



# Clean Water State Revolving Funds and the Chesapeake Bay

September 9, 2022



# Agenda

## Bipartisan Infrastructure Law

Funding & requirement  
overview

## Background

CWSRF Overview

## State Program Comparisons

Maryland, Pennsylvania  
and Virginia

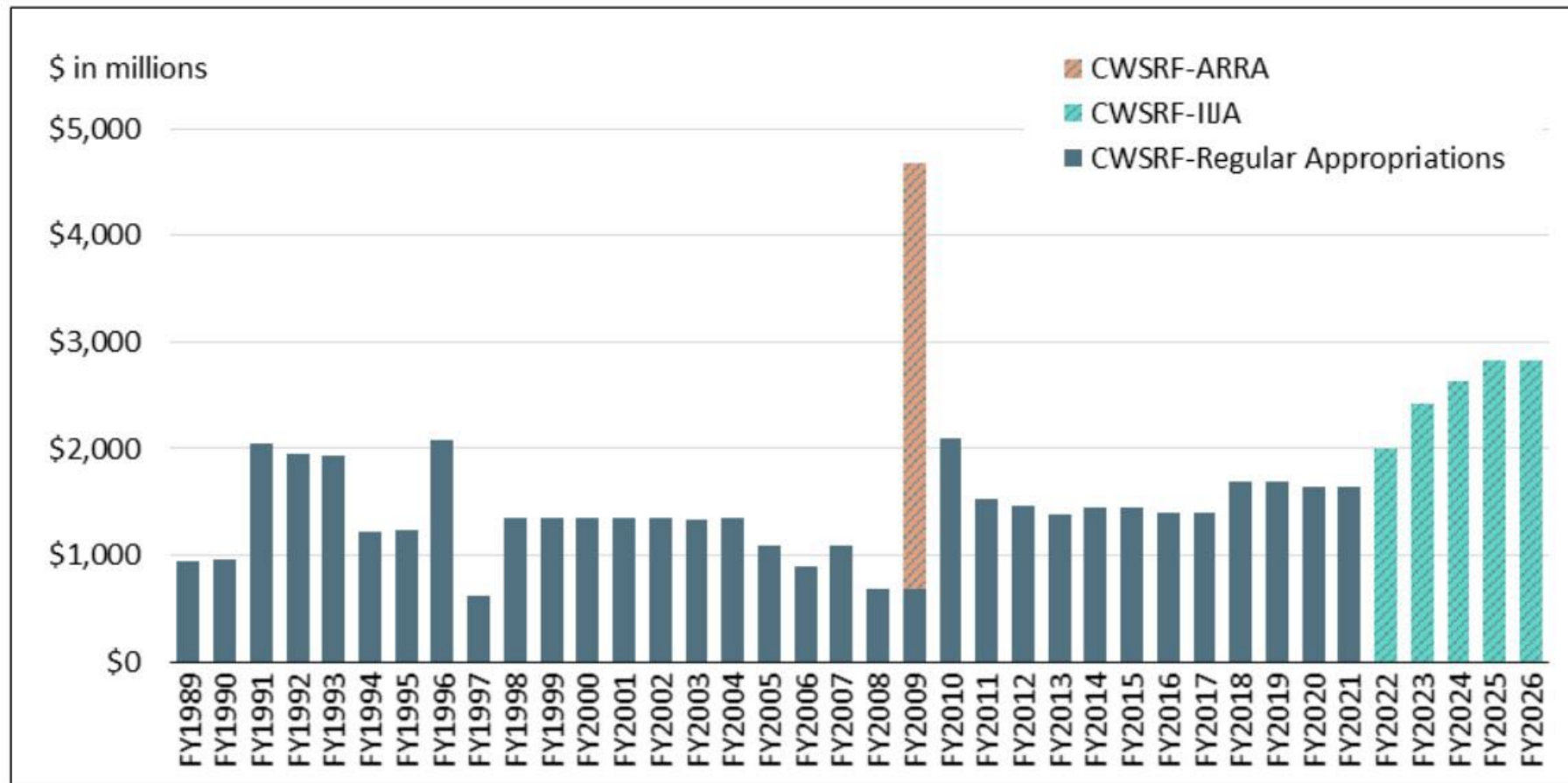
## Ongoing Action

How to ensure full-use  
of the funding and  
engage in collaboration  
with your branch  
agencies.

