



OFFICE OF GROUND WATER AND DRINKING WATER

WASHINGTON, D.C. 20460

September 24, 2025

MEMORANDUM

SUBJECT: Implementation of the 2025 American Relief Act Disaster Supplemental Appropriation for Safe Drinking Water Act Section 1442(b) for Hurricanes Helene and Milton

FROM: Jennifer L. McLain, Director

TO: Water Division Directors
Regions III, IV

I. BACKGROUND

On December 21, 2024, the American Relief Act, 2025, P.L. 118-158, ("the Act") became law. The Act appropriates \$60 million in disaster relief supplemental funding to the U.S. Environmental Protection Agency (EPA), for necessary expenses to address water emergencies in EPA Regions 3 and 4 impacted by Hurricanes Helene and Milton.¹ This funding was appropriated as Safe Drinking Water Act (SDWA) Section 1442(b) funding or clean water emergency funding.² Funds will be provided to appropriate recipients, as determined by EPA, to respond to and alleviate emergency situations affecting water systems in states or Tribes in EPA Regions 3 and 4 impacted by Hurricanes Helene and Milton; namely Florida, Georgia, North Carolina, South Carolina, Tennessee, and Virginia, for projects and activities necessary for preventing, limiting, or mitigating an emergency situation. The term "state" will be used throughout this document to include only the named states.

¹ The funding provision is in Division B, Title VII of the Act.

² The appropriation in the American Relief Act provided funding "for necessary expenses to address water emergencies under...section 504(a) of the Federal Water Pollution Control Act (33 U.S.C. 1364)...including other necessary actions and for providing technical assistance and grants to address such water emergency." See the American Relief Act, P.L. 118-158 (Dec. 21, 2024). Therefore, the EPA will refer to this funding as "clean water emergency funding" or "funding for clean water emergencies."

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This memorandum describes how EPA will award and administer the 2025 ARA disaster supplemental funding under the ***Response to Emergency Situations Affecting Public Water Systems (SDWA1442(b))*** Grant Program, Assistance Listing 66.489. Funding appropriated for clean water emergency funding will be discussed under a separate implementation document. The Act gives EPA the authority to retain up to \$1 million of the funds from this appropriation for management and oversight. Nothing in this document is meant to conflict with or supersede the statute, 2025 American Relief Act, Office of Management and Budget Guidance, or EPA regulations, policy, or grant terms and conditions.

Impacted systems may apply for funding directly through their state or other identified appropriate recipient. Local leaders should direct questions about applications and state program eligibilities to their state drinking water managers.

II. APPLICATION PACKAGE AND SUBMISSION INFORMATION

Applicants must apply to the EPA for a SDWA1442(b) grant. The EPA Regional offices are the primary points of contact to approve workplans, process grant applications and award funding.

Application package: The application package must include the following forms:

Standard Form (SF) 424, Application for Federal Assistance

Standard Form (SF) 424A, Budget Information for Non-Construction Programs

EPA Form 5700-54, Key Contacts Form

EPA Form 4700-4, Pre-award Compliance Review

Project Narrative Attachment Form

Applicants should note there is additional guidance available through the Office of Grants and Debarment that formalizes the definition and categorization of construction costs listed in an applicant's budget for all EPA financial assistance programs. The associated documentation and guidance can be found on the EPA's Office of Grants and Debarment under [Interim General Budget Development Guidance for Applicants and Recipients of EPA Financial Assistance](#).

Optional Submissions: **Negotiated indirect cost rate agreement** (as applicable)

Submission Instructions: Application packages must be submitted by deadline set by the EPA Region. EPA Regions will communicate to appropriate recipient the instructions for submitting applications through Grants.gov (www.grants.gov), including how to access the opportunity. Funding Opportunity Number: EPA-OW-OGWDW-5, Assistance Listing 66.489, Opportunity Package ID PKG00278674.

Because this is a non-competitive program, use [this grants.gov webpage](#), scroll to the middle of the page, and click the red "Search for Opportunity Package" button. Type in the funding opportunity number "EPA-OW-OGWDW-5" at the prompt to pull up the opportunity on grants.gov.

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To accelerate grant awards, EPA will allow the appropriate recipients to apply for conditional and partial awards based on draft workplans. With conditional awards, if the appropriate recipient and Region have completed negotiations for part of the workplan, the Region may conditionally approve the workplan and obligate the full amount of the award placing appropriate drawdown/payment restrictions for the portion of the workplan not yet approved. This does not prohibit work from beginning on approved activities. All activities must meet state and federal requirements for this appropriation.

III. ELIGIBILITY PROVISIONS

A. **Funding Amount:** Under ARA, Congress appropriated \$60 million to SDWA 1442(b) and provided clean water funding to respond to water emergencies in eligible states in EPA Regions 3, and 4.

“\$60,000,000, to remain available until expended, for necessary expenses to address water emergencies under section 1442(b) of the Safe Drinking Water Act (42 U.S.C. 300j–1(b)) or section 504(a) of the Federal Water Pollution Control Act (33 U.S.C. 1364)) in States or territories in EPA Regions 3 and 4 impacted by Hurricanes Helene and Milton.”

