

LDH's DWRLF Bipartisan Infrastructure Law (BIL) Funding

BIL includes \$50 billion to the Environmental Protection Agency (EPA) for drinking water and wastewater systems. These funds will be allocated through each state's existing State Revolving Fund (SRF) program, which includes LDH's Drinking Water Revolving Loan Fund (DWRLF). The drinking water allocated funds fall into three (3) categories: General Supplemental, Emerging Contaminants and Lead Service Line Replacement. LDH's DWRLF has the opportunity to apply and receive funding for each category annually over a period of five years. Below is LDH's current proposal for the funds (*Note: States are still waiting for more specific guidance from EPA which may change this proposal*).

General Supplemental Fund:

The eligibility requirements for these funds follows the same requirements and process as the annual capitalization grant. EPA has expressed that infrastructure projects for disadvantaged communities are priority. The funds have a mandated subsidy (principal forgiveness (PF)) of 49% and 51% low interest loan. The annual allotment for the General Supplemental Fund is \$26,874,000. LDH is proposing that eligible projects receive 49% subsidy (PF)/51% loan with a cap of \$3 million in PF. The total available PF per year is \$13,168,260 and \$13,705,740 available for loans. Also, capitalization grant loan funds could be used on a project. The interest rate for the loan portion of projects will remain at 2.45%. Eligible projects are projects that are normally considered eligible under the DWRLF program annual capitalization grant.

Examples include: •Distribution •Treatment • New or rehab to storage tanks • New or rehab WTP

Emerging Contaminants Supplemental Fund:

The emerging contaminants supplemental fund has a focus on the removal of perfluoroalkyl and polyfluoroalkyl (PFAs) and other emerging contaminants from drinking water. PFAs are long-lasting chemicals that have been widely used throughout different industries across the country and unfortunately have contaminated drinking water in some areas. LDH has done investigative monitoring throughout the State and did not find PFAs to be an issue in Louisiana's drinking water at this time. Since EPA broadened eligibility for use of these funds to include projects targeting the removal of any contaminants listed on the Contaminant Candidate Lists (CCL) 1 thru 5, LDH is proposing to use these funds on manganese removal projects. Manganese is problematic in Louisiana, and currently has a health advisory when levels of manganese are too high. All projects using this fund are eligible to receive 100% principal forgiveness. There is an available \$11,308,000 annually for these projects.

Examples include: •New source • Treatment (pressure filters) •Consolidation

Lead Service Line Replacement Supplemental Fund:

As part of EPA's "get the lead out" initiative, the BIL allocates funds for the purpose of removing lead service lines. Similar to the general supplemental fund, the mandated subsidy is 49% and the remaining 51% is low interest loan. However, LDH is proposing that the loan portion of the project total would have a zero percent interest rate (no administrative fee or interest). The annual allotment for the Lead Service Line Replacement supplemental is \$42,443,000. There is \$20,797,070 available in forgiveness and \$21,645,930 for loans. This allotment does not require a state match.

Examples include: •Complete removal of lead service lines •Taking lead service line inventories