U.S. Environmental Protection Agency

Drinking Water State Revolving Fund

Eligible Uses

Most Infrastructure from Source to Customer Delivery, Area-Wide Water Resource & Emergency Preparedness Planning

Overview (purpose, mechanisms)	Administered by each state and Puerto Rico, the Drinking Water State Revolving Funds (DWSRFs) provide low-interest loans to Public Water Systems (PWSs) for infrastructure improvements needed to protect public health and ensure compliance with the Safe Drinking Water Act. Each state's program provides loans for infrastructure improvements, including the installation and replacement of failing treatment facilities, eligible storage facilities, and transmission and distribution systems. Projects to consolidate water supplies may also be eligible.
	States may reserve a portion of their annual DWSRF grants received from EPA to finance technical assistance to help utilities, among other things, plan for and recover from disasters. These types of projects may include those where some type of failure was unanticipated and requires immediate attention to protect public health. States or contractors may provide assistance. Examples of technical assistance activities could include:
	Providing assistance to assess damages and identify restoration needs
	Locating potential sources of pollution
	Using GPS to determine well locations
	• Carrying out special purpose monitoring to identify contaminants in source water and effectiveness of treatment
	• Other activities to enhance the technical, financial and managerial capacity of PWSs
	Assistance from state DWSRF programs is typically in the form of low-interest loans ranging from zero percent to market rate. These loans are repaid over a period of up to 20 years, though terms can be extended to 30 years for systems designated by the state as "disadvantaged." Some states also offer partial or full grants to these disadvantaged systems.
Recipients	Both publicly and privately owned community water systems and non-profit, non- community water systems are eligible for funding under the DWSRF program.
Eligible Activities	In general, eligible projects include installation and replacement of failing treatment facilities, eligible storage facilities, and transmission and distribution systems. Projects to consolidate water supplies may also be eligible. Dams and reservoirs are not eligible. Through the state set-asides, other activities to enhance the technical, financial and managerial capacity of PWSs are also eligible.
Cost Sharing	Federal government grants and state matching funds (equal to 20 percent of federal government grants) provide funds to capitalize the DWSRF programs. Most assistance through the DWSRF is through low-interest loans. In some cases, states may give partial or full grants to eligible communities.

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ApplicationEach of the DWSRF programs are administered on the state level and applicationRequirementsrequirements and procedures vary.

Additional Sources/Contact Information

EPA Office of Ground Water and Drinking Water (OGWDW) http://water.epa.gov/grants_funding/dwsrf/

State DWSRF Programs: http://www.epa.gov/ogwdw/dwsrf/nims/dwagency2.pdf