

**As Introduced**

**131st General Assembly  
Regular Session  
2015-2016**

**H. B. No. 512**

**Representative Ginter**

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**A BILL**

To amend sections 6109.01, 6109.10, 6109.22, and 1  
6111.036 and to enact section 6109.121 of the 2  
Revised Code to establish requirements governing 3  
lead and copper testing for community and 4  
nontransient noncommunity water systems, to 5  
revise the law governing lead contamination from 6  
plumbing fixtures, to make appropriations to the 7  
Facilities Construction Commission for purposes 8  
of providing grants for lead fixture replacement 9  
in eligible schools, and to revise the laws 10  
governing the Water Pollution Control Loan and 11  
Drinking Water Assistance Funds. 12

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That sections 6109.01, 6109.10, 6109.22, and 13  
6111.036 be amended and section 6109.121 of the Revised Code be 14  
enacted to read as follows: 15

**Sec. 6109.01.** As used in this chapter: 16

(A) "Public water system" means a system for the provision 17  
to the public of water for human consumption through pipes or 18  
other constructed conveyances if the system has at least fifteen 19

service connections or regularly serves at least twenty-five 20  
individuals. "Public water system" includes any collection, 21  
treatment, storage, and distribution facilities under control of 22  
the operator of the system and used primarily in connection with 23  
the system, any collection or pretreatment storage facilities 24  
not under such control that are used primarily in connection 25  
with the system, and any water supply system serving an 26  
agricultural labor camp as defined in section 3733.41 of the 27  
Revised Code. 28

(B) "Contaminant" means any physical, chemical, 29  
biological, or radiological substance or matter in water. 30

(C) "Person" means the state, any political subdivision, 31  
agency, institution, or instrumentality thereof, any federal 32  
agency, and any person as defined in section 1.59 of the Revised 33  
Code. 34

(D) "Safe Drinking Water Act" means the "Safe Drinking 35  
Water Act," 88 Stat. 1660 (1974), 42 U.S.C. 300(f), as amended 36  
by the "Safe Drinking Water Amendments of 1977," 91 Stat. 1393, 37  
42 U.S.C. 300(f), the "Safe Drinking Water Act Amendments of 38  
1986," 100 Stat. 642, 42 U.S.C. 300(f), and the "Safe Drinking 39  
Water Act Amendments of 1996," 110 Stat. 1613, 42 U.S.C. 300(f), 40  
and regulations adopted under those acts. 41

(E) "Community water system" means a public water system 42  
that has at least fifteen service connections used by year-round 43  
residents or that regularly serves at least twenty-five year- 44  
round residents. 45

(F) "Small system" means a public water system serving a 46  
population of ten thousand or fewer individuals. 47

(G) "Technical assistance" means nonfinancial assistance 48

provided by the state to public water systems and other eligible applicants, including, without limitation, assistance for planning and design, development, and implementation of source water quality protection programs; locating alternative supplies of drinking water; operational training; restructuring or consolidation of small systems; providing treatment information in order to assist compliance with a national primary drinking water standard; and other nonfinancial assistance authorized by the requirements governing the funds established under this chapter.

(H) "Disadvantaged community" means the service area or portion of a service area of a public water system that meets affordability and other criteria established by the director of environmental protection in rules adopted under division (M) of section 6109.22 of the Revised Code and may include the service area or portion of a service area of a public water system located in a distressed area as defined in section 122.19 of the Revised Code.

(I) "Director of environmental protection" or "director" includes an authorized representative of the director.

(J) "Federal Water Pollution Control Act" has the same meaning as in section 6111.01 of the Revised Code.

(K) "Nontransient noncommunity water system" means a public water system that regularly serves at least twenty-five of the same persons over six months per year and is not a community water system.

**Sec. 6109.10.** (A) (1) As used in this section, "lead free" means:

~~(1) When used with respect to solders or flux, solders or~~

~~flux containing~~ (a) Containing not more than two-tenths of one 78  
per cent lead when used with respect to solders or flux; 79

~~(2) When used with respect to pipes or pipe fittings,~~ 80  
~~pipes or pipe fittings containing~~ (b) Containing not more than 81  
~~eight~~ a weighted average of twenty-five-hundredths per cent lead 82  
when used with respect to wetted surfaces of pipes, pipe 83  
fittings, or plumbing fittings or fixtures. 84

~~(B) Any pipe, pipe fitting, solder, or flux that is used~~ 85  
~~in the installation or repair of a public water system or of any~~ 86  
~~plumbing in a residential or nonresidential facility providing~~ 87  
~~water for human consumption which is connected to a public water~~ 88  
~~system shall be lead free. This division does not apply to~~ 89  
~~leaded joints necessary for the repair of cast iron pipes.~~ (2) 90  
For purposes of this section, the weighted average lead content 91  
of a pipe, pipe fitting, or plumbing fitting or fixture shall be 92  
calculated by using the following formula: for each wetted 93  
component, the percentage of lead in the component shall be 94  
multiplied by the ratio of the wetted surface area of that 95  
component to the total wetted surface area of the entire product 96  
to determine the weighted percentage of lead of the component. 97  
The weighted percentage of lead of each wetted component shall 98  
be added together, and the sum of the weighted percentages shall 99  
constitute the weighted average lead content of the product. The 100  
lead content of the material used to produce wetted components 101  
shall be used to determine whether the wetted surfaces are lead 102  
free pursuant to division (A) (1) (b) of this section. For 103  
purposes of the lead contents of materials that are provided as 104  
a range, the maximum content of the range shall be used. 105

(B) Except as provided in division (D) of this section, no 106  
person shall do any of the following: 107

(1) Use any pipe, pipe fitting, plumbing fitting or fixture, solder, or flux that is not lead free in the installation or repair of a public water system or of any plumbing in a residential or nonresidential facility providing water for human consumption; 108  
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(2) Introduce into commerce any pipe, pipe fitting, or plumbing fitting or fixture that is not lead free; 113  
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(3) Sell solder or flux that is not lead free while engaged in the business of selling plumbing supplies; 115  
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(4) Introduce into commerce any solder or flux that is not lead free unless the solder or flux has a prominent label stating that it is illegal to use the solder or flux in the installation or repair of any plumbing providing water for human consumption. 117  
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(C) ~~Each~~The owner or operator of a public water system shall identify and provide notice to persons that may be affected by lead contamination of their drinking water. The notice shall be in such form and manner as the director of environmental protection may ~~be reasonably required by the director of environmental protection~~ require, but shall provide a clear and readily understandable explanation of all of the following: 122  
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(1) Potential sources of lead in the drinking water; 130

(2) Potential adverse health effects; 131

(3) Reasonably available methods of mitigating known or potential lead content in drinking water; 132  
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(4) Any steps the public water system is taking to mitigate lead content in drinking water; 134  
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(5) The necessity, if any, of seeking alternative water 136  
supplies. 137

The notice shall be provided notwithstanding the absence of a 138  
violation of any drinking water standard. 139

(D) (1) Division (B) (1) of this section does not apply to 140  
the use of leaded joints that are necessary for the repair of 141  
cast iron pipes. 142

(2) Division (B) (2) of this section does not apply to a 143  
pipe that is used in manufacturing or industrial processing. 144

(3) Division (B) (3) of this section does not apply to the 145  
selling of plumbing supplies by manufacturers of those supplies. 146

(4) Division (B) of this section does not apply to either 147  
of the following: 148

(a) Pipes, pipe fittings, or plumbing fittings or 149  
fixtures, including backflow preventers, that are used 150  
exclusively for nonpotable services such as manufacturing, 151  
industrial processing, irrigation, outdoor watering, or any 152  
other uses where the water is not anticipated to be used for 153  
human consumption; 154

