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## America's Water Infrastructure Act/Best Practices for Administration of Drinking Water State Revolving Funds: April 2022 U.S. Environmental Protection Agency Report

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The United States Environmental Protection Agency ("EPA") released an April 2022 report titled:

AWIA Best Practices for Administration of Drinking Water State Revolving Funds ("Report")

The American's Water Infrastructure Act ("AWIA") 2018 amendments required EPA to issue a report addressing best practices/examples in seven specified areas:

- Streamlining the process for applying for Drinking Water State Revolving Funds ("DWSRF")
  assistance.
- Programs that help borrowers complete DWSRF assistance applications.
- Incentives for larger public water systems to help smaller public water systems with their DWSRF applications.
- Practices to ensure that DWSRF loan funds are used to provide loans, loan guarantees, or other authorized assistance in a timely fashion.
- Practices that support effective management of DWSRF loan funds.
- Practices and tools to enhance financial management of DWSRF loan funds.
- Key financial measures for evaluating DWSRF operations.

Safe drinking water funding in Arkansas is administered by the Arkansas Natural Resources Division which is a division of the Arkansas Department of Agriculture. The Arkansas Safe Drinking Water Fund consists of two programs which include:

- Drinking Water State Revolving Fund
- State Set-Aside Program

The Water Resources Division of the Arkansas Natural Resources Division utilizes the DWSRF to further the goals of the federal Safe Drinking Water Act.

The 1996 amendments to the Safe Drinking Water Act created the DWSRF to help finance community infrastructure improvements to ensure compliance with drinking water standards.

Components of the EPA Report include:

Efforts to streamline the process for applying for DWSRF assistance

- Programs that help borrowers complete DWSRF assistance applications
- Incentives for larger public water systems to help small public water systems with the DWSRF application
- Practices to ensure that DWSRF loan funds are used to provide loans, loan guarantees, or other authorized assistance in a timely fashion
- Practices that support effective management of DWSRF loan funds
- Practices and tools to enhance financial management of DWSRF loan funds
- Key financial measures for evaluating DWSRF operations

Examples are selected from 10 states that are deemed best practices:

- Alaska
- Arizona
- Colorado
- Hawaii
- Illinois
- North Carolina
- North Dakota
- New Jersey
- Pennsylvania
- Utah

A copy of the Report can be downloaded <u>here</u>.