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## CHAPTER 212

### FORMERLY

### HOUSE BILL NO. 303

AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO A STATE REVOLVING LOAN PROGRAM FOR DRINKING WATER FACILITIES AND OTHER QUALIFYING PROJECTS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend §7903(a), Chapter 79, Title 29, Delaware Code by inserting a new subsection (15) to read as follows:

"(15) The Secretary is empowered to administer a state revolving loan program in accordance with requirements set forth in the Federal Safe Drinking Water Act.

#### a. Delaware Safe Drinking Water Revolving Fund:

There is hereby established a 'Delaware Safe Drinking Water Revolving Fund' as contemplated by and to be administered pursuant to the Federal Safe Drinking Water Act. All federal capitalization grants received pursuant to the Federal Safe Drinking Water Act, all required matching state funds, and all loan repayments received by the State pursuant to any loan agreement made under the Delaware Safe Drinking Water Revolving Fund, shall be credited to the Delaware Safe Drinking Water Revolving Fund. In addition, all proceeds of obligations issued by the State and supported by a pledge or other interest in the funds in the Delaware Safe Drinking Water Revolving Fund, shall be held in or for such Fund. The Delaware Safe Drinking Water Revolving Fund shall be deemed to be a special fund and shall be approved by the Governor for the following purposes:

1. to accept and retain the funds and revenues specified herein;
2. to make loans to eligible persons for qualifying purposes under the Federal Safe Drinking Water Act;
3. to buy or refinance debt obligations of eligible persons for qualifying purposes under the Federal Safe Drinking Water Act;

4. to guarantee or purchase insurance for obligations of eligible persons for qualifying purposes under the Safe Drinking Water Act;
5. to be a source of revenue or security for the payment of principal and interest on revenue bonds of the State if the proceeds of the sale of such bonds will be deposited in the Delaware Safe Drinking Water Revolving Fund;
6. to earn interest on amounts on deposit in such fund;
7. to establish all necessary interest bearing accounts for deposit of loan repayments;
8. to finance the reasonable costs incurred by the State in the administration of the Delaware Safe Drinking Water Revolving Fund as permitted under the Federal Safe Drinking Water Act;
9. to accomplish any other allowable purpose under the Federal Safe Drinking Water Act;

The Department is designated as the administering agency of the Delaware Safe Drinking Water Revolving Fund and shall have such powers necessary to administer such fund including, but not limited to, the powers to enter into capitalization grant agreements with the Environmental Protection Agency, the power to accept capitalization grant awards made under the Federal Safe Drinking Water Act and the power to recommend the approval of loans from the fund to the Cabinet Committee on State Planning Issues in accordance with the requirements of the Federal Safe Drinking Water Act, and 29 Del.C. Chapter 61, or any successor statute. The Department shall coordinate implementation of the Delaware Safe Drinking Water Revolving Fund with the Delaware Department of Natural Resources and Environmental Control who shall be responsible for financial administration of the loan portion of the Drinking Water State Revolving Fund. The Department shall take all actions necessary to secure for the State the benefits of the Federal Safe Drinking Water Act.

b. Standards and Procedures:

Before making any loan from the Delaware Safe Drinking Water Revolving Fund, the Department shall specify:

- I. standards for the eligibility of borrowers and the type of projects to be financed with loans;
2. procedures for the preparation, review and approval of the 'project priority' list which must contain those projects for which financial assistance is sought;
3. procedures for submitting applications for financial assistance and procedures for Department approval of such applications;
0. procedures for completing an environmental review of projects otherwise qualifying under this subsection which shall be sufficiently consistent with the provisions for environmental review established under applicable state and federal requirements;

1. conditions for financial assistance;
2. other relevant criteria, standards and procedures;
3. standards and procedures specified under this paragraph shall provide for a final approval by the Cabinet Committee on State Planning Issues of any loan from the Delaware Safe Drinking Water Revolving Fund and the 'project priority' list as required by 29 Del.C. Chapter 61, or any successor statute."

Approved July 21, 1997