

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 19, 2003 LB 164

fewer inhabitants would be eligible to receive the grants. In order to qualify for the funds, the communities must demonstrate serious financial hardship. The grant limitation is \$150,000 annually, and allows 90 percent of the project cost to be funded by grant monies. The funding is limited to the amount appropriated. Basically, this bill is brought to us by the Department of Environmental Quality, and it is to help...it is to use to help small communities to receive grants for planning of their wastewater systems. There is a revolving fund that is being used now. It was established in 1988 by LB 766. This bill just kind of updates LB 766. LB 766 created a revolving loan fund to provide low-interest loans to build wastewater collection and treatment systems. And the money comes from federal capitalization grants, and the state must match those grants by 20 percent. In this case, I think it's municipalities that do the 20 percent grant. It's a match. It's not the state that does it. Congress, through the EPA has provided 14 capitalization grants, totalling \$100 million. And of course, Nebraska is eligible for some of that money. In the year 2003, there are 143 projects on the planning list, totalling \$226 million. And there are 22 projects on the funding list that total \$22 million. And so the interest rates that our municipalities have to pay are anywhere from three to four percent, and there's talk that that might be lowered to two and a half percent. But basically, this is to help our municipalities, all municipalities. But if you're a municipality under \$5,000 (sic), you can receive a grant...under 5,000 people. I'm sorry. If you're a city under 5,000 people, you can receive a grant. I do have a small committee amendment pending.

SENATOR CUDABACK: That is the committee amendment. There are committee amendments, as stated by the Clerk. Senator Schrock, as Chairman of the Natural Resources Committee, you're recognized to open on those amendments.

SENATOR SCHROCK: The committee amendment just removes public power and irrigation districts from the definition of municipality.

SENATOR CUDABACK: You've heard the opening on the committee