



STATE REVOLVING FUND UPDATE

March 8, 2022

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Division of Municipal Services

American Rescue Plan Act (ARPA) Funding

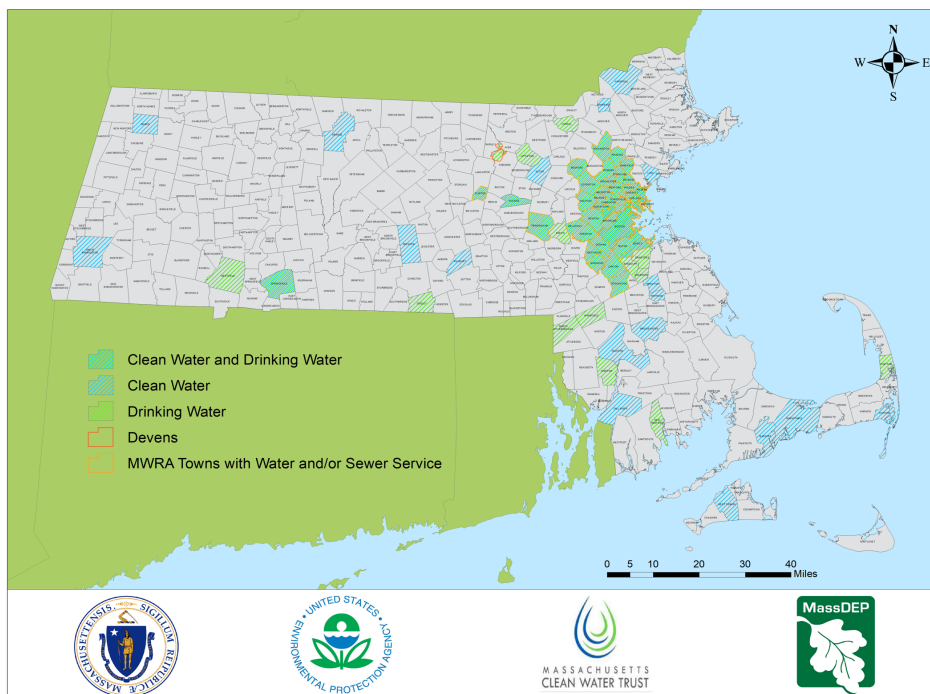
- Chapter 102 of the Acts of 2021 appropriated \$100 million in ARPA funding to the Massachusetts Clean Water Trust to support SRF water infrastructure projects.
 - \$12.88 million is earmarked to specific projects.
 - \$87.12 to be provided as principal forgiveness (grants):
 - ✓ \$67 million for all construction projects in the 2021 Intended Use Plans (IUPs)
 - ✓ The remaining \$20 million for CSO construction projects in the 2022 IUP.

2021 Projects Receiving ARPA Grant Funds

Project Type	# of Projects	Project Costs			Eligible Subsidy	ARPA Funds Committed
		Disadvantaged Communities	All Other Communities	Total		
Drinking Water SRF Projects						
PFAS Projects ⁽¹⁾	10	\$46.9	\$59.4	\$106.3	20.0%	\$21.3
Small Systems	2	16.8	---	16.8	15.0%	2.5
All Other DW Projects	8	25.5	9.5	35.0	10.0%	3.5
Total DWSRF Projects	20	89.2	--	158.1		27.3
Clean Water SRF Projects						
CSO Projects	1	--	23.0	23.0	15.0%	3.5
All Other CW Projects	31	446.2	34.4	480.6	7.5%	36.0
Total CWSRF Projects	32	446.2	57.4	503.6		39.5
Combined Totals	52	\$535.4	\$126.3	\$661.7		\$66.8

⁽¹⁾ Projects to remediate Per- and polyfluoroalkyl substances (PFAS). This ARPA subsidy will be paired with the Trust's 0% interest rate PFAS program.

2021 Intended Use Plan Construction Projects



MassDEP Region	2021 CWSRF			2021 DWSRF		
	# of Projects	Project Costs	ARPA Loan Forgiveness	# of Projects	Project Costs	ARPA Loan Forgiveness
Southeast Region	13	\$252.1	\$18.9	7	\$39.9	\$6.8
Northeast Region	10	\$120.0	\$10.7	8	\$51.7	\$8.2
Central Region	4	\$62.4	\$4.7	3	\$41.6	\$8.3
Western Region	5	\$69.1	\$5.2	2	\$24.9	\$4

Supplemental BIL Funding

Highlights for SRFs

- President Biden signed into law the **\$1.2 trillion** Infrastructure Investment and Jobs Act of 2021 (H.R. 3694) *aka* Bipartisan Infrastructure Law (**BIL**).
- Provides supplemental funding for the Clean Water and Drinking Water State Revolving Funds (SRFs) – This funding is in addition to the annual SRF capitalization grants (Massachusetts: \$55M CWSRF and \$ 25M DWSRF).
- Funding available over the next five years (2022 – 2026)
- Expands SRF program capacity for loans and loan forgiveness while adhering to existing SRF project eligibilities.

BIL Supplemental Funding

The SRF funding will be available to expand capacity for loans and principal forgiveness for existing project eligibilities, in the following categories:

Drinking Water SRF:

- Supplemental Grant - these funds are available for all eligible projects.
 - 49% of the grant must be given away as loan forgiveness.
- Lead Service Line Replacement Grant- These funds will go towards identifying, planning and removing lead service lines.
 - 49% of the grant must be given away as loan forgiveness.
- Emerging Contaminants Grant- these funds focus specifically on emerging contaminants such as PFAS.
 - 100% of the grant must be given away as loan forgiveness.

