, the district board of supervisors shall so inform the commission.

(4) District Assistance to Program Participants. The district shall provide to the participant assistance as it considers appropriate in the acquisition and completion of the necessary forms and other Loan Interest-Share Program matters.

(5) Regardless of the source of funding, each district board of supervisors is authorized to deny any application for participation in any program generally available through the district which is administered by the State Soil and Water Districts Commission. The district board of supervisors shall notify the applicant of the denial by certified mail, return receipt requested. The applicant may request the Soil and Water Districts Commission to conduct a review of his/her application. The request must be in writing and be directed to the Soil and Water Districts Commission, P.O. Box 176, Jefferson City, MO 65102-0176. The request must be received by the commission no later than thirty (30) days from the date the applicant received the denial letter from the district board. The applicant, upon request, may appear before the commission in person, by a representative or in writing. The commission shall schedule the review of

the application at a regularly scheduled meeting of the commission within one hundred twenty (120) days of the district board's denial. The commission shall give the applicant at least twenty (20) days' notice by letter of the regularly scheduled meeting when the commission will review the application.

*AUTHORITY: section 278.080, RSMo 1986. * This rule was previously filed as 10 CSR 70-5.140. Original rule filed July 12, 1985, effective Nov. 15, 1985. Amended: Filed Oct. 29, 1987, effective Feb. 17, 1988. Amended: Filed Nov. 15, 1991, effective April 9, 1992. Emergency amendment filed March 9, 1992, effective March 19, 1992, expired July 16, 1992.*

**Original authority: 278.080, RSMo 1943, amended 1961, 1980, 1986, 1995, 2000.*

10 CSR 70-7.150 Process and Commission Administration of the Loan Interest-Share Program

PURPOSE: This rule establishes guidelines for the administration of the Loan Interest-Share Program and the loan process.

PUBLISHER'S NOTE: The secretary of state has determined that the publication of the entire text of the material which is incorporated by reference as a portion of this rule would be unduly cumbersome or expensive. Therefore, the material which is so incorporated is on file with the agency who filed this rule, and with the Office of the Secretary of State. Any interested person may view this material at either agency's headquarters or the same will be made available at the Office of the Secretary of State at a cost not to exceed actual cost of copy reproduction. The entire text of the rule is printed here. This note refers only to the incorporated by reference material.

(1) Forms. The commission shall prepare and make available to all districts sufficient copies of all forms necessary for district administration and shall further prepare and keep updated a handbook for district use in assisting in the administration of the Loan Interest-Share Program.

(2) Commission Call for Applications. At a time and so often as the commission determines that sufficient funds are available to the program, it may announce to soil and water districts their opportunity to submit eligible applications for participation in the program. Adequate time will be allowed the districts

for advertisement and application preparation.

(3) Selection of Applicants for Participation. Following the conclusion of its call for applications, the commission shall review each application and approve for inclusion in the program those applicants qualifying as eligible according to these rules, commission policy and within the limits of fund availability to districts.

(4) Notification of Application Determination. The commission shall notify each district office of its determination recommending applicants and request from the participants verification, when available, of actual loan transaction by the applicable lending institution.

(5) Annual Reimbursement to Program Participant. Annual reimbursement contingent upon annual appropriations shall be for a sum equal to the participant's annual interest payment, or the amount of interest earned by the state on funds equal to the participant's initial loan principal, whichever is the lesser. The commission, upon receipt of the annual district verification of compliance with maintenance and operation requirements accompanied by the lender certification of annual interest payment, shall prepare a voucher for transmittal to the Office of Administration for preparation of a warrant payable to the program participant.

(A) Initial Year of Participation. Should the commission fail in the first year of participation to receive the district verification of proper implementation, installation or construction of eligible projects and practices and the lender certification of annual interest payment, no voucher shall be prepared.

(B) Subsequent Years of Participation. Should the commission fail to receive either the annual district verification of proper operation and maintenance of installed projects and practices or the lender certification of annual interest payment, no voucher shall be prepared.

(C) And further, noncompliance with program provisions of proper maintenance and operation or failure to make annual interest payments shall terminate the appropriate participation in the Loan Interest-Share Program for the current and remaining years of the initial loan agreement.

(D) Upon notification by the district board that a participant is in noncompliance with the maintenance and operation requirements of assisted projects or practices, or has failed to make an annual interest payment, the commission shall forward correspondence to the

participant informing him/her of the termination of participation with his/her options for appeal for reinstatement in the program.

