SECTION I: PART A OF THE SUPPORTING STATEMENT

# Terms of Clearance for Current ICR

**In accordance with 5 CFR 1320, the information collection is approved for three years. OMB reminds EPA that its oversight of this collection includes ensuring that States’ procedures are consistent with the CWA, SDWA, and accompanying regulations.**

# 1. Identification

## A. Title

Information Collection Request (ICR) Supporting Statement for Clean Water State Revolving Fund and Drinking Water State Revolving Fund Programs OMB NO. 2040-0185, EPA ICR NO. 1803.09.

## B. Short Characterization/Abstract

The information collection activities will occur primarily at the program-level through the State Capitalization Grant Agreement/Intended Use Plan and Annual Report. The information on the Intended Use Plan (IUP) is needed annually to describe how the State intends to use available State Revolving Fund (SRF) funds for the year to meet the objectives of the Clean Water Act (CWA) or Safe Drinking Water Act (SDWA) and to further the goal of protecting public health. The Annual Report is needed to provide detailed information on how the State has met its goals and objectives of the previous one fiscal year as stated in the IUP and Grant Agreement. The CWA and SDWA require this information to ensure the national accountability, adequate public review and comment, fiscal integrity, and consistent management needed to achieve public health and CWA and SDWA compliance objectives.

Title VI of the CWA of 1987 established the Clean Water State Revolving Fund (CWSRF) program, which replaced the Environmental Protection Agency’s (EPA) Construction Grants Program. As outlined in 40 CFR Part 35, Subpart K, State Water Pollution Control Revolving Funds, and EPA guidance, each State and Puerto Rico has its own CWSRF. The 1996 Amendments to the SDWA created the Drinking Water State Revolving Fund (DWSRF). Much like the CWSRF, each State and Puerto Rico has its own DWSRF, outlined in 40 CFR Part 35, Subpart L.

A State’s CWSRF and DWSRF include funds provided by federal capitalization grants, state match, repayments from prior assistance agreements, interest that has been repaid to the SRF, and investment income. In some cases, a State SRF secures additional funding through bond proceeds. Each State designs and operates its own revolving fund to provide financial assistance to eligible recipients for water pollution control and drinking water safety activities.

The CWSRF and DWSRF were established as low-interest sources of funding for a wide range of water infrastructure projects and have the flexibility to use options beyond low interest loans. States have the authority to use the SRFs to issue and refinance loans, purchase or guarantee local debt, and purchase bond insurance. States may also set specific terms such as interest rates and repayment periods. The SRFs can also issue loan guarantees, and in 2009, Congress authorized States to provide further financial assistance via the SRF programs in the form of grants, principal forgiveness, and negative interest rate loans. Under the DWSRF, a State may, at its discretion, establish disadvantaged community criteria and offer negative interest rates, principal forgiveness, and/or an extended repayment term.

Congress provides EPA annual appropriations for providing capitalization grants to State SRFs. EPA awards these grants to each State upon the State’s submission of a grant application, which includes an IUP. While EPA provides oversight that ensures that States’ procedures are consistent with the CWA or SDWA and accompanying regulations, the States have a great deal of autonomy in administering the program and selecting which projects receive funding. Additional information about the CWSRFs and DWSRFs are available at <http://www.epa.gov/cwsrf/learn-about-clean-water-state-revolving-fund-cwsrf> and <https://www.epa.gov/dwsrf/how-drinking-water-state-revolving-fund-works#tab-1>, respectively.

This ICR renews the Office of Management and Budget (OMB) Number 2040-0185 DWSRF ICR and OMB Number 2040-0118 CWSRF ICR and provides updated estimates of the reporting burden associated with the information collection activities.

The individual information collections covered under this ICR are briefly described as follows:

1. Capitalization Grant Agreement/Intended Use Plan

The Capitalization Grant Agreement is the principal instrument by which the State commits to manage its revolving fund program in conformity with the requirements of the CWA or SDWA. The grant agreement contains or incorporates by reference the IUP, application materials, payment schedule, required certifications, Operating Agreement (if used), and other documentation required by the Regional Administrator. Information on how an SRF program intends to use its funds for the upcoming year to meet the objectives of the CWA or SDWA can be found in the IUP. The agreement is a general instrument to legally commit the State and EPA to execute their responsibilities under the CWA or SDWA.

1. Annual Report

The Annual Report indicates how the State has met its goals and objectives of the past fiscal year as stated in the grant agreement and, more specifically, in the IUP. The Report provides information on loan recipients, loan amounts, loan terms, project categories of eligible costs, and similar data on other forms of assistance. The Report also describes the extent to which the existing CWSRF or DWSRF financial operating policies, alone or in combination with other State financial assistance programs, will provide for the long-term fiscal health of the Fund and carry out other key provisions of the CWA or SDWA. Financial information from the Annual Report may be entered into the SRF Data System. The SRF Data System updated and consolidated the Project Benefits Reporting (PBR) System, Clean Water Benefits Reporting (CBR) System, Drinking Water National Information Management System (DWNIMS), and Clean Water National Information Management System (CWNIMS) into a single portal, where data can be collected on State SRF assistance agreements, annual State level SRF program activity, SRF borrower data, and State SRF program agency management data. Through consolidation of system, the SRF Data System can avoid duplication of data questions to State users, more easily ensure data consistency, and more easily use and share data from other EPA systems.

1. State Audit

A State must comply with the provisions of the Single Audit Act Amendments of 1996. Best management practices suggest, and the EPA recommends, that a State conduct an annual independent audit of its SRF programs. The Audit must contain an opinion on the financial condition of the SRF programs, a report on its internal controls, and a report on compliance with applicable laws and the CWA or SDWA.

1. Financial and Project Data

To meet the CWA and SDWA objectives of “promoting the efficient use of fund resources” States must enter financial data, including project commitments and disbursements, into the SRF Data System on an annual basis. These data, also available to the public, are used by the EPA to assess compliance with the Program’s mandate to use all funds in an “expeditious and timely” manner and achieve maximum environmental benefits from the Fund. Project-level data are collected on a quarterly basis using the SRF Data System to ensure CWA and SDWA eligibility and to highlight the projected environmental and health benefits from SRF projects.

1. SRF Public Awareness Requirements

Per EPA Grants Policy Issuance (GPI) 14-02: Enhancing Public Awareness of EPA Assistance Agreements, SRF borrowers must publicize EPA’s involvement in project funding only up to the funding amount in each year’s capitalization grant. The SRFs have various options to meet this requirement.

