



OFFICE OF WATER
WASHINGTON, D.C. 20460

April 27, 2026

MEMORANDUM

SUBJECT: Allocation of Federal Fiscal Year 2025 & 2026 Funding for the Sewer Overflow and Stormwater Reuse Municipal Grant Program

FROM: Raffael Stein, Director
Water Infrastructure Division
Office of Wastewater Management

TO: Regional Water Division Directors

Sewer Overflow and Stormwater Reuse Municipal Grant (OSG) [[33 U.S.C §1301](#)] funding for fiscal year (FY) 2025 is available with the passage of the *Full-Year Continuing and Appropriations and Extensions Act, 2025* (Public Law No: 119-4). Funding for FY 2026 is also available with the passage of the Commerce, Justice, Science; Energy and Water Development; and Interior and Environment Appropriations Act, 2026 (Public Law No: 119-74). This memorandum allocates FY 2025 and FY 2026 OSG program funding to EPA regions for the purpose of awarding grants to state entities. Regions should obligate funds to state entities for FY 2025 by September 30, 2026, and for FY 2026 by September 30, 2027, or the funds may be subject to Congressional rescission. Furthermore, funds that are not obligated under an interagency agreement or a direct grant may be awarded to another state in the region as determined by the Regional Administrator. At least 25 percent of each state grant must fund eligible projects in financially distressed communities and/or to communities with a population of 10,000 or less.¹ Furthermore, non-federal cost share requirements do not apply to portions of a grant that support financially distressed communities or communities with a population of 10,000 or less.²

¹ 33 U.S.C §1301(f)(2)(B)(ii)

² 33 U.S.C §1301(d)(2): To the maximum extent practicable, the Administrator shall work with States to prevent the non-Federal share requirements under this subsection from being passed on to rural communities and financially distressed communities (as those terms are defined in subsection (f)(2)(B)(i)).

The agency published the OSG allocation formula in the Federal Register (FR) on February 24, 2021 (Citation: 85 FR 47205) as directed under Sec. 221(g)(2) of the Clean Water Act (CWA). For the FY 2025 appropriation of \$41,000,000, and the FY 2026 appropriation of \$41,000,000, the agency exercised the authority listed in CWA sec. 221(h)(1) to retain up to one percent of the appropriation for administration costs. Table 1 lists the allocations for FY 2025 & FY 2026 OSG funding amounts for each state. Each state received a minimum of 0.50 percent of the amount made available to states after removing \$410,000 for FY 2025 and FY 2026 allotments for EPA administration costs.

Of note, the FY25 & FY26 OSG allocation uses the information provided in the latest Clean Watersheds Needs Survey published in April 2024. As outlined in the Appendix, this updated information has adjusted the state OSG allocation percentages in comparison to former years.

Table 1: Allocation Dollar Amounts for the FY 2025 & FY 2026 OSG Program

State Entity	FY25 Total Allotment	Percent of Total	FY26 Total Allotment	Percent of Total
Region 1	\$ 3,324,000		\$ 3,323,000	
Connecticut	\$ 768,000	1.89%	\$ 768,000	1.89%
Maine	\$ 234,000	0.58%	\$ 234,000	0.58%
Massachusetts	\$ 1,464,000	3.61%	\$ 1,463,000	3.60%
New Hampshire	\$ 324,000	0.80%	\$ 324,000	0.80%
Rhode Island	\$ 302,000	0.74%	\$ 302,000	0.74%
Vermont	\$ 232,000	0.57%	\$ 232,000	0.57%
Region 2	\$ 3,966,000		\$ 3,969,000	
New Jersey	\$ 1,256,000	3.09%	\$ 1,255,000	3.09%
New York	\$ 2,231,000	5.50%	\$ 2,232,000	5.50%
Puerto Rico	\$ 276,000	0.68%	\$ 279,000	0.69%
Virgin Islands	\$ 203,000	0.50%	\$ 203,000	0.50%
Region 3	\$ 7,416,000		\$ 7,415,000	
Delaware	\$ 203,000	0.50%	\$ 203,000	0.50%
District of Columbia	\$ 393,000	0.97%	\$ 391,000	0.96%
Maryland	\$ 725,000	1.79%	\$ 725,000	1.79%
Pennsylvania	\$ 1,365,000	3.36%	\$ 1,366,000	3.37%
Virginia	\$ 4,097,000	10.09%	\$ 4,097,000	10.09%

