

Montana Code Annotated 2009

[Previous Section](#) [MCA Contents](#) [Part Contents](#) [Search](#) [Help](#) [Next Section](#)

75-5-1106. Revolving fund. (1) There is established in the state treasury a separate account designated as the water pollution control state revolving fund. There are established in the revolving fund as subaccounts a federal allocation account, a state allocation account, an administration account, an investment income account, and a debt service account.

(2) There must be credited to:

(a) the federal allocation account, all amounts received by the state from the following sources:

(i) funds provided pursuant to the federal act as capitalization grants for a state revolving fund to assist construction of projects;

(ii) grants or transfers of grants received under subchapter II of the federal act for projects; and

(iii) money transferred to the fund from the drinking water state revolving fund pursuant to [75-6-211](#);

(b) the state allocation account:

(i) the net proceeds of bonds of the state issued pursuant to [75-5-1121](#), less any proceeds deposited to the administration account as provided in subsection (2)(c)(ii); and

(ii) other money appropriated by the legislature;

(c) the administration account, an amount not to exceed 4% of the capitalization grant award or the maximum amount allowed by the federal act for payment of administrative costs and that may include a combination of:

(i) federal funds; and

(ii) the proceeds of bonds of the state issued pursuant to [75-5-1121](#) as the department determines necessary and as required by the federal act for state matching funds to assist in administering the program;

(d) the investment account, all money received from investment of amounts in those accounts in the revolving fund designated by the board of examiners in the resolution or trust indenture authorizing the issuance of bonds; and

(e) the debt service account, the interest portion of loan repayments.

(3) Each loan made as authorized by [75-5-1113](#) must be funded and disbursed from the federal allocation account or the state allocation account, or both, by the department and the department of natural resources and conservation as recommended by the department. All amounts received in payment of principal or interest on a loan must be credited to the revolving fund. If bonds have been issued pursuant to [75-5-1121](#) and are outstanding, the interest payments must be transferred to the debt service account securing the bonds. Money in the debt service account that is not required for debt service may be transferred to other accounts within the revolving fund as provided in the resolution or trust indenture authorizing the bonds. The department may transfer payments and prepayments of the principal of loans deposited in the state allocation account to the state allocation account of the state's drinking water revolving fund program.

(4) The department of natural resources and conservation may establish additional accounts and subaccounts within the revolving fund as it considers necessary to account for the program money and to ensure compliance with the federal act and this part.

(5) As allowed under the federal Safe Drinking Water Act, 42 U.S.C. 300f, et seq., the governor may reserve or transfer from the water pollution control state revolving fund program capitalization grant to the state's drinking water revolving fund program an amount up to 33% of the state's drinking water revolving fund program capitalization grant.

History: En. Sec. 5, Ch. 678, L. 1989; amd. Sec. 1, Ch. 788, L. 1991; amd. Sec. 187, Ch. 418, L. 1995; amd. Sec. 7, Ch. 538, L. 1997; amd. Sec. 1, Ch. 421, L. 1999.

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