

**7380.0280 SUPPLEMENTAL ASSISTANCE FOR DISADVANTAGED COMMUNITIES.**

Subpart 1. **In general.** The authority shall provide supplemental assistance, in the form of a reduction in the amount of loan principal which a borrower has to repay, to public water supply systems owned by a governmental or intergovernmental agency, a nonprofit organization, an Indian tribe, or any combination of them that meet the criteria in subpart 2. The total amount of supplemental assistance provided in any one year shall not exceed ten percent of the federal capitalization grants available.

Subp. 2. **Disadvantaged community criteria.** An applicant is eligible for supplemental assistance as described in subpart 1 if:

A. the applicant's project receives public health priority points on the Department of Health's project priority list under part 4720.9020; and

B. after completion of the project, the applicant will have an estimated average annual residential water system cost of 1.4 percent of median household income or more.

Subp. 3. **Amount of supplemental assistance.** The supplemental assistance amount shall be equal to 80 percent of the amount needed to reduce the as-bid average annual residential water system cost to 1.4 percent of median household income. If the current average annual residential water system cost is at or exceeds 1.4 percent of median household income, the supplemental assistance amount shall be 80 percent of the project cost. The supplemental assistance amount provided to a single borrower shall not exceed \$500,000.

**Statutory Authority:** *MS s 446A.07; 446A.081; 446A.11*

**History:** *22 SR 397; 32 SR 321*

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