# Historical Funding – Clean Water SRF

**Figure 2. CWSRF Appropriations: FY1989-FY2026**

(not adjusted for inflation)



Source: [https://www.epw.senate.gov/public/\\_cache/files/1/e/1e11f28b-9143-4805-a789-be2f58e4d180/5061382AE87564443870F418FCED2428.03-16-2022-ramseur-testimony.pdf](https://www.epw.senate.gov/public/_cache/files/1/e/1e11f28b-9143-4805-a789-be2f58e4d180/5061382AE87564443870F418FCED2428.03-16-2022-ramseur-testimony.pdf)

# Anticipated BIL CWSRF Supplemental Funding

	FY 2022-2026	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Maryland	\$269,645,942	\$43,401,000	\$50,778,857	\$55,413,984	\$60,026,051	\$60,026,051
Pennsylvania	\$441,618,931	\$71,081,000	\$83,164,257	\$90,755,545	\$98,309,065	\$98,309,065
Virginia	\$228,162,429	\$36,724,000	\$42,966,815	\$46,888,854	\$50,791,380	\$50,791,380
Grand Total	\$939,427,303	\$151,206,000	\$176,909,929	\$193,058,383	\$209,126,496	\$209,126,496

**FFIS Calculations are \*NOT\* official calculations, but are estimates based on existing formulas**

# Anticipated BIL CWSRF Emerging Contaminant

	FY 2022-2026	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Maryland	\$22,997,528	\$2,278,000	\$5,179,882	\$5,179,882	\$5,179,882	\$5,179,882
Pennsylvania	\$37,666,276	\$3,731,000	\$8,483,819	\$8,483,819	\$8,483,819	\$8,483,819
Virginia	\$19,464,106	\$1,928,000	\$4,384,027	\$4,384,027	\$4,384,027	\$4,384,027
Grand Total	\$80,127,910	\$7,937,000	\$18,047,727	\$18,047,727	\$18,047,727	\$18,047,727

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### What is it?

- Financial assistance program for infrastructure projects with flexibility to states to meet their water quality needs
- Since the funds enactment:
  - Over \$50 billion in federal dollars
  - Over 44,500 low-interest loans by States