Though the CWSRF information collection activities closely mirror those of the DWSRF, there is a key difference. In addition, the DWSRF program includes several set-aside programs that are funded through the DWSRF capitalization grants. These set-aside programs cover activities that are separate from the funding provided by the DWSRFs for eligible water infrastructure projects. The use of the set-aside funds must be tracked through the various DWSRF information collection activities, including the IUPs and Annual Reports. The CWA does not provide similar set-aside programs for the CWSRFs.

With the exception of the public awareness requirements, the respondents for the information collection activities are the State environmental departments, State departments of health, and/or finance agencies responsible for operating the SRFs. The public awareness requirements directly impact SRF borrowers that are designated as recipients of federal funds. The burden associated with the public awareness requirements should not have an impact on small entities since the SRFs have flexibility in determining which borrowers must comply with these requirements.

Compared to the previously approved ICR, the annual hourly and cost burdens have been decreased by 37,500 hours and increased by $3,505,315.65, respectively. This change in hourly burden is driven primarily by a decrease in annual hourly burden in the DWSRF from the elimination of the application review estimates to align with the estimates from CWSRF. The change in monetary burden is driven primarily by an increase in hourly wage estimates. Additional information regarding the burden adjustments is provided in Section 6.F of this supporting statement.

# 2. Need for and Use of Collection

## A. Need/Authority for the Collection

Title VI of the CWA and Section 1452 of SDWA provides the statutory basis for having an SRF prepare and submit a Capitalization Grant Agreement, IUP, Annual Report, and State Audit. EPA also requires that the SRFs periodically enter financial and project level information into the SRF Data System. These databases provide EPA with the information needed to effectively evaluate the performance of the SRFs and to ensure compliance with statutory and other federal requirements.

Prior to awarding a capitalization grant, EPA must have sufficient assurances that a CWSRF and DWSRF will be managed in compliance with the CWA and SDWA. To ensure that EPA receives these assurances, the CWA and SDWA provides specific instructions to the State for developing and submitting the Capitalization Grant Agreement. The contents of the Capitalization Grant Agreement are governed by CWA Section 602 and SDWA Amendments of 1996 (Pub. L. 104-182), which lists the assurances and certifications an SRF must provide to EPA. As part of the capitalization grant agreement, a State must submit an IUP that is developed in accordance with CWA Section 606(c) and SDWA Section 1452(a)(1). In addition to mandating the minimum level of information that must be included in the IUP, Section 606(c) and Section 1452(b)(1) also requires that an SRF provide an opportunity for public comment before the plan can be submitted to EPA for review. The IUP must also reflect how an SRF will comply with other federal requirements. These federal requirements are usually included in annual appropriation acts. Major requirements that have accompanied annual appropriations involve the use of additional subsidization for both SRFs and the funding of the projects that promote such activities as green infrastructure and water and energy efficiency improvements.[[1]](#footnote-3) The CFR Part 35, Subpart L (August 2000).

To help ensure that there is sufficient oversight of the SRFs, the CWA and SDWA also requires that an SRFs annually submit a report to EPA and undergo an audit. For the DWSRF, the requirement is a Biennial Report, but the program encourages states to submit reports annually and will consider this an annual activity like the CWSRF. Under the CWA Section 606(d) and the SDWA Section 1452(g)(4), an SRF is required to develop and submit an Annual Report describing how it has met the goals and objectives included in the previous year’s IUP. The Annual Report must also include detailed information on the financial assistance provided through the SRF program over the past year, including identification of the loan recipients, assistance amounts and terms, and other related information. CWA Section 606(b) and SDWA Section 1452(g)(4) requires each SRF to have an annual audit that is conducted in accordance with the auditing procedures of the General Accounting Office to ensure the proper usage of all SRF funds.

In addition to these statutory requirements, EPA will continue to direct the SRFs to submit financial and project level data through the SRF Data System on a periodic basis. The information collected through these databases is critical to EPA’s oversight responsibilities in ensuring the timely and expeditious use of SRF funds and the long-term financial sustainability of the SRFs. The information collected through the SRF Data System also serves another important role by establishing a stronger link between SRF financed projects and the projected environmental benefits as required by *EPA Order 5700.7, Environmental Results Under Assistance Agreements.*

The SRFs are asked to submit program level financial data annually through the SRF Data System, including loan amounts, disbursements, repayments, and other critical information. The data collected supports Section 606(e) of the CWA and 1452(g)(4) of the SDWA, requiring EPA to conduct annual oversight reviews of the SRFs. The SRF Data System complements the Annual Report and Audit by providing a current snapshot of financial activity and the extent by which the SRFs funds have been committed and disbursed for projects. The SRF Data System also provides an overview of the types of projects and the recipients receiving SRF funding. This comprehensive overview on program activity allows EPA to discuss the future direction of the SRFs and head off potential concerns before they become major problems.

The SRF Data System is also instrumental in allowing EPA to document the progress of the SRFs in addressing the nation’s water quality needs to the public and Congress. Information provided by this database is an essential part of EPA’s testimony before the Congressional appropriations and authorizing committees that oversee environmental infrastructure programs. The data collected by this system is made available to the public and greatly supports outreach efforts by EPA and several key State and trade organizations (e.g., Council of Infrastructure Financing Authorities, Association of Clean Water Administrators, Association of State Drinking Water Administrators, National Utility Contractors Association, and Water and Wastewater Equipment Manufacturers Association).

Since 2010, Congress has included several major provisions in the annual appropriations that affected the SRFs. For CWSRF one of the provisions included the Green Project Reserve (GPR) requirement that directed a portion of the federal funding to be used to fund projects that addressed green infrastructure, water efficiency improvements, energy efficiency improvements, or environmentally innovative activities. For both SRFs another provision directed that a portion of federal funding be used to provide additional subsidization in the form of principal forgiveness, negative interest loans, or direct grants. Accompanying these provisions was conference language that directed EPA to not only track how additional subsidies are used, but also by what types of communities. These provisions have been carried over into subsequent appropriations.

Data entry into the database stopped being optional in 2010. The SRFs are required to enter project level information into the SRF Data System on a quarterly basis. This frequency of collection is to ensure that EPA can provide a timely response to congressional inquiries with the most up-to-date data. In response to constant inquiries regarding the status of meeting federal requirements, EPA also uses the SRF Data System to track progress towards these goals.

The *EPA Grants Policy Issuance (GPI) 14-02: Enhancing Public Awareness of EPA Assistance Agreements* requires SRF borrowers designated as recipients of federal funds to publicize EPA’s involvement in the funding of the project. The purpose of these requirements is to enhance public awareness of EPA assistance agreements nationwide and communicate the positive impact and benefits of EPA funding around the country. These requirements went into effect in FY 2015 and applies to all future federal capitalization grant awards.

