

NATIONAL WATER REUSE ACTION PLAN

COMPLETED ACTION



Action 6.2A Communicate Eligibility of Water Reuse in SRF Programs

Background

EPA provides annual grants to all 50 states and Puerto Rico to capitalize their state-managed Drinking Water and Clean Water State Revolving Fund (SRF) programs. The states use the SRF programs to provide low-interest loans and other financial assistance to communities for a wide range of drinking water (DWSRF) and wastewater infrastructure (CWSRF) projects. Both CWSRF and DWSRF funds can be used to support water reuse projects based on the specific eligibilities of each program. States establish project selection criteria, based on statutory requirements, and have discretion in setting funding priorities for their programs, including water reuse projects. States can also offer incentives to encourage the development of reuse projects to utilize the SRF programs.

This action clarified the extent of the eligibility of water reuse projects by evaluating how the individual state SRF programs support reuse projects. Products from this action clarified eligibility for the full range of water reuse applications and identified case studies of successful projects.

Accomplishments/Impact

- A [matrix](#) was developed of five major sources of water for potential reuse and end use applications to identify those that are eligible for SRF funding. This matrix demonstrates the types of reuse projects that can be funded by either the Clean Water or the Drinking Water SRF programs.
- In June 2020, information was compiled and published on financial assistance provided from the CWSRF program to communities for water reuse. Through 2019, \$138 billion was awarded to communities for different water reuse projects. This [document](#) also identified specific projects and demonstrates the level of support that has been provided for reuse projects in each state.
- A [best practices guide](#) was published in 2021 detailing specific policies and practices used by state CWSRF programs to support water reuse. This includes project priority setting criteria, financial incentives, and other policies that states have used to encourage the adoption of water reuse. States looking to financially support water reuse can look to the experiences of other states for successful practices to adopt.
- The Action Team published a factsheet to [describe water reuse eligibility under the DWSRF](#) and separate factsheets to describe funding drought resiliency projects with the [CWSRF](#) and the [DWSRF](#). These factsheets improve the understanding and awareness of water reuse opportunities through each SRF program and enhance opportunities for funding water reuse projects.

Action Team

Action Leaders

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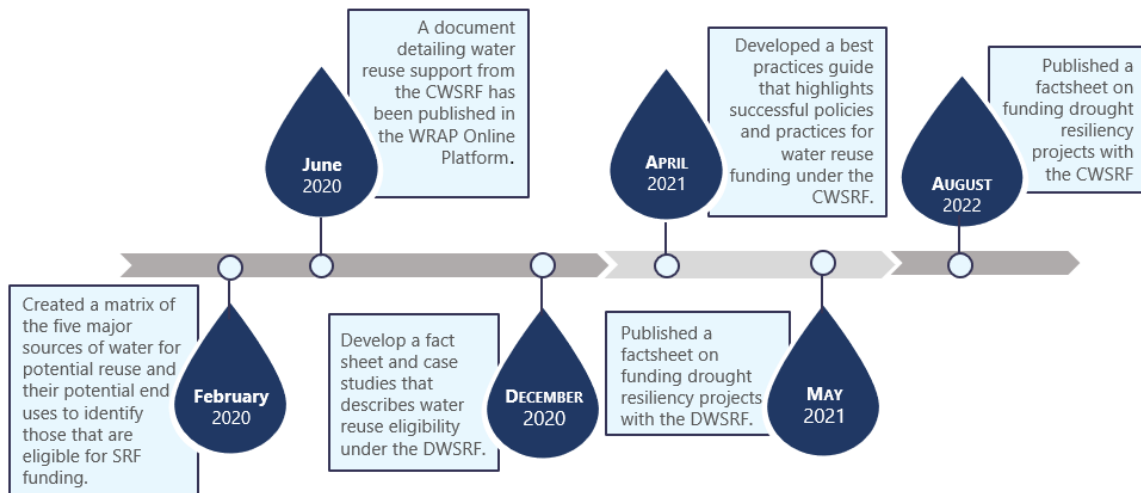
Action Partners

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Lessons Learned

Through the implementation of this action, it became clear there is great variety in how each state SRF program is designed and operated. This is largely due to the unique priorities of each state and the differences in state laws and agencies. However, these differences can foster creative solutions to the unique water issues facing each state, and several states have clearly identified water reuse as a key solution to alleviating some of those issues. As states continue to seek solutions to climate change concerns, such as drought, they can look at the experiences that some states have had with reuse to develop creative solutions tailored to their needs.

Action Implementation Process



Potential Future Activity

As SRF programs continue to innovate and consider reuse, the EPA Water Reuse Program will be available to provide technical assistance and support for new solutions to water quality and quantity issues, especially through the continued implementation of the [Bipartisan Infrastructure Law](#). In addition, there is a [website](#) that includes different federal water reuse infrastructure funding programs that can be updated as new programs are identified. We will also continue to collaborate with other federal agencies. For example, [WRAP action 2.14](#) with FEMA seeks to provide clarification regarding the eligibility of water reuse in FEMA’s hazard mitigation programs.

Additional Resources

- A matrix of sources and potential uses can be found [here](#).
- The document on Financial Support for Water Reuse from the CWSRF can be found [here](#).
- The report “Integrating Water Reuse into the Clean Water State Revolving Fund” can be found [here](#).
- A factsheet on addressing water reuse with the DWSRF can be found [here](#).
- The factsheet on funding drought resiliency projects with the CWSRF and highlighting successful projects can be found [here](#) and a factsheet for the DWSRF can be found [here](#).