As authorized by the Act, EPA will retain \$1 million of this appropriation for management and oversight. An additional \$9 million will be reserved by EPA to provide technical assistance directly to the impacted states and systems on a first-come, first-served basis. Technical assistance is available to all six (6) eligible states and tribes (more detail on this technical assistance can be found in Attachment 5). \$14 million of the total \$60 million will be made available for responding to drinking water emergencies under SDWA1442(b). The remaining \$36 million will be made available for responding to clean water emergencies and detailed in a separate implementation document.

There is no cost share requirement for the SDWA 1442(b) grant program.

- I. **Eligible Applicants and Beneficiaries:** Consistent with the ARA appropriation, which authorizes the EPA to determine how funds are allocated, the EPA determined the funds will be allocated in proportion to state needs. From January to April 2025, EPA worked with state drinking water program managers, and other state representatives, to identify state specific needs. States in EPA Regions 3 and 4 impacted by Hurricanes Helene and Milton include: Florida, Georgia, North Carolina, South Carolina, Tennessee, and Virginia. Eligible applicants under SDWA 1442(b) include the impacted states and appropriate recipients to assist in responding to an emergency situation affecting a water system as identified by EPA in consultation with the states.

Funds will be awarded based on need as seen in the established allocations (see **ATTACHMENT 1: [SDWA1442\(b\) and CWA 504\(a\) ARA Allotments](#)**).

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EPA will coordinate with the states and appropriate recipients (i.e., eligible applicants) on next steps. Applicants will develop workplans that focus on providing assistance to water systems that were impacted by Hurricanes Helene and/or Milton. Private and public water systems including but not limited to, existing privately- and publicly-owned community and non-community water systems including systems utilizing point of entry or residential central treatment, and decentralized systems or communities with individual private wells, are eligible. The EPA may consider appropriate recipients, such as non-profit organizations that support services in rural communities, that are, or would aid, impacted system(s) in performing activities necessary to respond to and alleviate an emergency situation. The appropriate recipient must have legal and administrative authority to enter into a grant or cooperative agreement with the EPA. If an eligible applicant does not intend to request or accept the funding allocation, the eligible applicant should indicate through correspondence this intention not to receive the funding within sixty (60) days of receipt of this memo. Statements designating an alternative appropriate recipient and/or an intention not to request or accept the funding allocation can be sent via email to sdwa1442bgrants@epa.gov. Appropriate recipients that intend to apply for funding are encouraged to begin working with the appropriate EPA Regional Office as soon as possible. Funds intended to be allocated to a state that chooses not to participate may be reallocated to participating states.

- B. Eligible Use of Funds:** For a project or activity to be eligible for funding under the SDWA1442(b) grant program, the primary purpose must be to assist in responding to and alleviating an emergency situation at drinking water system(s) impacted by Hurricanes Helene and Milton. Activities should prevent, limit, or mitigate an emergency situation. To the extent there are sufficient projects, appropriate recipients should prioritize projects based on the following:
1. Projects that address aiding systems that have current operations and maintenance or emergency repair needs with no source of alternate funding (such as Federal Emergency Management Agency disaster assistance or the Drinking Water State Revolving Fund).
 2. Projects and response/recovery efforts completed immediately following the emergency, leaving systems with critical financial needs, that cannot be addressed with other funding sources (such as Federal Emergency Management Agency disaster assistance or the Drinking Water State Revolving Fund).
 3. Other projects that focus on assisting in responding to and alleviating an emergency situation, as applicable.

See an example list of eligible activities in [ATTACHMENT 2](#).

IV. SCOPE OF WORK (WORKPLAN)

When requesting funds under the SDWA 1442(b) grant program, appropriate recipients must submit a workplan detailing the intended use of funds. A draft workplan should be submitted to the appropriate EPA Region for review prior to submitting the final workplan. Applicants are encouraged to consider a phased approach to identifying, planning, and implementation of eligible projects, particularly to ensure that *all* eligible systems are evaluated for eligible work and that lack of previous evaluation does not place otherwise eligible systems at a disadvantage. Applicants may include their reasonable program administration costs, which must be clearly identified and supported. These reasonable costs may include costs incurred by other state programs that support the drinking water program in these efforts, such as community engagement, hazardous waste management and cleanup programs (see [AWARD ADMINISTRATION INFORMATION](#), Funding to Other State Agencies).

Applicants should consider the following parameters when developing the scope of work:

- II. **Project and Budget Period:** It is anticipated that project/budget periods will be no more than one year. The EPA can modify workplans, adjust budgets, and extend the period of performance for grants to address impacts or delays, consistent with applicable law relating to the availability of appropriations or otherwise, [2 CFR 200.308](#), and the [General Terms and Conditions](#) for recipients if necessary.
- A. **Eligible Activities:** The applicant should provide sufficient detail in the workplan to support the prioritization of the systems with the greatest needs. Applicants are to describe the proposed project and associated eligible activities such as planning, design, operations and maintenance, staffing, training, equipment, and emergency repairs. Applicants will work with the EPA Regional staff to determine the activities to be funded, provide sufficient detail in the workplan as to how that determination was made and develop the timeline for each phase of the project through completion.

