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Montana Ratepayers to Save \$6.8 Million in Interest Payments from SRF Program Change

Helena, Mont. – Governor Steve Bullock today announced that ratepayers in three Montana communities will save nearly \$6.8 million in interest payments thanks to interest rate reductions he implemented earlier this year. The savings come as part of a series of loans through State Revolving Fund (SRF) loan program to make important upgrades to the water systems in Butte, Roundup, and Big Fork.

Earlier this year, Bullock announced that the cities of Glendive and Conrad have also taken advantage of the reduced interest rates to save their ratepayers nearly \$7 million on critical infrastructure improvements.

“Because of strong fiscal management, and a bit of common sense, we’re saving Montanans millions of dollars in interest payments,” Bullock said of the loan. “Through these common sense changes we’re helping communities make important infrastructure improvements, while helping Montanans keep more money in their pockets and on their Main Streets.”

Earlier this year, Bullock reduced the interest rates on loans through the SRF loan program in order to expand local government’s access to capital to make important upgrades to local infrastructure, while saving ratepayers money. He reduced long-term interest rates in this program from 3 percent, to 2.5 percent, and reduced construction interest rates from 3 percent to 1.5 percent. These changes were made possible through strong fiscal management at the state level, and the state’s sterling bond rating. In their first year, these reduced rates are expected to provide \$29 million in approved savings for ratepayers.

The changes are expected to result in a total of \$29 million in savings being approved in the first year of the program. Last month, Bullock announced that residents of Conrad would save \$280,000 on a loan.

The changes to the SRF interest rate were made as part of Bullock's Main Street Montana Project. This project is building and implementing a business plan for the state of Montana; a plan that helps businesses grow, support job creation, and increase wages. One of the goals of the project is to ensure Montana businesses and communities have an efficient and reliable infrastructure.

The State Revolving Fund loan program, which is administered by DNRC and the Montana Department of Environmental Quality (DEQ), enables Montana communities to upgrade or expand critical drinking- or wastewater treatment facilities at the lowest possible cost.

For more information on the State Revolving Fund program, contact Anna Miller of DNRC at (406) 444-6689, or visit the Montana DNRC Web site at <http://dnrc.mt.gov/>.

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