### State v. Federal Role?

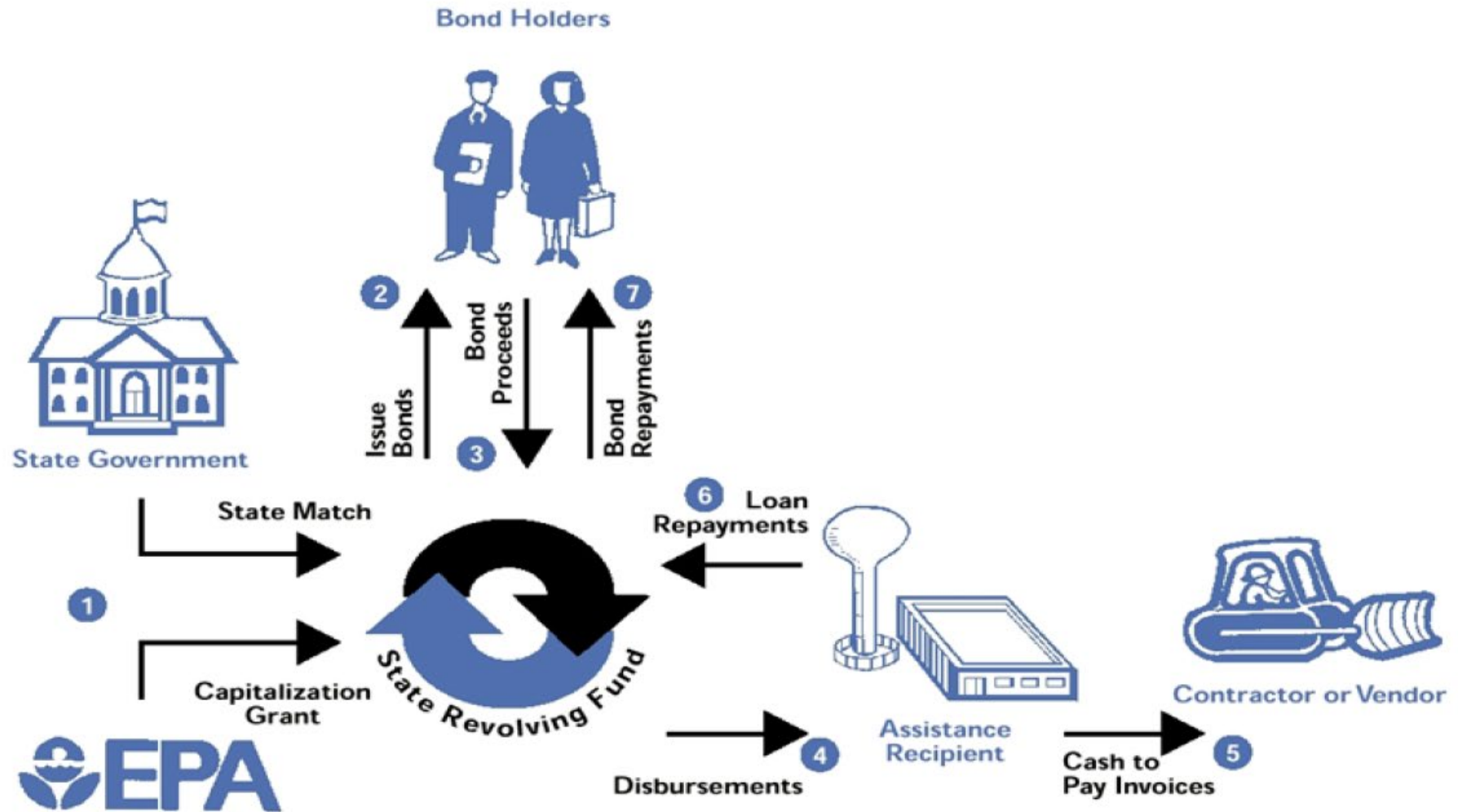
- Congress: authorize and appropriate funding, modifying legislation
- EPA: provides program oversight and general guidance
- States: implement SRF program, hold public review processes, set definition of "disadvantaged community", accept water utility applications, score and rank projects, select projects for funding, oversee project construction



# Clean Water State Revolving Fund

EST. 1987

# How does it work?



Source: [https://www.epa.gov/sites/default/files/2015-06/documents/cwsrf\\_101-033115.pdf](https://www.epa.gov/sites/default/files/2015-06/documents/cwsrf_101-033115.pdf)

# CWSRF Administration

## State by State

### Maryland

#### Water Quality Revolving Loan Fund

**Administrator:** Department of Environment & Water Quality Financing Administration

**Approver:** Board of Public Works

**Application Period:** Application open **annually** December 1 – January 31

### Pennsylvania

#### Clean Water State Revolving Fund

**Administrator:** Department of Environmental Protection & Pennsylvania Infrastructure Investment Authority

**Approver:** PENNVEST

**Application Period:** Application open **4x annually** and approved at quarterly meetings

### Virginia

#### Clean Water Revolving Loan Fund

**Administrator:** Department of Environmental Quality & State Water Control Board

**Approver:** State Water Control Board

**Application Period:** Application open **annually** June – July 31

# Eligible Projects | CWSRF Supplemental



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Construction of publicly owned treatment works

