

# Notice of Agency Rule-making

**AGENCY: Maine Department of Environmental Protection  
Maine Municipal Bond Bank**

**RULE TITLE OR SUBJECT: State Revolving Fund**

**PROPOSED RULE NUMBER:**

(LEAVE BLANK - ASSIGNED BY SECRETARY OF STATE):

**CONCISE SUMMARY:**

There is a high likelihood that the federal government will provide stimulus money to the Clean Water State Revolving Fund (SRF) in order to create construction jobs to build infrastructure projects. The legislation could 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 will allow 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 will allow 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 draft amendments are available at: <http://www.maine.gov/dep/blwq/rule.htm>

**THIS RULE WILL x WILL NOT HAVE A FISCAL IMPACT ON MUNICIPALITIES.**

This will have a positive impact on municipalities and districts because it will allow the SRF to provide principal forgiveness and 0% interest loans instead of low interest loans, with the result of savings to borrowers.

**STATUTORY AUTHORITY:** 30-A M.R.S.A. §5959

**PUBLIC HEARING:** A public hearing is not planned. Written requests for a hearing must be received by the comment deadline below.

**DEADLINE FOR COMMENTS:** May 1, 2009 at 5:00 pm. Comments may be submitted by mail, e-mail or fax. To ensure the comments are considered, they must include your name and the organization you represent, if any.

**AGENCY CONTACT PERSON FOR INFORMATION ON THIS RULE, INCLUDING A STATEMENT OF IMPACT ON SMALL BUSINESS IF RELEVANT:**

**CONTACT PERSON'S NAME:** Steve McLaughlin  
**AGENCY NAME:** Maine Department of Environmental Protection  
**ADDRESS:** 17 State House Station  
Augusta, Maine 04333-0017  
**TELEPHONE:** 207-287-7768  
**FAX:** 207-287-3435  
**E-MAIL:** [Steve.A.McLaughlin@maine.gov](mailto:Steve.A.McLaughlin@maine.gov)

**CONTACT PERSON'S NAME:** Karen Asselin  
**AGENCY NAME:** Maine Municipal Bond Bank

**ADDRESS:** P.O. Box 2268  
Augusta, Maine 04338-2268

**TELEPHONE:** 207-622-9386

**FAX:** 207-623-5359

**E-MAIL:** [kla@mainebondbank.com](mailto:kla@mainebondbank.com)

---