The EPA recognizes that applicants' needs vary and is presenting this process to provide a general outline of the steps to be followed for application submissions. Each appropriate recipient will submit a draft workplan to its respective EPA Region. The EPA Region will work with the applicant to ensure that the draft workplan: (1) includes projects that respond to and alleviate emergency situations affecting water systems impacted by Hurricanes Helene and Milton and are necessary for preventing, limiting, or mitigating the emergency situation; (2) is designed to help achieve the goals and objectives of the grant program; (3) includes costs that are eligible, reasonable, necessary, allowable, and consistent with the grant program; (4) includes a justification and request for any waivers or emergency exclusions for applicable provisions that the applicant wishes to utilize; and (5) clearly identifies the specific outcomes,

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outputs, and other results that are linked to funding and includes target dates and milestones for achieving them.

- B. **Reporting metrics:** The main goal of this SDWA 1442(b) grant funding is for projects and activities that alleviate emergency situations, caused by Hurricanes Helene and Milton, at private or public water systems. For the purposes of this Program, the following indicators will be used and must be reported to EPA, including:
- Number of systems evaluated for critical needs.
 - Number of projects or activities to respond to and alleviate emergency situations.
 - Number, location, and population served for impacted systems where projects or activities are taking place.

- C. **Grant Programmatic Priorities:** The principal objective of the program is to enable water systems to respond to and alleviate emergencies by preventing, limiting, or mitigating an emergency situation resulting from Hurricanes Helene and Milton.

- D. **EPA Priorities and Anticipated Outputs and Outcomes:** The activities to be funded must support the EPA's priorities of protecting human health and the environment, including access to clean water for every American. The EPA requires that workplans adequately describe environmental outputs and outcomes to be achieved under assistance agreements:

Applicants must explain in their workplan how their projects will further EPA priorities. Applicants may address these priorities by describing the overall process for providing technical assistance, project review and ranking, and making funding decisions. An applicant may request technical assistance from the EPA to develop processes and technical assistance offerings in a manner that supports these priorities.

Applicants must also include specific statements describing the expected public health and/or environmental results of proposed activities in terms of well-defined outputs and, to the maximum extent practicable, well-defined outcomes that will demonstrate how activities will contribute to program priorities. These should include target dates and milestones.

- E. **Outputs:** The term "output" means an environmental activity, effort, and/or associated work product related to an environmental goal and objective that will be produced or provided over a period of time or by a specified date. Outputs may be quantitative or qualitative but must be measurable during an assistance agreement funding period. Expected outputs from the activities to be funded under this announcement may include, but are not limited to, the following:

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- Number of systems identified for action to address Hurricane Helene/Milton impacts.
- Number of projects to address Hurricane Helene/Milton impacts.
- Number of preliminary engineering reports and/or disaster assessments conducted, and the population served by the systems for which they are prepared.
- Number of water systems provided technical assistance, and the population served.
- Number of emergency repairs completed.
- Number of operations and maintenance tasks completed.
- Number of systems brought into compliance with national safe drinking water regulations.
- Number of operators, or other appropriate staff, trained, consulted, and/or hired.
- Number of plans designed, and the population served by the systems for which they are prepared.
- Number of public outreach and engagement resources created and meetings/workshops conducted.

F. **Outcomes:** The term “outcome” means the result, effect, or consequence that will occur from carrying out an environmental program or activity that is related to an environmental or programmatic goal or objective. Outcomes may be qualitative and environmental, behavioral, health-related, or programmatic in nature, but must also be quantitative. Outcomes may not necessarily be achievable within an assistance agreement funding period.

Expected outcomes from the activities to be funded under this announcement may include, but are not limited to, the following:

- Facilities returned to conditions that allow water systems to feasibly sustain their operations.
- Reduction in the number of water systems that face real or potential public health threats as a result of Hurricane Helene/Milton impacts.
- Increased technical, managerial, and financial capacity of water systems and the population served.

For the purposes of reporting, the outputs and outcomes will be used to identify the performance reporting measures. A regular, frequent reporting and monitoring schedule is to ensure that intended community impact and milestone information will be added no less than annually to reporting required through the terms and conditions of the grant award.

G. **Expeditious Commitments and Expenditures:** Funds must be committed and expended in an expeditious and timely manner, consistent with law, regulation, and guidance, including the

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[Uniform Grant Guidance](#) (2 CFR Part 200). Recipients must make commitments to proceed with workplan activities expeditiously upon receiving the award. Recipients must draw down (expend) funds in a timely manner and continue to demonstrate progress in accordance with the milestone schedule for the implementation and completion of projects.

V. APPLICANT ACTIVITIES SELECTION

The EPA recognizes that all states are different and is presenting this process to provide a general outline of the steps to be followed for submissions.

Applicants are encouraged to submit a draft workplan with a list of communities and projects eligible for funding to their respective EPA Region. The EPA Regions must be able to determine from the draft workplans that activities conform to all applicable requirements of the SDWA 1442(b) grant program. The EPA Region will work with the applicant to ensure that the final workplan: (1) includes projects that respond to and alleviate emergency situations affecting water systems impacted by Hurricanes Helene and Milton and are necessary for preventing, limiting, or mitigating the emergency situation; (2) is designed to help achieve the goals and objectives of the grant program; (3) includes costs that are eligible, reasonable, necessary, allowable, and consistent with the grant program; (4) includes a justification and request for any waivers or emergency exclusions for applicable provisions that the applicant wishes to utilize; and (5) clearly identifies the specific outcomes, outputs, and other results that are linked to funding and includes target dates and milestones for achieving them.