(b) Toilets, bidets, urinals, fill valves, flushometer 155  
valves, tub fillers, shower valves, service saddles, or water 156  
distribution main gate valves that are two inches in diameter or 157  
larger. 158

**Sec. 6109.121. (A) Not later than one hundred twenty days 159**  
**after the effective date of this section, the director of 160**  
**environmental protection shall adopt rules in accordance with 161**  
**Chapter 119. of the Revised Code that do all of the following: 162**

(1) Require the owner or operator of a community or 163

nontransient noncommunity water system to conduct sampling of 164  
the system for lead and copper; 165

(2) Establish a schedule for lead and copper sampling 166  
applicable to the owner or operator of a community or 167  
nontransient noncommunity water system that, at a minimum, does 168  
both of the following: 169

(a) Allows the director, in establishing the schedule, to 170  
consider the following factors when determining if a community 171  
or nontransient noncommunity water system must conduct sampling 172  
at least once annually: 173

(i) The age of the water system; 174

(ii) Whether corrosion control requirements are met; 175

(iii) Any other relevant risk factors, as determined by 176  
the director, including aging infrastructure likely to contain 177  
lead service lines. 178

(b) Requires the owner or operator of a system where such 179  
risk factors are identified to conduct sampling at least once 180  
annually until the risk factors are mitigated in accordance with 181  
rules. 182

(3) Require the owner or operator of a community or 183  
nontransient noncommunity water system to provide collected 184  
samples to a certified laboratory for analysis; 185

(4) Authorize the director to require additional sampling 186  
for pH level and other water quality parameters to determine if 187  
corrosion control requirements are met; 188

(5) Authorize the director to establish corrosion control 189  
requirements for community and nontransient noncommunity water 190  
systems; 191

(6) Require the owner or operator of a community or nontransient noncommunity water system to conduct a new or updated corrosion control treatment study and submit a new or updated corrosion control treatment plan not later than eighteen months after any of the following events: 192  
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(a) The system changes or adds a source from which water is obtained. 197  
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(b) The system makes a substantial change in water treatment. 199  
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(c) The system operates outside of acceptable ranges for lead, copper, pH, or other corrosion indicators, as determined by the director. 201  
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(d) Any other event determined by the director to have the potential to impact the water quality or corrosiveness of water in the system. 204  
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(7) Authorize the director to waive the requirement to conduct a new or updated corrosion control study established in rules adopted under division (A)(6) of this section in appropriate circumstances; 207  
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(8) When the owner or operator of a community or nontransient noncommunity water system is required to complete a corrosion control treatment study and submit a plan in accordance with rules adopted under division (A)(6) of this section, require the owner or operator to complete the study and submit the plan to the director for approval even if sampling results conducted subsequent to the initiation of the study and plan do not exceed the lead action level established in rules adopted under this chapter; 211  
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(9) When the owner or operator of a community or 220



nontransient noncommunity water system is required to complete a 221  
corrosion control treatment study and submit a plan in 222  
accordance with rules adopted under division (A)(6) of this 223  
section, require the owner or operator to submit to the director 224  
an interim status report of actions taken to implement the 225  
corrosion control study six months and twelve months from the 226  
date of initiation of the corrosion control study requirement; 227

(10) Establish a lead threshold for individual taps; 228

(11) Establish and revise content for public education 229  
materials; 230

(12) Authorize the director to develop procedures and 231  
requirements to document that notices were provided by the owner 232  
or operator of a community or nontransient noncommunity water 233  
system as required under division (C) of this section; 234

(13) Notwithstanding section 6109.23 of the Revised Code, 235  
establish the following administrative penalties for violations 236  
of the notice requirements established in divisions (C)(1) and 237  
(C)(3)(a) of this section that are applicable to a community or 238  
nontransient noncommunity water system: 239

(a) For a violation of division (C)(1) of this section by 240  
a system that serves not less than twenty-five people, but not 241  
more than three thousand three hundred people, an administrative 242  
penalty of twenty-five dollars per day for each day that the 243  
system failed to provide each notice; 244

(b) For a violation of division (C)(1) of this section by 245  
a system that serves more than three thousand three hundred 246  
people, but not more than ten thousand people, an administrative 247  
penalty of fifty dollars per day for each day that the system 248  
failed to provide each notice; 249

(c) For a violation of division (C) (1) of this section by 250  
a system that serves more than ten thousand people, but not more 251  
than twenty-five thousand people, an administrative penalty of 252  
seventy-five dollars per day for each day that the system failed 253  
to provide each notice; 254

(d) For a violation of division (C) (1) of this section by 255  
a system that serves more than twenty-five thousand people, an 256  
administrative penalty of one hundred dollars per day for each 257  
day that the system failed to provide each notice; 258

(e) For a violation of division (C) (3) (a) of this section 259  
by a system that serves not less than twenty-five people, but 260  
not more than three thousand three hundred people, an 261  
administrative penalty of two hundred fifty dollars per day for 262  
each day the system failed to provide the notice; 263

(f) For a violation of division (C) (3) (a) of this section 264  
by a system that serves more than three thousand three hundred 265  
people, but not more than ten thousand people, an administrative 266  
penalty of five hundred dollars per day for each day the system 267  
failed to provide the notice; 268

(g) For a violation of division (C) (3) (a) of this section 269  
by a system that serves more than ten thousand people, but not 270  
more than twenty-five thousand people, an administrative penalty 271  
of seven hundred fifty dollars per day for each day the system 272  
failed to provide the notice; 273

(h) For a violation of division (C) (3) (a) of this section 274  
by a system that serves more than twenty-five thousand people, 275  
an administrative penalty of one thousand dollars per day for 276  
each day the system failed to provide the notice. 277

(B) A laboratory that receives a lead or copper tap water 278

<u>sample from a community or nontransient noncommunity water</u>	279
<u>system shall do both of the following:</u>	280
<u>(1) Complete a lead or copper analysis of the sample, as</u>	281
<u>applicable, not later than thirty business days after the</u>	282
<u>receipt of the sample;</u>	283
<u>(2) Not later than the end of the next business day</u>	284
<u>following the day the analysis of the sample is completed,</u>	285
<u>report the results of the analysis and all identifying</u>	286
<u>information about where the sample was collected to the</u>	287
<u>community or nontransient noncommunity water system and the</u>	288
<u>director.</u>	289
<u>(C) The owner or operator of a community or nontransient</u>	290
<u>noncommunity water system shall do all of the following, as</u>	291
<u>applicable, with regard to laboratory results received under</u>	292
<u>division (B) (2) of this section:</u>	293
<u>(1) Not later than two business days after the receipt of</u>	294
<u>the laboratory results, provide notice of the results of each</u>	295
<u>individual tap sample to the owner and persons served at the</u>	296
<u>residence or other structure where the tap was sampled;</u>	297
<u>(2) If the results show that a sample from an individual</u>	298
<u>tap is above the applicable lead threshold as established under</u>	299
<u>rules adopted under this chapter, do all of the following, as</u>	300
<u>applicable:</u>	301
<u>(a) For the owner or operator of a nontransient</u>	302
<u>noncommunity water system, immediately remove from service all</u>	303
<u>fixtures identified as contributing to elevated lead levels;</u>	304
<u>(b) For the owner or operator of a community water system,</u>	305
<u>include in the system's annual consumer confidence report the</u>	306
<u>lead or copper laboratory results, an explanation of the</u>	307

associated health risks, what actions consumers of the system 308  
can take to reduce health risks, and the actions the system is 309  
taking to reduce public exposure; 310

(c) Not later than two business days after the receipt of 311  
the laboratory results, provide information on the availability 312  
of health screening and blood lead level testing to the owner 313  
and persons served at the residence or other structure where the 314  
sample was collected and provide notice of the laboratory 315  
results to the applicable local board of health. 316

