

BIL Funding Overview

Learn about the Environmental Loans programs and find guidance at dnr.wi.gov/aid/eif.html

The Bipartisan Infrastructure Law (BIL) will provide over \$900 million in *additional* funding in federal fiscal years 2022-2026 through the Wisconsin Department of Natural Resources (DNR), see dnr.wi.gov/topic/aid/BILfunding.html.

The DNR's **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.

5-Year BIL Capitalization Grant Totals by Program

Corresponding Fiscal Years				CWFP Supplemental	CWFP Emerging	SDWLP Supplemental	SDWLP Emerging	SDWLP LSL Replacements
Federal Fiscal Year	2022	State Fiscal Year	2023	\$48,116,000	\$2,527,000	\$30,660,000	\$12,877,000	\$48,319,000
	2023		2024	\$56,351,000	\$5,749,000	\$36,053,000	\$13,082,000	\$81,203,000
	2024		2025	\$61,481,000	\$5,749,000*	\$39,358,000	\$13,082,000	\$83,278,000
	2025		2026*	\$67,272,000	\$5,807,000	\$42,633,000	\$13,082,000	\$83,278,000
	2026		2027*	\$67,272,000	\$5,807,000	\$42,633,000	\$13,082,000	\$83,278,000

*Estimated

In addition, these totals do **not** include reallocated funds available from states that did not use the entirety of their BIL capitalization grants nor DNR program funds, if available, rolled over from the previous state fiscal year. The unused BIL capitalization grant monies are reallocated two years after the initial appropriation.

Overall Program Impacts

The CWFP and SDWLP annual intended use plans (IUPs) provide detailed descriptions of the changes made to each program relating to the implementation of BIL. Each program's IUP identifies, by state fiscal year, the use of federal capitalization grant monies and other monies in the fund, how the program supports the goals of the federal Clean Water or Safe Drinking Water Act and describes how the program will operate during the corresponding fiscal year.

- **View IUPs at** dnr.wi.gov/aid/projectListsIUPs.html

Principal Forgiveness (PF)

The PF is an additional subsidy and comparable to a grant because the municipality will not have to repay those funds. The PF allocation methodology aims to allocate PF funds to the highest priority projects in municipalities with the greatest financial need. Refer to the annual intended use plans for details on the CWFP affordability criteria and the SDWLP disadvantaged community criteria used to allocate PF. Learn about PF and capped amounts at dnr.wi.gov/aid/documents/eif/guide/PF.html.

Base Capitalization (Cap) Grants

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



CWFP Supplemental Cap Grant

The BIL mandates that 49% of funds provided through the Supplemental cap grant be provided as additional subsidy.

	Total	Principal Forgiveness
Year 1 CWFP Supplemental	\$48,116,000	\$23,576,840
Year 2 CWFP Supplemental	\$56,351,000	\$27,611,990
Year 3 CWFP Supplemental	\$61,481,000	\$30,125,690

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

Timing - Year 1 of BIL CWSRF Supplemental Funding was incorporated into the regular CWFP funding cycle for SFY 2023. The same approach is planned for each of the following years of BIL funding.

CWFP Emerging Contaminants (EC) Cap Grant

The BIL requires that 100% of the EC cap grant, *minus any set-asides*, be provided as additional subsidy.

	Total	Principal Forgiveness
Year 1 CWFP Emerging Contaminants	\$2,527,000	\$2,527,000
Year 2 CWFP Emerging Contaminants	\$5,749,000	\$5,749,000
Year 3 CWFP Emerging Contaminants*	\$5,749,000	\$5,749,000

*Estimated.

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. Eligible and ineligible emerging contaminant project types are listed in the corresponding state fiscal year CWFP intended use plan.

Timing - Year 1 of BIL CWSRF EC Funding was 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

The BIL mandates that 49% of funds provided through the Supplemental cap grant be provided as additional subsidy.

	Total	Principal Forgiveness
Year 1 SDWLP Supplemental	\$30,666,000	\$15,026,340
Year 2 SDWLP Supplemental	\$36,053,000	\$17,665,970
Year 3 SDWLP Supplemental	\$39,358,000	\$19,285,420

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 SDWLP 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

The BIL requires that 100% of the EC cap grant, *minus any set-asides*, be provided as additional subsidy.

	Total	Principal Forgiveness
Year 1 SDWLP Emerging Contaminants	\$12,877,000	\$12,877,000
Year 2 SDWLP Emerging Contaminants	\$13,082,000	\$12,888,000
Year 3 SDWLP Emerging Contaminants	\$13,082,000	\$12,820,326

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. Eligible and ineligible emerging contaminant project types are listed in the corresponding state fiscal year SDWLP intended use plan.

Timing – Year 1 of BIL DWSRF EC Funding was incorporated into the regular SDWLP funding cycle for SFY 2023. A similar approach is planned for each of the following years of BIL funding.

SDWLP Lead Service Line (LSL) Replacements Cap Grant

The BIL requires that exactly 49% of the LSL Replacement capitalization grant be awarded as principal forgiveness with the remaining 51% of the funds to be utilized for set-asides and loans.

	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
Year 3 SDWLP LSL Replacements	\$83,278,000	\$40,806,220	\$42,471,780

Uses – Funding will focus on lead service line replacements (both public and private) and related LSL inventory work. Eligible and ineligible LSL project types are listed in the corresponding state fiscal year SDWLP intended use plan. The BIL requires the LSL PF to be awarded to disadvantaged communities and census tracts. All other applicants will be eligible for loan funds only and all loan funding from the BIL LSL capitalization grant will be made available at 0.25% interest for all eligible project costs. In a change from SFY 2024, the LSL projects are *not* eligible for general Safe Drinking Water Loan Program PF.

Timing – Years 1 and 2 of BIL DWSRF LSL Funding were incorporated into the regular SDWLP funding cycle for SFY 2024. A similar approach is planned for each of the following years of BIL funding.

Build America, Buy America (BABA) Act

The 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. For details, including approved waivers, see 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.

Deadlines are set in the program's annual intended use plan, see dnr.wi.gov/aid/projectListsIUPs.html.

- **June 30, 2025** – SDWLP Application deadline for the state fiscal year 2026 funding cycle.
- **Sept. 30, 2025** – CWFP Application deadline for the state fiscal year 2026 funding cycle.
- **Oct. 31, 2025** – CWFP & SDWLP notice of Intent to Apply (ITA) deadline for the SFY 2027 funding cycle.

Stay Informed

Sign up for Environmental Loans newsletters to get updates about BIL requirements, the BABA Act, federal equivalency projects, the LSL and EC programs, and related topics at dnr.wi.gov/aid/loanNews.html.

View the DNR's Bipartisan Infrastructure Law (BIL) Funding webpage at dnr.wi.gov/topic/aid/BILfunding.html.