

Historic Investment to Protect Michigan's Great Lakes, Drinking Water and Water Infrastructure

U.S. Senator Debbie Stabenow

The Infrastructure Investment and Jobs Act is:

- The largest investment in the Great Lakes ever;
- The single largest investment ever made in our nation's drinking water, wastewater, and stormwater infrastructure; and
- Historic and much-needed funding to replace lead pipes across Michigan in order to protect the health of families and communities.

Federal Resources:

- EPA's Infrastructure Homepage
- <u>EPA's Infrastructure Funding</u> <u>Tracker</u>
- EPA's Infrastructure Fact Sheet

State Resources:

- EGLE Grants and Loans Resources
- EGLE's DWSRF Homepage
- EGLE's CWSRF Homepage

Funding for the Great Lakes

Great Lakes Restoration Initiative (GLRI) (\$1 billion) – The Great Lakes are essential to Michigan's economy and our way of life, and the Great Lakes Restoration Initiative plays a pivotal role in protecting this resource for generations to come. Authored by Senator Stabenow in 2010, the Initiative funds vital efforts to stop the spread of Asian carp and other invasive species, restore coastline, clean up beaches, remove toxins from our lakes, and prevent future contamination. The Infrastructure Investment and Jobs Act includes \$1 billion in funding – the largest single investment in program history.

• **Funding Type:** Competitive grants, capacity-building grants, fund transfers, and interagency agreements.

- Use of Funds: Projects must support at least one of the following focus areas: Toxic Substances and Areas of Concern, Invasive Species, Nonpoint Source Pollution Impacts on Nearshore Health, Habitat and Species, or Foundations for Future Restoration Actions.
- **Agency:** EPA is the lead federal agency implementing and administering the Initiative.
- Eligible Applicants: States, tribes, local governments, universities, and nongovernmental organizations.
- **Applying:** To learn more about grant opportunities, click <u>HERE</u>.

Funding for Water Infrastructure

Coronavirus State and Local Fiscal Recovery Funds – Passed as part of the American Rescue Plan Act in March, the Coronavirus State and Local Fiscal Recovery Funds delivered \$350 billion directly to state, local, and Tribal governments to support their response to and recovery from the COVID-19 pandemic. On January 6, 2022, the Department of the Treasury released a final rule adding additional eligible water and sewer infrastructure investments, including a broader range of lead remediation and stormwater-management projects.

- **Funding Type:** Funds are allocated to state, local, and Tribal governments. Information regarding allocations and allocation methodology can be found <u>HERE</u>.
- Use of Funds: Recipients may fund a broad range of water and sewer projects, including those eligible under the EPA's Clean Water State Revolving Fund, EPA's Drinking Water State Revolving Fund, and certain additional projects, including a wide set of lead remediation, stormwater infrastructure, and aid for private wells and septic units.
- **Deadline:** Funds must be obligated by December 31, 2024, and expended by December 31, 2026.
- Additional Details: The Department of the Treasury's final rule implementing the Coronavirus State and Local Fiscal Recovery Funds can be found <u>HERE</u>, and an overview of the final rule can be found <u>HERE</u>.

Drinking Water State Revolving Fund (\$11.7 billion) – The Drinking Water State Revolving Fund program helps ensure safe drinking water for communities of all sizes. Through this program, EPA provides funding to states so that they may provide grants and low-interest loans to eligible entities for drinking water infrastructure projects. As of result of the Infrastructure Investment and Jobs Act, this year Michigan will receive over \$44 million through this program – more than a 60% increase over last year.

- **Funding Type:** Of this funding, the state must use 49% for grants or principal forgiveness loans and 51% for subsidized loans.
- Use of Funds: Six categories of drinking water system projects are eligible to receive assistance treatment, transmission and distribution, source, storage, consolidation, and creation of new systems.
- **Agency:** Federal EPA. State EGLE.
- Eligible Applicants: Existing privately owned and publicly owned community water systems, existing non-profit non-community water systems, and new community water systems that represent cost-effective solutions to existing public health problems.
 - A community water system is a public water system that serves at least 15 service connections used by year-round residents of the area served by the system or regularly serves at least 25 year-round residents. A community water system may be privately or publicly owned.
 - A non-profit non-community water system is a public water system that is not a community water system and is owned and operated as a non-profit entity such as a school. The nonprofit entity could be government owned.
- **Applying:** Intent-to-Apply form due January 31, 2022 for year 2023 consideration. To learn more about have to apply for Drinking Water State Revolving Fund funding through EGLE, click <u>HERE</u>.

Lead Service Line Replacement (\$15 billion) – The water crisis in Flint was an extreme example of problems that exist across our state and nation. We must replace each and every lead pipe, and the Infrastructure Investment and Jobs Act provides much-needed funding to do so. This year, the law will deliver over \$69 million to Michigan to replace lead pipes.

- **Funding type:** Of this funding, the state must use 49% for grants or principal forgiveness loans and 51% for subsidized loans.
- **Use of Funds:** Lead service line replacement projects.
- **Agency:** Federal EPA. State EGLE.
- Eligible Applicants: Existing privately owned and publicly owned community water systems, existing nonprofit non-community water systems, and new community water systems that represent cost-effective solutions to existing public health problems.
- Applying: Deadline TBD. Continue to check <u>EGLE's Grants and Loans</u> <u>Homepage for updates as they become available.</u>

Clean Water State Revolving Fund (\$11.7 billion) – The Clean Water State Revolving Fund provides critical funds to repair crumbling wastewater infrastructure. Billions of gallons of untreated sewage and stormwater enter our waterways every year from aging wastewater systems. These releases threaten public health, environmental quality, and economic growth. This program provides funding to stop the release of untreated sewage into our lakes and rivers and is essential to the long-term health and wellbeing of communities across Michigan. As of result of the bipartisan Infrastructure Investment and Jobs Act, this year Michigan will receive over \$77 million through this program – more than a 10% increase over last year.