(3) If the laboratory results show that the community or 317  
nontransient noncommunity water system exceeds the lead action 318  
level established in rules adopted under this chapter, do all of 319  
the following, as applicable: 320

(a) Not later than two business days after the receipt of 321  
the laboratory results, provide notice to all of the system's 322  
water consumers that the system exceeds the lead action level. 323  
The owner or operator shall provide the notice in a form 324  
specified by the director. 325

(b) Not later than five business days after the receipt of 326  
the laboratory results by the owner or operator of a community 327  
water system, provide information on the availability of tap 328  
water testing for lead to all consumers served by the system who 329  
are known or likely to have lead service lines, lead pipes, or 330  
lead solder as identified in the map required to be completed 331  
under division (F) of this section; 332

(c) Not later than thirty business days after the receipt 333  
of the laboratory results, make an analysis of laboratory 334  
results available to all consumers served by the system, comply 335  
with public education requirements established in rules adopted 336

under this chapter that apply when a public water system exceeds 337  
the lead action level, and provide information to consumers 338  
served by the system about the availability of health screenings 339  
and blood lead level testing in the area served by the water 340  
system; 341

(d) Subject to rules adopted under division (A)(7) of this 342  
section, perform a corrosion control treatment study and submit 343  
a corrosion control treatment plan to the director not later 344  
than eighteen months after the date on which laboratory results 345  
were received by the owner or operator indicating that the 346  
system exceeded the lead action level. 347

(D) Not later than five business days after the receipt of 348  
the laboratory results, the owner or operator shall certify to 349  
the director that the owner or operator has complied with the 350  
requirements of divisions (C)(1), (C)(2)(c), (C)(3)(a), and (C) 351  
(3)(b) of this section, as applicable. 352

(E) If the owner or operator of a community or 353  
nontransient noncommunity water system fails to provide the 354  
notices required under division (C)(1) or (C)(3)(a) of this 355  
section, the director shall provide those notices beginning ten 356  
business days from the date that the director receives 357  
laboratory results under division (B) of this section. 358

(F) Not later than six months after the effective date of 359  
this section, the owner or operator of a community or 360  
nontransient noncommunity water system shall do all of the 361  
following, as applicable: 362

(1) For the owner or operator of a community water system, 363  
identify and map areas of the system that are known or are 364  
likely to contain lead service lines or contain buildings served 365

by the system with lead piping, solder, or fixtures; 366

(2) For the owner or operator of a nontransient 367  
noncommunity water system, identify and map areas of the system 368  
with lead piping, solder, or fixtures in buildings served by the 369  
system; 370

(3) Submit a copy of the applicable map to the department 371  
of health and the department of job and family services; 372

(4) Submit a report to the director containing at least 373  
both of the following: 374

(a) The applicable map; 375

(b) A list of sampling locations that satisfy the criteria 376  
of a tier I site established in rules adopted under this 377  
chapter, including contact information for the owner and 378  
occupant of each sampling site. 379

(G) The owner or operator of a community or nontransient 380  
noncommunity water system shall update and resubmit the 381  
information required under division (F) of this section once 382  
every five years beginning five years after the date of the 383  
initial submission. 384

(H) The director shall provide financial assistance from 385  
the drinking water assistance fund established under section 386  
6109.22 of the Revised Code to community water systems and 387  
nontransient noncommunity water systems for the purpose of 388  
fulfilling the mapping requirements under division (F) of this 389  
section and complying with corrosion control requirements 390  
established in rules adopted under division (A) of this section. 391  
In addition, the director shall post information on the 392  
environmental protection agency's web site about other sources 393  
of funding that are available to assist communities with lead 394

service line identification and replacement and schools with 395  
fountain and water-service fixture replacement. 396

(I) As required by the director, an owner or operator of a 397  
nontransient noncommunity water system that is a school or child 398  
day-care center shall collect additional tap water samples in 399  
buildings identified in the map required to be completed under 400  
division (F) of this section. 401

(J) As used in this section: 402

(1) "Child day-care center" has the same meaning as in 403  
section 5104.01 of the Revised Code. 404

(2) "School" means a school operated by the board of 405  
education of a city, local, exempted village, or joint 406  
vocational school district, the governing board of an 407  
educational service center, the governing authority of a 408  
community school established under Chapter 3314. of the Revised 409  
Code, the governing body of a science, technology, engineering, 410  
and mathematics school established under Chapter 3326. of the 411  
Revised Code, the board of trustees of a college-preparatory 412  
boarding school established under Chapter 3328. of the Revised 413  
Code, or the governing authority of a chartered or nonchartered 414  
nonpublic school. 415

(3) "Local board of health" means the applicable board of 416  
health of a city or general health district or the authority 417  
having the duties of a board of health under section 3709.05 of 418  
the Revised Code. 419

**Sec. 6109.22.** (A) There is hereby created the drinking 420  
water assistance fund to provide financial and technical 421  
assistance for the purposes of protecting public health and 422  
achieving and maintaining compliance with the Safe Drinking 423

Water Act and this chapter. In addition to the accounts created 424  
under divisions (G) and (H) of this section, the drinking water 425  
assistance fund may include any other accounts established by 426  
the director of environmental protection. The fund shall be 427  
administered by the director consistent with the Safe Drinking 428  
Water Act, this section, and rules adopted under division (M) of 429  
this section. 430

(B) The drinking water assistance fund shall consist of 431  
the moneys credited to it from all capitalization grants 432  
received under the Safe Drinking Water Act except for moneys 433  
reserved by the governor pursuant to Title III, section 302 of 434  
that act, all moneys credited to the fund from nonfederal 435  
sources, including, without limitation, the proceeds of state 436  
bonds or notes issued for the benefit of the fund, all payments 437  
of principal and interest on loans made from the fund, and all 438  
investment earnings on moneys held in the fund. On or before the 439  
date that a capitalization grant payment made under the 440  
authority of the Safe Drinking Water Act is credited to the 441  
fund, required matching moneys shall be credited to the fund. 442  
Any moneys transferred to or reserved from the drinking water 443  
assistance fund pursuant to Title III, section 302 of the Safe 444  
Drinking Water Act shall be accounted for separately. 445

(C) In a manner consistent with the Safe Drinking Water 446  
Act and the applicable drinking water assistance management plan 447  
prepared in accordance with this section, the director may 448  
reserve and award for assistance moneys allotted to the state 449  
under section 1452 of the Safe Drinking Water Act, provided that 450  
the director makes a determination that the use of the moneys 451  
will accomplish the state's objectives and the objectives 452  
established for capitalization grants under the Safe Drinking 453  
Water Act. The director may use a portion of the reserved moneys 454



to enter into contracts with qualified organizations, including 455  
private nonprofit organizations, to provide statewide on-site 456  
technical assistance to small public water systems. 457

(D) Subject to the terms of the agreements provided for in 458  
division (E) of this section, moneys in the drinking water 459  
assistance fund shall be held in trust by the Ohio water 460  
development authority for the purposes of this section, shall be 461  
kept in the same manner that funds of the authority are kept 462  
under section 6121.11 of the Revised Code, and may be invested 463  
in the same manner that funds of the authority are invested 464  
under section 6121.12 of the Revised Code. Moneys in the 465  
drinking water assistance fund shall be separate and apart from 466  
and not a part of the state treasury or of the other funds of 467  
the authority. No withdrawals or disbursements shall be made 468  
from the drinking water assistance fund without the written 469  
authorization of the director. 470

(E) The director shall adopt written criteria to ensure 471  
that fiscal controls are established for prudent administration 472  
of the drinking water assistance fund. For that purpose, the 473  
director and the authority shall enter into any necessary and 474  
appropriate agreements under which the authority may perform or 475  
provide any of the following: 476

