Drinking Water State Revolving Fund (DWSRF)

Agency

Category

Match Requirements

U.S. Environmental Protection Agency

Environmental Grants

Any type of required match will vary by state.

Eligible Applicants

Public or private water systems (not all states accept private systems) and nonprofit water systems, such as schools, parks, and churches (EPA Guidebook).

Total IIJA Funding

\$30.7 billion

FY23 Grant Funding

<u>\$6.5 billion</u> in formula grants to states, available to eligible applicants through state-run programs.

Key Dates

Application dates vary by state.

Overview

The Drinking Water State Revolving Fund (DWSRF) is a federal-state program that provides low-interest loans to eligible recipients for drinking water infrastructure projects. The IIJA provided more than \$11 billion to the DWSRF to increase states' loan capabilities, and set aside \$4 billion to address emerging contaminants in drinking water and \$15 billion to replace lead service lines. The IIJA also <u>authorized</u> states to use a portion of DWSRF funds as forgivable loans.

Eligible Activities

The DWSRF program is administered at the state level and eligible activities may vary state by state. Generally, projects may include the construction or retrofitting of drinking water treatment facilities, the replacement of contaminated sources, the consolidation or restructuring of water systems, and the installation or replacement of distribution systems.

Opportunities for Climate and Racial Wealth Equity

The IIJA <u>requires</u> that 49% of supplemental general and lead service line replacement funding must go to disadvantaged communities and address affordability challenges. Additionally, the IIJA requires that 25% of emerging contaminant funding must also go to disadvantaged communities serving less than 25,000 people. Each state is responsible for setting its own definitions of disadvantaged communities and affordability.

Key Funding Criteria

Criteria for receiving funding may vary from state to state.

Additional Information

Program information is available on the <u>EPA DWSRF webpage</u>. For specific information on available funding, timeline, and eligible activities, reach out to your state department responsible for the program.