

# BIL/IIJA Funding Overview



The Bipartisan Infrastructure Law (BIL), also known as 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)'s Clean Water Fund Program (CWFP) and Safe Drinking Water Loan Program (SDWLP).

Note that federal fiscal year (FFY) 2026 corresponds with state fiscal year (SFY) 2027.

The changes made to each program relating to the implementation of BIL/IIJA are described in the respective program's corresponding state fiscal year intended use plan that is available at:

- [Project Lists and Intended Use Plans \(https://dnr.wisconsin.gov/aid/projectListsIUPs.html\)](https://dnr.wisconsin.gov/aid/projectListsIUPs.html)

## 5-Year BIL/IIJA Capitalization Grant Totals

The BIL/IIJA capitalization (cap) grants are the Clean Water (CW) Supplemental, CW Emerging Contaminants (EC), Drinking Water (DW) Supplemental, DW EC and DW Lead Service Line (LSL).

Table 1. 5-Year BIL/IIJA Capitalization Grant Totals. \*Estimated.

Corresponding Fiscal Years	CW Supplemental	CW EC	DW Supplemental	DW EC	DW LSL
FFY '22, SFY '23	\$48,116,000	\$2,527,000	\$30,660,000	\$12,877,000	\$48,319,000
FFY '23, SFY '24	\$56,351,000	\$5,749,000	\$36,053,000	\$13,082,000	\$81,203,000
FFY '24, SFY '25	\$61,481,000	\$5,749,000	\$39,358,000	\$13,082,000	\$83,278,000
FFY '25, SFY '26	\$66,599,000	\$5,749,000	\$42,633,000	\$13,082,000	\$101,423,000
FFY '26, SFY '27	\$66,599,000*	\$5,749,000*	\$42,633,000*	\$13,082,000*	\$101,423,000*

## Reallocations and Transfers

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

- The detailed amounts of funding, including any reallocations and transfers, are detailed in the respective program's corresponding state fiscal year intended use plan.

## Base Capitalization 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 State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF). Going forward, these established annual cap grants will be referred to as regular or base funding.

## Subsidized Loans

The Clean Water Fund Program and Safe Drinking Water Loan Program provide subsidized (low interest) loans to municipalities for eligible wastewater and drinking water infrastructure projects. Program subsidy buys down market rate on program loans. The standard loan interest rate is 55% of the market rate.

For more information on this subject, refer to [Interest Rates](https://dnr.wisconsin.gov/aid/documents/EIF/Guide/Interest.html) (<https://dnr.wisconsin.gov/aid/documents/EIF/Guide/Interest.html>).

## Principal Forgiveness

Some economically disadvantaged municipalities may also be eligible for additional subsidization of program loans in the form of principal forgiveness (PF). The PF is comparable to a grant because the municipality will not have to repay those funds. The CWFP affordability criteria and the SDWLP disadvantaged community criteria used to allocate PF are detailed in the respective program's corresponding state fiscal year intended use plan.

For more information on this subject, refer to [Principal Forgiveness](https://dnr.wisconsin.gov/aid/documents/EIF/Guide/PF.html) (<https://dnr.wisconsin.gov/aid/documents/EIF/Guide/PF.html>).

# Clean Water Supplemental Cap Grant

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

Table 2. Clean Water Supplemental Cap Grant Totals.

CW Supplemental Cap Grant	Total	Principal Forgiveness
Year 1 of Funding	\$48,116,000	\$23,576,840
Year 2 of Funding	\$56,351,000	\$27,611,990
Year 3 of Funding	\$61,481,000	\$30,125,690
Year 4 of Funding	\$66,599,000	\$32,633,510
Year 5 of Funding	\$66,599,000 estimated	TBD or Unknown

The detailed amounts of funding, including any reallocations and transfers, are detailed in the corresponding state fiscal year CWFP intended use plan.

**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.

The base and supplemental cap grants jointly fund the regular program.

- Applicants can compete for general CWFP Principal Forgiveness and CWFP Priority PF, with the remainder of their project costs being covered by a regular CWFP subsidized loan.

**Timing** - Year 1 of BIL/IIJA 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/IIJA funding.

For more information on the regular CWFP, refer to [Environmental Loans \(https://dnr.wisconsin.gov/aid/EIF.html\)](https://dnr.wisconsin.gov/aid/EIF.html).

