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COMMISSIONER OF TRADE AND
ECONOMIC DEVELOPMENT IN THE
MATTER OF THE PROPOSED AMENDMENTS
TO THE RULES OF MINNESOTA PUBLIC
FACILITIES AUTHORITY CONCERNING
THE ADMINISTRATION OF THE INDEPENDENT
WASTEWATER TREATMENT GRANTS PROGRAM

STATEMENT OF NEEDS
AND REASONABLENESS

7380.0500 SCOPE OF RULES

Parts 7380.0500 to 7380.0582 provides for the awarding of grants by the Minnesota Public Facilities Authority as provided in Minn. Stat. 446A, to municipalities for wastewater treatment projects certified by the Commissioner of the Minnesota Pollution Control Agency, as provided in Minn. Stat. 116.16 to 116.181, and Chapter 7075.

The Division shall assist municipalities in determining which grants or loans to apply for to finance eligible projects and the manner in which the municipality shall pay for its portion of the project cost.

Municipalities making complete application to the Authority Division must comply with the requirements of the Agency program rules as provided in Chapter 7075, in order to receive the required certification of the Commissioner of the Agency, before any determination by the Authority on the municipality's application.

The Authority shall, as provided in Minn. Stat. 446A.051, review the proposed project financing for a municipal project certified by the Commissioner of the Agency to determine if the municipality has demonstrated in its complete application that: (A) the total financing of the project is assured, and (B) that the municipality's financial plan to pay for its portion of the project is feasible.

These amendments are necessary to more fully inform applicants that a specific application form and application process is necessary to apply for program funds so as to facilitate an applicant's access to the program. This definition is reasonable as the Community Development Division is required by Minn. Stat. 116J.980 to administer the programs of the Minnesota Public Facilities Authority, and the Division requires the Community Development application form for all of its program fund requests.

7380.0530 ELIGIBLE COSTS

Subp. 1. **Eligible Costs.** Eligible costs ~~for grant applications~~ shall be the eligible costs as provided in the Agency independent grant program rules, and certified by the Commissioner of the Agency.

This amendment to the rules, the deletion of the phrase "for grant applications" is necessary to avoid any confusion that might arise in regards to eligible costs as defined by the Division, and eligible costs as defined by the Commissioner of the Agency. It is reasonable as it contains the definition of eligible costs to those allowed by the Commissioner of the Agency in Minn. Stat. Chapter 7075.

7380.0560 CORRECTIVE ACTION GRANTS

Subp. 1. In General. The Authority shall award corrective action grants to municipalities for projects certified by the Commissioner of the Agency that have satisfied the Authority's application requirements.

It is necessary to amend Subpart 1 to more fully quantify the requirements necessary for an applicant to receive an award. It is reasonable as it is as provided by Minn. Stat. 446A.06.

7380.0570 APPLICATION PROCESS

Subp. 1. In General. To apply for state independent grants or the other grants programs as provided under Parts 7380.0520, 7380.0530, 7380.0540, 7380.0550, and 7380.0560, applications by municipalities shall be made to the Division on forms provided by the Division which require information prescribed by the Agency rules.

Subp. 2 Application Processing. The Authority shall forward a complete application to the Agency within ten days of receipt of the application by the Authority. The Agency will accept and review applications as provided in the program rules as provided in Part 7075.

The amendment to Subpart 1 and 2 is necessary, as with the previous amendments, to more fully define and specify that the Division application and a complete application is required to be used to apply for program funds. It is reasonable as it is as provided in Minn. Stat. 116J.980.

~~Subp. 2. Notice of taking applications. Applications must be as provided by the state independent grant program rules. The application period for any of the grant programs shall be established by the Commissioner of the Agency.~~

Subp. 2. is deleted. This is necessary as it may be somewhat confusing to applicants. It is reasonable as the requirement is contained in the Agency program rules and inclusion in these rules is redundant.

