



Ask Me Anything: Set-Asides

September 15, 2025



About Us

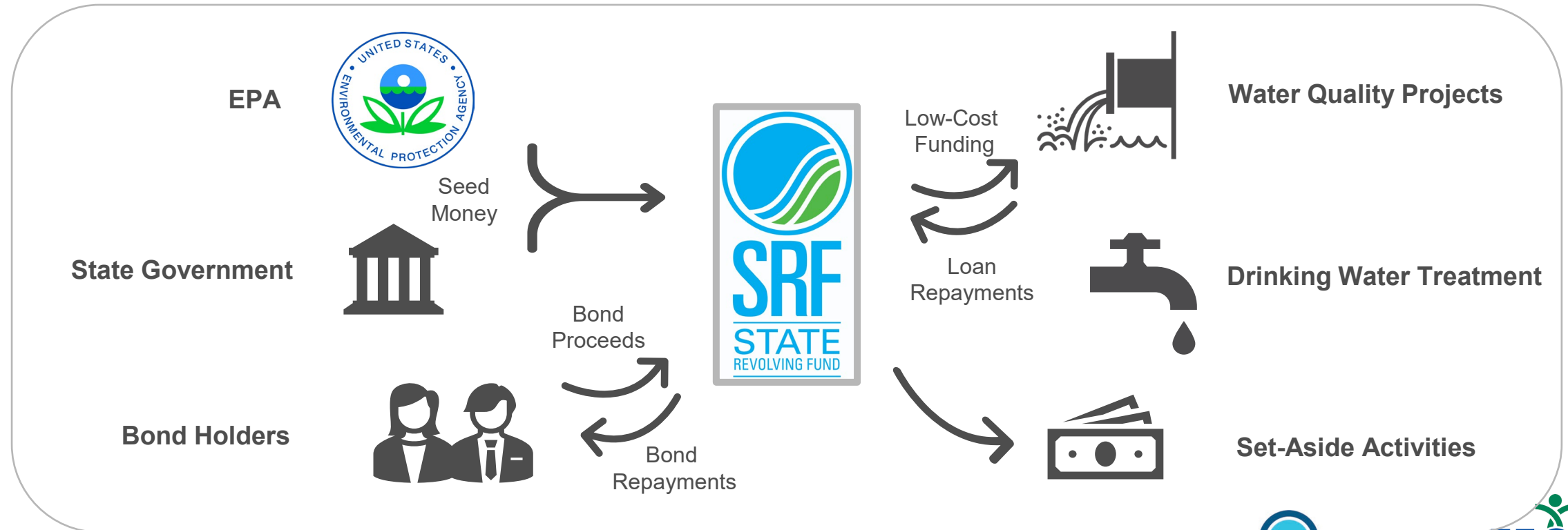
The **Environmental Finance Center Network (EFCN)** is a university- and non-profit-based organization creating innovative solutions to the difficult how-to-pay issues of environmental protection and water infrastructure.

The EFCN works collectively and as individual centers to address these issues across the entire U.S, including the 5 territories and the Navajo Nation. The EFCN aims to assist public and private sectors through training, direct professional assistance, production of durable resources, and innovative policy ideas.



What are the SRFs?

- Low interest revolving loan program with subsidies for targeted projects and communities
- Money comes from EPA/Federal Government, state match, loan repayments, interest, bond proceeds



Every state is different.
It depends.

