

SEC. []. ONE-TIME INTEREST RATE RESET

Section [5029(b)] of the Water Infrastructure Finance and Innovation Act of 2014 (33 U.S.C. 3908(b)) is amended by striking paragraph (4) and inserting the following:

“(4) Interest rate

(A) In general

Except as provided in subparagraph (B), the interest rate on a secured loan under this section shall be not less than the interest rate reflected in the yield on United States Treasury securities of a similar maturity to the maturity of the secured loan on the date of execution of the loan agreement.

(B) One-time interest rate amendment

(i) Subject to clause (ii) and (iii), if requested by the obligor of a secured loan, the Secretary or the Administrator, as applicable, will amend the interest rate of a secured loan under this section to not less than the interest rate reflected in the yield on United States Treasury securities of a similar maturity to the maturity of the secured loan on the date of amendment of the loan agreement during the period—

(I) beginning on the first date on which the secured loan agreement is executed; and,

(II) ending on the first date on which funding is provided to the project under the secured loan agreement.

(ii) A single amendment to the secured loan agreement under clause (i) is permitted.

(iii) The difference between the interest rate in the executed loan agreement and the interest rate in the amended loan agreement will not be less than [0.25%].