Applicants, identified as the appropriate recipient, are strongly encouraged to begin their internal process as early as possible to identify the extent of need at systems impacted by Hurricanes Helene and Milton and to identify multiple potential projects. State health departments and rural water associations may be able to provide valuable information about critical needs for small/private systems. Applicants are also encouraged, when feasible, to discuss proposed activities with their EPA Region prior to submission of the draft workplan so that the subsequent submission can be reviewed and approved quickly. The EPA encourages applicants to submit draft workplans to the EPA Region as soon as possible if they believe that there are complexities to resolve (e.g., whether a proposed activity is legally fundable or meets mandatory criteria established by statute).

Prior to beginning the award process, the EPA Regions will discuss with each applicant a schedule to ensure timely award of the grant.

VI. AWARD ADMINISTRATION INFORMATION

- A. **Regulatory Requirements for Grant Assistance Agreements:** This award is subject to the regulations of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards; Title 2 CFR, [Parts 200](#) and [1500](#). A [searchable list of policies, regulations, and guidance](#) is available.

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- B. **Terms and Conditions:** [General administrative and programmatic terms and conditions](#) applicable to all of the EPA's assistance agreements are applicable to this program. The EPA Headquarters will provide the EPA Regions with an additional list of programmatic terms and conditions that will also be applicable to this program. The EPA Regions will ensure that all applicable terms and conditions are included in the grant agreements. The EPA Regions will ensure that all applicable terms and conditions are included in the grant agreements.
- C. **Funding to Subrecipients:** Funding may be used to provide subawards of financial assistance provided the recipient complies with applicable requirements for subawards including those contained in 2 CFR Part 200 and [EPA's Subaward Policy](#). Responses to frequently asked questions are available at [Subaward Policy Additional Resources](#).
- D. **Funding to Other State Agencies:** The EPA's general policy, based on the definitions of the terms in [2 CFR 200.1](#), including, "Non-federal entity," "Pass-through entity," "Recipient," and "State," is that the state itself is the legal entity that receives the funds even if one particular component of the state is named in the assistance agreement as the recipient. Transfers of funds between state agencies to perform a particular financial assistance agreement would, therefore, be governed by state law. Additionally, [2 CFR 200.417](#) "Interagency Services" contemplates situations in which one agency provides services to another agency within the same unit of government as a direct cost of performing EPA assistance agreement.

If utilizing interagency service agreements between state agencies under 2 CFR §200.417, the expenditures the state agency makes to carry out the Interagency Service Agreement should be shown in the corresponding direct cost categories (Personnel, Travel, Contractual etc.). If state law characterizes agreements under which one state agency provides services to another state agency as a procurement contract, then the costs would be placed in the contractual category. In interagency service situations, 2 CFR 200.417 provides the state may charge a pro-rated share of indirect costs for the service, or 10% of the "...direct salary and wage cost of providing the service (excluding overtime, shift premiums, and fringe benefits) may be used in lieu of determining the actual indirect costs of the service." Centralized services included in central service cost allocation plans subject to [2 CFR Part 200, Appendix V](#) are accounted for separately.

There may be situations in which state law provides that state agencies or instrumentalities are legally separate for the purposes of financial transactions between them or when state financial management policies for Federal assistance agreements require separate instruments for accounting purposes (e.g. due to differences in indirect cost rates). In those situations, a state may characterize appropriate funding transfers as subawards. Note, however, that if one state agency provides a subaward to another state agency, the state agency acting as the passthrough entity must comply with applicable provisions of 2 CFR Part 200 (including [2 CFR 200.332](#)), the National Term and Condition for Subawards in the [EPA's General Terms and Conditions](#), and the EPA Subaward Policy unless EPA provides an exception. The aggregate cost estimates for

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subawards to other state agencies or instrumentalities should be included as line items in the “Other” budget category.

