Purpose:

This guideline and policy is created to help inform interested parties on how the State Revolving Loan Fund (SRF), administered by the Office of Financial Assistance (OFA) will manage its service fees collected from loan recipients.

- Service fees collected on Clean Water loan recipients are established in NAC 445A.775.
  - Fees are based upon the amount of obligations at the time of loan closing, or amendment.
  - Fees are not collected on principal forgiveness loans.
- Service fees are not collected on Drinking Water loans as they are not authorized by NAC.
- The amount and timing of clean water fees collected vary with the number of clean water loans expected to close and the total obligations for those loans.
- Fees were established in the Clean Water Program to ensure sustainability in managing the Program should the federal grant appropriations terminate.
- Should grant appropriations terminate, the program would need adequate time to address authority and ability to collect new revenue.

Policy:

1. The OFA will evaluate the balance of the service fees held in reserves no less than annually to determine the amount of cash reserves needed to cover administration of the Clean Water program.
2. Consideration will be given to anticipated new Clean Water loans, condition of the federal appropriations, and anticipated expenses of the program.

For further information, please contact the OFA staff at 775.687.9489 or visit our website at http://ndep.nv.gov.