

73-10-25.1 Credit enhancement and interest buy-down agreements.

- (1) The Board of Water Resources may enter into credit enhancement agreements with political subdivisions containing terms and provisions that the board determines will reasonably improve the security for or marketability of water project obligations financed using the Water Resources Cities Water Loan Fund created in Section 73-10-22 or the Water Resources Conservation and Development Fund created in Section 73-10-24. Credit enhancement agreements may include provisions for loans to political subdivisions to pay the costs of obtaining letters of credit or other forms of insurance or security to provide security for water project obligations.
- (2) The Board of Water Resources may make loans or grants from the Water Resources Cities Water Loan Fund or the Water Resources Conservation and Development Fund to political subdivisions for interest buy-down agreements for water development projects.

Amended by Chapter 199, 1996 General Session