West Virginia	\$ 633,000	1.56%	\$ 633,000	1.56%
Region 4	\$ 6,567,000		\$ 6,563,000	
Alabama	\$ 439,000	1.08%	\$ 439,000	1.08%
Florida	\$ 2,409,000	5.93%	\$ 2,408,000	5.93%
Georgia	\$ 1,043,000	2.57%	\$ 1,041,000	2.56%
Kentucky	\$ 511,000	1.26%	\$ 511,000	1.26%
Mississippi	\$ 280,000	0.69%	\$ 280,000	0.69%
North Carolina	\$ 1,077,000	2.65%	\$ 1,077,000	2.65%
South Carolina	\$ 349,000	0.86%	\$ 348,000	0.86%
Tennessee	\$ 459,000	1.13%	\$ 459,000	1.13%
Region 5	\$ 4,753,000		\$ 4,752,000	
Illinois	\$ 871,000	2.15%	\$ 871,000	2.15%
Indiana	\$ 813,000	2.00%	\$ 813,000	2.00%
Michigan	\$ 1,210,000	2.98%	\$ 1,209,000	2.98%
Minnesota	\$ 345,000	0.85%	\$ 345,000	0.85%
Ohio	\$ 931,000	2.29%	\$ 931,000	2.29%
Wisconsin	\$ 583,000	1.44%	\$ 583,000	1.44%
Region 6	\$ 3,373,000		\$ 3,372,000	
Arkansas	\$ 419,000	1.03%	\$ 419,000	1.03%
Louisiana	\$ 613,000	1.51%	\$ 614,000	1.51%
New Mexico	\$ 325,000	0.80%	\$ 325,000	0.80%
Oklahoma	\$ 269,000	0.66%	\$ 268,000	0.66%
Texas	\$ 1,747,000	4.30%	\$ 1,746,000	4.30%
Region 7	\$ 1,677,000		\$ 1,674,000	
Iowa	\$ 442,000	1.09%	\$ 441,000	1.09%
Kansas	\$ 234,000	0.58%	\$ 233,000	0.57%
Missouri	\$ 797,000	1.96%	\$ 797,000	1.96%
Nebraska	\$ 204,000	0.50%	\$ 203,000	0.50%
Region 8	\$ 1,925,000		\$ 1,924,000	
Colorado	\$ 781,000	1.92%	\$ 780,000	1.92%
Montana	\$ 203,000	0.50%	\$ 203,000	0.50%
North Dakota	\$ 203,000	0.50%	\$ 203,000	0.50%
South Dakota	\$ 203,000	0.50%	\$ 203,000	0.50%
Utah	\$ 332,000	0.82%	\$ 332,000	0.82%

Wyoming	\$ 203,000	0.50%	\$ 203,000	0.50%
Region 9	\$ 5,666,000		\$ 5,674,000	
American Samoa	\$ 399,000	0.98%	\$ 401,000	0.99%
Arizona	\$ 415,000	1.02%	\$ 414,000	1.02%
California	\$ 3,834,000	9.45%	\$ 3,834,000	9.45%
Guam	\$ 281,000	0.69%	\$ 283,000	0.70%
Hawaii	\$ 238,000	0.59%	\$ 241,000	0.59%
Nevada	\$ 203,000	0.50%	\$ 204,000	0.50%
Northern Marianas	\$ 296,000	0.73%	\$ 297,000	0.73%
Region 10	\$ 1,923,000		\$ 1,924,000	
Alaska	\$ 203,000	0.50%	\$ 204,000	0.50%
Idaho	\$ 203,000	0.50%	\$ 203,000	0.50%
Oregon	\$ 572,000	1.41%	\$ 572,000	1.41%
Washington	\$ 945,000	2.33%	\$ 945,000	2.33%
Total	\$ 40,590,000	100.00%	\$ 40,590,000	100.00%

If you have questions concerning the contents of this memorandum or about the OSG program, you may contact OSG@epa.gov or visit www.epa.gov/cwsrf/sewer-overflow-and-stormwater-reuse-municipal-grants-program.

APPENDIX A: OSG Allotment Formula for Federal Fiscal Year 2025 & 2026

Methodology and Data Sources

After notice and comment, EPA adopted the following methodology to allocate funds appropriated for the program (see 85 FR 47205).

