



# HOUSE BILL 97: 2015 Appropriations Act, Sec. 14.13: Water Infrastructure Authority Revisions

2015-2016 General Assembly

**Committee:**  
**Introduced by:**  
**Analysis of:** Sec. 14.13 of S.L. 2015-241

**Date:**  
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Staff Attorney

**SUMMARY:** *Sec. 14.13 of S.L. 2015-241 makes a variety of changes to the statutes governing water infrastructure grants and loans administered by the Division of Water Infrastructure (Division) of the Department of Environment and Natural Resources. This section makes the following substantive changes:*

- *Adds new definitions for "Affordability," "Merger," and "Regionalization." The new affordability definition incorporates existing water and sewer rates, household income and poverty rates, and the community's past expenditures on water infrastructure improvements, compared to the capacity of the community for such improvements.*
- *Amends the statute "common criteria for loan or grant from Wastewater Reserve or Drinking Water Reserve," to provide more flexibility to the Division in considering the factors listed, and to replace the "high unit cost" factor with an "affordability" factor as defined above.*
- *Clarifies that the Division is responsible for administering the award of funds to local governments by the State Water Infrastructure Authority from the Community Development Block Grant program.*
- *Reorganizes the list of project funding options from the Wastewater Reserve and the Drinking Water Reserve. The allowable funding categories include the following five programs:*
  - *Loan.*
  - *Project grant. Replaces the former high-unit cost grant, and expanded to include stormwater quality projects as eligible projects for the Wastewater Reserve.*
  - *Merger/Regionalization feasibility grant. No funding is available in this category for any proposal that would result in a new interbasin water transfer. This is a new category, limited to \$50,000 over any three consecutive fiscal years.*
  - *Asset inventory and assessment grant. This is a new category, limited to \$150,000 over any three consecutive fiscal years.*
  - *Emergency loan.*
- *This section also requires the Division to report to the General Assembly regarding implementation of the new Affordability criteria within 30 days of the Division's adoption of the criteria.*

*This section became effective July 1, 2015.*

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Legislative Drafting  
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