(6) Program Participant Recourse for Noncompliance. In the event that the participant is determined to be in noncompliance with provisions of the program, s/he may appeal through the district to the commission for reinstatement in the program. An appeal must be in writing and be submitted to the commission within thirty (30) days following commission notification to the participant of termination. The appeal shall state the participant's position, present arguments in support of that position, any extenuating circumstances which s/he feels might lead to reinstatement and current and proposed efforts to conform to program requirements. The commission, in considering the appeal, may reinstate the participant into the program, if in the opinion of the commission all deficiencies and violations of program rules are corrected, or progress is being made towards compliance. At the discretion of the commission, any reinstatement of the participant may be retroactive to allow reimbursement of the previous year's interest-share payment, or contingent upon corrections of deficiencies or violations, in which case, the program participant's reimbursement of the previous year's interest-share payment is forfeited.

*AUTHORITY: section 278.080, RSMo 1986. * This rule was previously filed as 10 CSR 70-5.150. Original rule filed July 12, 1985, effective Nov. 15, 1985. Amended: Filed Oct. 29, 1987, effective Feb. 17, 1988.*

**Original authority: 278.080, RSMo 1943, amended 1961, 1980, 1986, 1995, 2000.*



MISSOURI DEPARTMENT OF NATURAL RESOURCES
SOIL AND WATER CONSERVATION PROGRAM

COST AND TECHNICAL VERIFICATION BY DISTRICT

COST VERIFICATION

APPLICANT'S NAME

THE _____ SOIL AND WATER CONSERVATION DISTRICT
HAS RECEIVED BILLS OR RECEIPTS SUBMITTED BY _____ RELATING TO
THE COMPONENTS NECESSARY TO IMPLEMENT THE PRACTICES IN HIS APPLICATION FOR THE LOAN INTEREST-SHARE
PROGRAM. THE AMOUNT EXPENDED BY THE ABOVE NAMED APPLICANT IS _____
THE INTEREST-SHARE BENEFIT WILL BE BASED ON THIS AMOUNT.

CHAIRMAN'S SIGNATURE

DATE

TECHNICAL VERIFICATION

- THIS COOPERATOR HAS INSTALLED AND/OR IS MAINTAINING ALL OF THE PRACTICES FOR WHICH HE APPLIED FOR PARTICIPATION IN THE LOAN INTEREST-SHARE PROGRAM IN ACCORDANCE WITH STANDARDS AND SPECIFICATIONS OF THE SCS FIELD OFFICE TECHNICAL GUIDE. I AM ABLE TO ATTEST TO THIS VERIFICATION AS A RESULT OF A TECHNICAL STATUS REVIEW.
- I AM UNABLE TO CERTIFY THE COMPLETION AND/OR MAINTENANCE OF THE PRACTICE(S) BY THIS APPLICANT BECAUSE _____

TECHNICIAN'S SIGNATURE

DATE

MO 780 (976/7-86)

DISTRIBUTION: WHITE - COMMISSION CANARY - COMMISSION PINK - DISTRICT GOLDENROD - LANDOWNER



MISSOURI DEPARTMENT OF NATURAL RESOURCES
LOAN INTEREST - SHARE PROGRAM

LENDER VERIFICATION OF INTEREST PAID

NAME			NAME - LENDER		
ADDRESS			ADDRESS		
CITY	STATE	ZIP CODE	CITY	STATE	ZIP CODE
LOAN NUMBER			LOAN DATE	LOAN DUE DATE	
ORIGINAL PRINCIPAL AMOUNT			INTEREST RATE ON NOTE		

TO BE COMPLETED BY LENDER

IN ORDER FOR YOUR CUSTOMER TO RECEIVE HIS INTEREST REFUND BENEFIT ON THIS LOAN, IT IS NECESSARY THAT TOTAL INTEREST ON THIS LOAN BE PAID ANNUALLY. ANY PRINCIPAL REDUCTION IS BETWEEN YOU AND YOUR CUSTOMER.

IF THIS CUSTOMER MAKES MORE THAN ONE INTEREST PAYMENT DURING THE YEAR ON THIS LOAN, PLEASE INDICATE TOTAL INTEREST PAID AND THE APPLICABLE RATE(S).

