

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 occurs in **October**.

Problems and Solutions

Long and Difficult Process to Update Critical Funding Policies

Work towards a solution with legislators and stakeholders to remove the definition of “disadvantaged communities” and project scoring from regulation to allow for more efficient and timely updates. The U.S. EPA recommends a dynamic, annual process to update this criteria to ensure the most in-need communities can access these funds.

Help Disadvantaged Communities Apply for Funds

Ensure all communities have the ability to apply for grants and low-interest loans: Provide additional pre-application technical assistance and grants, such as through a set-aside program, for disadvantaged communities to ensure equitable access to the application process.

In addition, to reduce the burden on applicants, we recommend increasing the number of years of project application eligibility from 2 years to 3-5 years. With the unprecedented amount of demand and available funds, projects must wait longer for funding and thus should remain eligible for longer. Annual project plan updates can be provided in lieu of a full re-submission of an application.

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

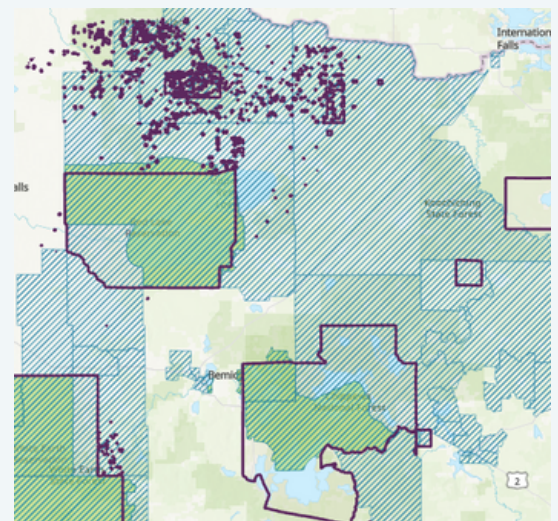
Median Household Income

Median Household Income (MHI) 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 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>