

BASIS STATEMENT
Amendments to Chapter 595, State Revolving Fund

History

- The federal government is providing stimulus money to the Clean Water State Revolving Fund (SRF) in order to create construction jobs to build infrastructure projects. The legislation may allow funding incentives such as 0% interest loans or principal forgiveness in order to move projects quickly to construction. Chapter 595 currently does not have flexibility to make loans of this nature. This rule change allows the SRF to make loans at or below 0% and allow principal forgiveness. The current rules also allow the interest rate to be reduced to accommodate fees so there will be no increase in cost to the borrowers. However, at 0% interest, there is no ability to reduce the interest rate to accommodate fees. This rule change allows fees to be charged even with a 0% interest rate or principal forgiveness. Finally, references to a federal regulation that no longer apply to the SRF are deleted and other minor corrections are made.
- The same amendments as are proposed in this rulemaking were previously adopted through an emergency rulemaking, and are in effect for a 90 day period beginning April 7, 2009.
- The proposed rules were posted to public comment without a hearing. The comment period ended December 1, 2008 at 5:00 pm. No requests for a hearing were received. No comments were received during the comment period.

Comment and Response

No comments were submitted during the comment period.