

State Drinking Water Funds Summary

Objective

This document provides a high-level review of the State of Maryland's drinking [water quality funding programs](#): Drinking Water State Revolving Fund and Water Supply Assistance Grant. These programs fund projects through low-interest loans and grants that protect and preserve Maryland's drinking water.

Program Summary

The focus of each of the drinking water funding programs is as follows:

- » **Drinking Water Revolving Loan Fund (DWRLF)** - Low-interest loans to local governments to finance water supply improvements and drinking water infrastructure upgrades.
- » The [Maryland Department of the Environment's](#) (MDE) [Maryland Water Infrastructure Financing Administration](#) (MWIFA) manages various funding programs and can provide financial advisory services that assist borrowers in determining water rate structures and the impacts of a proposed loan on borrower financial condition and affordability.
- » **Water Supply Assistance Grant** - Helps communities meet their water supply and infrastructure needs based on system size, compliance status, and affordability.

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| Application Deadline | <p>Applications for these programs are accepted annually from December through January. The current application period ends January 31, 2026. Additionally, MWIFA recommends that interested applicants review the Prepare to Apply guide to ensure eligibility. In addition, please note that EPA has announced new flexibility for water quality emerging contaminants projects as posted here.</p> <p>All drinking water programs can be applied for under one consolidated application: the Drinking Water Funding Application.</p> <p>Application submission is coordinated by contacting Paul Emmart at paul.emmart@maryland.gov.</p> |
| Funding Overview | <ul style="list-style-type: none">» DWRLF» Up to 30 years (up to 40 years for Disadvantaged Communities, not to exceed useful life of asset).» Past Awardees» Water Supply Assistance Grant |

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| | <ul style="list-style-type: none"> » Awards require a local match and are not to exceed \$1.5 million, based on system size, compliance status, and affordability. |
| Eligible Uses | <p>Eligible Uses under DQRLF:</p> <ul style="list-style-type: none"> » Water Treatment Plant Construction and Upgrade of Existing Water Treatment Facilities » Development, Coordination, and Implementation of Source Water Protection Plans » Raw Water Intake and Conveyance Infrastructure and Finished Water Storage Facilities » Water Distribution System Rehabilitation including Lead Service Line Replacement » Consolidation of Water Systems to enhance Operational, Managerial and Financial Capacity » Planning, Design and/or Construction phases of above listed eligible Drinking Water Projects <p>Eligible Uses under Water Supply Assistance Grant:</p> <ul style="list-style-type: none"> » Potential projects include upgrades to water treatment, well development, storage tanks, distribution, and consolidation. Applicants must be located in a Priority Funding Area and be consistent with County Water and Sewer Plan to be eligible. |
| Cost Sharing Requirements | <p>DWRLF</p> <ul style="list-style-type: none"> » Standard MWIFA Interest Rate (excluding admin) for loans that closed in State FY2024 ranged from 1.60% to 2.00%. » Disadvantaged Community MWIFA Interest Rate (excluding admin) for loans that closed in State FY2024 ranged from 0.80% to 1.00%. » An administrative fee of 5% of the aggregate debt service divided by loan term will be collected annually. The administrative fee covers MWIFA operating expenses. <p>Water Supply Assistance Grant</p> <ul style="list-style-type: none"> » Awards require 12.5% local match and are not to exceed \$1.5 million, based on system size, compliance status, and affordability. |