## B. Practical Utility/Users of the Data

The information collection activities serve several important functions. Foremost, they are the means by which EPA can assess whether the SRFs are being properly managed. They factor heavily in EPA’s determination of whether an SRF should be awarded a capitalization grant. The Capitalization Grant Agreement/IUP not only provides detailed information on how an SRF will operate its program in the upcoming year, but it is also instrumental in legally binding an SRF to fulfilling its responsibilities under the CWA or SDWA. Working in concert with the Capitalization Grant Agreement/IUP are the Annual Report and Audit, which provide EPA with documentation that an SRF is actually operating in compliance with the CWA or SDWA and thus sufficiently meeting the assurances provided through the Capitalization Grant Agreement/IUP. While the financial and project information collected by the SRF Data System supports program oversight, it also has an important role when it comes to public outreach and responding to stakeholder inquiries in a prompt and effective manner. The purpose of the public awareness requirements is to better inform the public of the role EPA has in supporting SRF funded projects that yield numerous economic and environmental benefits.

Although the EPA oversees the general operations of the SRF programs as part of its Annual Review process, the Agency does not have any responsibility for reviewing or approving individual applications for SRF financial assistance.

The respondents for most of the information collection activities are the State environmental departments, State departments of health, and/or finance agencies responsible for operating the SRFs. A notable exception is the public awareness requirements, which directly impacts SRFs borrowers (NAICS Code # 999300) that are designated as recipients of federal funds.

# 3. Non-Duplication, Consultations, and Other Collection Criteria

## A. Non-Duplication

Duplication of effort is not expected. The information collected through the IUP, Annual Report, and Audit is specific to the requirements of the CWA and SDWA. They are derived from CWSRF or DWSRF specific sources that are not duplicated elsewhere and are designed to capture different aspects of CWSRF or DWSRF activity. The IUP provides EPA with a detailed roadmap of how a CWSRF or DWSRF plans to proceed for the upcoming year, while the Annual Report covers a CWSRF’s or DWSRF’s actual activity. The annual audit provides an independent review of the financial status and management of a CWSRF or DWSRF conducted by certified auditors. The financial and project information collected through the SRF Data System is also derived from CWSRF or DWSRF specific sources that are not duplicated elsewhere. The information made available because of the public awareness requirements are project specific and no duplication is expected.

## B. Public Notice Required Prior to ICR Submission to OMB

On January 19, 2023, pursuant to the Paperwork Reduction Act, 44 U.S.C. § 3501 et seq., the EPA Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) programs published a Federal Register notice with a proposed information collection request (ICR) and a solicitation for public comments on the proposed ICR. See 88 FR 3409-3411.

In response, on March 20, 2023, EPIC (Environmental Policy Innovation Center) and NRDC (Natural Resources Defense Council), together with 24 supporting organizations, submitted a letter offering detailed comments on the proposed ICR. While these organizations indicated their support for the baseline data collection, they suggested that EPA broaden its proposed ICR. Specifically, they directed EPA to expand data collection and provided recommendations to improve data quality to better fulfill EPA’s oversight and implementation responsibilities.

In terms of expanded data collection, EPA appreciates the extensive feedback the commenters provided and is already undertaking some of the recommendations provided by the letter. EPA is updating key data elements to better identify when SRF assistance and additional subsidy is provided to disadvantaged communities, as defined by the state, (for the DWSRF) or communities that meets the state’s affordability criteria (for the CWSRF). EPA is also working on adding data fields to more fully capture technical assistance provided by the SRFs and EPA. The reporting burden associated with these data fields is included as part of estimates provided by the ICR.

As for the recommendations to add data fields that more clearly identify which municipalities/counties are benefiting from SRF assistance, EPA would be glad to further engage with the commenters and others on this important topic. Such a discussion would also include the proposed data fields focusing on water affordability and access. Any such discussions would also include the state SRF programs to ensure that the benefits from collecting this new information are properly balanced against the potential increased reporting burden that may be imposed on states and local communities as a result.

EPA appreciates the input provided by NRDC and EPIC, together with the 24 supporting organizations, on improving data quality and consistency. EPA is already taking steps to address many of the issues raised by the letter. For example, as part of the transition to the current SRF Data System, automated checks were added to better identify incomplete and inconsistent data entries. With respect to unique identifiers (e.g., PWSID, NPDES), EPA transitioned from manual data entry to having states select the appropriate identifiers from a list directly imported from other EPA data systems, such as SDWIS and FRS, to help improve accuracy and consistency. In addition to these updates, EPA is transitioning to a more thorough and frequent data review cycle to better identify instances where data entry is incomplete, inaccurate, or unclear. Finally, EPA will continue working with the states by providing ongoing guidance and training to improve the consistency and usefulness of the Intended Use Plans and other key program documents.

EPA looks forward to continuing to engage with these commenters and others as it undertakes further actions, as necessary, to help ensure the completeness, accuracy, and consistency of the collected data.

## C. Consultations

As part of the consultation process, we shared a copy of the ICR renewal with Deirdre Finn, Executive Director of Council of Infrastructure Financing Authorities, to solicit feedback on the information collection activities and the estimated reporting burden. The Council of Infrastructure Financing Authorities is a national not-for-profit organization that represents State government agencies that are responsible for managing the CWSRF and DWSRF. A copy was also be shared with Alan Roberson, Director of the Association of State Drinking Water Administrators, for feedback. The Association of State Drinking Water Administrators is a professional Association serving state drinking water programs. As such, these organizations are well positioned to provide feedback on both the nature of the information collection instruments and their estimated burden.

The Council of Infrastructure Financing Authorities

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Association of State Drinking Water Administrators

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## D. Effects of Less Frequent Collection

The Capitalization Grant Agreement/IUP and Annual Report are required by the CWA and SDWA and represent critical components by which EPA awards capitalization grants to the CWSRFs and DWSRFs. The Capitalization Grant Agreement/IUP is the principal means by which a CWSRF or DWSRF commits to managing its program in conformance to the requirements of the CWA or SDWA. The Annual Report and Audit are also statutory requirements and provide official documentation that a CWSRF or DWSRF has met this commitment.

The project and financial data collected through the SRF Data System are relied upon by the CWSRFs and DWSRFs for key planning decisions and is used by EPA for essential program oversight and corrective measures. This information is also critical for effectively responding to ongoing OMB and congressional requests related to the President’s budget and annual appropriations. These requests usually revolve around wanting a status update regarding the performance of the CWSRFs or DWSRFs. However, EPA is sometimes requested to go beyond this and produce analyses related to national needs and budgetary impacts. Less frequent data collections would severely limit EPA’s ability to respond to these high priority requests in a timely manner.

## E. General Guidelines

The data collections covered by this ICR are in compliance with the OMB General Guidelines for information collections.