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Nonpoint source pollution projects

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National estuary program projects

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Decentralized wastewater treatment systems (septic)

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Stormwater projects (grey and green infrastructure)

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Water conservation and efficiency projects

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Agricultural and Forestry BMPs

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Watershed pilot projects

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Energy efficiency projects

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Water reuse & recycling

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Security measures

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Planning & technical assistance

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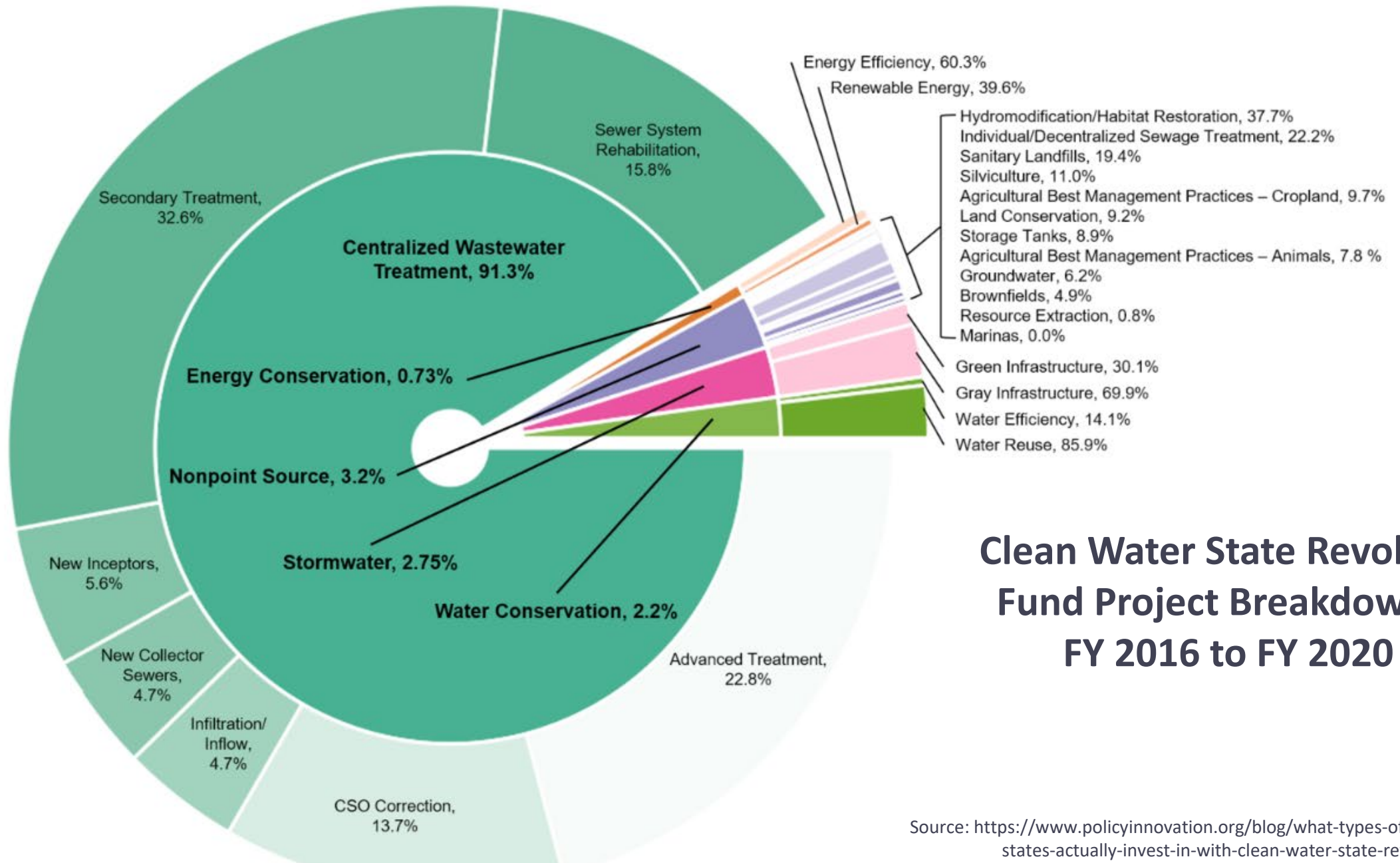
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Security measures

