



POSITION PAPER ON FUNDING

Drinking Water State Revolving Fund

Recommendation

Provide \$1.8 billion in funding for Fiscal Year 2018.

Background

Established in 1996, the Drinking Water State Revolving Fund (DWSRF) is a state-federal partnership that provides low-interest loans to improve drinking water treatment, fix leaking or old pipes, improve the source of water supply, replace or construct finished water storage tanks, and other water infrastructure projects to protect public health including all forms of water reuse. Publicly-owned, privately-owned and not-for-profit community utilities are eligible for funding.

The U.S. Environmental Protection Agency allocates funding to states who administer the program. States contribute an additional 20% in matching funds and many leverage federal dollars using financing tools, such as bonds, to provide additional funding for projects. Loan repayments are used to support new projects, hence the revolving nature of the program.

Funding History

Budget Year	Funding
2013	\$861 million
2014	\$907 million
2015	\$907 million
2016	\$863 million
2017	\$863 million
Recommendation for 2018	\$1.8 billion

States have generated approximately \$1.75 for every federal dollar received through the Drinking Water State Revolving Fund.

Benefits

- Communities can leverage federal funding to finance needed water infrastructure.
- Low-interest loans create a recurring source of funding for critical infrastructure

Safe, Reliable, Locally-Controlled Water Supplies

The Drinking Water State Revolving Fund has provided more than \$28 billion in funding to more than 10,000 communities.

— U.S. Environmental Protection Agency