

**Title 7--Missouri Department of Transportation
Division 10--Missouri Highways and Transportation Commission
Chapter 20--Financial Assistance**

RECEIVED
APR 06 2018
SECRETARY OF STATE
ADMINISTRATIVE RULES

PROPOSED AMENDMENT

COPY

7 CSR 10-20.010 State Transportation Assistance Revolving Fund. The Missouri Highways and Transportation Commission is amending sections (4) and (6), and subsections (2)(A) through (2)(C), (4)(A) through (4)(E), (5)(A) and (5)(B); and adding new subsections (5)(C) through (5)(F).

PURPOSE: This proposed amendment removes unnecessary restrictive wording and clarifies the department and commission review and approval process.

(2) Eligibility.

(A) Applicability. This rule applies to any political subdivision of Missouri or to any public or private not-for-profit organization or entity involved in transportation projects serving a public purpose other than highways as described in subsection (1)(2)(B) of this rule.

(B) Projects. The funds in the State Transportation Assistance Revolving (STAR) Fund are to be allocated for the following:

1. Facilities for transportation by air, water, rail or mass transit;
2. Vehicles for the transportation of elderly or handicapped persons; or
3. Rolling stock for transit purposes.

(C) Costs.

1. Eligible costs. Applicants can request monetary assistance in the planning, acquisition, development and construction of the projects described in subsection (1)(2)(B) of this rule.

2. Ineligible costs. No funds provided by this section shall be used for the payment of the operating expenses of such transportation facilities or for the construction or maintenance of state highways.

(4) Application [Requirements] for Financial Assistance.

(A) An applicant [shall] submit its completed application[s] on a form[s] provided by the commission, which [including] includes the [required] application fee, to the department's Financial Services Director. The [A]application[s], dated March 1, 2018, is incorporated herein by reference and made a part of this rule as published by the department, P.O. Box 270, Jefferson City, MO 65102. This rule does not incorporate any subsequent amendments or additions to the application. A copy of the application can be acquired from the Missouri Department of Transportation, P.O. Box 270, Jefferson City, MO 65102 or on-line at <http://www.modot.org/partnershipdevelopment/application.htm>.

(B) Selection of projects for financial assistance requires both a pre-application and a final application.

1. The pre-application will serve as a working document that permits department staff and the applicant to review and negotiate project scope and details prior to submission of a final application.

2. The [final] application will [request] provide precise project details and funding information that will be incorporated into the loan agreement.

(C) Pre-Application Cycle.

1. Pre-applications can be submitted at any time, but must be initiated on a schedule that will

JOINT COMMITTEE ON
APR 06 2018
ADMINISTRATIVE RULES

permit the review process to be completed and a formal application submitted by the application closing date appropriate for the project time line.

2. There is no fee for submission of a pre-application.

3. Acceptance, rejection, positive or negative comments on a pre-application do not constitute formal rejection or approval of a final application by the commission.

(D) *Final Application Cycle.* Final applications shall be provided by the deadline established by the department to be eligible for evaluation and funding during the period to which the deadline applies.

(E) *Unfunded Applications.*

1. Refunds of application fees. Application fees charged on applications that are not approved for funding will be retained by the commission. There are no refunds of application fees.

2. Resubmittal of unfunded applications.

A. Applicants may resubmit an application or a revised application [during any subsequent application cycle].

B. There will be no fee for resubmission of an unrevised application.

C. Adjustments for inflation in project costs/financing is not considered a revision.

(5) *Application Review and Evaluation.*

(A) The department [shall] evaluate each proposal that [is determined to be eligible and complete, using a department-established evaluation method. The department shall submit the applications in rank order to the Missouri Highways and Transportation Commission, up to the amount of funds available to finance applications] **requests a loan from the STAR Fund to determine eligibility and completeness under section 226.191 and this rule.**

(B) The evaluation criteria [shall] includes the following criteria:

1. Public benefit;
2. Transportation need;
3. Economic benefit;
4. Financial feasibility;
5. Noncommission financial contribution; and
6. Timeliness of repayment.

(C) **If the application is complete and the department determines the project is eligible for a loan, the department then evaluates and determines whether the applicant sponsoring the project has the ability to repay a loan issued under this rule.**

(D) **If more than one project has been submitted, the department then ranks the applications in order of each application's evaluation score.**

(E) The department then presents the application, or applications, to the department's cost share committee. The cost share committee reviews and then either approves, denies, or requests additional information for each STAR loan application.

(F) **If the cost share committee approves the loan, the loan is then presented to the commission for final approval or disapproval to issue the loan. If there is more than one application, the applications to be submitted to the commission will not exceed the amount of funds available to finance the applications.**

(6) *Loan Awards.* All applicants will be notified of the outcome of the review process. Funded applications [shall] receive a letter of loan commitment, followed by a loan agreement upon loan closing. [The loan agreement must be approved by the commission.] **The loan conditions and repayment terms are dependent on the credit worthiness of the applicant and will be set out**

in the loan agreement.

*AUTHORITY: section 226.191, RSMo [(Cum. Supp. 1996)]. * Emergency rule filed July 14, 1997, effective July 24, 1997, expired Feb. 26, 1998. Original rule filed July 14, 1997, effective Jan. 30, 1998. Amended: Filed April 6, 2018.*

**Original authority 1996.*

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

*NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment rulemaking with the Missouri Department of Transportation, Pamela J. Harlan, Secretary to the Commission, PO Box 270, Jefferson City, MO 65102 or Pamela.Harlan@modot.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. No public hearing is scheduled.*