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Planning & technical assistance

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Source: <https://www.policyinnovation.org/blog/what-types-of-projects-do-states-actually-invest-in-with-clean-water-state-revolving-funds>

# CWSRF Project Scoring Criteria

## State by State

### Maryland

- Water quality benefit
- Public health and safety benefit
- Water quality / public health compliance
- Nitrogen removal cost efficiency
- Co-benefits

### Pennsylvania

- Public health
- Aquatic health
- Infrastructure health
- Compliance
- Community health

### Virginia

- Project type
- Environmental concerns
- Fiscal stress
- Readiness / Shovel ready

# Eligible Recipients & Costs

## Recipients

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Municipalities, intermunicipal, interstate or state agencies

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Nonprofit entities

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Private, for-profit entities

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Watershed groups

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Community groups

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Homeowner's associations

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Individuals

## Costs

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Initial Sampling

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Planning

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Design

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Construction

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Equipment

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Land Acquisition

# BIL CWSRF Program Requirements & State To-Do's

## **BIL Requirements**

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- State Match
  - CWSRF Supplemental - 10 Percent FY 2022-FY2023
  - Emerging Contaminants – 0 Percent
- Grants | Principal Forgiveness Loans
  - CWSRF Supplemental – 49 Percent
  - Emerging Contaminants – 100 Percent
- Additional Subsidies | Affordability Criteria
- 2% Technical Assistance

## **Suggested State Action**

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- Ensure availability of matching dollars
- Review state affordability criteria
- Technical assistance development

# Additional Subsidies, Affordability & BIL

## State by State

### Maryland

Current:

- Sewer use rate > 1 % MHI
- Approved Environmental Benefit District
- MHI
- Unemployment rates
- Population decline since Census

**Looking at incorporating a new Environmental Justice Screening Tool in updating Affordability criteria's**

### Pennsylvania

Current:

- MHI
- Population (% above 64 years of age; % below poverty line)
- Rate of population change
- Fiscal condition of municipality

### Virginia

Current:

- MHI
- Sewer costs per household
- Locality unemployment rate
- Population trend

**Currently using the same Affordability Criteria for FY22 – may reevaluate using its EJ screening tool**

# Status of BIL FY 2022 BIL Funding Implementation

## State by State

### Maryland

- Draft funding list for WQLRF closed July 30, 2022, included 18 CW projects
- Soliciting CWSRF Emerging Contaminants

### Pennsylvania

- Quarterly CWSRF solicitation complete; includes emerging contaminant funding.
- FY 2022 SRF IUP FINAL

### Virginia

- RLF solicitation process for FY 23 was open through July 29; For FY22 additional appropriations from BIL, VCWRLF used the Priority Project List approved in December 2021
- Developing Emerging Contaminants IUP
- Setting aside TA funds for outreach to develop a TA program.

# Resources & Guidance for States

## Environmental Protection Agency

- [Memorandum on Implementation of SRF Provisions of BIL](#)
- [FAQ on Emerging Contaminants and CWSRF](#)
- [BIL SRF Q&A – Updated June 2022](#)

## EPA & Other Federal Reports

- Full List – [CWSRF Eligibilities](#)
- Maggy Cunningham - EPA Region 3 Clean Water and Drinking Water SRF Coordinator
- CRS EPW Committee Testimony – [CWSRF Formula](#)

## National Conference of State Legislatures

- [NCSL – Implementation and Key Resources](#)

# QUESTIONS?

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