(1) Fiscal controls and accounting procedures governing 477  
fund balances, receipts, and disbursements; 478

(2) Administration of loan accounts; 479

(3) Maintenance, management, and investment of moneys in 480  
the fund. 481

Any agreement entered into under division (E) of this 482  
section shall provide for the payment of reasonable fees to the 483

authority for any services it performs under the agreement and 484  
may provide for reasonable fees for the assistance of financial 485  
or accounting advisors. Payment of any of the fees to the 486  
authority may be made from the drinking water assistance 487  
administrative account established under division (G) of this 488  
section. 489

(F) The authority may make moneys available to the 490  
director for the purpose of providing matching moneys required 491  
to be credited to the drinking water assistance fund under 492  
division (B) of this section, subject to any terms that the 493  
director and the authority consider appropriate, and may pledge 494  
moneys that are held by the authority to secure the payment of 495  
bonds or notes issued by the authority to provide those matching 496  
moneys. 497

The director and the authority may enter into trust 498  
agreements to enable the authority to issue and refund bonds or 499  
notes for the sole benefit of the drinking water assistance 500  
fund, including, without limitation, the raising of matching 501  
moneys required to be credited to the fund in accordance with 502  
division (B) of this section. The agreements may authorize the 503  
pledge of moneys accruing to the fund from payments of principal 504  
or interest or both on loans made from the fund to secure bonds 505  
or notes, the proceeds of which bonds or notes shall be for the 506  
sole benefit of the drinking water assistance fund. The 507  
agreements may contain any terms that the director and the 508  
authority consider reasonable and proper for the payment and 509  
security of the bondholders or noteholders. 510

(G) There is hereby established within the drinking water 511  
assistance fund the drinking water assistance administrative 512  
account. No state matching moneys deposited into the fund under 513

this section shall be used for the purpose of paying for or 514  
defraying the costs of administering this section. The director 515  
may establish and collect fees from applicants for assistance 516  
provided under this section. The total fees charged to an 517  
applicant under this division for assistance under this section 518  
shall not exceed the following: 519

(1) For the environmental protection agency, one per cent 520  
of the principal amount of the assistance awarded to the 521  
applicant; 522

(2) For the authority, thirty-five one-hundredths of one 523  
per cent of the principal amount of the assistance awarded to 524  
the applicant. 525

All moneys from the fees shall be credited to the drinking 526  
water assistance administrative account in the fund. The moneys 527  
shall be used solely to defray the costs of administering this 528  
section. 529

(H) There is hereby established within the drinking water 530  
assistance fund the water supply revolving loan account. The 531  
director may provide financial assistance from the water supply 532  
revolving loan account for improvements to community water 533  
systems and to nonprofit noncommunity public water systems. 534

(I) All moneys from the fund credited to the water supply 535  
revolving loan account, all interest earned on moneys credited 536  
to the account, and all payments of principal and interest on 537  
loans made from the account shall be dedicated in perpetuity and 538  
used and reused solely for the following purposes, except as 539  
otherwise provided in this section: 540

(1) To make loans to community water systems and nonprofit 541  
noncommunity public water systems, subject to all of the 542

following conditions: 543

(a) The loans are made at or below market rates of 544  
interest, including, without limitation, interest-free loans; 545

(b) Each recipient of a loan shall establish a dedicated 546  
source of security or revenue for repayment of the loan; 547

(c) Periodic payments of principal and interest shall be 548  
required on the dates and in the amounts approved by the 549  
director; 550

(d) All payments of principal and interest on the loans 551  
shall be credited to the water supply revolving loan account. 552

(2) To purchase or refinance at or below market rates 553  
interest debt obligations incurred after July 1, 1993, by 554  
municipal corporations, other political subdivisions, and 555  
interstate agencies having territory in the state~~r~~. If any debt 556  
obligations are purchased or refinanced under division (I) (2) of 557  
this section to provide financial assistance for any of the 558  
purposes allowed under division (I) of this section, the 559  
repayment period may extend up to forty-five years. However, the 560  
repayment period shall not exceed the expected useful life of 561  
any facilities that are financed by the obligations. 562

(3) To guarantee or purchase insurance for debt 563  
obligations when the guarantee or insurance would improve the 564  
borrower's access to credit markets or would reduce the interest 565  
paid on those obligations; 566

(4) As a source of revenue or security for the payment of 567  
principal and interest on general obligation or revenue bonds or 568  
notes issued by this state if the proceeds of the sale of the 569  
bonds or notes are or will be deposited into the account; 570

(5) To provide subsidies in addition to any other	571
financial assistance afforded disadvantaged communities under	572
this section;	573
(6) To earn interest on moneys credited to the account;	574
(7) To provide any other assistance authorized by the Safe	575
Drinking Water Act or any other federal law related to the use	576
of federal funds administered under the Safe Drinking Water Act.	577
(J) The director may provide financial assistance from the	578
water supply revolving loan account after determining all of the	579
following:	580
(1) The applicant for financial assistance has the legal,	581
institutional, managerial, and financial capability to	582
construct, operate, and maintain its public water system and the	583
proposed improvements to it;	584
(2) The applicant will implement a financial management	585
plan that includes, without limitation, provisions for	586
satisfactory repayment of the financial assistance;	587
(3) The public water system of which the project for which	588
assistance is proposed is a part is economically and	589
nonmonetarily cost-effective, based on an evaluation of feasible	590
alternatives that meet the drinking water treatment needs of the	591
planning area in which the proposed project is located;	592
(4) Based on a comprehensive environmental review approved	593
by the director, there are no significant adverse environmental	594
effects resulting from all necessary improvements to the public	595
water system of which the project proposed for assistance is a	596
part;	597
(5) Public participation has occurred during the process	598

of planning the project in compliance with applicable 599  
requirements under the Safe Drinking Water Act; 600

(6) The application meets the requirements of this section 601  
and rules adopted under division (M) of this section and is 602  
consistent with section 1452 of the Safe Drinking Water Act and 603  
regulations adopted under it; 604

(7) If the applicant for assistance is a water district 605  
formed under Chapter 6119. of the Revised Code that operates a 606  
public water system and that water district seeks to extend the 607  
distribution facilities, increase the number of service 608  
connections to its system, or provide for any other expansion of 609  
its system, the water district has consulted with the board of 610  
county commissioners from each county in which is located the 611  
proposed extension of distribution facilities, increase in the 612  
number of service connections, or other expansion of the public 613  
water system; 614

(8) The application meets any other requirements that the 615  
director considers necessary or appropriate to protect public 616  
health and the environment and to ensure the financial integrity 617  
of the water supply revolving loan account. 618

Upon approval by the director of an application for 619  
financial assistance, the Ohio water development authority shall 620  
disburse the appropriate financial assistance from the water 621  
supply revolving loan account. If the proposed financial 622  
assistance is a loan, and if the payments of the principal or 623  
interest on the loan are or are expected to be pledged to secure 624  
payment of bonds issued or expected to be issued by the 625  
authority, the director shall submit the application for the 626  
loan to the authority for review and approval with respect to 627  
any matters pertaining to security for and the marketability of 628

authority bonds. Review and approval by the authority shall be 629  
required prior to the making of such a loan. 630

