

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 Minnesota'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 Minnesota's DWSRF program, which will occur in the **late summer or early fall**.

Problems and Solutions

Lengthy Process to Update Scoring and Disadvantaged Community Criteria

Scoring guidelines should be moved from the long and difficult administrative rulemaking process to the annual water funding reports. This way, it can be reviewed and improved every year. The U.S. EPA suggests updating the guidelines every year to make sure it is up-to-date with the best ideas and financial needs.

Transparency

Disadvantaged Community Status

Unlike most of the other Great Lake States, disadvantaged status cannot be determined based solely on information provided in an application. Minnesota uses a complicated formula to understand a community's financial need, but it does not consider environmental justice impacts, which can help find the communities with the most need. See box below to learn more.

Justice 40

The Intended Use Plans should include the total percent of funding provided to disadvantaged communities to ensure the federal directive that says 40% of SRF funding will go to disadvantaged communities.

Scoring Criteria Does Not Protect Local Autonomy or Assets

Minnesota's criteria prioritizes consolidation and regionalization, but there are no safeguards in place to protect local oversight, governance, and ownership of assets. Without protections, these processes can result in loss of revenue, property, and local power. For systems with existing community governance (i.e. municipal and other systems), consolidation 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.

Weak Criteria for Scoring and to Identify Disadvantaged Communities

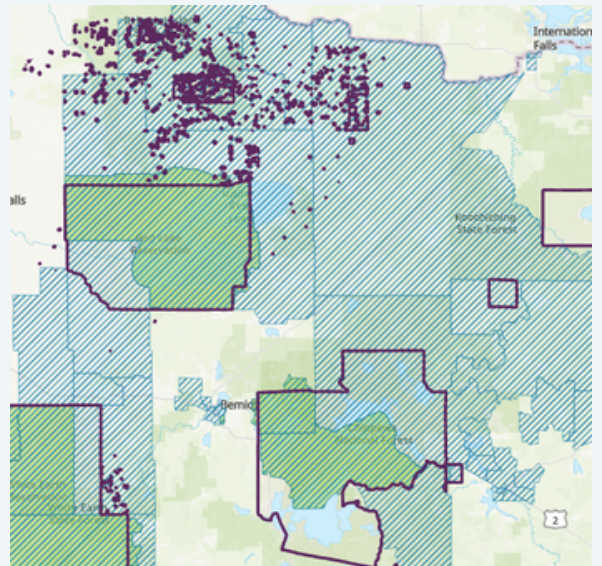
Median Household Income

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.

Environmental Justice

Minnesota's DWSRF does not confront the cumulative impacts of pollution. Yet, research has affirmed that existing environmental hazards and low-income populations in the community impact the need for water quality and affordability.

The Minnesota Pollution Control Agency (MPCA) created a map called "Understanding environmental justice in Minnesota." It looks at communities of color, poverty, people who don't speak English, and air pollution, but does not include environmental and public health risks. The U.S. EPA's EJSCREEN map has environmental justice data that considers these risks and can be added. This map should be used to find the communities that need this funding the most.



MPCA EJ Map of northern Minnesota
Source: <https://tinyurl.com/MNEJMAP>