DWSRF



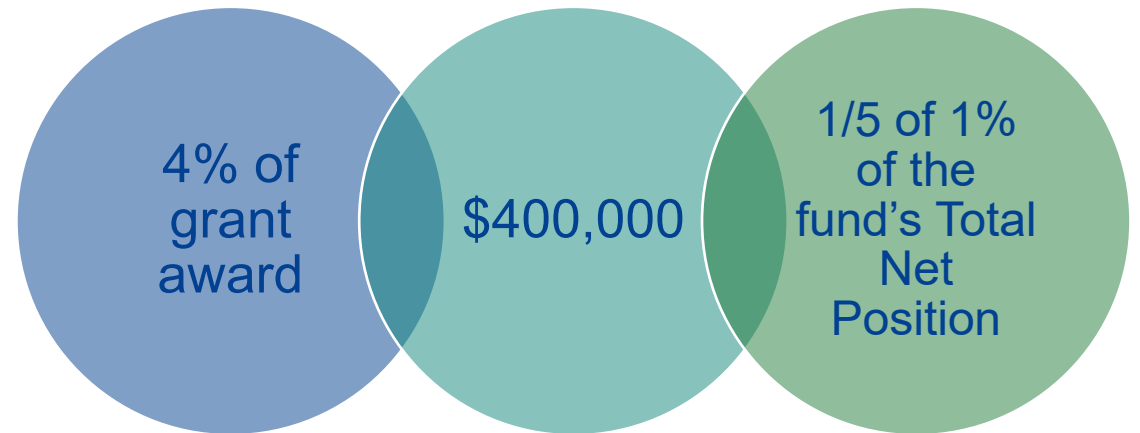
DWSRF Set-Asides Generally

- Can be strategically focused:
 - Complement infrastructure financing
 - Strengthen PWSS program
 - Implement “preventive” SDWA programs (CapDev, OpCert, SWP)
- Unreserved set-aside dollars go into construction fund
- Assistance does not count as AddSub
- Cannot be used for construction activities; exclusion source exploration
- States must develop workplans for how they will use set asides

**Set Asides
=
DWSRF Difference Maker**

DWSRF Admin Set-Aside

- Can be banked for future use
- Uses
 - Support administration of program
 - Provide TA to systems of any size
 - Software
 - Staff
 - Partner agencies
 - Loan servicers
 - Application review



DWSRF Program Management Set-Aside

- Up to 10% of grant; can be banked for future use
- Uses
 - State staff
 - Implement CapDev and OpCert programs
- Provide TA through SWP programs
- Partner agencies
 - Loan servicers
 - Application review



DWSRF Technical Assistance Set-Aside

- Up to 2% of grant; can be banked for future years
- Only water system populations <10,000
- Uses
 - Technical assistance contracts
 - Operator certification training/contracts
 - DWSRF staff that provide TA
 - Environmental report assistance
 - Engineering contracts
- States must have Operator Certification and Training program, or 20% CAP grant withheld

