



# Loans from the Massachusetts State Revolving Fund

The Massachusetts State Revolving Fund (SRF) is a federal-state partnership that provides below-market-rate financing to assist municipalities in complying with federal and state water quality requirements. The SRF Program is jointly administered by the Department of Environmental Protection (MassDEP) and the Massachusetts Clean Water Trust. The State Revolving Fund has two programs: **Clean Water** and **Drinking Water**, each established by Congress, with its individual priorities and requirements.

Every summer, MassDEP solicits projects from Massachusetts municipalities, public water suppliers and wastewater districts to be considered for these subsidized SRF loans. The current standard subsidy is provided via a 2% interest, twenty-year loan, but there are opportunities for some projects to receive 30 year loans, or lower interest rates. The SRF Program continues to emphasize public health and drinking water needs and watershed management priorities. A major goal is to provide incentives to communities to undertake projects with meaningful water quality and public health benefits and which address the needs of the communities and the watersheds.

## Clean Water SRF Loans

Financial assistance is available for the following:

- planning and construction of projects, including CSO mitigation,
- New wastewater treatment facilities and upgrades of existing facilities
- Infiltration/inflow correction
- Green infrastructure

- Wastewater collection systems, and
- Nonpoint source pollution abatement projects, such as landfill capping,
- Community programs for upgrading septic systems (Title 5),
- Brownfield remediation,
- Pollution prevention, and
- Stormwater remediation.
- In addition, non-structural projects are eligible for SRF funding; e.g., planning projects for nonpoint source problems which are consistent with the MassDEP's Nonpoint Source Management Plan and that identify pollution sources and suggest potential remediation strategies.

## Drinking Water Loans

Financial assistance is available for the following:

- Construction of drinking water projects, including water treatment facilities that protect public health and strengthen compliance with federal and state drinking water regulations.
- Projects to replace contaminated sources, new water treatment, or storage facilities;
- Consolidation or restructuring of water systems;
- Projects and system activities that provide treatment, or effective alternatives to treatment, for compliance with regulated health standards, such as the Surface Water Treatment Rule; and
- Installation or replacement of transmission or distribution systems.

## Intended Use Plan

After evaluating the project requests submitted in response to the annual solicitation, MassDEP develops a list of projects eligible to receive financial assistance. From this annual list, and on the basis of projects' readiness to proceed and priority rating, MassDEP assigns

projects to a fundable list, the Intended Use Plan Project Listing (IUP). Projects on the IUP are eligible to apply for financing in the coming year, with the total cost of all projects on the IUP not to exceed the amount of funding available for that year. To qualify for placement on the IUP, a project must have a high enough ranking, have received a local funding appropriation, or be scheduled for funding appropriation by June 30 of the coming year, and the applicant must be able to file a complete loan application no later than October 15 of the coming year.

## **Additional Information**

Contact the program at 617-292-5500; visit MassDEP's State Revolving Fund site at:

<http://www.mass.gov/eea/agencies/massdep/water/grants/state-revolving-fund.html>

Or use this friendly link to find out who to call in your town:

<http://mass.gov/dep/muni-call>