(K) In accordance with rules adopted under division (M) of 631  
this section, the director periodically shall prepare a drinking 632  
water assistance management plan establishing the short-term and 633  
long-term goals for the assistance provided under this section, 634  
the allocation of available resources for the purposes of this 635  
section, the environmental, financial, and administrative terms, 636  
conditions, and criteria for the award of financial and 637  
technical assistance under this section, and the intended uses 638  
of capitalization grants and available moneys from the drinking 639  
water assistance fund. Criteria for awarding financial or 640  
technical assistance under this section shall not favor or 641  
disfavor any otherwise qualified nonprofit noncommunity public 642  
water system because it is owned by, operated by, or services a 643  
religious organization or a facility used for religious 644  
purposes. Prior to its adoption, the director shall make the 645  
drinking water assistance management plan available for public 646  
review and comment at a minimum of two public meetings and shall 647  
take adequate steps to ensure that reasonable public notice of 648  
each public meeting is given at least thirty days prior to the 649  
meeting. 650

The plan shall include, without limitation, a system that 651  
prioritizes projects funded by the water supply revolving loan 652  
account based on the relative risk to human health being 653  
addressed, their necessity for ensuring compliance with 654  
requirements of the Safe Drinking Water Act, and their 655  
affordability to the applicants, as determined by the director. 656  
Financial assistance for projects from the water supply 657  
revolving loan account shall be limited to projects that are 658  
included in that prioritization and shall be awarded based upon 659

their priority position and the applicants' readiness to proceed 660  
with their proposed activities as determined by the director. 661  
The drinking water assistance management plan shall include 662  
terms, conditions, amounts of moneys, and qualifying criteria, 663  
in addition to any other criteria established under this 664  
section, governing the financial assistance to be awarded to 665  
applicants from the water supply revolving loan account. The 666  
director shall determine the most effective use of the moneys in 667  
that account to achieve the state's drinking water assistance 668  
goals and objectives. 669

(L) The director, consistent with this section and 670  
applicable rules adopted under division (M) of this section, may 671  
enter into an agreement with an applicant for assistance from 672  
the drinking water assistance fund. Based on the director's 673  
review and approval of the project plans submitted under section 674  
6109.07 of the Revised Code, any determinations made under 675  
division (J) of this section if an applicant seeks funding from 676  
the water supply revolving loan account, and any other 677  
requirements of this section and rules adopted under it, the 678  
director may establish in the agreement environmental and 679  
financial terms and conditions of the financial assistance to be 680  
offered to the applicant. If the recipient of financial 681  
assistance under this section defaults on any payment required 682  
in the agreement for financial assistance or otherwise violates 683  
a term or condition of the agreement or of the plan approval for 684  
the project under section 6109.07 of the Revised Code, the 685  
director, in addition to any other available remedies, may 686  
terminate, suspend, or require immediate repayment of the 687  
financial assistance. The director also may take any enforcement 688  
action available under this chapter. 689

(M) The director may adopt rules in accordance with 690



Chapter 119. of the Revised Code for the implementation and 691  
administration of this section. The rules shall be consistent 692  
with section 1452 of the Safe Drinking Water Act. 693

(N) (1) For the purposes of this section, appealable 694  
actions of the director pursuant to section 3745.04 of the 695  
Revised Code are limited to the following: 696

(a) Adoption of the drinking water assistance management 697  
plan prepared under division (K) of this section; 698

(b) Approval of priority systems, priority lists, and 699  
written program administration policies; 700

(c) Approval or disapproval under this section of 701  
applicants' project plans submitted under section 6109.07 of the 702  
Revised Code; 703

(d) Approval or disapproval of an application for 704  
assistance. 705

(2) Notwithstanding section 119.06 of the Revised Code, 706  
the director may take the final actions described in divisions 707  
(N) (1) (a) to (d) of this section without holding an adjudication 708  
hearing in connection with the action and without first issuing 709  
a proposed action under section 3745.07 of the Revised Code. 710

(3) Each action described in divisions (N) (1) (a) to (d) of 711  
this section and each approval of a plan under section 6109.07 712  
of the Revised Code is a separate and discrete action of the 713  
director. Appeals are limited to the issues concerning the 714  
specific action appealed. Any appeal shall not include issues 715  
determined under the scope of any prior action. 716

(O) The failure or inability of a public water system to 717  
obtain assistance under this section does not alter the 718

obligation of the public water system to comply with all 719  
applicable requirements of this chapter and rules adopted under 720  
it. 721

**Sec. 6111.036.** (A) There is hereby created the water 722  
pollution control loan fund to provide financial, technical, and 723  
administrative assistance ~~for the following purposes as follows:~~ 724

(1) ~~Construction~~ For the construction of publicly owned 725  
wastewater treatment works, as "construction" and "treatment 726  
works" are defined in section 212 of the "Federal Water 727  
Pollution Control Act," by municipal corporations, other 728  
political subdivisions, state agencies, and interstate agencies 729  
having territory in this state; 730

(2) ~~Implementation~~ For the implementation of a nonpoint 731  
source pollution management ~~programs~~ program under section 319 732  
of that act; 733

(3) ~~Development~~ For the development and implementation of 734  
estuary conservation and management programs under section 320 735  
of that act; 736

(4) For the construction, repair, or replacement of 737  
decentralized wastewater treatment systems that treat municipal 738  
wastewater or domestic sewage; 739

(5) For measures to manage, reduce, treat, or recapture 740  
stormwater or subsurface drainage water; 741

(6) For measures to reduce the demand for publicly owned 742  
wastewater treatment works capacity through water conservation, 743  
efficiency, or reuse by any municipal corporation, other 744  
political subdivision, state agency, or interstate agency having 745  
territory in this state; 746

(7) For the development and implementation of watershed projects meeting the criteria established in section 122 of that act; 747  
748  
749

(8) For measures to reduce the energy consumption needs of publicly owned wastewater treatment works by any municipal corporation, other political subdivision, state agency, or interstate agency having territory in this state; 750  
751  
752  
753

(9) For reusing or recycling wastewater, stormwater, or subsurface drainage water; 754  
755

(10) For measures to increase the security of publicly owned wastewater treatment works; 756  
757

(11) To any qualified nonprofit entity, as determined by the director of environmental protection, to provide assistance to owners and operators of small and medium publicly owned wastewater treatment works for either of the following: 758  
759  
760  
761

(a) To plan, develop, and obtain financing for eligible projects under this division, including planning, design, and associated preconstruction activities; 762  
763  
764

(b) To assist such treatment works in achieving compliance with the Federal Water Pollution Control Act. 765  
766

To the extent they are otherwise allowable as determined by the director ~~of environmental protection~~, the purposes identified under division (A) of this section are intended to include activities benefiting the waters of the state that are authorized under Chapter 3746. of the Revised Code. 767  
768  
769  
770  
771

The fund shall be administered by the director consistent with the "Federal Water Pollution Control Act"; regulations adopted under it, including, without limitation, regulations 772  
773  
774

establishing public participation requirements applicable to the 775  
providing of financial assistance; this section; and rules 776  
adopted under division (O) of this section. 777

Moneys in the water pollution control loan fund shall be 778  
separate and apart from and not a part of the state treasury or 779  
of the other funds of the Ohio water development authority. 780  
Subject to the terms of the agreements provided for in divisions 781  
(B), (C), (D), and (F) of this section, moneys in the fund shall 782  
be held in trust by the Ohio water development authority for the 783  
purposes of this section, shall be kept in the same manner that 784  
funds of the authority are kept under section 6121.11 of the 785  
Revised Code, and may be invested in the same manner that funds 786  
of the authority are invested under section 6121.12 of the 787  
Revised Code. No withdrawals or disbursements shall be made from 788  
the water pollution control loan fund without the written 789  
authorization of the director or the director's designated 790  
representative. The manner of authorization for any withdrawals 791  
or disbursements from the fund to be made by the authority shall 792  
be established in the agreements authorized under division (C) 793  
of this section. 794

(B) The director may enter into agreements to receive and 795  
assign moneys credited or to be credited to the water pollution 796  
control loan fund. The director may reserve capitalization grant 797  
moneys allotted to the state under sections 601 and 604(c)(2) of 798  
the "Federal Water Pollution Control Act" for the other purposes 799  
authorized for the use of capitalization grant moneys under 800  
sections 603(d)(7) and 604(b) of that act. 801

