

TAKE ACTION ON STATE WATER FUNDS

State revolving funds help keep water safe and affordable, but action is needed to ensure dollars reach those most in need.

Improve Ohio's Drinking Water Funding Process!

Drinking Water State Revolving Fund (DWSRF) programs do not currently incorporate environmental justice and this is needed to ensure money reaches those that need it most due to legacy of pollution. Recent state changes to the DWSRF fall short of EPA's recommendations. This guide includes advocacy points that need improvement in Ohio's DWSRF program. The draft report is released in **June**.

Problems and Solutions

Replace Weak Criteria to Identify Disadvantaged Communities: Median Annual Household Income (MAHI) is a poor statistic to identify low-income populations that state revolving funds should target because MHI is easily influenced by some residents with higher incomes. Instead, DWSRF criteria should consider the percentage of a community's population that falls below 200% of the federal poverty level. This measure represents the actual number of low-income households in a community.

Scoring Criteria Does Not Protect Local Autonomy: Ohio's criteria prioritizes regionalization, but there are no safeguards in place to protect local oversight, governance, and ownership of assets. Without protections, this process can result in loss of revenue, property, and local power. For systems with existing community governance (i.e. municipal and other systems), regionalization points should be awarded only if all communities that will have a system shuttered have held a referendum indicating their approval to consolidate their system, resulting in a system being shuttered. The agreements leading to a referendum must be communicated to the public.

Prioritize Disadvantaged Communities for grant funding: Ohio can dedicate up to 35% of the capitalization grant to disadvantaged communities as principal forgiveness. Moreover, the Justice40 initiative directed 40% of total SRF funding to disadvantaged communities.

TAKE ACTION FOR YOUR COMMUNITY

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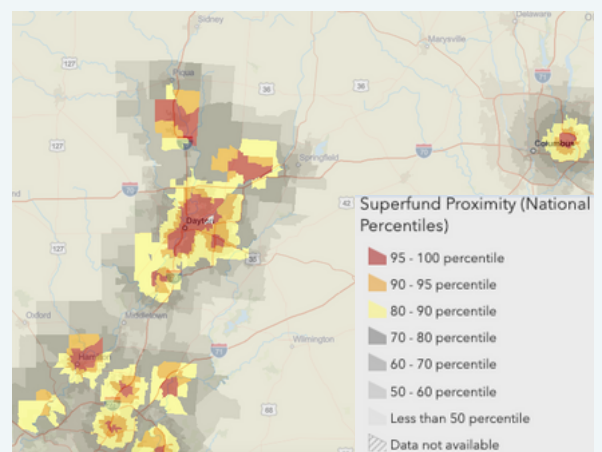
Ensure affordability for customers of Investor Owned Utilities that receive DWSRF monies: Investor owned utilities (IOU) are different from public utilities as they are for-profit entities and are more likely to have unaffordable rates. Thus, when IOUs are able to receive state revolving funds it is important to have affordability measures in place. Such protections are not currently available.

Remove small population bias from disadvantaged community definition: Ohio only awards subsidies to small systems that serve less than 10,000 residents. While small populations are less likely to receive state revolving funds, this restriction is not inclusive of all disadvantaged communities. Small communities should be prioritized through targeted outreach and additional funds for technical assistance. We agree that small communities deserve extra assistance due to limited staff, but this is already provided by the state with other funds.

Ohio's DWSRF program does not meaningfully address environmental justice (EJ) conditions in the state. Yet, research has affirmed that existing environmental hazards and low-income populations in the community impact the need for water quality and affordability. EJ mapping tools can compile and visualize such data at the state-wide level.

Ohio does not currently have an EJ screening tool nor does it consider EJ in either its disadvantaged communities definition or scoring criteria. The **U.S. EPA's EJSCREEN** mapping tool can identify EJ areas of concern. Specifically, the EJ Indexes and Socioeconomic Indicators should be used as DWSRF criteria. EJ communities must also be actively engaged to inform the disadvantaged communities and scoring criteria for DWSRF.

Environmental Justice



EPA's EJSCREEN shows a view of the southwest Ohio including Dayton that highlights proximity to Superfund sites: an indicator of environmental contaminants in communities.