~~Subp. 5. Complete Applications. An application is complete for the Authority's purposes when the executive director receives all documentation and exhibits required for the Authority to make the determinations required by Minn. Stat., Section 446A.051.~~

Subp. 3. Certified Applications. When an complete application which has been certified by the Commissioner of the Agency is returned to the Authority, on or before the first business day of the month, the Authority will consider the complete application at the Authority meeting that month. If a certified application is received after the first business day of the month, and can be reviewed by the Executive Director prior to the Authority agenda deadline, the Authority may consider the application at the meeting in that month.

This amendment to the rules is necessary to more fully define that it is a "complete" application that is required. It is reasonable as it is as provided in Minn. Stat. 116J.980.

Subp. 5. is deleted. This is necessary as Subpart 5 could be confusing to applicants, and its deletion lends greater clarity to the rules. It is reasonable as it is consistent with Minn. Stat. 116J.980.

Subp. 6 4. Incomplete Applications. If an incomplete application is received, the applicant shall be notified in writing. ~~If the Executive Director determines, relative to the Authority's requirement, that an certified application is incomplete, the executive director applicant shall be the applicant notified in writing of the deficiencies in the application. of the specific deficiencies in the application. The applicant has 30 days from the date of mailing of the Executive Director's notification to complete the application. If the application is not completed and received by the Executive Director within 30 days from the date of the mailing, the application is considered rejected and the applicant, subject to agency rules, shall reapply to be further considered.~~

The amendments to Subpart 4 are reasonable and necessary to clarify the process involved with an incomplete application.

Subp. 5. Applications not Receiving Certification. An application not certified by the Commissioner of the Agency will not be considered for financial assistance by the Authority. ~~The Executive Director of Authority shall notify the applicant of the rejection of the application~~ funding request within ten days of the rejection of the funding request by the Authority.

The amendments to this subpart are necessary as they more specifically state the process involved with applications not receiving certification. It is reasonable as it is as provided by Minn. Stat. 116J.980.

Subp. 6. Rejection of Funding Request by the Authority. ~~An application request~~ request for financial assistance may be rejected by the Authority for the following reasons:

This amendment to the rules is necessary as it eliminates the term application and substitutes the term request and thus avoids confusion on the part of applicants. It is reasonable as it is consistent with Minn. Stat. 116J.980.

Subp. 6. is deleted, ~~Item B, failure to submit a complete application address deficiencies using the procedures provided in Subpart 6 4.~~

This amendment to the rules, the deletion of Subpart 6, Item B, is necessary as it is redundant and somewhat confusing. It is reasonable as it deletes an unnecessary requirement for applicants.

7380.0580 AWARD OF GRANTS

Subp. 1. In General. Upon certification of a complete application by the Agency, and the review and approval of the complete application by the Authority, the Authority shall make the award and notify the municipality that it is to receive a grant and prepare and advise the municipality of the grant or other documents that must be executed to complete the grant.

The amendments to the rules in 7380.0580, Subpart 1, are necessary as the insertion of the word "complete" more fully qualifies the type of application that is required to award a grant. It is reasonable as it provides greater readability to the rules.

7380.0581 RELEASE OF FUNDS

- G. Conformity of the project ~~and of the grant or loan application~~ with the state water pollution control plan as certified to the federal government and with all other conditions under applicable state and federal law for a grant of state or federal funds of the nature and in the amount involved.

The amendment to Item G, the deletion of the phrase "and of the grant or loan application" is necessary to avoid confusion on the part of applicants to the program. It is reasonable as it is as provided in Minn. Stat. 116J.980.

7380.0582 REPORTS.

Subp. 1. In General. During the term of the grant agreement, the municipality shall make written reports to the ~~Executive Director of the~~ Authority on forms provided by the Authority on a predetermined schedule determined by the Executive Director.

The amendments to Subpart 1 are necessary for clarity. They are reasonable as they are as provided for by Minn. Stat. 116J.980.

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