

Financial assistance rules amended for clean water projects

The state Department of Ecology (Ecology) has adopted amendments to Chapter 173-98 of Washington Administrative Code (WAC), Uses and Limitations of the Water Pollution Control Revolving Fund, and Chapter 173-95A WAC, Uses and Limitations of Centennial Clean Water Funds.

The rule amendments are in response to federal requirements to fund Green Project Reserves projects and provide forgivable principal loans as part of the Washington State Water Pollution Control Revolving Fund (Revolving Fund).

Projects qualifying for Green Project Reserves funds use energy and/or water efficiencies, green infrastructure, or environmental innovations. Forgivable principal loans are loans that do not have to be paid back.

What is Chapter 173-98 WAC and Chapter 173-95A WAC?

The purpose of Chapter 173-98 WAC is to govern how Ecology administers the State Revolving Fund program. The purpose of Chapter 173-95A is to govern how Ecology administers the Centennial Clean Water program. Along with other provisions, the WACs:

- Establish funding categories, ceiling amounts, and project eligibility.
- Identify methodology to determine hardship funding status for economically disadvantaged communities.
- Set allocation of funds between project categories.
- Identify loan terms and methodology for determining loan interest rates.

Summary of the rule changes adopted on September 29, 2011

- Establish funding categories, ceiling amounts, and project eligibility for Green Project Reserves projects and forgivable principal loans.

WHY IT MATTERS

These rule updates will ensure transparency and provide the framework to administer the state's clean water funds in a consistent manner.

Changes will allow Ecology to continue to receive federal funds for the Revolving Fund program, which provides financial assistance to local jurisdictions for water quality improvement projects throughout the state.

These rules become effective on October 30, 2011

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Special accommodations:

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Persons with hearing loss, call 711 for Washington Relay Service. Persons with a speech disability, call 877-833-6341.

- Modify how funds are allocated between project categories.
- Create a set-aside for preconstruction projects.
- Maintain consistency between the Revolving Fund and Centennial programs.
- Require a minimum score on applications in order to receive funding.

Response to comments

Ecology's response to comments received during the public comment period is now available. Download a copy at www.ecy.wa.gov/laws-rules/wac17398/1014.html

Who does the rule affect?

This rule affects applicants for financial assistance to the Revolving Fund and Centennial programs. Eligible applicants are state of Washington:

- Cities.
- Towns.
- Counties.
- Indian Tribes recognized by the federal government.
- Conservation Districts and other political subdivisions.
- Municipal and quasi-municipal corporations.
- Institutions of higher education.

More information

For more information about the funding programs and this rule making:

Rule-making documents

www.ecy.wa.gov/laws-rules/wac17398/1014.html

Revolving Fund and Centennial Programs

www.ecy.wa.gov/programs/wq/funding/funding.html

Ecology Director's decision to proceed with rule making

The Director determined it is critical to the state budget to complete rule making related to federal funding for the Revolving Fund. See OFM exemption criteria 3 (e). For more information on Ecology's implementation of the Executive Order, visit:

www.ecy.wa.gov/laws-rules/rulemaking_suspension.html

Appeal procedures

This adoption can be appealed under procedures described in the Administrative Procedure Act (RCW 34.05.330). For more information about appealing this rule adoption, please contact Bari Schreiner, Agency Rules Coordinator, at 360-407-6998 or bari.schreiner@ecy.wa.gov