

**POLICY ADDRESSING THE REPAYMENT OF WATERSHED PROTECTION AND SECTION 319 GRANT FUNDS WHEN A FUNDED PRACTICE IS REMOVED PRIOR TO THE AGREED UPON LIFESPAN OF THE PRACTICE AS IDENTIFIED IN THE LANDOWNER-GRANTEE AGREEMENT OR GRANTEE LANDOWNER CONDITIONS**

1. If a practice installed through the Watershed Protection or Section 319 Nonpoint Source Grant Programs is removed or no longer maintained to the extent required for the given practice as identified in the Landowner-Grantee Agreement or Grantee Landowner Conditions, prior to its agreed upon lifespan ending date, the Grantee shall refund a portion of the grant funds to the Department of Environmental Protection (Department) to be returned to the Environmental Stewardship Fund (ESF) or the Environmental Protection Agency (EPA) according to the procedure and repayment schedule outlined below.
2. The following formula shall be used to calculate the required repayment rate for practices removed or no longer maintained prior to their lifespan ending date:
  - a. For practices installed less than one year from the date that they are removed or no longer maintained, the entire amount of the grant relevant to the practice shall be reimbursed to the Department.
  - b. For practices installed more than one year from the date they are removed or no longer maintained, but less than the required project lifespan, the prorated reimbursement rate shall be calculated based on the total Watershed Protection or Section 319 grant funding provided to the Grantee or Sub-grantee specifically for the project being removed using the following formula:  
  
**Prorated Repayment Amount** = (total Watershed Protection or Section 319 Grant funding for the project) ÷ (required lifespan, in years, of the practice) X (number of years remaining in the lifespan).
  - c. Funds provided to the grantee for overall project administration (such as monies provided for funds management and reporting) are not applicable to the calculation of a repayment rate for the practice.

3. If the funds for the implementation of the practice were provided by the Grantee to a Sub-grantee, the Sub-grantee shall return the appropriately calculated prorated funds to the Grantee for them to transmit to the Department for return to the ESF/EPA.
4. If a practice is being removed or no longer maintained while the grantee has a valid Watershed Protection or Section 319 Grant with the Department, the grantee may be permitted to work with the Department to potentially revise the workplan and/or budget for the current grant to allow them to use the repayment funds for projects covered under the current grant.
5. Prorated repayment of grant funds shall be made to the Department no later than 45 days following the removal of the practice.
6. Repayments shall be sent to the Department via check or money order, made payable to the Commonwealth of Pennsylvania. These repayments must be accompanied by a letter signed by the grantee providing the reason for the return of funds, the grant document number, the grant type, and the calculation utilized to arrive at the refund amount.