## F. Confidentiality

No confidential data is collected.

## G. Sensitive Questions

Financial information, such as income tax records and financial statements, may be required from private water systems for assessing financial capability during the loan application process.

# 4. Respondents and Information Requested

## A. Respondents/SIC Codes

For the SRF, the respondents for most of the information collection activities are the State environmental departments, State departments of health, and/or finance agencies responsible for operating the SRFs (NAICS Code # 999200). A notable exception is the public awareness requirements, which directly impacts SRF borrowers (NAICS Code # 999300) that are designated as recipients of federal funds.

## B. Information Requested

### i. Data items

The following information elements provide the accountability needed to detect and remedy situations of waste, fraud, and abuse of federal funds.

#### Capitalization Grant Agreement/Intended Use Plan

The Capitalization Grant Agreement is the principal instrument by which a CWSRF or DWSRF commits to manage its program in conformance with the requirements of the CWA or SDWA as a prerequisite of receiving a capitalization grant award. The Capitalization Grant Agreement contains, or incorporates by reference, the following: the grant application form (EPA Standard Form (SF) No. 424/OMB No. 2020-0020) and accompanying CWSRF or DWSRF administrative budget information, IUP, attorney general certification, and other documentation required by EPA. This material is submitted to EPA through the [www.grants.gov](http://www.grants.gov) website.

A critical component of the Capitalization Grant Agreement is the IUP. This document not only covers what a CWSRF or DWSRF plans to accomplish for the upcoming year, it also provides EPA with detailed information on how a CWSRF or DWSRF will meet the assurances included as part of the Capitalization Grant Agreement. At a minimum, the IUP must include the following:

* Short-term and long-term goals.
* “Sources and Uses” table that documents the amount of funding that is expected to be available in the upcoming year from capitalization grant awards, State contributions, loan repayments, earnings, and other non-federal sources.[[2]](#footnote-4) This table also shows how this funding will be used for eligible projects and administrative expenses. The maximum amount that can be used to cover administration is set by section 603(d)(7) and SDWA section 1452(g)(2).
* Documentation for how the CWSRF or DWSRF plans to provide the required State match.
* Documentation on whether fees will be charged, the basis for the fees, and the planned uses of fee revenue.
* A schedule/estimate for when it will enter into binding commitments on projects to ensure that it meets the requirement that a CWSRF or DWSRF enters into binding commitments equal to the federal grant payment and accompanying State match within one year of receipt of a grant payment.[[3]](#footnote-5) The IUP must also document the procedure by which grant funds will be drawn from the federal treasury into the CWSRF or DWSRF.
* A summary of the CWSRF’s or DWSRF’s financial plan, including loan interest rate(s); information on how the interest rate, loan term and additional subsidies are established for the types of assistance the State will offer; and how it will maintain the long-term health of the Fund. To the extent known, it should also include the State’s plans on leveraging and the level of bond issuance.
* Documentation on the State’s compliance with the following requirements:
  + The CWSRF or DWSRF will conduct environmental reviews according to its own established State Environmental Review Process.
  + The CWSRF or DWSRF will expend all funds in a timely and expeditious manner.
  + For CWSRF, the new Capitalization Grant Agreement requirements added by the Water Resources Reform and Development Act (WRRDA) involving cost and effectiveness analysis and procurement of architectural and engineering services. This also includes fiscal sustainability planning by CWSRF assistance recipients required under section 603(d)(1)(e) of the CWA.
* Documentation for how the State will ensure compliance with the Single Audit Act, the Federal Funding Accountability and Transparency Act, federal crosscutters, and other federal requirements (e.g., American Iron and Steel and Build America Buy America).
* Documentation on whether funds will be transferred between the CWSRF and DWSRF in accordance with section 302 of the Safe Drinking Water Act and/or that the State reserves the right to transfer funds in the future.
* A list of projects the CWSRF or DWSRF plans to fund. This list should include the following
  + Documentation that any project meeting the definition of a publicly owned treatment work was ranked based on the State’s project priority setting system.
  + Project description sufficiently detailed to determine project eligibility.
  + Type and amount of financial assistance.
  + National Pollutant and Discharge Elimination System (NPDES) permit number (CWSRF only).
* For CWSRF, a description of how the CWSRF plans to meet the GPR requirement included in recent annual appropriations. To the extent possible, this description should include a list of the projects that will be used to meet this target.
* A description of how the CWSRF or DWSRF plans to provide additional subsidization. To the extent possible, this description should include a list of the projects that will be used to meet the minimum required amount set by annual appropriations and under what conditions it is eligible under the CWA[[4]](#footnote-6) or SDWA.

The CWSRF and DWSRF are required by the CWA and SWDA to make the IUP available for public comment and review. EPA is also provided an electronic copy for review. Once a CWSRF or DWSRF makes any necessary revisions based on these comments, the CWSRF or DWSRF submits the final IUP through grants.gov as part of the Capitalization Grant Agreement package.

#### Annual Report

As required by the CWA and SDWA, an annual report must be submitted to EPA covering program activities for the past year. The Annual Report must illustrate the progress an SRF has made towards meeting the goals and objectives of the previous fiscal year’s IUP and capitalization grant agreement. A copy of the Report is provided in an electronic format (e.g., MS Word or Adobe) to the EPA regional office within 90 days of the end of the fiscal year. Similarly, the Report must document a CWSRF’s or DWSRF’s compliance with the assurances included as part of the IUP.

The Report must also provide detailed information on actual assistance provided, including: loan recipients; loan amounts; loan terms; project categories of eligible cost; and similar details on other forms of assistance. This information must note whether a project is being counted towards the GPR requirement. Additionally, a CWSRF or DWSRF must include whether a project received additional subsidization and supporting rationale for why it was eligible to receive such assistance.

A CWSRF or DWSRF must also submit detailed financial statements as part of the Report that provide a snapshot of its financial stability. If an audit has not yet been completed, the Report should include draft financial statements and footnotes that are in accordance with generally accepted accounting principles (GAAP) to present fairly the financial condition and results of operation.

The Report is one of the principal instruments by which a CWSRF or DWSRF demonstrates to EPA that it has abided by the assurances and terms set forth in the capitalization grant agreement. Any major discrepancies between the Report and Capitalization Grant/IUP must be addressed to the satisfaction of EPA. The regional review of a CWSRF or DWSRF is usually where such concerns are identified and raised, though EPA may contact a CWSRF or DWSRF prior to the review if such action is deemed warranted.