1. Reserve 1 percent of the federal appropriation for EPA’s administrative expenses per CWA section 221(h).
2. Allocate the remaining amount (federal appropriation minus EPA administrative set-aside) based on several factors to characterize the “need allocation” of each state. In addition to the most recent CWNS, EPA chose additional objective factors to help characterize the infrastructure needs of each state, as permitted by CWA section 221(g)(2). These factors include total state population, urban population, and the 10-year annual average precipitation. EPA assigned weights to each of the factors in the allocation formula. The CWNS needs are weighted at 50 percent, and the additional factors were weighted evenly to collectively account for the remaining 50 percent. The combination of the following factors forms the need allocation for each state with data sources listed here:

- Clean Watersheds Needs Survey: The CWNS includes and documents identified capital investment needs for Sanitary Sewer Overflow Correction (Categories I-IV where states have shown a designated SSO need), Combined Sewer Overflow Correction (Category V), and Stormwater Management (Category VI). Information for this factor comes from the most recent published CWNS³.
- Annual Average Precipitation: The precipitation factor for each state is the annual average amount of precipitation collected from the past 10 years of data from the National Oceanographic and Atmospheric Association (NOAA) National Centers for Environmental Information: Statewide Time Series. This data will be updated annually to form a 10-year rolling average.⁴ Due to data limitations, alternative data sources are used for the following states:
 - District of Columbia: The past 10 years of data for annual average precipitation will be collected from the Washington Area from the Baltimore/Washington Forecast Office of NOAA. This is the most complete data set in the relevant timeframe and is considered the best available representation for the District of Columbia.⁵
 - Puerto Rico: The past 10 years of data for annual average precipitation will be collected from the San Juan Area, Ensenada, and Ciales weather stations from the San Juan Forecast Office of NOAA. These sources constitute the most

³ [2022 Clean Watersheds Need Survey Report to Congress, April 2024.](#)

⁴ [NOAA National Centers for Environmental information: Statewide Time Series, retrieved in August 2025 for FY25 figures, and retrieved in February 2026 for the FY26 figures](#)

⁵ [NOAA, Baltimore/Washington Forecast Office, Washington Area Data](#)

complete data set in the relevant timeframe and are considered the best available representation for Puerto Rico.⁶

- American Samoa: The past 10 years of data for annual average precipitation will be collected from the Pago Pago Area from the Pago Pago Forecast Office of NOAA. This is the most complete data set in the relevant timeframe and is considered the best available representation for American Samoa.⁷
 - Guam: The past 10 years of data for annual average precipitation will be collected from the Guam Area from the Tiyan Forecast Office of NOAA. This is the most complete data set in the relevant timeframe and is considered the best available representation for Guam.⁸
 - Northern Mariana Islands: The past 10 years of data for the annual average precipitation will be collected from the Guam Area from the Tiyan Forecast Office of NOAA. There are no available weather stations in the Northern Mariana Islands. However, the Northern Mariana Islands are covered by the Tiyan Forecast Office and Guam is located approximately 130 miles away. It has been determined that data from the Guam Area can be considered an acceptable surrogate for precipitation amounts in the Northern Mariana Islands.⁹
 - U.S. Virgin Islands: The past 10 years of data for the annual average precipitation will be collected from the Christiansted Airport and St. Thomas weather stations from the San Juan Forecast Office of NOAA. These sources constitute the most complete data set in the relevant timeframe and are considered the best available representation for the U.S. Virgin Islands.¹⁰
- Total Population: Data for the total population factor is obtained from the published U.S. Census Bureau decennial 2020 census.
 - The states, the District of Columbia, and Puerto Rico population data comes from the 2020 Census Resident Population for the 50 States, the District of Columbia, and Puerto Rico.¹¹
 - American Samoa, Guam, Northern Mariana Islands, and U.S. Virgin Islands population data comes from the U.S. Census Bureau Island Area Tables.¹²

⁶ [NOAA, San Juan Forecast Office, San Juan Area and Ensenada, and Ciales Weather Station Data.](#)

⁷ [NOAA, Pago Pago Forecast Office, Pago Pago Area Data](#)

⁸ [NOAA, Tivan Forecast Office, Guam Area Data](#)

⁹ Ibid.

¹⁰ [NOAA, San Juan Forecast Office, Christiansted Airport and St. Thomas Weather Station Data](#)

¹¹ [U.S. Census Bureau, Resident Population for the 50 States, the District of Columbia, and Puerto Rico: 2020 Census](#)

¹² [U.S. Census Bureau, 2020 Island Areas Censuses](#)

- Urban Population: The urban population factor for each state entity will be based on the data from the 2020 U.S. Census Bureau decennial census as this is the most recent urban dataset available from the U.S. Census Bureau.¹³

¹³ [U.S. Census Bureau, Census Urban and Rural Classification and Urban Area Criteria](#),