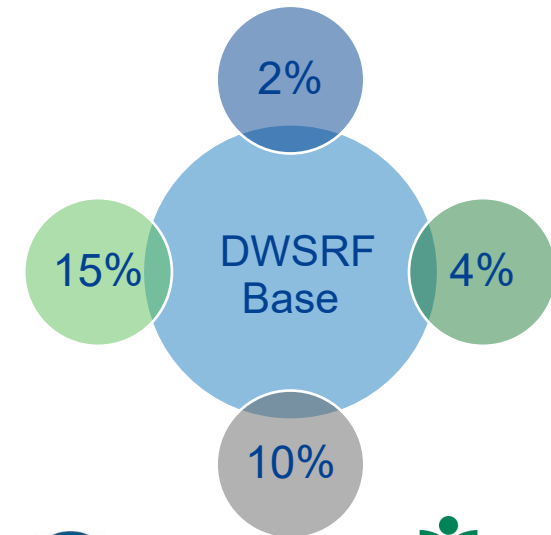
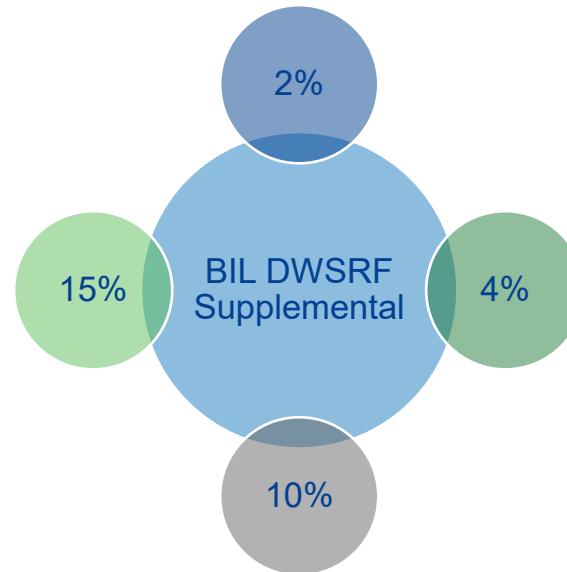
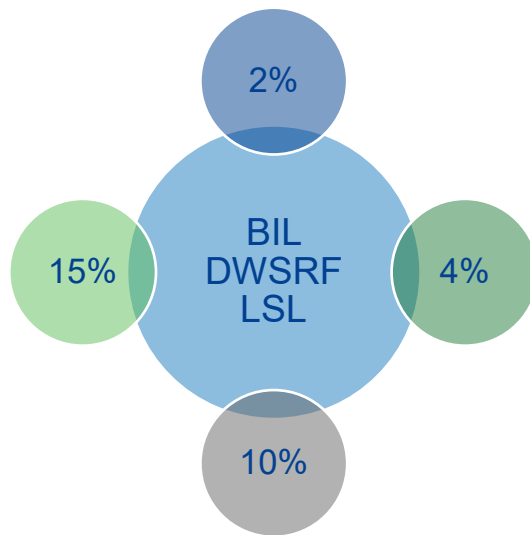
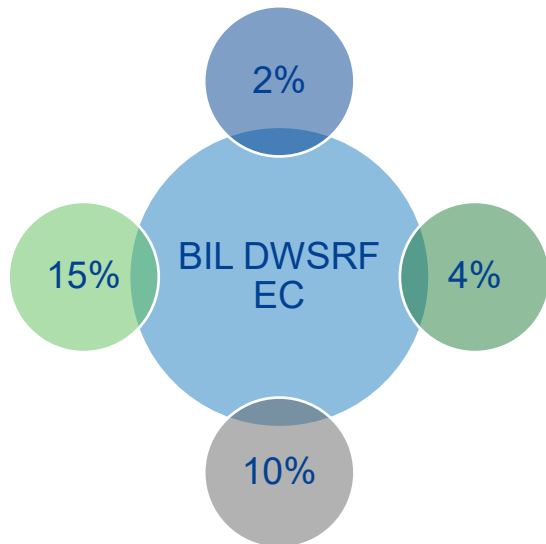
DWSRF Local Assistance Set-Asides

- Up to 15% of grant; no more than 10% can go to any one activity
 - Capacity Development
 - Wellhead/Source water protection
- Cannot bank unused amount
- Options abound!
 - Source water protection **loans** (rate/terms outlined in SDWA)
 - Land acquisition
 - Conservation easements
 - Preconstruction/planning and design loans
- Leak detection
- Asset management plans
- Capacity development
- State staff
- Engineering assessments
- Oh, my!

Fun Fact!
LA is Ashley's
Favorite Set-Aside

DWSRF Base + BIL Set-Asides

- Administration- 4%/\$400k/1/5th of the Fund's Net Position
 - Capacity Development
 - Wellhead/Source water protection
- Program Management- 10%
 - Capacity Development
 - Wellhead/Source water protection
- Technical Assistance- 2%
 - Capacity Development
 - Wellhead/Source water protection
- Local Assistance- 15%
 - Capacity Development
 - Wellhead/Source water protection