- E. **Procurements:** When procuring property and services under a Federal award, a state must follow the same policies and procedures it uses for procurements from its non-Federal funds, as described in 2 CFR 200.317. The state will comply with [2 CFR 200.323](#) Procurement of Recovered Materials and ensure that every purchase order or other contract includes any clauses required by section [2 CFR 200.327](#) Contract provisions, as described in [Appendix II of 2 CFR Part 200](#). All other non-Federal entities, including subrecipients of a state (other than another state agency), will follow all of the Procurement Standards described in [2 CFR 200.318-200.327](#). See also [EPA’s Best Practice Guide for Procuring Services, Supplies, and Equipment under EPA Assistance Agreements](#). Per [2 CFR 200.320\(c\)\(3\)](#), non-competitive procurement may be used if the public exigency or emergency for the requirement will not permit a delay resulting from publicizing a competitive solicitation. At the request of the applicant with proper justification, award officials will make case-by-case project specific decisions on the applicability of [2 CFR 200.320 \(c\)\(3\)](#).
- F. **Performance Partnership Grants:** Funds awarded under this program are not eligible for inclusion with the state’s Performance Partnership Grants.
- G. **Expenses Incurred Prior to the Project Period:** As described in [2 CFR 200.458](#) and as authorized by [2 CFR 200.308\(e\)\(1\)](#) and [2 CFR 1500.9](#), pre-award costs incurred prior to the effective date of the federal award or subaward that are directly pursuant to the negotiation and in anticipation of the Federal award, where such costs are necessary for the efficient and timely performance of the scope of work, are allowable to the extent that they meet all other eligibility requirements, with the written approval and requirements set forth by the EPA. Pre-award costs are generally acceptable for time periods within 90 days of the award date. The EPA defines pre-award costs as costs incurred prior to the award date, but on or after the start date of the budget period and period of performance as those terms are defined in [2 CFR 200.1](#). Under the EPA’s interpretation of 2 CFR 200.308(e)(1) and 2 CFR 1500.9 all eligible costs must be incurred during the budget/performance period as defined by the start and end date shown on the grant award to receive the EPA’s approval. This interpretation is implemented in a grant-specific Term and Condition entitled “Pre-award Costs” which must be included in all awards when the applicant has incurred the EPA’s approved costs prior to award. The EPA understands in order to prevent, limit or mitigate the emergency, eligible projects may have been completed immediately following the impact from Hurricane Helene or Milton. Funding for those projects would require the EPA’s approval for pre-award costs for periods greater than 90 days. If applicable, applicants should include the request and justification for pre-award costs greater than 90 days in their application, workplan and budget. The budget and performance period

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dates should be consistent with the request for pre-award costs. All costs incurred before the Federal awarding agency makes the Federal award are at the recipient's risk (*i.e.*, the Federal awarding agency is not required to reimburse such costs if for any reason the recipient does not receive a Federal award or if the Federal award is less than anticipated and inadequate to cover such costs).

- H. **Quality Assurance/Quality Control:** Activities that include the collection of environmental data, such as household water quality testing, will need to comply with the Quality Assurance/Quality Control requirements in [2 CFR 1500.12](#). Environmental data are any measurements or information that describe environmental processes, location, or conditions; ecological or health effects and consequences; or the performance of environmental technology. Applicants should allow sufficient time and resources for this process. The EPA can assist applicants in determining whether QA/QC is required for a proposed project and, if required, the appropriate QA/QC practices needed. Additional [information](#) on implementing quality assurance requirements is available: <https://www.epa.gov/grants/implementation-quality-assurance-requirements-organizations-receiving-epa-financial>
- I. **Application of Federal Cross-Cutting Authorities (Cross-Cutters):** A number of federal laws, executive orders, and government-wide policies apply by their own terms to projects and activities receiving federal financial assistance, regardless of whether the statute authorizing the assistance makes them applicable. Some cross-cutters may include statutory exclusions or exceptions for emergencies or statutory provisions that allow the applicant to request a waiver from specific requirements in the event of an emergency. All programs, projects, and activities for which an applicant provides assistance are subject to the following federal anti-discrimination laws: Civil Rights Act of 1964, as amended, 42 U.S.C. 2000d et seq.; section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794; and the Age Discrimination Act of 1975, as amended, 42 U.S.C. 6102. A recipient is responsible for ensuring that assistance recipients comply with the requirements of crosscutters, see [OTHER APPLICABLE PROVISIONS](#). See also [EPA Information on Subaward Cross-Cutter Requirements](#).
- J. **Participant Support Costs:** 2 CFR 200.456 requires participant support costs to be documented in a financial assistance recipient's or subrecipient's policies, and to be treated consistently across grants. The transfer of funds budgeted for participant support costs to other budget categories requires prior written approval from EPA (2 CFR 200.308(f)(5)). Recipients or subrecipients generally must exclude participant support costs from Modified Total Direct Costs (MTDC) for distribution of indirect costs. The Agency advises recipients, subrecipients, and program beneficiaries to consult with their tax advisers, the U.S. Internal Revenue Service, or State, Tribal, and/or local tax authorities regarding the taxability of participant support costs.

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- K. **Reporting Requirements:** Entities receiving assistance are required to provide annual performance progress reports, including grant fund reporting elements and summaries of the project activity and status of outputs during the reporting period. EPA will provide recipients with the criteria for reporting and the platform in which the reporting will be submitted. Recipients should coordinate with the EPA Regional offices on reporting elements after applications have been approved for awards. Reports must adhere to the Performance and Financial Monitoring and Reporting requirements as outlined in the Office of Management and Budget's Uniform Grant Guidance ([2 CFR Part 200](#)). The reporting period will be identified in the terms and conditions of the assistance agreements. Further, in accordance with [2 CFR 200.329](#), the recipient agrees to report on key project characteristics, milestones, and environmental/public health protection results in the following areas: 1) achievement of the outputs and outcomes established in the workplan; 2) the reasons for delays if established outputs or outcomes were not met; and 3) any additional pertinent information on environmental/public health results. Information provided in the reports helps monitor the recipient's progress with implementing their project and also directly supports the SDWA 1442(b) grant program by highlighting measurable accomplishments to the public and Congress.
- L. **Final Project Reports:** The final report must include: a summary of the project or activity, outputs and outcomes achieved, expenditures, lessons learned, and any other resources leveraged during the project and how they were used. The final report shall be submitted to the EPA, per 2 CFR 200.329 within 120 calendar days of the project/budget period end date.