(C) The director shall ensure that fiscal controls are 802  
established for prudent administration of the water pollution 803  
control loan fund. For that purpose, the director and the Ohio 804

water development authority shall enter into any necessary and 805  
appropriate agreements under which the authority may perform or 806  
provide any of the following: 807

(1) Fiscal controls and accounting procedures governing 808  
fund balances, receipts, and disbursements; 809

(2) Administration of loan accounts; 810

(3) Maintaining, managing, and investing moneys in the 811  
fund. 812

Any agreement entered into under this division shall 813  
provide for the payment of reasonable fees to the Ohio water 814  
development authority for any services it performs under the 815  
agreement and may provide for reasonable fees for the assistance 816  
of financial or accounting advisors. Payments of any such fees 817  
to the authority may be made from the water pollution control 818  
loan fund to the extent authorized by division (H) (7) of this 819  
section or from the water pollution control loan administrative 820  
fund created in division (E) of this section. The authority may 821  
enter into loan agreements with the director and recipients of 822  
financial assistance from the fund as provided in this section. 823

(D) The water pollution control loan fund shall consist of 824  
the moneys credited to it from all capitalization grants 825  
received under sections 601 and 604(c) (2) of the "Federal Water 826  
Pollution Control Act," all moneys received as capitalization 827  
grants under section 205(m) of that act, all matching moneys 828  
credited to the fund arising from nonfederal sources, all 829  
payments of principal and interest for loans made from the fund, 830  
and all investment earnings on moneys held in the fund. On or 831  
before the date on which a quarterly capitalization grant 832  
payment will be received under that act, matching moneys equal 833

to at least twenty per cent of the quarterly capitalization 834  
grant payment shall be credited to the fund. The Ohio water 835  
development authority may make moneys available to the director 836  
for the purpose of providing the matching moneys required by 837  
this division, subject to such terms as the director and the 838  
authority consider appropriate, and may pledge moneys that are 839  
held by the authority to secure the payment of bonds or notes 840  
issued by the authority to provide those matching moneys. The 841  
authority may make moneys available to the director for that 842  
purpose from any funds now or hereafter available to the 843  
authority from any source, including, without limitation, the 844  
proceeds of bonds or notes heretofore or hereafter issued by the 845  
authority under Chapter 6121. of the Revised Code. Matching 846  
moneys made available to the director by the authority from the 847  
proceeds of any such bonds or notes shall be made available 848  
subject to the terms of the trust agreements relating to the 849  
bonds or notes. Any such matching moneys shall be made available 850  
to the director pursuant to a written agreement between the 851  
director and the authority that contains such terms as the 852  
director and the authority consider appropriate, including, 853  
without limitation, a provision providing for repayment to the 854  
authority of those matching moneys from moneys deposited in the 855  
water pollution control loan fund, including, without 856  
limitation, the proceeds of bonds or notes issued by the 857  
authority for the benefit of the fund and payments of principal 858  
and interest on loans made from the fund, or from any other 859  
sources now or hereafter available to the director for the 860  
repayment of those matching moneys. 861

(E) All moneys credited to the water pollution control 862  
loan fund, all interest earned on moneys in the fund, and all 863  
payments of principal and interest for loans made from the fund 864

shall be dedicated in perpetuity and used and reused solely for 865  
the purposes set forth in division (A) of this section, except 866  
as otherwise provided in division (D) or (F) of this section. 867  
The director may establish and collect fees to be paid by 868  
recipients of financial assistance under this section, and all 869  
moneys arising from the fees shall be credited to the water 870  
pollution control loan administrative fund, which is hereby 871  
created in the state treasury, and shall be used to defray the 872  
costs of administering this section. 873

(F) The director and the Ohio water development authority 874  
shall enter into trust agreements to enable the authority to 875  
issue and refund bonds or notes for the sole benefit of the 876  
water pollution control loan fund, including, without 877  
limitation, the raising of the matching moneys required by 878  
division (D) of this section. These agreements may authorize the 879  
pledge of moneys accruing to the fund from payments of principal 880  
and interest on loans made from the fund adequate to secure 881  
bonds or notes, the proceeds of which bonds or notes shall be 882  
for the sole benefit of the water pollution control loan fund. 883  
The agreements may contain such terms as the director and the 884  
authority consider reasonable and proper for the security of the 885  
bondholders or noteholders. 886

(G) The director shall enter into binding commitments to 887  
provide financial assistance from the water pollution control 888  
loan fund in an amount equal to one hundred twenty per cent of 889  
the amount of each capitalization grant payment received, within 890  
one year after receiving each such grant payment. The director 891  
shall provide the financial assistance in compliance with this 892  
section and rules adopted under division (O) of this section. 893  
The director shall ensure that all moneys credited to the fund 894  
are disbursed in an expeditious and timely manner. During the 895

second year of operation of the water pollution control loan 896  
program, the director also shall ensure that not less than 897  
twenty-five per cent of the financial assistance provided under 898  
this section during that year is provided for the purpose of 899  
division (H) (2) of this section for the purchase or refinancing 900  
of debt obligations incurred after March 7, 1985, but not later 901  
than July 1, 1988, except that if the amount of money reserved 902  
during the second year of operation of the program for the 903  
purchase or refinancing of those debt obligations exceeds the 904  
amount required for the projects that are eligible to receive 905  
financial assistance for that purpose, the director shall 906  
distribute the excess moneys in accordance with the current 907  
priority system and list prepared under division (I) of this 908  
section to provide financial assistance for projects that 909  
otherwise would not receive assistance in that year. 910

(H) Moneys credited to the water pollution control loan 911  
fund shall be used only for the following purposes: 912

(1) To make loans, subject to all of the following 913  
conditions: 914

(a) The loans are made at or below market rates of 915  
interest, including, without limitation, interest free loans~~+~~. 916

(b) Periodic payments of principal and interest, on the 917  
dates and in the amounts approved by the director, shall 918  
commence not later than one year after completion of the 919  
project, and all loans shall be fully amortized not later than 920  
~~twenty~~ thirty years after project completion~~+~~. 921

(c) Each recipient of a loan shall establish a dedicated 922  
source of revenue for repayment of the loan~~+~~. 923

(d) All payments of principal and interest on the loans 924



shall be credited to the fund, except as otherwise provided in 925  
division (D) or (F) of this section. 926

(2) To purchase or refinance at or below market rates of 927  
interest debt obligations incurred after March 7, 1985, by 928  
municipal corporations, other political subdivisions, and 929  
interstate agencies having territory in the state. If, and to 930  
the extent allowed under the Federal Water Pollution Control 931  
Act, debt obligations are purchased or refinanced under this 932  
section to provide financial assistance for any of the purposes 933  
allowed under division (A) of this section, the repayment period 934  
may extend up to forty-five years. However, the repayment period 935  
shall not exceed the expected useful life of any facilities that 936  
are financed by the obligations. 937

(3) To guarantee or purchase insurance for debt 938  
obligations of municipal corporations, other political 939  
subdivisions, and interstate agencies having territory within 940  
the state when the guarantee or insurance would improve the 941  
borrower's access to credit markets or would reduce the interest 942  
rate paid on those obligations; 943

(4) As a source of revenue or security for the payment of 944  
principal and interest on general obligation or revenue bonds or 945  
notes issued by this state if the proceeds of the sale of the 946  
bonds or notes will be deposited in the fund; 947

(5) To provide loan guarantees for revolving loan funds 948  
established by municipal corporations and other political 949  
subdivisions that are similar to the water pollution control 950  
loan fund; 951

