



# State of Tennessee

## PUBLIC CHAPTER NO. 886

### SENATE BILL NO. 2417

By Johnson, Pody, Stevens

Substituted for: House Bill No. 2167

By Lamberth, Gant, Todd, Hazlewood

AN ACT to amend Tennessee Code Annotated, Title 68, Chapter 221, relative to water, wastewater, and stormwater financial assistance.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 68-221-1003(3), is amended by deleting "Clean water act" and substituting "Clean Water Act".

SECTION 2. Tennessee Code Annotated, Section 68-221-1003(5), is amended by deleting the subdivision.

SECTION 3. Tennessee Code Annotated, Section 68-221-1003(9), is amended by adding a new subdivision:

( ) "Wastewater facility", for purposes of the program administered by the department pursuant to § 68-221-1005(a), also includes stormwater facilities, stormwater management projects, or other eligible projects as outlined in the Clean Water Act.

SECTION 4. Tennessee Code Annotated, Section 68-221-1003, is amended by adding the following as new subdivisions:

( ) "Stormwater" has the same meaning as "storm water" as defined in § 68-221-1102;

( ) "Stormwater facilities" has the same meaning as "storm water facilities" as defined in § 68-221-1102;

SECTION 5. Tennessee Code Annotated, Section 68-221-1005(l)(1), is amended by deleting "and negative interest rates" and substituting ", other loan forgiveness, and through refinancing or restructuring of debt".

SECTION 6. Tennessee Code Annotated, Title 68, Chapter 221, Part 10, is amended by adding the following as a new section:

The commissioner of environment and conservation is authorized to promulgate emergency rules in the manner provided under the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, for the program authorized by this part if deemed to be necessary by the commissioner to make full use of available federal funding.

SECTION 7. Tennessee Code Annotated, Section 68-221-1205(l)(1), is amended by deleting "and negative interest rates" and substituting ", other loan forgiveness, and through refinancing or restructuring of debt".

SECTION 8. Tennessee Code Annotated, Section 68-221-1206(i), is amended by deleting the subsection and substituting:

(i)(A) Notwithstanding any other provision of this part, in any case in which the state makes a loan pursuant to this part to a water system serving a disadvantaged community or a community that the state expects to become a disadvantaged

community as the result of a proposed project, the state may provide additional subsidization, including forgiveness of principal, other loan forgiveness, and through refinancing or restructuring of debt.

(B) For purposes of this subsection (i), "disadvantaged community" means the service area of a water system that meets affordability criteria established pursuant to this part.

SECTION 9. Tennessee Code Annotated, Title 68, Chapter 221, Part 12, is amended by adding the following as a new section:

The commissioner of environment and conservation is authorized to promulgate emergency rules in the manner provided under the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, for the program authorized by this part if deemed to be necessary by the commissioner to make full use of available federal funding.

SECTION 10. Tennessee Code Annotated, Title 68, Chapter 221, is amended by adding the following as a new part:

**68-221-\_01.**

The department of environment and conservation is authorized to establish a grant program to further the purposes of parts 10 and 12 of this chapter utilizing federal funds allocated and state funds appropriated for such purposes. Eligible recipients of grants awarded pursuant to this part must be limited to the types of entities eligible for low-cost loans under parts 10 and 12 of this chapter or otherwise eligible as provided by federal law for the capitalization grants authorized for the loan programs established by parts 10 and 12 of this chapter. Eligible projects must be limited to those authorized by parts 10 and 12 of this chapter or otherwise eligible as provided by federal law for the capitalization grants authorized for the loan programs established by parts 10 and 12 of this chapter. The commissioner may administer the grant program in accordance with criteria set by the federal government.

**68-221-\_02.**

The commissioner of environment and conservation is authorized to promulgate emergency rules in the manner provided under the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, for the program authorized by this part if deemed to be necessary by the commissioner to make full use of available federal funding.

SECTION 11. This act takes effect upon becoming a law, the public welfare requiring it.


SENATE BILL NO. 2417

PASSED: March 28, 2022

  
RANDY McNALLY  
SPEAKER OF THE SENATE

  
CAMERON SEXTON, SPEAKER  
HOUSE OF REPRESENTATIVES

APPROVED this 14<sup>th</sup> day of April 2022

  
BILL LEE, GOVERNOR