Reporting requirements will be made available to grantees 45 days after grant award packages are complete. Reporting criteria may be subject to annual revisions.

VII. OTHER APPLICABLE PROVISIONS

- A. **Equivalency:** SDWA 1442(b) funds are federal funds. Projects funded through the SDWA 1442(b) program cannot be used to meet the equivalency requirements of other federal programs such as DWSRF.
- B. **Build America, Buy America:** The Build America, Buy America (BABA) Act requirements do not apply to the supplemental SDWA 1442(b) funding pursuant to the exception under section 70912(4)(B), which states that BABA does not apply to "expenditures for assistance authorized under section 402, 403, 404, 406, 408, or 502 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170a, 5170b, 16 5170c, 5172, 5174, or 5192) relating to a major disaster or emergency declared by the President under section 401 or 501, respectively, of such Act (42 U.S.C. 5170, 5191) or pre and post disaster or emergency response expenditures." Per OMB's BABA regulations at 2 CFR 184.8(b), "pre and post disaster or emergency response expenditures" consist of expenditures for financial assistance that are: (1) authorized by statutes other than the Stafford Act, 42 U.S.C. §§ 5121

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et seq., and (2) made in anticipation of or response to an event or events that qualify as an “emergency” or “major disaster” within the meaning of the Stafford Act, id. § 5122(1),(2)³.

- C. **Reporting:** Transparency and consistency are of the utmost importance to ensure that the funds are being used effectively and efficiently. Recipients will use EPA’s preferred data platform to report key project characteristics and milestone information no less than annually. Additional reporting may be required through the terms and conditions of the grant award.
- D. **Federal Funding Accountability and Transparency Act:** The Federal Funding Accountability and Transparency Act of 2010 (FFATA) requires SDWA 1442(b) programs to report on recipients that received federal dollars in the FFATA Subaward Reporting System ([SAM.gov/fhrs](https://www.sam.gov/fhrs)). FFATA reporting must exactly equal the capitalization grant amount.

E. **Federal Civil Rights Responsibilities, Including Title VI of the Civil Rights Act of 1964:**

Federal Civil Rights Responsibilities, Including Title VI of the Civil Rights Act of 1964: Title VI of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000d to 2000d-7 (Title VI), other federal nondiscrimination laws[1], and EPA’s implementing regulations at 40 C.F.R. Parts 5 and 7 prohibit discrimination on the basis of race, color, national origin, disability, sex, age, and intimidation and retaliation in the programs and activities of applicants for and recipients of federal financial assistance. EPA has a responsibility to ensure compliance with these federal nondiscrimination laws and regulations. All applicants for and recipients of EPA financial assistance have an affirmative obligation to comply with EPA’s implementing regulations under these laws, as do any subrecipients of the primary recipient, and any successor, assignee, or transferee of a recipient, but excluding the ultimate beneficiary of the financial assistance.

EPA’s nondiscrimination regulations in 40 C.F.R. Parts 5 and 7 also contain longstanding procedural requirements for both applicants for and recipients of EPA financial assistance.[2] These requirements include, as applicable, having a notice of nondiscrimination, having a nondiscrimination coordinator, adopting grievance procedures, and having a process for collecting and maintaining nondiscrimination compliance information. In addition, recipients’ public participation processes must also be implemented consistent with federal nondiscrimination laws.

³ The President issued an emergency declaration under the Stafford Act due to emergency conditions resulting from Tropical Storm/Hurricane Helene for the State of North Carolina on September 25, 2024, the State of Florida on September 28, 2024, the State of South Carolina on September 29, 2024, the State of Georgia on September 30, 2024, the Commonwealth of Virginia on October 1, 2024, and the State of Tennessee on October 2, 2024. The President issued an emergency declaration under the Stafford Act due to emergency conditions resulting from Hurricane Milton for the State of Florida on October 11, 2024, and for the Seminole Tribe of Florida on November 5, 2024.

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EPA intends to evaluate the implementation of this funding to ensure recipient compliance with the federal nondiscrimination laws referenced herein.

Accordingly, EPA expects the recipient to review its programs and activities to ensure compliance with its nondiscrimination obligations. If a recipient distributes EPA financial assistance to subrecipients or other entities, as a best practice, recipients should monitor federal civil rights compliance by those entities. For more information about the federal civil rights laws enforced by the EPA, including Title VI, please visit: <https://www.epa.gov/external-civil-rights/federal-civil-rights-laws-including-title-vi-and-epas-non-discrimination> and <https://www.epa.gov/external-civil-rights>.

[1] Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794; Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. §§ 1681 et seq.; Age Discrimination Act of 1975, 42 U.S.C. §§ 6101 et seq.; Federal Water Pollution Control Act Amendments of 1972, Pub. L. 92-500 § 13, 86 Stat. 903 (codified as amended at 33 U.S.C. § 1251 (1972)).