IF THIS LOAN IS RENEWED WITH A NEW PROMISSORY NOTE, PLEASE SEND A COPY OF THE NEW NOTE WITH THIS FORM OR IF THIS LOAN HAS BEEN PAID IN FULL, PLEASE MAKE A NOTE OF THAT INFORMATION.

YOUR PARTICIPATION IN THE SOIL AND WATER CONSERVATION EFFORT IS APPRECIATED.

INTEREST PAID	DATE PAID	AVERAGE ANNUAL INTEREST RATE
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THE ABOVE NAMED CUSTOMER HAS PAID ALL INTEREST DUE ON THIS LOAN FOR THE PERIOD

FROM _____ TO _____

LENDING OFFICER SIGNATURE/TITLE	DATE
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NOTE: PLEASE RETURN THIS FORM WITHIN 45 DAYS FOLLOWING THE DUE DATE OF THIS LOAN TO SOIL AND WATER CONSERVATION PROGRAM, BOX 176, JEFFERSON CITY, MISSOURI 65102.

FOR DNR USE ONLY

AMOUNT OF INTEREST - SHARE REFUND \$	DATE APPROVED	ACCOUNT NUMBER
REQUISITION NUMBER	WARRANT REQUESTED 19	WARRANT FORWARDED TO LANDOWNER 19

AUTHORIZED BY SIGNATURE



MISSOURI SOIL AND WATER CONSERVATION LOAN INTEREST-SHARE PROGRAM

WORKSHEET AND PRACTICE ESTIMATES

LANDOWNER PAGE _____ OF _____

PRACTICE	ELIGIBLE COMPONENTS	UNITS OF MEASURE	EXTENT REQUIRED	ESTIMATED COSTS	TOTAL	ACREAGE TREATED
1.						
					\$	
2.						
					\$	
3.						
					\$	
4.						
					\$	
5.						
					\$	

EROSION CONTROL: ACRES TREATED _____ TONS PER YEAR SAVED _____


TECHNICAL CERTIFICATION:
The practices, components, and extents listed above are necessary and practical to comply with pertinent standards and specifications.

TECHNICIAN _____ DATE _____

NOTE: A copy of each page of this Worksheet is to be provided the holder of each copy of the Landowner's Application.
MO 780 0034 (7-85)

COMMISSION COPY



 MISSOURI DEPARTMENT OF NATURAL RESOURCES SOIL AND WATER CONSERVATION LOAN INTEREST - SHARE PROGRAM	PRIORITY
	CONSERVATION PLAN APPROVAL DATE
LANDOWNER NAME	
ADDRESS	TELEPHONE NUMBER
CITY	STATE
ZIP CODE	COMMISSION APPROVAL DATE

I, _____, do hereby make application for recommendation by the _____ Soil and Water Conservation District for inclusion in the Missouri Soil and Water Conservation Loan Interest-Share Program. I understand that participation in the program and the receipt of interest-sharing benefits from the program are contingent upon the satisfactory completion of approved soil and water conservation projects and practices. I further agree that if any project or practice installed or constructed through assistance of the Loan Interest-Share Program is removed, altered, or modified so as to lessen its effectiveness for the life-span of the loan, or the life-span of the project or practice, whichever is the lesser, or is not properly maintained or operated according to the technical specifications and the requirements of my conservation plan, I will forfeit my right of participation in the program and my annual interest-share benefit.

A loan equal to or greater than the total estimated costs for such practices can be secured by myself at an area lending institution of my choice. I understand that loan interest-share benefits are based upon the assumption of a straight line, simple interest loan.

LANDOWNER SIGNATURE	DATE
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LENDER AGREEMENT-IN-PRINCIPLE

The _____ of _____ has agreed in principle to cooperate in the Missouri Soil and Water Conservation Loan Interest-Share Program with the above applicant. A possible loan of \$ _____ at an annual interest rate of _____ % could be made pending finalization of lending requirements by the applicant. This statement in no way represents a formal obligation by the institution to the applicant.

LENDING OFFICER SIGNATURE	DATE
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DISTRICT RECOMMENDATION:

DISTRICT CHAIRMAN SIGNATURE	SOIL AND WATER CONSERVATION DISTRICT	DATE
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NOTE: Four copies of the application are required. The top two copies are to be forwarded to the Missouri Soil and Water Conservation Program, P.O. Box 176, Jefferson City, MO 65102. One copy remains in Soil and Water Conservation District Office files. The final copy is to be returned to the landowner.