



2025-2026 General Assembly

SENATE BILL 449: Continuing Budget Operations Part IV, Sec. 1.3: Cashflow Loan Program for Local Governments Modification

Analysis of: S.L. 2025-97, Sec. 1.3

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Prepared by: Legislative Analysis
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Section 1.3 of S.L. 2025-97 (Senate Bill 449) delays the repayment deadlines for communities receiving loans under the cashflow loan program to provide that no portion of those loans must be repaid until June 30, 2030, the final declination of Federal Emergency Management Agency (FEMA) coverage or reimbursement, or the receipt of FEMA reimbursement funds, whichever is latest. Previously these loans were required to repaid within five years of initiation or by June 30, 2030, whichever is earlier.

Additionally, this section requires the Department of the State Treasurer to renegotiate any loans issued under the cashflow loan program prior to the enactment of this section at the request of any borrowing eligible community to comply with the repayment deadlines. The Office of State Budget and Management is also required to report, on a quarterly basis, to the chairs of the House of Representatives and Senate Appropriations Committees and to the Fiscal Research Division of the General Assembly regarding funds appropriated pursuant to the cashflow loan program.

This section became effective October 22, 2025.

Kara McCraw
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