



# State Revolving Fund Loan Programs **FACT SHEET**

## *Drinking Water, Wastewater, Nonpoint Source*

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### **What is the State Revolving Fund (SRF) Loan Program?**

The State Revolving Fund (SRF) Loan Program provides low-interest loans to Indiana communities for projects that improve wastewater and drinking water infrastructure. The Indiana Finance Authority administers this program that protects both public health and the environment. Recently, SRF has implemented a program to fund nonpoint source projects, as well.

### **Who is eligible?**

- Cities, towns, counties, regional sewer/water districts, conservancy districts and water authorities are eligible for wastewater, drinking water and nonpoint source SRF loans.
- Private and not-for-profit facilities are eligible only for drinking water SRF loans.

### **Where does the money come from?**

- The State applies to the U.S. Environmental Protection Agency (U.S. EPA) annually for capitalization grants to fund its SRF Programs. To increase available funds, the State leverages its U.S. EPA capitalization grants in the municipal bond market. These funds are combined with the U.S. EPA required state match and are then made available to Indiana communities in the form of low interest rate loans.

### **What types of projects are eligible for funding?**

Any project where there is an existing pollution abatement need is eligible for SRF funding.

**Wastewater** projects include:

- Treatment plant improvements and upgrades
- Sewer line extensions to existing unsewered properties,
- Combined sewer overflow corrections, and
- Infiltration/inflow projects.

**Drinking water** projects include:

- Treatment plant improvements and upgrades
- Water line extensions to existing unserved properties, and
- Water storage facilities.

**Nonpoint source** projects include:

- Wetland protection and restoration measures,
- On-site sewage disposal systems
- Best Management Practices for agriculture and stormwater runoff,
- Riparian Buffers and Conservation Easements, and
- Wellhead and Source Water Protection measures.

### **What types of projects are not eligible for funding?**

- Projects that are solely intended for economic development.
- Projects that are primarily for fire suppression.
- Stormwater projects that have no water quality benefits.

### **How does a community apply for an SRF loan?**

- An eligible entity can submit an application at any time to the SRF Program at 100 N. Senate Ave., Rm. 1275, Indianapolis, IN 46204
- Application forms are available on our Web site at <http://www.srf.in.gov>

### **What are the loan terms?**

- The SRF loan is a fixed rate, 20-year loan.
- Interest rates reset quarterly and are at or below 90% of the average 20-year AAA-rated, general obligation bond Municipal Market Data. Rates are further discounted based on the applicant's median household income (from current census data) and local user rates.

### **Where can I get more information about SRF loans?**

For more information about SRF program administration and the SRF Process, please contact the SRF Program Office at (317) 234-1279 or visit our Web page at <http://www.srf.in.gov>.