

**761—923.4(71GA,ch265) Procedure.**

**923.4(1) *Funding request.*** The public transit system shall submit a funding application for the proposed project to either the department or to the Federal Transit Administration, depending on the type of funding requested.

**923.4(2) *Loan request.*** The appropriate time for a public transit system to submit a request for a revolving fund loan to the department is with the annual grant application, but a request may be submitted at any time if a specific need arises. The request is to include but not be limited to:

- a. A description and cost estimate of the proposed project.
- b. An explanation of the benefits, including projected energy conservation benefits, to be gained from the project.
- c. An explanation and justification of need for the loan.
- d. A proposed schedule of when funds will be needed for the project.
- e. A proposed loan repayment plan with schedule and source of funds.

**923.4(3) *Criteria for selection.*** The department will review each loan request and evaluate the project for funding. Based on the following criteria (in no particular order), preference is given to public transit capital projects that:

- a. Foster coordination among transit services.
- b. Enhance local or regional economic development.
- c. Increase federal funding to the state.
- d. Extend services to the transportation disadvantaged.
- e. Promote energy conservation.
- f. Use the loan as only a portion of the local matching funds required.

**923.4(4) *Approval.*** Based on available funds, the department will approve loans for projects meeting the criteria in rule 761—923.3(71GA,ch265).

**923.4(5) *Agreement.*** Upon approval, the department will prepare a loan contract and send it to the public transit system for execution.

**923.4(6) *Default.*** If a public transit system fails to make a loan payment as agreed in the contract, the department may, at its option, deduct the amount of any past due loan payment from state transit assistance payments allocated to that transit system.

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