



# FDEP Bipartisan Infrastructure Law

## Florida's Water Infrastructure Investments

In November 2021, President Biden signed the [Bipartisan Infrastructure Bill](#) (BIL) which provides for significant federal investments in transportation, broadband, water, and other types of infrastructure. Specifically, the BIL will deliver more than \$50 billion to the Environmental Protection Agency (EPA) for [water infrastructure investments](#) to improve our nation's drinking water, wastewater, and stormwater infrastructure. In many programs, the increased funding will flow to states, tribes, and communities over five years, beginning in 2022.

### Florida's Allotment Details of the BIL

- Funding will be distributed through the [Florida Department of Environmental Protection's](#) (FDEP) [Division of Water Restoration Assistance](#) (DWRA) [State Revolving Fund](#) (SRF) low-interest loan programs.
- A portion of the BIL funding is required to be used for Principal Forgiveness in the SRF programs, in which a portion of the loan's principal can be forgiven or paid off by a companion grant for eligible borrowers (i.e. disadvantaged communities or small and disadvantaged communities).
- Some funding is dedicated towards specific subsets of the Clean Water SRF (CWSRF) and Drinking Water SRF (DWSRF) programs.
- These additional funding sources have not added new project eligibilities to either SRF program.
- Projects eligible to receive this new funding are currently eligible under the CWSRF and DWSRF rules.
- Projects to receive this supplemental funding must meet all laws and rules of the existing SRF programs.

**Florida's Year One BIL Funding Amounts** (more funding will be available per year, over five years total, but the amounts may be different each year)

- [Clean Water State Revolving Fund](#) for wastewater, stormwater, and other eligible water quality infrastructure projects - \$60.5 million (49% required Principal Forgiveness)
- Clean Water Emerging Contaminants – an additional \$3.1 million (100% required Principal Forgiveness)
- [Drinking Water State Revolving Fund](#) for drinking water infrastructure - \$70.6 million (49% required Principal Forgiveness)
- Drinking Water Emerging Contaminants – an additional \$29.6 million (100% required Principal Forgiveness)
- Drinking Water Lead Service Line Replacement – an additional \$111.3 million (49% required Principal Forgiveness)

For information and guidelines on how EPA will award and administer State Revolving Fund [Capitalization Grants](#) in the BIL, see the [Implementation of the Clean Water and Drinking Water State Revolving Fund Provisions of the Bipartisan Infrastructure EPA guidance memo](#).

### Timeline

- Summer 2022: FDEP's SRF programs have applied to EPA for CWSRF and DWSRF base and general supplemental funds.
- Ongoing: Projects are considered for funding each August, November, February and May, depending on funding, and the initial paperwork to be considered at FDEP's SRF [Priority List](#) meetings must be submitted 45 days in advance of those meetings.
- Quarterly: Projects with complete applications are ranked and placed on the FDEP SRF Priority List.
- Spring 2023 – Fall 2023: FDEP SRF programs plan on applying to EPA for the Clean Water and Drinking Water Emerging Contaminants funds as well as the Drinking Water Lead Service Line Replacement Fund, provided there are enough projects on the intended use plans for which to apply.

## Florida's CWSRF and DWSRF Basics

- The Florida Department of Environmental Protection's Division of Water Restoration Assistance administers the State Revolving Fund programs. The BIL funding mentioned above is going through the state's SRF programs and is subject to both federal and Florida's SRF laws and rules.
- The first step in the process for SRF funding, for the CWSRF or DWSRF, is to submit a Request for Inclusion form, which can be submitted any time during the year. That information will determine a project's eligibility for funding, including any principal forgiveness, and priority score which is then used for placement on the Priority List at the next quarterly public meeting (held the second Wednesdays of August, November, February and May). Projects are funded, in order of their priority score, until funds are exhausted. Once on the funding list, the process for applying for the loan may begin.
- The interest rate is determined using the Bond Buyer 20-Bond GO Index average market rate for the full weeks occurring during the three months in the preceding fiscal quarter and applying that average rate to a formula. For more specifics about each program go to the specific CWSRF or DWSRF webpages.
- There is no obligation to accept funding even after an application is submitted and a loan agreement is executed. It is recommended to apply early during the planning/conception phase of a project.
- Requests for inclusion, applications and other pertinent documents and forms for the SRF programs can be found here:
  - [CWSRF](#)
  - [DWSRF](#)
- Contact Florida's [SRF Team](#).