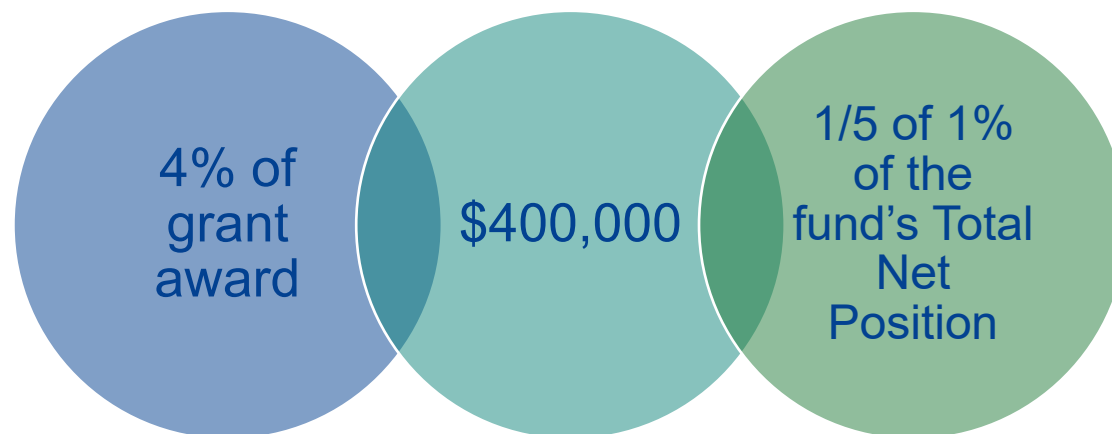


CWSRF



CWSRF Admin Set-Aside

- Can be banked for future use
- Uses
 - Support administration of program
 - Provide TA to systems of any size
 - Software
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 - Partner agencies
 - Loan servicers
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CWSRF Technical Assistance Set-Asides

- Up to 2% of grant; can be banked for future years
- Programs designed to help small/rural/disadvantaged communities identify needs, develop projects, apply for funding, design and implement projects, build capacity, and create training and career pathways
- Examples include:
 - Hiring circuit riders to provide technical assistance
 - Contracting with technical assistance providers
 - Contracting with engineering firms to help develop projects
- Retaining certified public accountants or financial institutions to help applicants complete the financial portions
- Retaining contractors to complete Davis-Bacon and AIS/BABA compliance on behalf of the recipients

Rural

- Serving < 10,000

Small

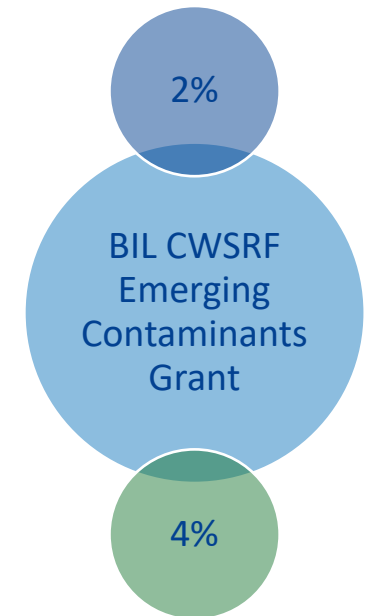
- Population < 10,000

Disadvantaged

- Meets state's affordability criteria

CWSRF Base + BIL Set-Asides

- Technical Assistance- 2%
 - 2% funds do not need to come from the capitalization grant; can be pulled from any CWSRF source
 - Amount available is calculated as 2% of total capitalization grants awarded after November 15, 2021
- Administration- 4%/\$400k/1/5th of the Fund's Net Position
 - Support administration of program
 - Provide TA to system of any size



Every state is different.
It depends.

Upcoming Trainings

Shrinking Capitalization Grants

October 1, 2025 / 11:00-1:00 pm EST

What is an IUP, Mississippi?

October 9, 2025 / 12:00-2:30 pm EST

What is Equivalency?

October 20, 2025 / 2:00-4:00 pm EST

What is an IUP?

November 5, 2025 / 11:00-1:00 pm EST

This is **NOT** an Ask Me Anything session. To register, go to:
<https://efcnetwork.org/event/ms-online-training-what-is-an-iup-how-intended-use-plans-can-serve-as-secret-decoder-rings-for-the-state-revolving-loan-funds-srfs/>

For more information and to register visit:

<https://efcnetwork.org/event/virtual-office-hours-ask-me-anything-srf-technical-assistance-open-discussion/>

Quantified Ventures

<https://www.quantifiedventures.com/our-team>



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