



ADMINISTRATIVE RULES OF MONTANA



36.23.117 FEES

- (1) The following fees and charges are established and imposed for participation in the state revolving fund program.
 - (a) If an environmental impact statement is required pursuant to the Montana Environmental Policy Act and the department or the department of environmental quality rules, the applicant shall bear the cost of the environmental impact statement.
 - (b) An administrative fee up to 1% of the amount of the maximum authorized principal amount of the loan as reflected in the bond resolution or loan agreement must be charged each borrower, unless excepted from this requirement by the department.
 - (i) The department shall retain the administrative fee from the proceeds of the loan at the time of closing and transfer the fee to the state revolving fund administrative account as provided in the indenture of trust.
 - (ii) The department and department of environmental quality may determine, establish and revise from time to time, the precise amount of the administrative fee to be charged, based on the projected costs of administering the program and other revenues available to pay such costs.
 - (c) Each borrower shall be charged an administrative expense surcharge on its loan equal to .75% per annum on the outstanding principal amount of the loan, as such percentage may be adjusted pursuant to this subsection, payable on the same dates that payment of principal and interest on the loan are due.
 - (i) The department and department of environmental quality may determine and establish from time to time the precise amount of the administrative expense surcharge to be charged, based on the projected costs of administering the program and other revenues available to pay such costs.
 - (ii) The administrative expense surcharge must be deposited in the special administrative costs account as provided in the indenture of trust.
 - (d) Each borrower shall be charged an origination fee up to 1% of the amount of the commitment loan that must be charged to each borrower, unless excepted from this requirement by the department. Each borrower's origination fee shall be paid at closing by the retention by the department of such amount from the proceeds of the loans or from the funds of the borrower.

- (i) The department may determine, establish and revise from time to time the precise amount of the origination fee to be charged, based on the projected costs of administering the program and other revenues available to pay such costs.
- (e) All borrowers, unless meeting the requirements of a disadvantaged municipality and awarded a subsidy by the department, shall pay a loan loss reserve surcharge equal to 1% per annum on the outstanding principal amount of the loan, as such percentage may be adjusted as set forth in this subsection, payable on the same dates that payments of principal and interest are paid.
 - (i) The loan loss surcharge must be deposited in the loan loss reserve account established in the indenture of trust until the loan loss reserve requirement as defined in the indenture is satisfied at which point it can be deposited in the state allocation account or to such other fund or account in the state treasury authorized by state law as a department of environmental quality or department representative shall designate, or segregated in a separate subaccount in the loan loss reserve account and applied to any costs of activities under the program authorized by state law as a department of environmental quality or department representative shall designate.
 - (ii) The department and department of environmental quality may determine and establish from time to time the precise amount of the loan loss reserve surcharge to be charged, based on the loan loss reserve requirement and the amounts in the match account.
 - (iii) The borrower shall repay the following items:
 - (A) the loan at an interest rate determined in accordance with ARM 36.23.120;
 - (B) plus the loan loss reserve surcharge plus the administrative expense surcharge.
 - (iv) The borrower shall propose rates and charges for all water services necessary to repay the above items.

Authorizing statute(s): 75-6-205, MCA

Implementing statute(s): 75-6-224, MCA

History: NEW, 1998 MAR p. 1412, Eff. 5/29/98; AMD, 2004 MAR p. 2288, Eff. 9/24/04.