**Section 640.30 Eligible Projects**

Loan proceeds shall be used to support rural diversification projects or agricultural diversification projects.

a) *"Rural Diversification Project"* means *a specific activity undertaken to promote:*

1) *The improvement and expansion of business and industry in rural areas;*

2) *Creation of entrepreneurial and self-employment businesses;*

3) *Industry or region wide research directed to profit oriented uses of rural resources, and*

4) *Value added agricultural supply, production processing or reprocessing facilities or operations and shall include but not be limited to agricultural diversification projects* (Section 3(d) of the Act).

b) *"Agricultural Diversification Project"* means *a specific activity undertaken to promote diversification of the farm economy of this State through*

1) *Profit oriented nonproduction uses of Illinois land resources;*

2) *Growth and development of new crops or livestock not customarily grown or produced in this State; "new crops or livestock not customarily grown or produced in this State" does not include corn, soybeans, wheat, swine, or beef or dairy cattle; or*

3) *Developments which emphasize a vertical integration of grain or livestock produced or raised in this State into a finished product for consumption or use. "Vertical integration of grain or livestock produced or raised in this State" includes any new or existing grain or livestock grown or produced in this State* (Section 3(f) of the Act).