

**16.134 Wastewater treatment financial assistance program.**

1. The Iowa finance authority shall establish and administer a wastewater treatment financial assistance program. The purpose of the program shall be to provide financial assistance to enhance water quality. The program shall be administered in accordance with rules adopted by the authority pursuant to chapter 17A. For purposes of this section, “program” means the wastewater treatment financial assistance program.

2. A wastewater treatment financial assistance fund is created and shall consist of appropriations made to the fund and transfers of interest, earnings, and moneys from other funds as provided by law. Moneys in the fund are not subject to section 8.33. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the fund shall be credited to the fund.

3. Financial assistance under the program shall be used to install or upgrade wastewater treatment facilities and systems, and for engineering or technical assistance for facility planning and design.

4. The authority shall distribute financial assistance in the fund in accordance with the following:

a. The goal of the program shall be to base awards on the impact of the grant combined with other sources of financing to ensure that sewer rates do not exceed one and one-half percent of a community’s median household income.

b. Communities shall be eligible for financial assistance by qualifying as a disadvantaged community and seeking financial assistance for the installation or upgrade of wastewater treatment facilities due to regulatory activity by the department of natural resources. For purposes of this section, the term “*disadvantaged community*” means the same as defined by the department.

c. Priority shall be given to projects in which the financial assistance is used to obtain financing under the Iowa water pollution control works and drinking water facilities financing program pursuant to section 16.131 or other federal or state financing.

d. Priority shall also be given to projects whose completion will provide significant improvement to water quality in the relevant watershed.

e. Priority shall also be given to communities that employ an alternative wastewater treatment technology pursuant to section 455B.199C.

f. Priority shall be also given to those communities where sewer rates are the highest as a percentage of that community’s median household income.

g. Financial assistance in the form of grants shall be issued on an annual basis.

h. An applicant shall not receive a grant that exceeds five hundred thousand dollars.

5. The authority in cooperation with the department of natural resources shall share information and resources when determining the qualifications of a community for financial assistance from the fund.

6. The authority may use an amount of not more than four percent of any moneys appropriated for deposit in the fund for administration purposes.

2006 Acts, ch 1179, §63; 2009 Acts, ch 30, §9, 10; 2009 Acts, ch 72, §1

Referred to in §16.131A