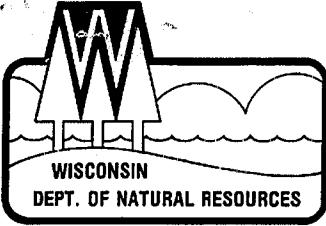


# Clearinghouse Rule 95-102

95-102



## State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Tommy G. Thompson, Governor  
George E. Meyer, Secretary

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STATE OF WISCONSIN )  
 ) SS  
DEPARTMENT OF NATURAL RESOURCES )

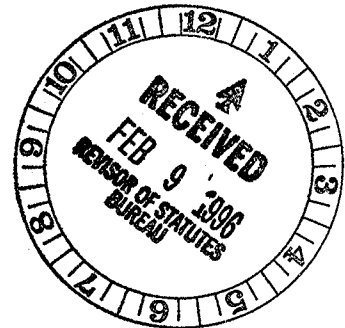
TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, George E. Meyer, Secretary of the Department of Natural Resources and custodian of the official records of said Department, do hereby certify that the annexed copy of natural Resources Board Order No. EL-32-95 was duly approved and adopted by this Department on September 28, 1995. I further certify that said copy has been compared by me with the original on file in this Department and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the Department at the Natural Resources Building in the City of Madison, this 8th day of February, 1996.

George E. Meyer  
George E. Meyer, Secretary

(SEAL)

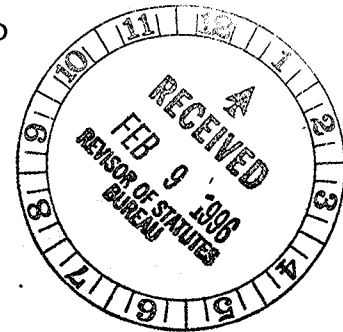


4-1-96

ORDER OF THE STATE OF WISCONSIN NATURAL RESOURCES BOARD  
AMENDING RULES

The Wisconsin Natural Resources Board proposes  
an order to amend NR 165.06(2)(b), (6) and (7)(a)  
relating to the interest rate subsidy for the  
small loan program

EL-32-95



Analysis Prepared by Department of Natural Resources

Statutory authority: s. 227.11(2)(a), Stats.  
Statutes interpreted: s. 144.241(6)(b)8, Stats.

Chapter NR 165 provides rules for the administration of the small loan program under the existing Clean Water Fund Program.

The Small Loan Program was created jointly with the Board of Commissioners of Public Lands (State Trust Fund). The Board of Commissioners of Public Lands enters into a loan agreement with a municipality for wastewater treatment projects costing \$750,000 or less. The Department then enters into a separate agreement with the municipality to provide a subsidy, or "write-down" of the Board of Commissioners of Public Lands interest rate to an eligible small loan program level.

The code is being revised to correct an error and to ensure that the proper interest rate will be used to calculate a municipality's subsidy and to make other minor corrections.

SECTION 1. NR 165.06(2)(b), (6) and (7)(a) are amended to read:

NR 165.06(2)(b) Tier 2 projects include unsewered projects meeting the requirements of s. NR 165.04 (2) (c). Tier 2 projects shall receive a lesser interest rate subsidy than tier 1 projects.

(6) COMPOSITE INTEREST RATE. A project which contains costs associated with the tiers described in sub. (2) shall receive an interest rate subsidy based on a composite interest rate. The composite interest rate shall be computed as follows:

$$RC = RT \frac{(P1 * CT1) + (P2 * CT2)}{(CT1 + CT2)}$$

Where:

- RC is the composite interest rate used to calculate the interest rate subsidy for the project.
- RT is the market interest rate established under sub. (4) (3).
- CT1 is the eligible cost for portions of the project under s. NR 165.04 (2)(a), (b) and (d).
- CT2 is the eligible cost for portions of the project under s. NR 165.04 (2)~~(b)~~ (c).
- P1 is the percent of the market interest rate for tier 1 projects established in s. NR 162.07 (4).
- P2 is the percent of the market interest rate for tier 2 projects established in s. NR 162.07 (4).

(7)(a) The project interest rate subsidy shall be annually calculated as follows:

$$IRS = [I - ((\frac{RC}{RF}) * I)] * E$$

Where:

RF is the interest rate established by the board of commissioners of public lands for the project.

IRS is the interest rate subsidy provided in a given year to the recipient.

I is the amount of interest due on a recipient's state trust fund loan to the board of commissioners of public lands in a given year.

E is the percentage of loan disbursements made by the board of commissioners of public lands which are eligible for an interest rate subsidy under this chapter compared to the total amount of loan disbursements made by the board of commissioners of public lands. This adjustment is provided under s. NR 165.12(2).

The foregoing rule was approved and adopted by the State of Wisconsin Natural Resources Board on September 28, 1995.

The rule shall take effect on the first day of the month following publication in the Wisconsin administrative register as provided in s. 227.22(2)(intro.), Stats.

Dated at Madison, Wisconsin

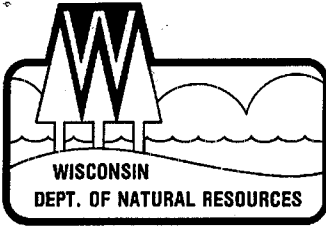
2/8/96

STATE OF WISCONSIN  
DEPARTMENT OF NATURAL RESOURCES

By

George E. Meyer  
George E. Meyer, Secretary

(SEAL)




**State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES**

Tommy G. Thompson, Governor  
George E. Meyer, Secretary

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February 7, 1996

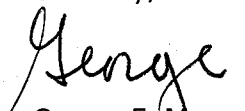
Mr. Gary L. Poulson  
Assistant Revisor of Statutes  
131 West Wilson Street - Suite 800  
Madison, WI

Dear Mr. Poulson: 

Enclosed are two copies, including one certified copy, of State of Wisconsin Natural Resources Board Order No. EL-32-95. These rules were reviewed by the Assembly Committee on Environment and Utilities and the Senate Committee on Environment and Energy pursuant to s. 227.19, Stats. Summaries of the final regulatory flexibility analysis and comments of the legislative review committees are also enclosed.

You will note that this order takes effect following publication. Kindly publish it in the Administrative Code accordingly.

Sincerely,

  
George E. Meyer  
Secretary

Enc.

