

# BIL Funding Overview

Learn about the Environmental Loans programs and find guidance at [dnr.wi.gov/aid/eif.html](https://dnr.wi.gov/aid/eif.html)

The Bipartisan Infrastructure Law (BIL), also known as the Infrastructure Investment and Jobs Act (IIJA) of 2021, will provide over \$900 million in *additional* funding in Federal Fiscal Years 2022-2026 through the Wisconsin Department of Natural Resources (DNR) Environmental Loans programs, see [dnr.wi.gov/topic/aid/BILfunding.html](https://dnr.wi.gov/topic/aid/BILfunding.html)

The **Clean Water Fund Program (CWFP)** and **Safe Drinking Water Loan Program (SDWLP)** provide subsidized loans to municipalities for eligible wastewater and drinking water infrastructure projects. The standard loan interest rate is 55% of the market rate. Some municipalities may also be eligible for additional subsidy (principal forgiveness).

## 5-Year Funding Totals by Program

Corresponding Fiscal Years		CWFP Supplemental	CWFP Emerging	SDWLP Supplemental	SDWLP Emerging	SDWLP LSL Replacement
FFY 2022	<b>SFY 2023</b>	\$48,116,000	\$2,527,000	\$30,660,000	\$12,877,000	\$48,319,000
FFY 2023	<b>SFY 2024</b>	\$56,351,000	\$5,749,000	\$36,053,000	\$13,082,000	\$81,203,000
FFY 2024	<b>SFY 2025*</b>	\$61,291,661	\$5,728,500	\$39,049,000	\$13,082,000	\$81,203,000
FFY 2025	<b>SFY 2026*</b>	\$66,392,923	\$5,728,500	\$42,299,000	\$13,082,000	\$81,203,000
FFY 2026	<b>SFY 2027*</b>	\$66,392,923	\$5,728,500	\$42,299,000	\$13,082,000	\$81,203,000

\* Estimated

The fiscal year is designated by the calendar year in which it ends.

- Federal Fiscal Year (FFY) 2023 runs from 10/01/22 through 9/30/23.
- State Fiscal Year (SFY) 2024 runs from 7/01/23 through 6/30/24.

## Overall Program Impacts

The corresponding state fiscal year CWFP and SDWLP Intended Use Plans (IUPs) provide detailed descriptions of the changes made to each program relating to the implementation of BIL.

- **View IUPs and amendments at [dnr.wi.gov/aid/projectListsIUPs.html](https://dnr.wi.gov/aid/projectListsIUPs.html)**

## Principal Forgiveness (PF) Eligibility

We revised the Principal Forgiveness allocation methodology and Priority Evaluation & Ranking Formula (PERF) scoring in the SFY 2023 IUPs to make it more meaningful. For consistency, the PF scoring methodology is now the same for both programs. Refer to the annual IUPs for details on the CWFP affordability criteria and the SDWLP disadvantaged community criteria (shown in the table below) used to allocate Principal Forgiveness.

Changes included significantly increasing the general PF caps.

- CWFP - was \$750,000, now is **\$2,100,000** per municipality, per SFY.
- SDWLP - was \$500,000, now is **\$1,600,000** per municipality, per SFY.

Population Size	Median Household Income	200% Family Poverty Percentage	Population Decline	County Unemployment Rate	Lowest Quintile Household Income



## Base Capitalization (Cap) Grants

Wisconsin implements a state revolving loan fund that combines state funding with federal capitalization grants from the U.S. Environmental Protection Agency's Clean Water and Drinking Water State Revolving Funds (SRFs). Going forward, these established annual capitalization grants will be referred to as regular or base funding.

- Applicants can compete for general Clean Water Fund Program Principal Forgiveness and CWF Priority PF, with the remainder of their project costs being covered by a regular CWF subsidized loan.
- Applicants can compete for general Safe Drinking Water Loan Program Principal Forgiveness, with the remainder of their project costs being covered by a regular SDWLP subsidized loan.

## CWFP Supplemental Cap Grant

	Total	Principal Forgiveness (49% required)
<b>Year 1 CWFP Supplemental</b>	\$48,116,000	\$23,576,840
<b>Year 2 CWFP Supplemental</b>	\$56,351,000	\$27,611,990

**Uses** - Funding will primarily address municipal wastewater system and infrastructure projects that will achieve or maintain compliance with Wisconsin Pollutant Discharge Elimination System (WPDES) permits. Water-quality-related urban storm water projects are also eligible. No project eligibility changes are planned.

**Timing** - Year 1 of BIL CWSRF Supplemental Funding was incorporated into the regular Clean Water Fund Program funding cycle for State Fiscal Year 2023. The same approach is planned for each of the following years of BIL funding.

## CWFP Emerging Contaminants (EC) Cap Grant

	Total	Principal Forgiveness (100% required)
<b>Year 1 CWFP Emerging Contaminants</b>	\$2,527,000	\$2,527,000
<b>Year 2 CWFP Emerging Contaminants</b>	\$5,749,000	\$5,749,000

**Uses** - Funding will focus on water quality projects that will reduce/eliminate any detectable levels of any PFAS contaminant compound for which a surface water quality standard or recommended Wisconsin Department of Health Services groundwater standard exists.