#### State Audit

Section 606(b) of the CWA and section 1452(g)(4) of the SDWA requires that an SRF undergo an annual State audit consistent with the auditing procedures of the General Accounting Office, including chapter 75 of title 31, United States Code. Though an audit conducted under the Single Audit Act meets this requirement, States are encouraged to conduct an annual financial and compliance audit of the SRFs and its operations. The State may designate an independent auditor of the State to carry out its audit or may contractually procure the service.

CWSRF and DWSRF usually rely on the services of a professional auditing firm to conduct the independent audit. The audit includes testing of accounting records and other procedures the auditor considers necessary to express an opinion that the financial statements are fairly presented, in all material respects. Audits also include tests of documentary evidence supporting the transactions recorded in the accounts. The product of an audit generally includes issuing the following reports:

* Financial statements with an opinion (or disclaimer of opinion) as to whether the CWSRF or DWSRF financial statements are presented fairly in accordance with GAAP. As a minimum, financial statements should include a statement of net position or balance sheet, statement of revenues and expenses and changes in net position, a statement of cash flows, and notes to the financial statements.
* A report on internal controls related to the CWSRF or DWSRF financial statements. The report should describe the scope of testing of internal controls and the results of the tests.
* A report on compliance that includes an opinion as to whether the State has complied in all material respects with laws, regulations, and the provisions of the CWSRF or DWSRF capitalization grants.

Once completed, an electronic copy of the annual audit is provided to EPA. Of critical importance is whether the audit includes any findings or recommendations that either relay concerns that the financial statements may not accurately reflect the financial condition of the fund or that a CWSRF or DWSRF is not in compliance with one or more federal or State requirements. Working with EPA, a CWSRF or DWSRF must take steps to address these recommendations.

#### Financial and Project Data

The financial and project data collected by the SRF Data System supports EPA oversight responsibilities and public outreach efforts. Both databases are hosted on EPA servers located at the National Computer Center and can be accessed at the following web address: <https://owsrf.epa.gov/>. The CWSRFs and DWSRFs use this website to establish an account and submit data in the SRF Data System.

During the summer of each year, the CWSRFs and DWSRFs complete the financial data entry for the reporting period of July 1 to June 30. Once the CWSRFs and DWSRFs have completed the data entry, EPA, with the assistance of a contractor, conducts a quality review. During the quality review, there is follow-up with the CWSRFs or DWSRFs to address any questions or concerns regarding the most recent entries. A summary of what must be reported into the SRF Data System is provided below:

* Federal and State contributions
* Total assistance provided
* Assistance by population served
* Assistance by needs category
* Leveraging activity (making additional funding available for projects by issuing bonds)
* Loan repayments
* Investment earnings

The CWSRFs and DWSRFs are required to enter project-level information into the SRF Data System no less than on a quarterly basis. Unlike the financial data, the information captured by the project-level data focuses on loan and project-level details. More importantly, the SRF Data System also captures the projected environmental and public health benefits associated with the SRF funded projects.

During the collection period, the SRF Data System will be updated to add several additional data fields to support oversight of IIJA funding and to track progress towards meeting key Administration priorities more effectively. Specifically, these data fields will provide a further breakout of the portion of SRF funding that is coming from IIJA. Additionally, several data fields will be added to assist with oversight of emerging contaminants and lead service line replacement SRF projects funded through IIJA. Finally, several data fields will be added to better identify SRF funded projects that are helping to address and mitigate the impacts of climate change.

The data collected through the SRF Data System are used to generate a variety of State and national reports that cover various aspects of the CWSRF or DWSRF activity. These reports contain detailed information on CWSRF and DWSRF activity as it relates to funding levels and the types of projects being funded. These reports also provide detailed information on CWSRF and DWSRF financial performance, including metrics that track the rate at which assistance agreements are made and funds are being disbursed for projects. They also track the extent to which the funds are growing as a result of loan and investment earnings. These reports are reviewed by EPA to identify possible issues that are brought to the attention of a CWSRF or DWSRF. This is usually included as part of the annual review; however, an issue may be raised sooner if the situation warrants it.

The data are also crucial to EPA’s ability to respond to inquiries from Congress, OMB, GAO, and other stakeholders. Data from the SRF Data System have been used to provide Congress with periodic updates on the use of additional subsidization and other trends such as assistance to small communities and the degree by which the CWSRFs are complying with the GPR requirement. For example, data were crucial in preparing the following report to Congress: *Utilization of Additional Subsidization Authority in the Clean Water and Drinking Water State Revolving Fund Programs*.[[5]](#footnote-7) Information from SRF Data System is also used in pulling together material needed for the president’s budget, including the congressional justification, program factsheets, congressional testimony, and other budget related material. Finally, information from SRF Data System is pivotal to EPA’s ability to produce informational material that highlights the national trends in CWSRF and DWSRF environmental and financial performance. This material includes the environmental benefits reports, national financial reports, and factsheets. These documents are made publicly available through EPA’s website at <http://www.epa.gov/cwsrf/clean-water-state-revolving-fund-cwsrf-results> and <https://www.epa.gov/dwsrf/reports-and-fact-sheets-about-drinking-water-state-revolving-fund-dwsrf>.

#### Public Awareness Requirements

Per *EPA Grants Policy Issuance (GPI) 14-02: Enhancing Public Awareness of EPA Assistance Agreements*, borrowers receiving CWSRF or DWSRF funds must publicize EPA’s involvement in project funding. EPA has issued guidance to assist the CWSRFs, DWSRFs, and borrowers in meeting this requirement.[[6]](#footnote-8)

The requirements from this policy only apply to funding up to the amount of each year’s capitalization grant and States may choose the borrowers that will be subject to them. It is at the discretion of the CWSRF and DWSRF to select projects most-able to efficiently and effectively comply in a way that meets the intention to enhance public awareness without significant financial hardship to the State or its borrowers.

Local respondents have various options to meet this requirement and are encouraged to choose the method most cost-effective and accessible to a broad audience. After consulting with EPA, CWSRF, and DWSRF staff throughout the country, the following compliance options were developed:

* Standard signage
* Posters or wall signage in a public building or location
* Newspaper or periodical advertisement for project construction, groundbreaking ceremony, or operation of the new or improved facility
* Online signage placed on community website or social media outlet
* Press release

The following information must be included:

* Name of facility, project and community
* SRF administering the program
* Whether project is wholly or partially funded with EPA funding
* Brief description of project
* Brief description of the water quality benefits the project will achieve

### ii. Respondent Activities

As a condition of receiving federal funds, State respondents must prepare and submit the following documents to apply for federal financial assistance:

* IUP / Capitalization Grant Agreement;
* Annual Report; and
* Most recent Audit;
* Submitting Financial and Project Information into the SRF Data System.