[2] See CFR §§ 5.135; 5.140; 7.80-7.100.

VIII. Additional cross-cutting federal authorities:

Environmental Authorities

Archeological and Historic Preservation Act, 16 U.S.C. 469 et seq
Clean Air Act, 42 U.S.C. 7401 et seq.
Clean Water Act, 33 U.S.C. 1251 et seq.
Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq.
Coastal Zone Management Act, 16 U.S.C. 1451 et seq.
Endangered Species Act, 16 U.S.C. 1531 et seq.
Flood Plain Management, Executive Order 11988, as amended by Executive Orders 12148
Protection of Wetlands, Executive Order 11990 as amended by Executive Order 12608
Farmland Protection Policy Act, 7 U.S.C. 4201 et seq.
Fish and Wildlife Coordination Act, 16 U.S.C. 661 et seq.
Magnuson-Stevens Fishery Conservation and Management Act, 16 U.S.C. 1801 et seq.
National Historic Preservation Act, 54 U.S.C. 300101 et seq.
Safe Drinking Water Act, 42 U.S.C. 300f et seq
Wild and Scenic Rivers Act, 16 U.S.C. 1271 et seq.

Economic and Miscellaneous Authorities

Debarment and Suspension, Executive Order 12549, 2 CFR part 180, 2 CFR part 1532

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Intergovernmental Review, Executive Order 12372, 40 CFR Part 29

Drug-Free Workplace Act, 41 U.S.C. 8101 et seq., 2 CFR part 1536

New Restrictions on Lobbying, 40 CFR Part 34

Prohibitions relating to violations of the Clean Water Act or Clean Air Act with respect to Federal contracts, grants, or loans under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, and Executive Order 11738

Uniform Relocation and Real Property Acquisition Policies Act, 42 U.S.C 4601 et seq., 40 CFR Part 4, 49 CFR Part 24

Civil Rights, Nondiscrimination, Equal Employment Opportunity Authorities

Age Discrimination Act, 42 U.S.C. 6102 et seq., 40 CFR part 7

Section 13 of the Clean Water Act, 33 U.S.C. 1251, 40 CFR part 7

Section 504 of the Rehabilitation Act, 29 U.S.C. 794, 40 CFR part 7

Title VI of the Civil Rights Act, 42 U.S.C. 2000d et seq., 40 CFR part 7

Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. §§ 1681 et. seq., 40 C.F.R. Part 5

Disadvantaged Business Enterprise Authorities

Participation by Disadvantaged Business Enterprises in Procurement Under Environmental Protection Agency (EPA) Financial Assistance Agreements. [Class exception](#) exists for specific requirements.

IX. Conclusion

Please provide this memorandum to the states and other identified appropriate recipients as soon as practicable to allow eligible applicants to identify needs and potential projects and ensure that the applicant is aware of the applicable statutory requirements before the grant is awarded. Additionally, continue discussions with appropriate recipients on their plans to implement the SDWA 1442(b) Grant Program.

You may contact us with questions or have your staff contact Ashley James at james.ashley@epa.gov.

ATTACHMENTS

1. SDWA 1442(b) and CWA 504(a) ARA Allotments
2. Example Projects Eligible Under SDWA 1442(b)
3. SDWA Section 1442(b)
4. Resources

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ATTACHMENT 1

Distribution of SDWA Section 1442(b) and CWA 504(a) Allotments as Appropriated by ARA Based on Appropriation of \$60,000,000			
State	SDWA 1442(b)	CWA 504(a)	Total
Florida	\$4,125,000	\$13,200,000	\$17,325,000
Georgia	\$2,750,000	\$3,300,000	\$6,050,000
North Carolina	\$4,125,000	\$16,500,000	\$20,625,000
South Carolina	\$1,000,000	\$1,000,000	\$2,000,000
Tennessee	\$1,000,000	\$1,000,000	\$2,000,000
Virginia	\$1,000,000	\$1,000,000	\$2,000,000
Total Funds Available \$50,000,000			
Reserved for EPA Administered Technical Assistance \$9,000,000			
National Administrative Set Aside \$1,000,000			
Total Appropriation \$60,000,000			

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ATTACHMENT 2

Example Projects Eligible under SDWA1442(b)

This list is not all inclusive. Critical needs and potential projects that prevent, limit or mitigate danger to public health should be discussed with Regional contacts.

