

As Introduced

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

H. B. No. 512

Representative Ginter

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;

(2) Introduce into commerce any pipe, pipe fitting, or
plumbing fitting or fixture that is not lead free;

(3) Sell solder or flux that is not lead free while
engaged in the business of selling plumbing supplies;

(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.

(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:

(1) Potential sources of lead in the drinking water;

(2) Potential adverse health effects;

(3) Reasonably available methods of mitigating known or
potential lead content in drinking water;

(4) Any steps the public water system is taking to
mitigate lead content in drinking water;

(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