

## PROPOSED REGULATORY AMMENDMENTS

### 310 CMR 44.00: The Clean Water State Revolving Fund

#### 44.07: Financing Criteria

(1) In general, the Trust is authorized to structure the debt service costs on loans and other forms of financial assistance for Eligible Projects that provide the financial equivalent of a loan made at an interest rate equal to 2%. Notwithstanding the foregoing, subject to the limits on contract assistance provided in M.G.L. c. 29C, § 6, the Trust may provide additional financial assistance that is the financial equivalent of a loan made at an interest rate equal to 0%, as provided in 310 CMR 44.07(1)(a) for Nutrient Removal Projects in communities that have established Flow Neutral Land Use Controls, as provided in 310 CMR 44.07(2). Notwithstanding the foregoing, subject to the limits on contract assistance provided in M.G.L. c. 29C, § 6, the Trust may provide additional financial assistance that is the financial equivalent of a loan made at an interest rate less than two per cent, which may include principal forgiveness, as determined by the Trust, for Qualifying Designated Projects, as provided in 310 CMR 44.07(4).

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#### (4) Qualifying Designated Projects.

(a) Subject to the limits on contract assistance provided in M.G.L. c. 29C, § 6, a Local Governmental Unit applying for financial assistance for a Qualifying Designated Project, as set forth in 310 CMR 44.07(4), on the Intended Use Plan for calendar year 2017 or later, unless otherwise authorized by the Legislature, is eligible for additional ~~subsidies~~ financial assistance in accordance with 310 CMR 44.07(4)(b) that may include loans and other forms of ~~financial assistance~~ subsidies at the financial equivalent of a loan made at an interest rate less than 2% or other additional subsidies such as principal forgiveness, as determined by the Trust, if the Local Governmental Unit demonstrates to the Department's satisfaction that it meets all of the following criteria:

1. the project is consistent with the current priorities established by the Trust, as set forth in the Department's annual project solicitation;
2. the project implements Best Management Practices; and
3. the Local Governmental Unit meets the Trust's affordability criteria established pursuant to § 603(i) of the CWA, 33 U.S.C. § 1383(I), but only to the extent required by federal law.

(b) ~~The following projects~~ may be considered for the additional subsidies described in 310 CMR 44.07(4)(a) may include the following:

1. projects developed pursuant to a regional water resources management plan, including but not limited to a 208 Plan, if such a plan exists, as evidenced by written notice of such by the Regional Land Use Planning Agency for the region where the Local Governmental Unit is located;

2. projects that are necessary to connect a local or Regional Local Governmental Unit to a facility of the Massachusetts Water Resources Authority, if the local or regional Local Governmental Unit has paid or committed to pay the entry fee of that authority;
3. Green Infrastructure Projects;
4. projects that are a direct result of a disaster affecting the service area that is the subject of a declaration of emergency by the governor; or
5. innovative water projects that utilize new technology and which improve environmental or treatment quality, reduce costs, increase access and availability of water, conserve water or energy or improve management in the areas of wastewater, stormwater, groundwater or coastal resources; provided, that the technology has not been commercially deployed, other than as a pilot project, previously in the Commonwealth.