- Applicants can compete for general Clean Water Fund Program Principal Forgiveness, CWF Priority PF, and Emerging Contaminants PF, with the remainder of their project costs being covered by a regular CWF subsidized loan.

**Timing** - Year 1 of BIL CWSRF EC Funding will be incorporated into the regular CWFP funding cycle for SFY 2024. A similar approach is planned for each of the following years of BIL funding.

## SDWLP Supplemental Cap Grant

	Total	Principal Forgiveness (49% required)
<b>Year 1 SDWLP Supplemental</b>	\$30,666,000	\$15,026,340
<b>Year 2 SDWLP Supplemental</b>	\$36,053,000	\$17,665,970

**Uses** - Funding will primarily address public drinking water system and infrastructure projects that will achieve or maintain compliance with Safe Drinking Water Act (SDWA) requirements and focus on public health needs. No project eligibility changes are planned.

**Timing** - Year 1 of BIL DWSRF Supplemental Funding was incorporated into the regular Safe Drinking Water Loan Program funding cycle for SFY 2023. The same approach is planned for each of the following years of BIL funding.

## SDWLP Emerging Contaminants (EC) Cap Grant

	Total	Principal Forgiveness (100% required)
Year 1 SDWLP Emerging Contaminants	\$12,877,000	\$12,877,000
Year 2 SDWLP Emerging Contaminants	\$13,082,000	\$13,082,000

**Uses** – Funding will focus on water system projects that will reduce/eliminate any detectable levels of any PFAS contaminant compound included in any recommended Wisconsin Department of Health Services standards and/or Wisconsin DNR maximum contaminant levels in the water system.

- Applicants can compete for general Safe Drinking Water Loan Program Principal Forgiveness, Emerging Contaminants PF, and the Small and Disadvantaged Communities program for Emerging Contaminants (EC-SDC) grant funding, with the remainder of their project costs being covered by a regular SDWLP subsidized loan. There is no separate application for EC-SDC grant funding.

**Timing** – Year 2 of BIL DWSRF EC Funding and the EC-SDC grant funding will be incorporated into the regular SDWLP funding cycle for SFY 2024. The same approach is planned for each of the following years of BIL funding.

## SDWLP Lead Service Line (LSL) Replacements Cap Grant

	Total	Principal Forgiveness	Loans/Set-Asides
Year 1 SDWLP LSL Replacements	\$48,319,000	\$23,676,310	\$24,642,690
Year 2 SDWLP LSL Replacements	\$81,203,000	\$39,789,470	\$41,413,530

**Uses** - Funding will focus on lead service line replacements (both public and private) and related LSL inventory work. BIL requires the LSL Principal Forgiveness to be awarded to disadvantaged communities and census tracts. All other applicants will be eligible for subsidized loan funds only.

- Applicants can compete for general Safe Drinking Water Loan Program PF and LSL PF, with the remainder of their project costs being covered by a regular SDWLP subsidized loan.

**Timing** – Years 1 & 2 of BIL DWSRF LSL Funding will be incorporated into the regular SDWLP funding cycle for State Fiscal Year 2024. A similar approach is planned for each of the following years of BIL funding.

## Federal Requirements

The **BIL Signage Requirement** requires projects designated as federal equivalency and projects that receive Principal Forgiveness to install a physical sign at the construction site which displays the official *Investing in America* emblem. For details, see [dnr.wi.gov/aid/BILsignage.html](https://dnr.wi.gov/aid/BILsignage.html)

The **Build America, Buy America (BABA) Act** requires projects designated as federal equivalency, lead service line projects, and emerging contaminants projects to use iron, steel, manufactured products, and construction materials that are produced in the United States, see [dnr.wi.gov/topic/aid/BABA.html](https://dnr.wi.gov/topic/aid/BABA.html)

## Apply for Funding

Application guidance and considerations are available under the How to Apply tab at [dnr.wi.gov/aid/eif.html#tabx3](https://dnr.wi.gov/aid/eif.html#tabx3).

- **October 31** prior to SFY - Notice of Intent to Apply (ITA) Deadline for Clean Water Fund Program and Safe Drinking Water Loan Program. **Submit ITAs by 10/31/23 deadline if seeking funding in SFY 2025.**
- **June 30** prior to SFY - SDWLP Application Deadline if competing for Principal Forgiveness
- **September 30** of SFY – CWFP PF Application Deadline (with the exception of Energy Efficiency Priority PF)

## Stay Informed

[Sign up](#) for Environmental Loans E-Bulletins to get updates about BIL requirements, the BABA Act, federal equivalency projects, the LSL and EC programs, and related topics, visit [dnr.wi.gov/aid/loanNews.html](https://dnr.wi.gov/aid/loanNews.html)