Per *EPA Grants Policy Issuance (GPI) 14-02: Enhancing Public Awareness of EPA Assistance Agreements*, local respondents must publicize the EPA’s involvement in project funding only up to the funding amount in each year’s capitalization grant. States have various options to meet this requirement.

# 5. Agency Activities, Methods, and Information Management

## A. Agency Activities

EPA reviews the submissions from the State and analyzes the data provided on the Capitalization Grant Agreement / IUP to support the State’s management of the program. EPA also reviews Annual Reports and State Audits from each State to ensure that the intended financial and programmatic objectives of the national program are being met.

## B. Collection Methodology and Management

The EPA SRF Data System can be accessed online at: <https://owsrf.epa.gov/>. Once State staff successfully creates an account, they have full access to submit and review financial and project data via the online interface.

The CWSRF or DWSRF capitalization grant application along with accompanying material (e.g., IUP, attorney general certification) is submitted online through [www.grants.gov](http://www.grants.gov).

## C. Small Entity Flexibility

The respondents for most of the information collection activities are the State environmental departments, State departments of health, and/or finance agencies responsible for operating the CWSRFs or DWSRFs. The only information collection activities that could potentially impact small entities is the public awareness policy.

The public awareness requirements are not expected to impact small entities since it only applies to a portion of the funding provided annually and a CWSRF or DWSRF has full flexibility in determining which borrowers must comply. Further, the five compliance options for signage allow borrowers to select the least burdensome method for complying with the public awareness requirements. As a result, many borrowers are expected to choose the online signage option. It is estimated that only borrowers that are already required by State law to provide promotional material such as signs, posters, and newspapers advertisements will choose the other options provided under these requirements.

## D. Collection Schedule

Annual State and national reports reflecting the latest data are posted in the early part of every calendar year on EPA’s website. These reports are made publicly available at <http://www.epa.gov/cwsrf/clean-water-state-revolving-fund-cwsrf-results> and <https://www.epa.gov/dwsrf/reports-and-fact-sheets-about-drinking-water-state-revolving-fund-dwsrf>.

# 6. Estimating Burden and Cost

For this ICR, EPA is combining the burden estimates for the CWSRF and DWSRF. Additionally, with the passage of IIJA, new grants will increase the burden on States, and new related data will also be collected. Also, the salary cost estimates have been slightly revised based on data provided by the Bureau of Labor Statistics (BLS), U.S. Department of Labor.

## A. Estimating Respondent Burden

To develop the burden estimates, EPA took past burden estimates for CWSRF and DWSRF and updated them using best professional judgement to account for the new IIJA grants and associated needs.

The burden estimate associated with SRF Data System reporting represents the summation of the total number of hours a CWSRF and DWSRF will spend entering data into these databases over a given year

The respondents for these information collection activities are the 51 State departments of health, environmental departments, and/or finance agencies responsible for operating the CWSRFs and DWSRFs.

For the SRFs, the burden associated with the Public Awareness Requirements are based on EPA’s professional judgement that most borrowers will comply with this policy through the online signage option. It is also EPA’s judgement that only borrowers that are already required by State law to provide promotional material such as signs, posters, and newspapers advertisements will choose the other options provided under these requirements. EPA estimates that approximately 2,836 SRF borrowers will be affected by the public awareness requirements annually. The SRF Data System was used to determine the subset of the total number of borrowers that would be subject to the public awareness requirements. This was accomplished by calculating the percentage of federal funding compared to total project funding and applying this percentage to the estimated number of borrower applications.

#### IUP/Capitalization Grant Agreement

For CWSRF, EPA estimates that each State will spend an average of 388 hours per year to prepare the IUP and Capitalization Grant Agreement for submission to EPA. This is for multiple grants as now available under IIJA. This is based on a survey of state programs.

For DWSRF, EPA estimates that each State will spend an average of 429 hours per year to prepare the IUP and Capitalization Grant Agreement for submission to EPA. This is for multiple grants as now available under IIJA. This is based on a survey of state programs.

#### Annual Report

EPA estimates that, over the three-year period covered by this ICR, each State will spend an average of 149 hours per year to compile each CWSRF Annual Report and 164 hours per year to compile each DWSRF Annual Report.

#### State Audit

EPA estimates that, over the three-year period covered by this ICR, each State will spend an average of 322 hours per year to compile each CWSRF State Audit and 305 hours per year to compile each DWSRF State Audit.

#### Financial and Project Data

EPA estimates that, over the three-year period covered by this ICR, each State will spend an average of 101 hours per year to compile CWSRF financial and project data and 109 hours per year to compile DWSRF financial and project data.

#### Public Awareness Requirements

EPA estimates that, over the three-year period covered by this ICR, each responder will spend an average of 3 hours per year on public awareness requirements. For CWSRF, EPA estimates 858 responses, based on the number of respondents in recent years and proportionally increased for the new funding resulting from IIJA. Likewise, for DWSRF, EPA estimates 1,876 respondents. For both the CWSRF and DWSRF this is a total of 8,202 hours per year.

## B. Estimating Respondent Cost

### i. Estimating Labor Costs

The estimated salary costs used for SRF State staff ($61.20 per hour) and SRF borrowers ($46.34 per hour) are based on the latest wage rate information provided by the BLS, U.S. Department of Labor. The SRF staff salary costs were derived by taking the average of the median wage for State government environmental engineers ($38.57) and financial/investment analysts ($37.93) and then multiplying by a factor of 1.6 to capture provided benefits.[[7]](#footnote-9) The SRF borrower salary costs are based on the median wage for water and wastewater treatment plant and system operators ($28.96).[[8]](#footnote-10) As with State salary costs, this wage rate was multiplied by a factor of 1.6 to capture provided benefits.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Activity** | **No. of Responses Per Year** | **Hour Per Response** | **Total Hours Per Year** | **Cost Per Hour** | **Annual Operations and Management Cost** | **Total Annual Cost** |
| **CWSRF Capitalization Grant Agreement/Intended Use Plan** | 51 | 388 | 19,788 | $61.20 | $0.00 | $1,211,026 |
| **DWSRF Capitalization Grant Agreement/Intended Use Plan** | 51 | 429 | 21,879 | $61.20 | $0.00 | $1,338,995 |
| **CWSRF Annual Report** | 51 | 149 | 7,599 | $61.20 | $0.00 | $465,059 |
| **DWSRF Annual Report** | 51 | 164 | 8,364 | $61.20 | $0.00 | $511,877 |
| **CWSRF State Audit** | 51 | 322 | 16,422 | $61.20 | $3,177,300.00 | $4,182,326 |
| **DWSRF State Audit** | 51 | 305 | 15,555 | $61.20 | $3,177,300.00 | $4,129,266 |
| **CWSRF Financial and Project Data** | 51 | 101 | 5,151 | $61.20 | $0.00 | $315,241 |
| **DWSRF Financial and Project Data** | 51 | 109 | 5,559 | $61.20 | $0.00 | $340,211 |
| **CWSRF Public Awareness Requirements** | 858 | 3 | 2,574 | $46.34 | $0.00 | $119,279 |
| **DWSRF Public Awareness Requirements** | 1876 | 3 | 5,628 | $46.34 | $0.00 | $260,802 |

|  |  |
| --- | --- |
| Average Annual # of Hours: | 108,519 |
| Average Annual Cost: | $12,874,081 |
| Total # of Hours (FFY 2023 to FFY 2025): | 325,557 |
| Total Cost (FFY 2023 to FFY 2025): | $38,622,243 |