1. Operations and maintenance (O&M) including staffing, contractual support, training, and equipment to perform various tasks including but not limited to:
 - a. Inspecting, cleaning and calibrating pumps, motors, controls, testing equipment, wells, chemical feed lines, storage tanks, etc.
 - b. Operating and repairing valves and hydrants.
 - c. Developing, reviewing and updating O&M manuals, checklists, and emergency response plans (see [Community Water System Emergency Response Plan Template](#)).
 - Assessing mutual aid and partnership options, redundancy, and interconnections with other systems.
 - d. Inventory and mapping of all facilities.
 - e. Developing and implementing sampling and monitoring plans.
 - f. Maintain and submit operating reports.
 - g. Other as applicable. See [EPA's Suggested Checklist for Public Water Supply System O&M](#).
2. Building technical managerial and financial (TMF) capacity. TMF capacity is necessary to achieve and maintain long-term sustainability and compliance with national safe drinking water regulations and may include the following categories:
 - a. Asset management
 - b. Capacity development
 - c. Communications
 - d. Training
 - e. Energy efficiency
 - f. Financing and water rates
 - g. Operator certification
 - h. Water efficiency and conservation
 - i. Water security
 - j. Water system partnerships
 - k. Other as applicable. See [Technical, Managerial, and Financial \(TMF\) Capacity Resources for Small Drinking Water Systems](#)
3. Debt relief – purchasing debt obligations.
 - a. Case specific information including the type of existing debt and justification of criticality should be shared.
4. Meeting the requirements of federal enforcement actions, including emergency administrative orders.
 - a. Case specific information about any enforcement actions and administrative orders should be shared.

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5. Establishing alternative sources of drinking water including but not limited to:
 - a. Contingency planning
 - b. Interconnections with neighboring utilities
 - c. Bulk water haulers
 - d. Purchasing bottled water supplied locally or regionally
 - e. Locally produced water via packaged pre-treated water or mobile treatment units
 - f. Other as applicable.
6. Making capital and managerial improvements as necessary, to return facilities to conditions in which water systems can feasibly sustain their operations; including planning, design and construction.
7. Technical assistance programs or projects that address any of the above.

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ATTACHMENT 3

42 U.S. Code § 300j-1 - Research, technical assistance, information, training of personnel

Section 1442 (b) Emergency situations

The Administrator is authorized to provide technical assistance and to make grants to States, or publicly owned water systems to assist in responding to and alleviating any emergency situation (including an emergency situation resulting from a cybersecurity event) affecting public water systems (including sources of water for such systems) which present substantial danger to the public health, including a threat to public health resulting from contaminants, such as, but not limited to, heightened exposure to lead in drinking water. Grants provided under this subsection shall be used only to support those actions which (i) are necessary for preventing, limiting or mitigating danger to the public health in such emergency situation and (ii) would not, in the judgement of the Administrator, be taken without such emergency assistance. The Administrator may carry out the program authorized under this subsection as part of, and in accordance with the terms and conditions of, any other program of assistance for environmental emergencies which the Administrator is authorized to carry out under any other provision of law. No limitation on appropriations for any such other program shall apply to amounts appropriated under this subsection.

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ATTACHMENT 4

Resources

Grants, procurement, and EPA contracts:

Grants Policy Resources. Includes searchable table of the latest resources that may be pertinent to your grant. Use the keyword search.

<https://www.epa.gov/grants/epa-grants-policy-resources>

Other Grant Policy references:

EPA Grants Policy Issuance 16-01 (Sub-awards Policy): <https://www.epa.gov/grants/grants-policy-issuance-gpi-16-01-epa-subaward-policy-epa-assistance-agreement-recipients>

Office of Grants and Debarment Guidance on Selected Items of Cost for Recipients:

<https://www.epa.gov/grants/rain-2018-g01-r>

Cost review template and guidance for project officers' grants:

Best Practice Guide for Procuring Services, Supplies, and Equipment Under Assistance Agreements:

<https://www.epa.gov/grants/best-practice-guide-procuring-services-supplies-and-equipment-under-epa-assistance-agreements>

Grants Management Training for Applicants and Recipients: <https://www.epa.gov/grants/epa-grants-management-training-applicants-and-recipients>

Participant Support Cost: <https://www.epa.gov/sites/default/files/2020-11/documents/epa-guidance-on-participant-support-costs.pdf>

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ATTACHMENT 5

EPA Technical Assistance

The U.S. Environmental Protection Agency (EPA) Water Technical Assistance (WaterTA) program offers free engineering services to help communities apply for federal drinking water and wastewater infrastructure funding. EPA is offering this no-cost, supplemental WaterTA service to help communities identify needs, conduct preliminary project planning analyses, and produce the engineering documents. With funding through the American Relief Act, 2025, EPA is expanding these services to support states and systems affected by Hurricanes Helene and Milton.

Example WaterTA Engineering Support Services:

- Identifying critical needs at impacted systems; developing disaster assessments and planning documents
- Development of technical materials required for funding applications, including Preliminary Engineering Reports (PERs) or Facilities Plans.
- Feasibility studies, project prioritizations, and environmental documentation
- Quick-turnaround preliminary cost estimates for funding applications
- Operator training and SOP development
- Assistance with applying for federal funding
- Assistance with operations planning

WaterTA Contact

Danusha Chandy

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The Agency's Water Technical Assistance services include our Strengthening Water Infrastructure for Tomorrow or SWIFT initiative. SWIFT increases the resilience of water, wastewater, and storm water utilities to natural disasters by providing direct technical assistance that focuses on risk-informed infrastructure planning, emergency preparedness, and investment.

SWIFT's technical assistance includes the following:

- Access to natural hazard data
- Help using simple and practical risk assessment tools
- Support in the identification of assets most at risk
- Guidance on choosing and applying strategies to reduce risk
- Information and advice on funding options to support these strategies

SWIFT Contact

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