

3745-88-01 **Definitions.**

Except as otherwise provided in this rule, the definitions in rule 3745-81-01 of the Administrative Code shall apply to this chapter.

- (A) "Applicant" means an entity referenced in paragraphs (E)(1) to (E)(4) of this rule that has submitted an application for disadvantaged community designation.
- (B) "Application for loan assistance" means the application and any additional information necessary to award financial assistance from the water supply revolving loan account in accordance with section 6109.22 of the Revised Code.
- (C) "Application for designation as a disadvantaged community" means the application submitted to determine whether an applicant meets the criteria established by the director for disadvantaged communities.
- (D) "Disadvantaged assistance" means a loan to a disadvantaged community from the water supply revolving loan account with a term greater than twenty years and not to exceed thirty years or the expected design life of the project, whichever is less. The terms and conditions of all disadvantaged assistance shall be determined by the director.
- (E) "Disadvantaged community" means the service area, or portion thereof, of one of the following entities that applies for and is eligible, or that the director expects to become eligible as a result of its loan project, for loan assistance under this chapter of the Administrative Code pursuant to the affordability criteria established by the director:
 - (1) A nonprofit public water system that operates or provides water to a community water system;
 - (2) A public water system that is regulated by the public utilities commission of Ohio ("PUCO") and that operates or provides water to a community water system;
 - (3) A political subdivision, as defined by division (B) of section 6119.011 of the Revised Code, that operates or provides water to a community water system; or
 - (4) A nonprofit noncommunity public water system.
- (F) "Economic affordability" means the relative cost of drinking water and wastewater treatment in the applicant's service area as compared to

statewide benchmarks. It is determined by comparing the annual cost per household of drinking water and wastewater treatment with the most current median household income data from the U.S. census bureau. The director may use data from an annual survey of water and sewer rates if the water and sewer rates for the applicant's service area cannot be obtained.

- (G) "Household income" is as defined by the U.S. census bureau and means the sum of money income received in a calendar year by all household members fifteen years old and over, including household members not related to the householder, people living alone, and other non-family household members.
- (H) "Median" means the middle value in a distribution of values, above and below which lie an equal number of values.
- (I) "Poverty rate" means the per cent of people who were in poverty in a calendar year as defined by the U.S. census bureau.
- (J) "Pre-application" means the application submitted to determine eligibility for inclusion on the project priority list.
- (K) "Program year" means a "state fiscal year" defined as July first of the preceding year through June thirtieth of the given year. For example, the 2007 program year runs from July 1, 2006 to June 30, 2007.
- (L) "Project priority list" means the list of all eligible projects for which a pre-application for a loan from the water supply revolving loan account has been submitted, arranged in order of priority points awarded to each project.
- (M) "Subsidy" means forgiveness of principal or negative interest rate for loans to disadvantaged communities from the water supply revolving loan account, as determined by the director.
- (N) "Water supply revolving loan account" means the account of the drinking water assistance fund from which loans for improvements to qualifying drinking water systems are made. The drinking water assistance fund is authorized under section 6109.22 of the Revised Code.

[The survey referenced in paragraph (F) of this rule is the annual Ohio EPA "Sewer and Water Rate Survey." It can be obtained from the "Ohio EPA, Office of Fiscal Administration, Economic Analysis Unit, Lazarus Government Center, 50 West Town Street, Suite 700, Columbus, OH 43215, (614) 644-2339" or www.epa.state.oh.us/ofa.]

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