

**§ 159G-39. Review of applications and award of loan or grant.**

(a) Point Assignment. - The Division of Water Infrastructure must review all applications filed for a loan or grant under this Article for an application period. The Division must rank each application in accordance with the points assigned to the evaluation criteria. The Division must make a written determination of an application's rank and attach the determination to the application for the Authority's review. The Authority must consider the Division's determination of rank when the Authority determines an application's rank. The Authority's determination of rank is conclusive.

(b) Initial Consideration. - The Division may consider an application for an emergency loan from the Wastewater Reserve or the Drinking Water Reserve at any time. The Division must consider all other loan applications and all grant applications filed during an application period at the same time in order to rank the applications. The Division shall forward all applications received for the application period to the State Water Infrastructure Authority.

(c) Reconsideration. - When the Authority determines an application's rank is too low to receive an award of a loan or grant for an application period, the Division must include the application with those considered for the next application period. If the application's rank is again too low to receive an award, the application is not eligible for consideration in a subsequent application period. An applicant whose application does not receive an award after review in two application periods may file a new application.

(d) Notification of Decision. - When the Authority determines that an application's rank makes it eligible for an award of a loan or grant, the Division must send the applicant a letter of intent to award the loan or grant. The notice must set out any conditions the applicant must meet to receive an award of a loan or grant. When the applicant satisfies the conditions set out in the letter of intent, the Division must send the applicant an offer to award a loan or grant. The applicant must give the Division written notice of whether it accepts or rejects the offer. A loan or grant is considered awarded when an offer to award the loan or grant is issued.

(e) Viable Utility Reserve Approval. - The Department shall not award a grant from the Viable Utility Reserve Fund unless the Local Government Commission approves the award of the grant and the terms of the grant. Any emergency grant application submitted under G.S. 159G-31(e) shall be deemed approved by the Local Government Commission upon submission.

(f) Grant Terms. -

(1) Viable Utility Reserve. - The Department and the Local Government Commission may, in their discretion, impose specific performance measures or conditions on any grant awarded from the Viable Utility Reserve, including any grant submitted under G.S. 159G-31(e).

(2) Drinking Water Reserve or Wastewater Reserve. - The Department may impose specific performance measures or conditions on any grant awarded from the Drinking Water Reserve or Wastewater Reserve to ensure an adequately funded program for the repair, maintenance, and management of the water or wastewater infrastructure. (2005-454, s. 3; 2011-145, s. 13.3(nnn); 2013-360, s. 14.21(k); 2013-413, s. 57(w); 2014-115, s. 17; 2020-79, s. 1(j); 2021-180, s. 12.12(b).)