### ii. Estimating Capital and Operations and Maintenance Costs

The only operations and maintenance costs are those associated with an independent annual audit. The SRFs usually contract the services of an auditing firm to conduct these audits, and the estimated average cost is approximately $62,300. The total average annual cost for the 102 SRFs (51 CWSRF and 51 DWSRF) to undergo an independent audit is estimated to be $6,354,600.

## C. Estimating Agency Burden and Cost

Estimation of the direct cost to EPA’s oversight of the SRFs covers review and analysis of the Capitalization Grant/IUP, Annual Report, Audit, and SRF Data System financial and project data. The estimates reflect EPA’s workload over the three-year period covered by this information collection. EPA cost estimates are based on average hourly expenditures, including regional and headquarters personnel compensation and benefits.

The estimated average hourly cost of $69.19 for EPA headquarters and regional personnel is based on the General Schedule (GS) 12, Step 05 level. The hourly estimates were calculated by dividing the annual compensation of $89,947 from the 2022 GS pay schedule by 2,080 hours in the federal work year.[[9]](#footnote-11) The hourly rates were then multiplied by the standard government benefits multiplication factor of 1.6.

In addition to these costs, EPA also expends $200,000 a year for contractor support for the databases. This support includes assisting the SRFs with data entry and EPA with data review. The contractor also provides support by addressing any technical issues that prevent the SRFs from effectively entering data into these databases.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Activity\*** | **Average Annual Labor Hours** | **Cost Per Hour** | **Average Annual Labor Cost** | **Annual Operations and Management Cost** | **Total Annual Cost** |
| **CWSRF Capitalization Grant Agreement/IUP** | 2,525 | $69.19 | $174,705 | $0.00 | $174,705 |
| **DWSRF Capitalization Grant Agreement/IUP** | 2,525 | $69.19 | $174,705 | $0.00 | $174,705 |
| **CWSRF Annual Report** | 1,495 | $69.19 | $103,439 | $0.00 | $103,439 |
| **DWSRF Annual Report** | 1,495 | $69.19 | $103,439 | $0.00 | $103,439 |
| **CWSRF State Audit** | 940 | $69.19 | $65,039 | $0.00 | $65,039 |
| **DWSRF State Audit** | 940 | $69.19 | $65,039 | $0.00 | $65,039 |
| **CWSRF Financial and Project Data** | 3,876 | $69.19 | $268,180 | $200,000 | $468,180 |
| **DWSRF Financial and Project Data** | 3,876 | $69.19 | $268,180 | $200,000 | $468,180 |
| \* The number of respondents is the 51 CWSRFs. There is no federal burden associated with the public awareness policy. | | | | | |

|  |  |
| --- | --- |
| Average Annual # of Hours: | 17,672 |
| Average Annual Cost: | $1,622,726 |
| Total # of Hours (FFY 2023 to FFY 2025): | 53,016 |
| Total Cost (FFY 2023 to FFY 2025): | $4,868,177 |

## F. Reasons for Change in Burden

The passage of IIJA created five new appropriations for SRF funding: CWSRF General Supplemental Funding, CWSRF Emerging Contaminants Funding, DWSRF General Supplemental Funding, DWSRF Emerging Contaminants Funding, and DWSRF Lead Service Line Replacement Funding. In addition to the increased funding, the IIJA also included minor statutory changes that impact the reporting burden associated with many of our information collection instruments. The revised estimates also reflect feedback provided by the states as part of our consultation process regarding our data collection and burden estimates. Specifically,

### **Change in CWSRF Capitalization Grant Agreement/IUP**

There is an increase of 9,588 hours due to increased burden from additional IIJA grants (i.e., more award applications will be submitted) and due to the feedback provided by the states as part of the consultation process.

### **Change in DWSRF Capitalization Grant Agreement/IUP**

There is an increase of 1,479 hours due to increased burden from additional IIJA grants (i.e., more award applications will be submitted) and due to the feedback provided by the states as part of the consultation process.

### **Change in CWSRF Annual Report**

There is an increase of 1,989 hours due to increase burden from additional IIJA grants and due to the feedback provided by the states as part of the consultation process.

### **Change in DWSRF Annual Report**

There is an increase of 1,397 hours because in previous DWSRF ICRs, respondents were required to create reports every other year, but for this ICR, EPA increased the frequency of reporting to better align the DWSRF with the CWSRF. In practice, many States were already reporting annually for their DWSRF, so this estimate not only reflects a unification of the two SRF programs, but also, a more accurate reflection of the burden on the States. Additionally, IIJA grants increased burden and is supported by state responses from the consultation processes.

### **Change in CWSRF State Audit**

There is a decrease in 19,768 hours that incorporates both the feedback provided by the states that indicated a lower reporting burden as part of the consultation process and the minor increase in burden associated with increasing the number of respondents from 47 to 51. The increase to 51 respondents reflects EPA goal to get al 51 CWSRF program to conduct an independent audit as opposed to just relying on the state-wide single audit.

Total O&M costs were also increased to reflect the 4 additional respondents.

### **Change in DWSRF State Audit**

There is an increase of 11,475 hours and $3,177,300 because the average annual hours burden increased due to feedback provided by states as part of the consultation process. The O&M cost represents the cost incurred by the state to hire a firm to conduct the audit. In previous DWSRF ICRs, there was no O&M cost, but previous CWSRF ICRs included this cost. This change in estimate reflects a unification of the two SRF programs.

### **Change in CWSRF Financial and Project Data**

There is an increase of 561 hours due to increase of funding through IIJA, which is expected to increase the number of projects funded. During the collection period, the SRF Data System will be updated to add several additional data fields to support oversight of IIJA funding and to track progress towards meeting key Administration priorities more effectively. Specifically, these data fields will provide a further breakout of the portion of SRF funding that is coming from IIJA. Additionally, several data fields will be added to assist with oversight of emerging contaminants SRF projects funded through IIJA. Finally, several data fields will be added to better identify SRF funded projects that are helping to address and mitigate the impacts of climate change. The updated estimates reflect the additional reporting burden associated with these new data fields.

