

STATE REVOLVING FUND PROGRAMS – HOW TO GET ENGAGED

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General Purpose: Annual plan prepared by each State that identifies how it plans to utilize its revolving fund in the upcoming year



Three Specific Content Requirements

A list of the projects to receiving funding in the upcoming year

- Description of the project
- Expected terms of financial assistance
- Size of the community served

Criteria and methods to determine the distribution of funds

Description of the financial status of the loan fund

INTENDED USE
PLAN BASICS

SCORING CRITERIA

- States are required to establish scoring criteria to give priority to projects that:
 - (1) Address the most serious risk to human health;
 - (2) Are necessary to ensure compliance with federal laws, and;
 - (3) Assist systems most in need on a per household basis according to State affordability criteria.

SCORING CRITERIA

Category Description	Points
Drinking Water System Compliance Total	450 (max)
Acute Viol. of DW Standards, Health Advisory Levels, SWTT, Disease	250
Non-Acute Viol. of DW Standards, Health Advisory Levels, SWTT, Disease	200
Facility Upgrade to Maintain Compliance	150
Aesthetic Upgrades to Maintain Compliance	25
Infrastructure Improvements/Upgrades - Total	350 (max)
Source/Treatment with Connecting Mains	125 (max)
Meet Minimum Capacity	100
Reliability	75
Other Upgrades	25
Enforcement Action	25
Source Water Protection	50
Transmission/Distribution Mains	125 (max)
Meet Minimum Capacity	100
Reliability	75
Other Upgrades	25
Enforcement Action	25
Storage Facilities/Pumping Stations	125 (max)
Meet Minimum Capacity	100
Reliability	75
Other Upgrades	25
Enforcement Action	25
Population - Total	50 (max)
0 - 500	10
501 - 3,300	20
3,301 - 10,000	30
10,001 - 50,000	40
> 50,000	50
Disadvantaged Community - Total	50 (max)
Granted	50
Consolidation - Total	100 (max)
Achieve Compliance	100
Correct Deficiencies	60
Other	40
Comp. Wellhead/Source Water Protect Plans - Total	100 (max)
Granted	100
Total Priority Points Assigned	1000 (max)

GETTING CREATIVE WITH SCORING CRITERIA

- Addressing Lead Contamination
 - New York, Ohio, and Wisconsin award points for projects that address lead/copper corrosion
- Incorporating Environmental Justice
 - New York provides additional points for water systems that serve a community with a median household income lower than the statewide median household income.

DRINKING WATER SRF – INTEREST RATES

Illinois – Current Base Rate 1.11%

- Base: 50% market
- Small Community: 75% of base
- Hardship Rate for Small, Low-Income Community: 1%

Indiana – Current Base Rate 2.00%

- Base: 90% bond rate
- Case-by-case discounts

Michigan - Current Base Rate 2.125%

- 20-year loan term – 1.875%
- 30-year loan term – 2.125%
- 40-year loan term – 1.875% (Disadvantaged Communities Only)

Ohio – Average interest rate 0.64% (2020)

- Base: Bond rate
- Discounted rates available for small systems, systems that meet affordability criteria, and disadvantaged communities

Wisconsin – Base rate of 1.760% (2020)

- Base: 55% market
- Hardship Rate for Small, Low-Income Community : 33% market

Minnesota – Average interest rate 1.72% (2020)

- Base: Bond rate
- Standing Discount: 1.5% discount for projects under \$20 Million
- Small Community: 2.5% discount

PLACING AN EMPHASIS ON CERTAIN PROJECTS – LEAD SERVICE LINE REPLACEMENTS

New York

- *Scoring Criteria* - Additional points to projects that address copper/lead corrosion

Ohio

- *Lower Interest Rate* - 0% interest rate for projects that involve the total replacement of lead service lines

Wisconsin

- *Project Requirements* - Any project involving water main replacement must also include the complete removal of all lead components of service lines from the water main to the meter

HOW TO GET INVOLVED – INTENDED USE PLANS

- Released annually by state environmental departments for public notice and comment
 - Michigan: Public Hearing on August 31st
 - Indiana: Public notice and comment period from Sept. 15th -30th
 - Ohio: Two public meetings on June 11th
 - Minnesota: Public notice and comment from September 1st to September 24th

FRUSTRATIONS IN INTENDED USE PLAN ADVOCACY

- *Late Public Comment Period*
 - States often hold public hearings/comment periods late in the process and claim they cannot make amendments to the plan for that year
- *Lack of Transparency*
 - Many states often do not issue formal responses to people that do submit comments on intended use plans
- *Public Notice is Often Lacking*
 - Many states do a particularly bad job of promoting public notice of intended use plans

TIPS FOR EFFECTIVE ADVOCACY

- *Get Involved Early*
 - Don't wait for the public notice/comment period; contact your state's SRF administrator early to get a sense of key timelines and issues
- *Explore Partnerships with Local Governments*
 - There can often be alignment between environmental groups and local governments in advocating for more efficient uses of a state's SRF
- *Connect with Other Advocates in Other States*
 - Survey best practices from other states and highlight what your state could do better