**Section 664.110 Purpose**

The federal Safe Drinking Water Act Amendments of 1996 include a mechanism to provide capitalization grants to the states for the purpose of establishing drinking water revolving loan funds. 42 USC 300j-12 authorizes the Administrator of the United States Environmental Protection Agency to enter into agreements with the states to establish these loan funds, and establishes specific requirements for the development and operation of the state loan programs. The Illinois General Assembly has created the Public Water Supply Loan Program (PWSLP), to be administered by the Illinois Environmental Protection Agency [415 ILCS 5/19.1 through 19.9]. The American Recovery and Reinvestment Act of 2009 (ARRA) provides a source of capitalization grants to the states to provide loans, as well as additional subsidization including forgiveness of principal, negative interest loans, and grants to eligible applicants for the construction of public water supply facilities. This Part 664 sets out procedures the Agency will use to provide financial assistance from the ARRA, which shall be administered through the PWSLP.