

Notice of Agency Rule-making (Emergency)

**AGENCIES: 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 (UNDERSTANDABLE BY AVERAGE CITIZEN):

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.

This is an emergency rulemaking. The department invites comment on these rules under modified comment procedures. Comments may be submitted by mail, e-mail or fax. To ensure consideration, comments must include your name and the organization you represent, if any. The comment deadline is **February 11, 2009 at 5:00 pm**. Please submit any comments to *both* contact persons listed below. Please be aware that the risk of non-delivery associated with submissions by fax or email is on the sender.

The draft amendments are available at: <http://www.maine.gov/dep/blwq/rule.htm> and may also be requested from Steve McLaughlin (contact information below).

The Board of Environmental Protection will be considering emergency adoption of amendments on **February 19, 2009** at a meeting beginning at 9:00 am at the Holiday Inn, 110 Community Drive, Augusta, Maine. The Maine Municipal Bond Bank will be meeting to consider emergency adoption of amendments on **March 11, 2009** at 9:30 at the Maine Municipal Bond Bank, 127 Community Drive, Augusta, Maine 04330.

NOTE: Emergency rules are only in effect for 90 days from their effective date. The department will also be posting amendments to Ch. 595 under regular rulemaking procedures for public comment without a hearing.

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: Not applicable.

(IF ANY, GIVE DATE, TIME, LOCATION)

DEADLINE FOR COMMENTS: February 11, 2009 at 5:00 pm.

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

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

Please approve bottom portion of this form and
assign appropriate MFASIS number.

APPROVED FOR PAYMENT _____ DATE: _____
Authorized signature

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