Contact Lisa Bushby, Clean Water Fund Program coordinator, at [Lisa.Bushby@wisconsin.gov](mailto:Lisa.Bushby@wisconsin.gov).

Contact Sarah Bolitho, storm water projects specialist, at [Sarah.Bolitho@wisconsin.gov](mailto:Sarah.Bolitho@wisconsin.gov).

# Clean Water Emerging Contaminants Cap Grant

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

Table 3. Clean Water Emerging Contaminants Cap Grant Totals.

CW EC Cap Grant	Total	Principal Forgiveness
Year 1 of Funding	\$2,527,000	\$2,527,000
Year 2 of Funding	\$5,749,000	\$5,749,000
Year 3 of Funding	\$5,749,000	\$5,749,000
Year 4 of Funding	\$5,749,000	\$5,749,000
Year 5 of Funding	\$5,749,000 estimated	TBD or Unknown

The detailed amounts of funding, including any reallocations and transfers, are detailed in the corresponding state fiscal year CWFP intended use plan.

**Uses** - Funding will focus on water quality projects that will reduce or 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.

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

**Timing** - Year 1 of BIL/IIJA 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/IIJA funding.

For more information on this subject, refer to [Clean Water Emerging Contaminants \(CW-EC\) Program \(https://dnr.wisconsin.gov/aid/ec-cw\)](https://dnr.wisconsin.gov/aid/ec-cw).

Contact Ryan Atkinson, CW-EC Program specialist, at [Ryan.Atkinson@wisconsin.gov](mailto:Ryan.Atkinson@wisconsin.gov).

# Drinking Water Supplemental Cap Grant

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

Table 4. Drinking Water Supplemental Cap Grant Totals.

DW Supplemental Cap Grant	Total	Principal Forgiveness
Year 1 of Funding	\$30,660,000	\$15,026,340
Year 2 of Funding	\$36,053,000	\$17,665,970
Year 3 of Funding	\$39,358,000	\$19,285,420
Year 4 of Funding	\$42,633,000	\$20,890,170
Year 5 of Funding	\$42,633,000 estimated	TBD or Unknown

The detailed amounts of funding, including any reallocations and transfers, are detailed in the corresponding state fiscal year SDWLP intended use plan.

**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.

The base and supplemental cap grants jointly fund the regular program.

- Applicants can compete for general SDWLP Principal Forgiveness, with the remainder of their project costs being covered by a regular SDWLP subsidized loan.

**Timing** - Year 1 of BIL/IIJA 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/IIJA funding.

For more information on the regular SDWLP, refer to [Environmental Loans \(https://dnr.wisconsin.gov/aid/EIF.html\)](https://dnr.wisconsin.gov/aid/EIF.html).

Contact Noah Balgooyen, Safe Drinking Water Loan Program coordinator, at [Noah.Balgooyen@wisconsin.gov](mailto:Noah.Balgooyen@wisconsin.gov).

# Drinking Water Emerging Contaminants Cap Grant

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

Table 5. Drinking Water Emerging Contaminants Cap Grant Totals.

DW EC Cap Grant	Total	Principal Forgiveness
Year 1 of Funding	\$12,877,000	\$12,877,000
Year 2 of Funding	\$13,082,000	\$12,888,000
Year 3 of Funding	\$13,082,000	\$12,820,326
Year 4 of Funding	\$13,082,000	\$12,732,531
Year 5 of Funding	\$13,082,000 estimated	TBD or Unknown

The detailed amounts of funding, including any reallocations and transfers, are detailed in the corresponding state fiscal year SDWLP intended use plan.

**Uses** – Funding will focus on water system projects that will reduce or eliminate any detectable levels of any PFAS contaminant compound included in the U.S. Environmental Protection Agency's enforceable PFAS levels in the water system, and/or reduce or eliminate manganese when it exceeds or is anticipated to exceed 'do not drink' levels in the water system. Eligible and ineligible emerging contaminant project types are listed in the corresponding state fiscal year SDWLP intended use plan.

- Applicants can compete for general SDWLP 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 1 of BIL/IIJA 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/IIJA funding.