### **Change in DWSRF Financial and Project Data**

There is an increase of 3,952 hours due to increase of funding through IIJA, which is expected to increase the number of projects funded. During the collection period, the SRF Data System will be updated to add several additional data fields to support oversight of IIJA funding and to track progress towards meeting key Administration priorities more effectively. Specifically, these data fields will provide a further breakout of the portion of SRF funding that is coming from IIJA. Additionally, several data fields will be added to assist with oversight of emerging contaminants and lead service line replacement SRF projects funded through IIJA. Finally, several data fields will be added to better identify SRF funded projects that are helping to address and mitigate the impacts of climate change. The updated estimates reflect the additional reporting burden associated with these new data fields.

### **Change in CWSRF Public Awareness Requirements**

There is an increase of 1,934 hours due to the passage of IIJA creating two new appropriations for CWSRF funding: CWSRF General Supplemental Funding and CWSRF Emerging Contaminants Funding. EPA estimates more applications will be submitted and more assistance agreements will be made. In addition, the burden per response was slightly increased based on the feedback provided by the states as part of the consultation.

### **Change in DWSRF Public Awareness Requirements**

There is an increase of 4,972 hours due to the passage of IIJA creating three new appropriations for SRF funding: DWSRF General Supplemental Funding, DWSRF Emerging Contaminants Funding, and DWSRF Lead Service Line Replacement Funding. EPA estimates more applications will be submitted and more assistance agreements will be made. In addition, the burden per response was slightly increased based on the feedback provided by the states as part of the consultation.

### **Change in DWSRF State Review of Applications**

There is a decrease of 55,080 hours because the Office of Management and Budget provided additional guidance regarding how the burden associated with the CWSRF loan applications is addressed as part of their past ICR renewal. The DWSRF followed the same guidance for this ICR, and the burden incurred by states is no longer reflected in this ICR.

When all these changes are taken together, the overall annual reporting burden decreased. This was mostly due to the elimination of the burden associated with the state review of loan applications.

Wages increased for SRF State staff and SRF borrowers, which in turn increased the average annual costs to respondents. In the previous ICR for the CWSRF, the estimate for State government employees was $54.12 per hour[[10]](#footnote-12) and the estimate for borrowers was $35.42 per hour[[11]](#footnote-13) based on wages published by BLS. In the previous ICR for the DWSRF, State employee wages were estimated to be $37.81 per hour based on State wage rate information from the BLS information published in 2017.[[12]](#footnote-14) In this ICR, hourly wages were increased to $61.20[[13]](#footnote-15) per hour for State government employees and $46.34[[14]](#footnote-16) per hour for SRF borrowers, reflective of changes in hourly wages reported by BLS.

While the hourly burden decreased, the hourly cost increased, so the total annual cost for states is higher than in previous ICRs.

Lastly, the total annual cost of burden estimate for both SRFs is higher than the previous ICR submitted since this ICR covers both the CWSRF and the DWSRF, while the previous ICR only applied to the DWSRF.

## G. Burden Statement

The annual public reporting and recordkeeping burden for this collection of information is estimated to average 8,202 hours per State and borrower. Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The OMB control numbers for EPA's regulations are listed in 40 CFR part 9 and 48 CFR chapter 15.

To comment on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including the use of automated collection techniques, EPA has established a public docket for this ICR under Docket ID Number EPA-HQ-OW-2002-0059, which is available for online viewing at [www.regulations.gov](http://www.regulations.gov), or in person viewing at the Proposed Information Collection Request; Clean Water State Revolving Fund and Drinking Water State Revolving Fund Programs in the EPA Docket Center (EPA/DC), EPA West, Room 3334, 1301 Constitution Avenue, NW, Washington, D.C. The EPA Docket Center Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Reading Room is (202) 566-1744, and the telephone number for the Information Collection Request (ICR) Supporting Statement for Clean Water State Revolving Fund and Drinking Water State Revolving Fund Programs is (202) 566-1744. An electronic version of the public docket is available at [www.regulations.gov](http://www.regulations.gov). This site can be used to submit or view public comments, access the index listing of the contents of the public docket, and to access those documents in the public docket that are available electronically. When in the system, select “search,” then key in the Docket ID Number identified above. Also, you can send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW, Washington, D.C. 20503, Attention: Desk Officer for EPA. Please include the EPA Docket ID Number EPA-HQ-OW-2002-0059 and OMB Control Number 2040-0185 in any correspondence.

SECTION I: PART B OF THE SUPPORTING STATEMENT

Statistical methods are not used with this collection.

1. Additional subsidization is assistance provided in the form of principal forgiveness, grants, or negative interest loans. [↑](#footnote-ref-3)
2. This mainly includes leveraging, where a CWSRF or DWSRF raises additional funding by selling bonds. [↑](#footnote-ref-4)
3. For some CWSRFs and DWSRFs the binding commitment represents a preliminary commitment to provide funding for a project. The binding commitment is eventually finalized as an executed loan agreement. For other CWSRFs and DWSRFs there is no distinction between the binding commitment and executed loan. Regardless, the binding commitment is considered sufficient for meeting this requirement. [↑](#footnote-ref-5)
4. WRRDA amended the CWA to provide the CWSRFs with the ability to provide additional subsidization under certain conditions. These conditions restrict the use of this type of assistance to addressing affordability issues or to promoting projects that include sustainability, water or energy efficiency, or stormwater components. [↑](#footnote-ref-6)
5. An electronic copy of this report is available at http://www.epa.gov/sites/production/files/2015-04/documents/additional\_subsidization\_report\_to\_congress\_.pdf [↑](#footnote-ref-7)
6. A copy of this guidance has been included with the supporting statement. [↑](#footnote-ref-8)
7. https://www.bls.gov/oes/current/naics4\_999200.htm [↑](#footnote-ref-9)
8. https://www.bls.gov/oes/current/naics4\_221300.htm [↑](#footnote-ref-10)
9. https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2022/RUS.pdf [↑](#footnote-ref-11)
10. https://www.bls.gov/oes/current/naics4\_999200.htm [↑](#footnote-ref-12)
11. https://www.bls.gov/oes/current/naics4\_221300.htm [↑](#footnote-ref-13)
12. <https://www.bls.gov/opub/ted/2018/employment-and-wages-by-occupation-may-2017.htm> [↑](#footnote-ref-14)
13. https://www.bls.gov/oes/current/naics4\_999200.htm [↑](#footnote-ref-15)
14. https://www.bls.gov/oes/current/naics4\_221300.htm [↑](#footnote-ref-16)