

**State of Maine**  
**Department of Health and Human**  
**Services**  
**Drinking Water Program**  
**&**  
**Maine Municipal Bond Bank**



**Drinking Water State Revolving Fund**

# Drinking Water State Revolving Fund (DWSRF)

- Created by the 1996 amendments of the Safe Drinking Water Act
- To assist eligible water systems in financing the cost of infrastructure improvements
- Approx. \$8.3 million per year from EPA
- Requires state match of 20% of the annual DWSRF grant

# Loan Types

- Standard Loans – 20 years, 2 percentage point below MMBB market rate
- Disadvantage Loans – up to 30 years, with interest rates as low as 0%. Can include principal forgiveness (grant) for up to 45% (some systems may be eligible for 75%) of the loan.
  - Maximum of 30% of the \$8.3 million DWSRF grant

# Disadvantaged Loans

- Maximum Water Rate Goal (MWRG)
- $MWRG = \text{Local MHI} \times (1.5 \text{ or } 1.3\%)$ 
  - Use 1.3% if  $MHI < \$28,142$
  - Use 1.5% if  $MHI > \$28,142$  but  $< \$35,178$
- Grant is prioritized based upon the project's position in the Primary Project List.

# Managing the Growth of the DWSRF

Increasing the  
size of the  
DWSRF



VS.

Subsidizing  
needy  
communities

# The Need

- EPA 2003 Needs Survey
- Maine's 20 year Need - \$831 million
- Does not include
  - Projects for expansion, fire protection, recently promulgated or future drinking water rules.
- Maine's DWSRF – Annual need always exceeds available funds

# Contact Information

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