Clean Water SRF:

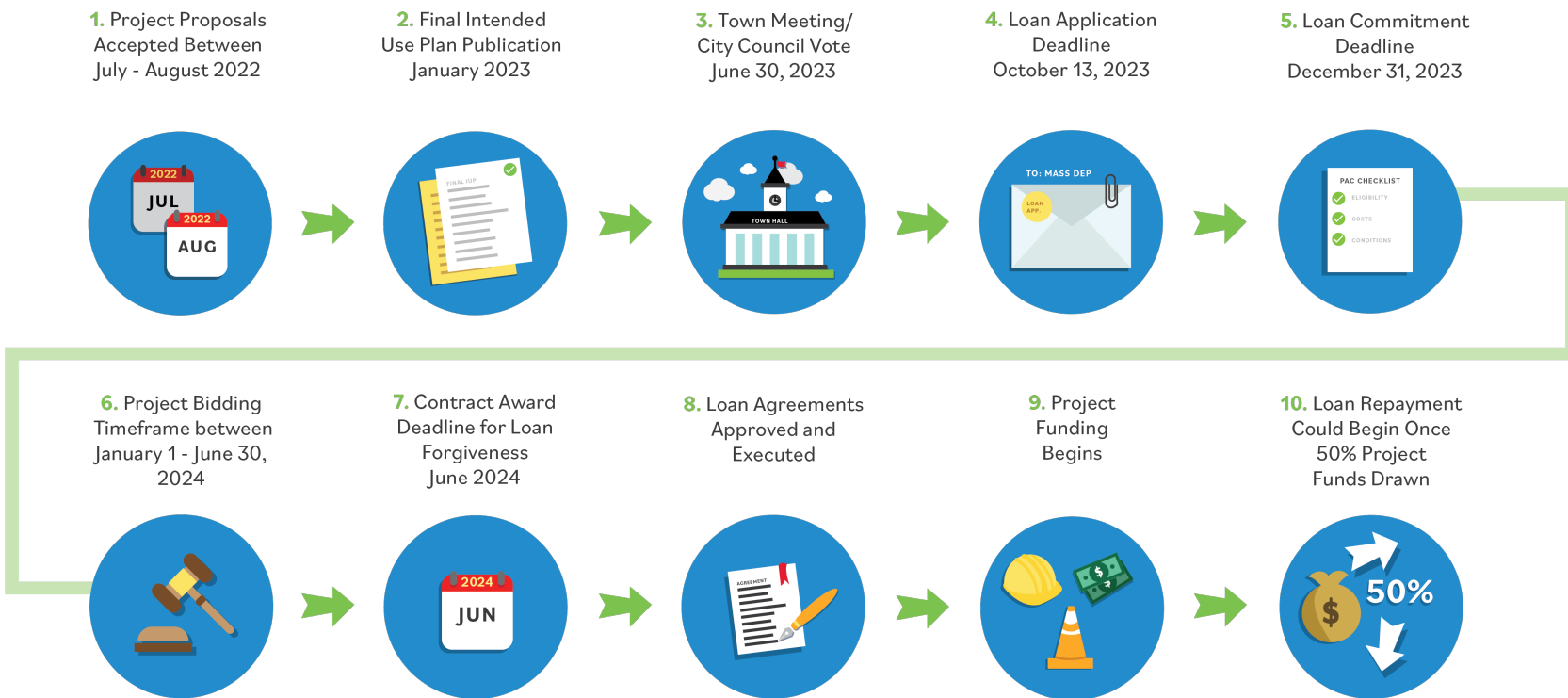
- Supplemental Grant - these funds are available for all eligible projects
 - 49% of the grant must be given away as loan forgiveness.
- Emerging Contaminants Grant- these funds focus specifically on emerging contaminants such as PFAS.
 - 100% of the grant must be given away as loan forgiveness.

Expected BIL Investment in Massachusetts

Year	CW Supplemental	CW PFAS	CW State Match	DW Supplemental	DW PFAS	DW Lead	DW State Match	Total
2022	\$60,925,000	\$3,198,000	\$6,092,500	\$41,662,000	\$17,495,733	\$65,610,000	\$4,166,200	\$199,149,433
2023	\$70,534,621	\$7,195,500	\$7,053,462	\$48,233,293	\$17,495,733	\$65,610,000	\$4,823,329	\$ 220,945,940
2024	\$76,973,068	\$7,195,500	\$15,394,614	\$52,636,060	\$17,495,733	\$65,610,000	\$10,527,212	\$245,832,187
2025	\$83,379,482	\$7,195,500	\$16,675,896	\$57,016,922	\$17,495,733	\$65,610,000	\$11,403,384	\$258,776,919
2026	\$83,379,482	\$7,195,500	\$16,675,896	\$57,016,922	\$17,495,733	\$65,610,000	\$11,403,384	\$258,776,919
Total	\$375,191,654	\$31,980,000	\$61,892,369	\$256,565,198	\$87,478,667	\$328,050,000	\$42,323,510	\$1,183,481,397

State Revolving Fund Loan Process

The SRF financing process can take up to two years, depending on the community and project, from the initial project proposal to funding being disbursed. MassDEP staff will provide assistance to the community from application submission to project completion.



CONTACTS

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Massachusetts Department of Environmental Protection

<https://www.mass.gov/state-revolving-fund-srf-loan-program>

Massachusetts Clean Water Trust:

<https://www.mass.gov/orgs/the-massachusetts-clean-water-trust>