(6) To earn interest on moneys credited to the fund; 952

(7) ~~To pay~~ For the payment of the reasonable costs of 953

administering the fund and conducting activities under this 954  
section, except that ~~cumulative expenditures from the fund for~~ 955  
~~administrative costs~~ those amounts shall not at any time exceed 956  
four per cent of the total amount of the capitalization grants 957  
received, four hundred thousand dollars per year, or one-fifth 958  
of one per cent per year of the current valuation of the fund, 959  
whichever amount is greater, plus the amount of any fees 960  
collected by the state for that purpose regardless of the 961  
source; 962

(8) To provide assistance in any manner or for any purpose 963  
that is consistent with Title VI of the Federal Water Pollution 964  
Control Act or with any other federal law related to the use of 965  
federal funds administered under Title VI of the Federal Water 966  
Pollution Control Act, including, without limitation, the 967  
awarding of principal forgiveness assistance under that act. 968

(I) The director periodically shall prepare in accordance 969  
with rules adopted under division (O) of this section a state 970  
priority system and list ranking assistance proposals 971  
principally on the basis of their relative water quality and 972  
public health benefits and the financial need of the applicants 973  
for assistance. Assistance for proposed activities from the 974  
water pollution control loan fund shall be limited to those 975  
activities appearing on that priority list and shall be awarded 976  
based upon their priority sequence on the list and the 977  
applicants' readiness to proceed with their proposed activities. 978  
The director annually shall prepare and circulate for public 979  
review and comment a plan that defines the goals and intended 980  
uses of the fund, as required by section 606(c) of the "Federal 981  
Water Pollution Control Act." 982

(J) Financial assistance from the water pollution control 983

loan fund first shall be used to ensure maintenance of progress, 984  
as determined by the governor, toward compliance with 985  
enforceable deadlines, goals, and requirements under the 986  
"Federal Water Pollution Control Act" that are pertinent to the 987  
purposes of the fund set forth in divisions (A)(1) to (3) of 988  
this section, including, without limitation, the municipal 989  
compliance deadline under that act. 990

(K) The director may provide financial assistance from the 991  
water pollution control loan fund for a publicly owned treatment 992  
works project only after determining that: 993

~~(1) Sewerage systems tributary to the treatment works are~~ 994  
~~not subject to excessive infiltration and inflow.~~ 995

~~(2)~~ The applicant for financial assistance has the legal, 996  
institutional, managerial, and financial capability to 997  
construct, operate, and maintain its publicly owned treatment 998  
works. 999

~~(3)~~ (2) The applicant will implement a financial 1000  
management plan that includes, without limitation, provisions 1001  
for satisfactory repayment of the financial assistance, a 1002  
~~proportional~~ user charge system to pay the operation, 1003  
maintenance, and replacement expenses of the project, and, if 1004  
appropriate in the director's judgment, an adequate capital 1005  
improvements fund. 1006

~~(4)~~ (3) The proposed disposal system of which the project 1007  
is a part is economically and nonmonetarily cost-effective, 1008  
based upon an evaluation of feasible alternatives that meet the 1009  
waste water treatment needs of the planning area in which the 1010  
proposed project is located. 1011

~~(5)~~ (4) Based upon the environmental review conducted by 1012

the director under division (L) of this section, there are no 1013  
significant adverse environmental effects resulting from the 1014  
proposed disposal system and the system has been selected from 1015  
among environmentally sound alternatives~~7~~. 1016

~~(6)~~(5) Public participation has occurred during the 1017  
process of planning the project in compliance with applicable 1018  
requirements under the "Federal Water Pollution Control Act"~~7~~. 1019

~~(7)~~(6) The applicant has submitted a facilities plan for 1020  
the project that meets the applicable program requirements and 1021  
that has been approved by the director~~7~~. 1022

~~(8)~~(7) The application meets the requirements of this 1023  
section and rules adopted under division (O) of this section and 1024  
is consistent with the intent of Title VI of the "Federal Water 1025  
Pollution Control Act" and regulations adopted under it~~7~~. 1026

~~(9)~~(8) The application meets such other requirements as 1027  
the director considers necessary or appropriate to protect the 1028  
environment or ensure the financial integrity of the fund while 1029  
implementing this section. 1030

(L) The director shall perform and document for public 1031  
review an independent, comprehensive environmental review of the 1032  
assistance proposal for each activity receiving financial 1033  
assistance under this section. The review shall serve as the 1034  
basis for the determinations to be made under division (K) ~~(5)~~ 1035  
(4) or (Q) (4) of this section, as applicable, and may include, 1036  
without limitation, an environmental assessment, any necessary 1037  
supplemental studies, and an enforceable mitigation plan. The 1038  
director may establish environmental impact mitigation terms or 1039  
conditions for the implementation of an assistance proposal, 1040  
including, without limitation, the installation or modification 1041

of a disposal system, in the director's approval of the plans 1042  
for the installation or modification as authorized by section 1043  
6111.44 of the Revised Code or through other legally enforceable 1044  
means. The review shall be conducted in accordance with 1045  
applicable rules adopted under division (O) of this section. 1046

(M) The director, consistent with this section and 1047  
applicable rules adopted under division (O) of this section, may 1048  
enter into any agreement with an applicant that is necessary or 1049  
appropriate to provide assistance from the water pollution 1050  
control loan fund. Based upon the director's review of an 1051  
assistance proposal, including, without limitation, approval for 1052  
the project under section 6111.44 of the Revised Code, the 1053  
environmental review conducted under division (L) of this 1054  
section, and the other requirements of this section and rules 1055  
adopted under it, the director may establish in the agreement 1056  
terms and conditions of the assistance to be offered to an 1057  
applicant. In addition to any other available remedies, the 1058  
director may terminate, suspend, or require immediate repayment 1059  
of financial assistance provided under this section to, or take 1060  
any other enforcement action available under this chapter 1061  
against, a recipient of financial assistance under this section 1062  
who defaults on any payment required in the agreement for 1063  
financial assistance or otherwise violates a term or condition 1064  
of the agreement or of the plan approval for the project under 1065  
section 6111.44 of the Revised Code. 1066

(N) Based upon the director's judgment as to the financial 1067  
need of the applicant and as to what constitutes the most 1068  
effective allocation of funds to achieve statewide water 1069  
pollution control objectives, the director may establish the 1070  
terms, conditions, and amount of financial assistance to be 1071  
offered to an applicant from the water pollution control loan 1072

fund. The director, to the extent consistent with the water 1073  
quality improvement priorities reflected in the current priority 1074  
system and list prepared under division (I) of this section and 1075  
with the long-term financial integrity of the fund, shall ensure 1076  
each year that financial assistance in an amount equal to the 1077  
cost of the assistance proposals of applicants having a high 1078  
level of economic need that are on the current priority list and 1079  
for which funding is available in that year is made available 1080  
from the fund to those applicants at an interest rate that is 1081  
lower than that offered to other applicants for financial 1082  
assistance from the fund for assistance proposals that are on 1083  
the current priority list and for which funding is available in 1084  
that year. 1085

The director shall determine the economic need of 1086  
applicants for financial assistance in accordance with uniform 1087  
criteria established in rules adopted under division (O) of this 1088  
section. 1089

(O) The director may adopt rules in accordance with 1090  
Chapter 119. of the Revised Code for the implementation and 1091  
administration of this section and section 6111.037 of the 1092  
Revised Code. Any such rules governing the planning, design, and 1093  
construction of water pollution control projects, establishing 1094  
an environmental review process, establishing requirements for 1095  
the preparation of environmental impact reports and mitigation 1096  
plans, governing the establishment of priority systems for 1097  
providing financial assistance under this section and section 1098  
6111.037 of the Revised Code, and governing the terms and 1099  
conditions of assistance, shall be consistent with the intent of 1100  
Titles II and VI and sections 319 and 320 of the "Federal Water 1101  
Pollution Control Act." The rules governing the establishment of 1102  
priority systems for financial assistance and governing terms 1103

and conditions of assistance shall provide for the most 1104  
effective allocation of moneys from the water pollution control 1105  
loan fund to achieve water quality and public health objectives 1106  
throughout the state as determined by the director. 1107