## CWSRF and DWSRF General Supplemental Funding

In addition to the base Capacity Grant:

- Federal focus on increased investment in Disadvantaged Communities via Environmental Justice. However, Florida's current rule structure already focuses its funding on small and disadvantaged communities through subsidized loans for planning, design and construction of water and wastewater infrastructure, as well as increase prioritization on the fundable list.
- At least 49% of the fund must be given out in the form of Principal Forgiveness (but not necessarily each loan recipient receiving 49% principal forgiveness).
- Required to meet [Build America, Buy America \(BABA\) Act](#), requiring that no later than May 14, 2022—180 days after the enactment of the IIJA—the head of each covered Federal agency shall ensure that “none of the funds made available for a Federal financial assistance program for infrastructure, including each deficient program, may be obligated for a project unless all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States.” (Build America, Buy America (BABA) Act, P.L. 117-58, Secs 70911 - 70917).
- Same requirements of current CWSRF and DWSRF laws and rules for Florida. There is no plan to expand the “disadvantaged” definition for the first few years of BIL spending. DWSRF is already flexible in its definition.

## **CWSRF Emerging Contaminants Funding** (abatement of emerging contaminants in wastewater, stormwater or surface water)

- Eligible projects must be otherwise CWSRF eligible with the primary purpose of addressing emerging contaminants either at a wastewater treatment plant, reuse system, stormwater or control of nonpoint source pollution.
- Emerging contaminants include but are not limited to PFAS and other persistent organic pollutants; biological contaminants and microorganisms; some compounds of pharmaceuticals and personal care products; nanomaterials and microplastics; and harmful algal blooms in surface waters.
- Examples of eligible projects can be found on EPA's Fact Sheet on the subject available for download at [floridadep.gov/wra/srf/documents/cwsrf-emerging-contaminants-funding-information-sheet](http://floridadep.gov/wra/srf/documents/cwsrf-emerging-contaminants-funding-information-sheet).
- 100% of the funding must be given in the form of Principal Forgiveness. In Florida, to be eligible for Principal Forgiveness, the community must be under 10,000 in population with a per capita income less than the state average (i.e. a small disadvantaged community). No one project will receive more than the rule-based level of Principal Forgiveness (50%, 70%, 80%, or 90%) so there will be a loan component.

## **DWSRF Emerging Contaminants Funding** (addressing emerging contaminants in drinking water)

- Eligible projects must be otherwise DWSRF eligible with the primary purpose of addressing emerging contaminants in drinking water, including those listed in [EPA's Candidate Contaminate Lists 1 through draft 5](#).
- Examples of eligible projects include but are not limited to upgrading treatment for known level of PFAS; developing a new water source free from EC; consolidation and blending to address known PFAS levels; construction of a new community water system to take contaminated private wells offline; and the planning and design of a project to address an emerging contaminant or contaminants.
- 25% of funding must be used for either disadvantaged communities or those that serve less than 25,000 people.
- 100% of the funding must be given in the form of Principal Forgiveness. In Florida, to be eligible for Principal Forgiveness, the population served by the water system must have a median household income less than the state average (i.e. a disadvantaged community), with a preference to systems serving populations less than 10,000 persons (i.e. small). No one project will receive more than the rule-based level of principal forgiveness (20% - 90%).

## **DWSRF [Lead Service Line Replacement Funding](#)**

- Any project funded under this supplemental funding must replace entire lead service line (LSL), not just a portion, unless a portion has already been replaced. The EPA definition of LSL along with a diagram can be found online at [floridadep.gov/wra/srf/documents/definition-lead-service-line](http://floridadep.gov/wra/srf/documents/definition-lead-service-line).
- Galvanized Pipe and Goosenecks are only eligible if they are or have previously been downstream of known lead service lines.
- Internal (i.e. premise) plumbing and apparatuses are NOT currently eligible for this supplemental funding as it is not DWSRF eligible. This includes plumbing and water coolers in schools and daycares, as well as plumbing inside homes and multifamily residential buildings.
- 49% of the funding must be given in the form of Principal Forgiveness. However, as previously stated, a system will receive the amount of Principal Forgiveness they are eligible for by rule (20% - 90%).
- Florida has set aside \$3 million from this year's allotment for the purpose of assisting Community Water Systems with meeting the requirement of the Lead and Copper Rule Revisions to create an LSL inventory of their system.