

The Clean Water SRF Parity Act:

Expanding Access to Affordable Wastewater Infrastructure Financing



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America's wastewater infrastructure needs investment. Customers deserve access to every available tool to provide affordable wastewater service.

Communities across the United States rely on wastewater systems that protect public health, support economic growth and safeguard rivers, lakes and streams. Yet, the U.S. Environmental Protection Agency estimates that wastewater and stormwater infrastructure will require approximately **\$630 billion in investment over the next 20 years.**

Today, federal law generally allows publicly owned wastewater systems to access low-cost financing through the Clean Water State Revolving Fund (CWSRF), while private, regulated wastewater providers and water cooperatives remain ineligible. This stands in stark contrast to the Drinking Water State Revolving Fund (DWSRF), which has long allowed both public and private drinking water systems to access financing, demonstrating well-documented affordability benefits.

According to the EPA's 2024 Drinking Water State Revolving Fund Annual Report:

1.36%

The average DWSRF loan interest rate in 2024.

\$1.48 billion

Estimated savings to local community ratepayers over 20 years compared with the average state market interest rate of 3.62%.

\$14.9 billion

Savings to local community ratepayers due to below-market DWSRF interest rates since the program began in 1997.

What the Clean Water SRF Parity Act Does

The bipartisan Clean Water SRF Parity Act of 2025 (H.R. 3862) simply allows states the authority to provide Clean Water State Revolving Fund assistance to to all system types - public or private.



Allowing states to determine whether private, regulated providers should receive financing assistance for wastewater projects.



Creates funding opportunities for private, member-owned and nonprofit, rural water cooperatives currently ineligible for assistance.



Expanding financing options available to communities facing significant wastewater infrastructure needs.



Strengthen the revolving-fund model by expanding the pool of borrowers that repay loans with interest.

Why It Matters for Customers and Communities

When a regulated wastewater utility acquires or rehabilitates a distressed system, substantial investment is often required to address treatment upgrades, collection system improvements and environmental compliance obligations. **Access to lower-cost financing can:**

Reduce borrowing costs and increase the impact of existing infrastructure dollars.

Support long-term affordability for customers by lowering financing costs associated with eligible projects.

Accelerate modernization of wastewater infrastructure through upgrades that protect public health and support environmental compliance.

Help communities address aging infrastructure while maintaining local and state oversight of funding decisions.

Sources

Congressional Research Service. FY2026 Appropriations for U.S. Environmental Protection Agency (EPA) Water Infrastructure Programs. IF13177. March 9, 2026.

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U.S. Environmental Protection Agency. Clean Watersheds Needs Survey 2022 Report to Congress. Washington, D.C.: EPA. (Source of the estimated \$630 billion wastewater and stormwater infrastructure need over 20 years, as cited by the Congressional Research Service.)

U.S. Environmental Protection Agency. 2024 Drinking Water State Revolving Fund Annual Report. Washington, D.C., November 2025.

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