



PROPOSED RULE MAKING

CR-102 (June 2004)
(Implements RCW 34.05.320)
Do NOT use for expedited rule making

Agency: Department of Ecology AO # 05-16

- | | |
|---|---|
| <input checked="" type="checkbox"/> Preproposal Statement of Inquiry was filed as WSR <u>05-19-151</u> ; or | <input checked="" type="checkbox"/> Original Notice |
| <input type="checkbox"/> Expedited Rule Making--Proposed notice was filed as WSR _____ ; or | <input type="checkbox"/> Supplemental Notice to WSR _____ |
| <input type="checkbox"/> Proposal is exempt under RCW 34.05.310(4). | <input type="checkbox"/> Continuance of WSR _____ |

Title of rule and other identifying information: (Describe Subject) *Chapter 173-98 WAC, "Uses and Limitations of the Water Pollution Control Revolving Fund," and Chapter 173-95A WAC, Uses and Limitations of the Centennial Clean Water Fund*

Hearing location(s):

March 28, 2007
Starting Time: 1:00
Federal Way Regional Library
34200 1st Way S.
Federal Way 98003

March 29, 2007
Starting Time: 1:00
Ramada Inn Spokane Airport
8909 West Airport Drive
Spokane, WA 99219
Starting Time: 1:00

Date: March 28 & 29, 2007 see above Time: 1:00p.m.

Date of intended adoption: June 28, 2007
(Note: This is NOT the effective date)

Submit written comments to:

Name: Cindy Price, Department of Ecology, Water Quality Financial Management Section
Address: PO BOX 47600
Olympia, WA 98504-7600
e-mail cpri461@ecy.wa.gov
fax (360) 407-7151 by (date) April 6, 2007

Assistance for persons with disabilities: Contact

Shawna Beers at: (360) 407-6502 by at least 7 days prior to hearing

TTY (711) or persons with speech disability call (877) 833-6341

Purpose of the proposal and its anticipated effects, including any changes in existing rules: The purpose of the proposed rule changes is to reflect existing and new funding initiatives and priorities identified by Ecology, EPA, and other stakeholders and clients.

These changes include, but are not limited to the following:

- Incorporate and clarify federal requirements, such as perpetuity for the Water Pollution Control Revolving Fund
- Incorporate and clarify the intent of state statute
- Add and clarify definitions
- Update hardship-funding criteria for loans and grants to include a sliding scale for level of hardship and level of interest rates charged, which will help sustain the perpetuity of the Water Pollution Control Revolving Fund.
- Redistribute program funding allocations between facilities and activities projects
- Update requirements in the alternative contracting pilot rule of 2002 based on lessons learned (the pilot rule was rescinded in 2006)
- Enhance the current integrated funding approach between the Water Pollution Control Revolving Fund and the Centennial Program and provide consistency
- Add new loan and grant eligibilities, such as best management practices
- Enhance the current on-site septic system local loan program by introducing hardship grants
- Provide added flexibility in the application process
- Apply "Plain Talk" principles per the Governor's Executive Order

Statutory authority for adoption: *Chapter 90.50A RCW, Water Pollution Control Facilities - Federal Capitalization Grants*

Statute being implemented: *Chapter 90.50A RCW, Water Pollution Control Facilities - Federal Capitalization Grants and Chapter 70.146 RCW, Water Pollution Control Facilities Financing*

Is rule necessary because of a:

- | | | |
|-------------------------|------------------------------|--|
| Federal Law? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Federal Court Decision? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| State Court Decision? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

If yes, CITATION:
n/a

DATE 2/20/07

NAME (type or print) Polly Zehm

SIGNATURE Polly Zehm

TITLE Deputy Director

CODE REVISER USE ONLY

CODE REVISER'S OFFICE
STATE OF WASHINGTON
FILED

FEB 20 2007

TIME 4:27 AM

WSR 07-05-078 (PM)

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:

N/A

Name of proponent: (person or organization) Department of Ecology

- Private
- Public
- Governmental

Name of agency personnel responsible for:

Name	Office Location	Phone
Drafting..... Cindy Price	Ecology Headquarters, Olympia, WA	(360) 407-7132
Implementation..... Steve Carley	Ecology Headquarters, Olympia, WA	(360) 407-6572
Enforcement..... Steve Carley	Ecology Headquarters, Olympia, WA	(360) 407-6572

Has a small business economic impact statement been prepared under chapter 19.85 RCW?

Yes. Attach copy of small business economic impact statement.

A copy of the statement may be obtained by contacting:

Name:

Address:

phone () _____

fax () _____

e-mail _____

No. Explain why no statement was prepared. This rule making is exempt from chapter 19.85 RCW because the stakeholders and clients impacted by the proposed rule changes are public bodies and therefore no small businesses are impacted

Is a cost-benefit analysis required under RCW 34.05.328?

Yes A preliminary cost-benefit analysis may be obtained by contacting:

Name:

Address:

phone () _____

fax () _____

e-mail _____

No: Please explain: This rule making is exempt from the requirements in RCW 34.05.328 because the rules relate only to internal government operations that are not subject to violation by a nongovernmental party.