- **Funding Type:** Of this funding, the state must use 49% for grants or principal forgiveness loans and 51% for subsidized loans.
- Use of Funds: Eleven types of projects are eligible to receive assistance construction of publicly owned treatment works; nonpoint source; national estuary program projects; decentralized wastewater treatment systems; stormwater; water conservation, efficiency, and reuse; watershed pilot projects; energy efficiency; water reuse; security measures at publicly owned treatment works; and technical assistance.
- **Agency:** Federal EPA. State EGLE.
- Eligible Applicants: The program provides financial assistance to a range of eligible recipients, though primarily the program has focused on wastewater treatment works owned by municipalities.
- **Applying:** Intent-to-Apply form due January 31, 2022 for year 2023 consideration. To learn more about how to apply for CWSRF funding through EGLE, click <u>HERE</u>.

Water & Waste Disposal Loan & Grant Program – This program provides funding for clean and reliable drinking water systems, sanitary sewage disposal, sanitary solid waste disposal, and storm water drainage to households and businesses in eligible rural areas. This program helps very small, financially distressed rural communities extend and improve water and waste treatment facilities that serve local households and businesses. Good practices can save tax dollars, improve the natural environment, and help manufacturers and businesses to locate or expand operations.

- Funding Type: Low-interest loans, or a combination of loans and grants
- Use of Funds: Funds may be used to finance the acquisition, construction, or improvement of:
 - Drinking water sourcing, treatment, storage, and distribution
 - Sewer collection, transmission, treatment, and disposal
 - Solid waste collection, disposal, and closure
 - Storm water collection, transmission, and disposal

In some cases, funding may also be available for related activities such as:

- Legal and engineering fees
- o Land acquisition, water and land rights, permits, and equipment
- Start-up operations and maintenance
- Interest incurred during construction
- Purchase of facilities to improve service or prevent loss of service
- o Other costs determined to be necessary for completion of the project
- See <u>7 CFR Part 1780.7 and 1780.9</u> for a complete list
- Agency: USDA Rural Development
- Eligibility: <u>This program</u> assists qualified applicants who are not otherwise able to obtain commercial credit on reasonable terms. Eligible applicants include:
 - Most state and local governmental entities
 - Private nonprofits
 - Federally-recognized tribes

Areas that may be served include:

- Rural areas and towns with populations of 10,000 or less
- o Tribal lands in rural areas
- Colonias
- **Applying**: Applications are accepted year-round and may be filed electronically using <u>RD Apply</u>. The <u>RD Apply Customer Help Guide</u> is provided to help you get started and work through the application process. Applications are also accepted through your local RD office.

Funding to Address PFAS Contamination

Drinking Water State Revolving Fund – Emerging Contaminants (\$4 billion) – Over the next five years, the bipartisan Infrastructure Investment and Jobs Act will provide \$4 billion to states to address PFAS contamination in drinking water. This year, Michigan will receive \$18 million through this program to combat PFAS.

- Funding Type: All funds provided as grants or principal forgiveness loans.
- Use of Funds: Emerging contaminant remediation.
- **Agency:** Federal EPA. State EGLE.
- Eligible Applicants: Existing privately owned and publicly owned community water systems, existing nonprofit non-community water systems, and new community water systems that represent cost-effective solutions to existing public health problems.
- **Applying:** Deadline TBD. Continue to check <u>EGLE's Grants and Loans</u> <u>Homepage</u> for updates as they become available.

Clean Water State Revolving Fund – Emerging Contaminants (\$1 billion) – Over the next five years, the bipartisan Infrastructure Investment and Jobs Act will provide \$1 billion to states to address PFAS contamination in wastewater and stormwater systems. This year, Michigan will receive over \$4 million through this program to address PFAS contamination.

- Funding Type: All funds provided as grants or principal forgiveness loans.
- Use of Funds: Emerging contaminant remediation.
- **Agency:** Federal EPA. State EGLE.
- Eligible Applicants: The program provides financial assistance to a range of eligible recipients, though primarily the program has focused on wastewater treatment works owned by municipalities.

• **Applying:** Deadline TBD. Continue to check <u>EGLE's Grants and Loans</u> <u>Homepage</u> for updates as they become available.

Small, Underserved, and Disadvantaged Communities Grant Program –

Emerging Contaminants (\$5 billion) – Over the next five years, the bipartisan Infrastructure Investment and Jobs Act will provide \$5 billion to states to address emerging contaminants like PFAS in small and disadvantaged communities.

- **Funding Type:** All funds provided as grants.
- Use of Funds: Emerging contaminant remediation.
- **Agency:** Federal EPA. State EGLE.
- Eligible Applicants: Public water systems, tribal water systems, and states on behalf of an underserved community i.e., one that has an inadequate system for obtaining drinking water.
- **Applying:** Deadline TBD. Continue to check <u>EGLE's Grants and Loans</u> <u>Homepage</u> for updates as they become available.