(P) (1) For the purpose of this section, appealable actions 1108  
of the director pursuant to section 3745.04 of the Revised Code 1109  
are limited to the following: 1110

(a) Approval of draft priority systems, draft priority 1111  
lists, and draft written program administration policies; 1112

(b) Approval or disapproval of project facility plans 1113  
under division (K) ~~(7)~~ (6) of this section; 1114

(c) Approval or disapproval of plans and specifications 1115  
for a project under section 6111.44 of the Revised Code and 1116  
issuance of a permit to install in connection with a project 1117  
pursuant to rules adopted under section 6111.03 of the Revised 1118  
Code; 1119

(d) Approval or disapproval of an application for 1120  
assistance. 1121

(2) Notwithstanding section 119.06 of the Revised Code, 1122  
the director may take final action described in division (P) (1) 1123  
(a), (b), (c), or (d) of this section without holding an 1124  
adjudication hearing in connection with the action and without 1125  
first issuing a proposed action under section 3745.07 of the 1126  
Revised Code. 1127

(3) Each action described in divisions (P) (1) (a), (b), 1128  
(c), and (d) of this section is a separate and discrete action 1129  
of the director. Appeals of any such action are limited to the 1130  
issues concerning the specific action appealed, and the appeal 1131  
shall not include issues determined under the scope of any prior 1132

action. 1133

(Q) The director may provide financial assistance for the 1134  
implementation of a nonpoint source management program activity 1135  
only after determining all of the following: 1136

(1) The activity is consistent with the state's nonpoint 1137  
source management program~~+~~. 1138

(2) The applicant has the legal, institutional, 1139  
managerial, and financial capability to implement, operate, and 1140  
maintain the activity~~+~~. 1141

(3) The cost of the activity is reasonable considering 1142  
monetary and nonmonetary factors~~+~~. 1143

(4) Based on the environmental review conducted by the 1144  
director under division (L) of this section, the activity will 1145  
not result in significant adverse environmental impacts~~+~~. 1146

(5) The application meets the requirements of this section 1147  
and rules adopted under division (O) of this section and is 1148  
consistent with the intent of Title VI of the "Federal Water 1149  
Pollution Control Act" and regulations adopted under it~~+~~. 1150

(6) The applicant will implement a financial management 1151  
plan, including, without limitation, provisions for satisfactory 1152  
repayment of the financial assistance~~+~~. 1153

(7) The application meets such other requirements as the 1154  
director considers necessary or appropriate to protect the 1155  
environment and ensure the financial integrity of the fund while 1156  
implementing this section. 1157

(R) As used in this section, "Federal Water Pollution 1158  
Control Act" means the "Federal Water Pollution Control Act 1159  
Amendments of 1972," 86 Stat. 886, 33 U.S.C.A. 1251, as amended 1160



by the "Clean Water Act of 1977," 91 Stat. 1566, 33 U.S.C.A. 1161  
1251, the "Act of October 21, 1980," 94 Stat. 2360, 33 U.S.C.A. 1162  
1254, the "Municipal Wastewater Treatment Construction Grant  
Amendments of 1981," 95 Stat. 1623, 33 U.S.C.A. 1281, ~~and~~ the 1164  
"Water Quality Act of 1987," 101 Stat. 7, 33 U.S.C.A. 1251, and 1165  
applicable portions of the "American Recovery and Reinvestment 1166  
Act of 2009," Pub. L. 111-5, 123 Stat. 115, and the "Water 1167  
Resources Reform and Development Act of 2014," 128 Stat. 1227, 1168  
33 U.S.C. 2223. 1169

**Section 2.** That existing sections 6109.01, 6109.10, 1170  
6109.22, and 6111.036 of the Revised Code are hereby repealed. 1171

**Section 3.** All items in this section are hereby 1172  
appropriated as designated out of any moneys in the state 1173  
treasury to the credit of the designated fund. The 1174  
appropriations made in this act are for the biennium ending June 1175  
30, 2018. The appropriations made in this act are in addition to 1176  
any other appropriations made for the FY 2017-FY 2018 biennium. 1177

FCC FACILITIES CONSTRUCTION COMMISSION 1178

Public School Building Fund (Fund 7021)		1179
C230X9	Lead Plumbing Fixture	\$10,000,000 1180
	Replacement Assistance Grants	1181
TOTAL Public School Building Fund		\$10,000,000 1182
TOTAL ALL BUDGET FUND GROUPS		\$10,000,000 1183

LEAD PLUMBING FIXTURE REPLACEMENT ASSISTANCE GRANTS 1184

The foregoing appropriation item C230X9, Lead Plumbing 1185  
Fixture Replacement Assistance Grants, shall be used by the 1186  
Facilities Construction Commission to provide funding to 1187  
eligible public and chartered nonpublic schools for the 1188  
reimbursement of the cost of the replacement of drinking 1189

fountains, water coolers, plumbing fixtures, and limited 1190  
connected piping that are found to be a cause of lead above the 1191  
federal action level in drinking water. The foregoing 1192  
appropriation item may also be used by the Commission to 1193  
reimburse eligible chartered nonpublic schools for the cost of 1194  
the drinking water assessments described in the following 1195  
paragraph. For the purposes of this grant program, an eligible 1196  
school is a traditional public school, community school, or 1197  
chartered nonpublic school that is housed in a building 1198  
constructed before 1990. 1199

An eligible public school may request to have its 1200  
buildings assessed for lead content in drinking water through 1201  
the Ohio Water Development Authority assessment program. An 1202  
eligible chartered nonpublic school may request to have its 1203  
buildings assessed for lead content in drinking water through a 1204  
firm that uses the same protocols as those used by the Ohio 1205  
Water Development Authority. An eligible chartered nonpublic 1206  
school may apply to the Facilities Construction Commission for 1207  
reimbursement of the cost of an assessment that follows the Ohio 1208  
Water Development Authority testing protocols. 1209

If the assessment finds that a drinking fountain, water 1210  
cooler, plumbing fixture, or limited connected piping is found 1211  
to be a cause of lead above the federal action level in drinking 1212  
water, the Ohio Water Development Authority shall review the 1213  
results and notify the Facilities Construction Commission of the 1214  
results and the number of drinking fountains, water coolers, 1215  
plumbing fixtures, and limited connected piping that need to be 1216  
replaced. An eligible school may then apply to the Facilities 1217  
Construction Commission for reimbursement up to \$15,000 per 1218  
building for the material cost of the replacement of drinking 1219  
fountains, water coolers, plumbing fixtures, and limited 1220

connected piping. The Commission, in consultation with the Ohio 1221  
Environmental Protection Agency and Ohio Water Development 1222  
Authority may develop guidelines for the administration, 1223  
phasing, and distribution of the grants. 1224

**Section 4.** Within the limits set forth in this act, the 1225  
Director of Budget and Management shall establish accounts 1226  
indicating the source and amount of funds for each appropriation 1227  
made in this act, and shall determine the form and manner in 1228  
which appropriation accounts shall be maintained. Expenditures 1229  
from appropriations contained in this act shall be accounted for 1230  
as though made in the capital appropriations act of the 131st 1231  
General Assembly. 1232

The appropriations made in this act are subject to all 1233  
provisions of the capital appropriations act of the 131st 1234  
General Assembly that are generally applicable to such 1235  
appropriations. 1236