For more information on this subject, refer to [Safe Drinking Water Emerging Contaminants \(SDW-EC\) Program \(https://dnr.wisconsin.gov/aid/EC-DW\)](https://dnr.wisconsin.gov/aid/EC-DW).

Contact Ryan Atkinson, SDW-EC Program specialist, at [Ryan.Atkinson@wisconsin.gov](mailto:Ryan.Atkinson@wisconsin.gov).

# Drinking Water Lead Service Line Cap Grant

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

Table 6. Drinking Water Lead Service Line Cap Grant Totals.

DW LSL Cap Grant	Total	Principal Forgiveness	Loans/Set-Asides
Year 1 of Funding	\$48,319,000	\$23,676,310	\$24,642,690
Year 2 of Funding	\$81,203,000	\$39,789,470	\$41,413,530
Year 3 of Funding	\$83,278,000	\$40,806,220	\$42,471,780
Year 4 of Funding	\$101,423,000	\$72,560,670	\$75,522,330
Year 5 of Funding	\$101,423,000 estimated	TBD or Unknown	TBD or Unknown

The detailed amounts of funding, including any reallocations and transfers, are detailed in the corresponding state fiscal year SDWLP intended use plan.

**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/IIJA 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 SDWLP PF.

- Applicants can compete for LSL Principal Forgiveness, with the remainder of their project costs being covered by loan funds.

**Timing** – Years 1 and 2 of BIL/IIJA 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/IIJA funding.

For more information on this subject, refer to [Lead Service Line \(LSL\) Replacement Program \(https://dnr.wisconsin.gov/aid/LSLprogram\)](https://dnr.wisconsin.gov/aid/LSLprogram).

Contact Kate Leja-Brennan, LSL Replacement Program specialist, at [Kathryn.Leja@wisconsin.gov](mailto:Kathryn.Leja@wisconsin.gov).

# Federal Requirements

As with any federal funding, federal requirements apply. For projects designated as federal equivalency, emerging contaminants projects and lead service line projects, applicants will have to comply with the additional equivalency requirements detailed on the DNR's [Federal Equivalency webpage \(https://dnr.wisconsin.gov/aid/federalEquivalency\)](https://dnr.wisconsin.gov/aid/federalEquivalency), as applicable.

## Apply for Funding

Application guidance and considerations are available at [Environmental Loans \(http://dnr.wi.gov/Aid/EIF.html#tabx3\)](http://dnr.wi.gov/Aid/EIF.html#tabx3).

Deadlines are set in the respective program's annual intended use plan that is available at [Project Lists and Intended Use Plans \(https://dnr.wisconsin.gov/aid/projectListsIUPs.html\)](https://dnr.wisconsin.gov/aid/projectListsIUPs.html).

- **June 30, 2026** – SDWLP application deadline for the state fiscal year 2027 funding cycle.
- **Sept. 30, 2026** – CWFP application deadline for the state fiscal year 2027 funding cycle.
- **Oct. 31, 2026** – CWFP and SDWLP notice of intent to apply (ITA) deadline for the SFY 2028 funding cycle.

Note: Due to continued high demand for financial assistance, loan capacity limitations may impact SFY 2026 CWFP and SDWLP applications. For more information, read [Loan Capacity \(https://dnr.wisconsin.gov/Aid/LoanCapacity.html\)](https://dnr.wisconsin.gov/Aid/LoanCapacity.html).

## Contact Information

Direct intended use plan questions to:

- Casey Sweeney, CWFP and CWSRF policy analyst, at [Casey.Sweeney@wisconsin.gov](mailto:Casey.Sweeney@wisconsin.gov).
- Suzy Hasheider, SDWLP and DWSRF policy analyst, at [Suzan.Hasheider@wisconsin.gov](mailto:Suzan.Hasheider@wisconsin.gov).

For more information on BIL/IIJA, visit [BIL Funding \(https://dnr.wisconsin.gov/aid/BILfunding\)](https://dnr.wisconsin.gov/aid/BILfunding).

To get timely updates about BIL/IIJA requirements, the BABA Act, federal equivalency projects, the LSL and EC programs, and related topics, sign up for [Environmental Loans newsletters and bulletins \(https://dnr.wisconsin.gov/aid/LoanNews.html\)](https://dnr.wisconsin.gov/aid/LoanNews.html).

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