

Water and Environmental Programs

USDA Rural Development administers a water and wastewater loan and grant program to improve the quality of life and promote economic development in rural America. This assistance is available through Rural Development's Rural Utilities programs.

Water and Waste Disposal Direct and Guaranteed Loans

Direct loans

Offered to develop water and wastewater systems, including solid waste disposal and storm drainage, in rural areas and in cities and towns with a population of 10,000 or less. Funds are available to public entities such as municipalities, counties, special-purpose districts, and Indian tribes. In addition, funds may be made available to corporations operated on a not-for-profit basis.

Priority is given to public entities, in areas with less than 5,500 people, to restore a deteriorating water supply, or to improve, enlarge, or modify a water facility or an inadequate waste facility. Also, preference is given to requests which involve the merging of small facilities and those serving low-income communities.

Applicants must be unable to obtain funds from other sources at reasonable rates and terms. The maximum term for all loans is 40 years; however, no repayment period will exceed state statutes or the useful life of the facility. Interest rates are adjusted quarterly and may be obtained from any Rural Development office.

Guaranteed loans

Available for the same purpose as direct loans. Guaranteed loans are made and serviced by lenders such as banks and savings and loan associations. Normally, guarantees do not exceed 90 percent on any loss of interest and principal on the loan.

Water and Waste Disposal Grants

Reduce water and waste disposal costs to a reasonable level for users of the system. Grants are made, in some instances, for up to 75 percent of eligible project costs. Eligibility requirements are the same as for direct loans.

Technical Assistance and Training Grants

Made to private nonprofit organizations to provide technical assistance and/or training to associations located in rural areas and to cities and towns with a population of 10,000 or less.

Grant assistance is available to qualified applicants to identify and evaluate solutions to water and waste disposal problems, to improve the operation and maintenance of existing water and waste disposal facilities, and to assist associations in preparing applications for water and waste disposal facilities.

Solid Waste Management Grants

Made to public and private nonprofit organizations to provide technical assistance and/or training to associations located in rural areas and to cities and towns with a population of 10,000 or less.

Grant assistance must be used to reduce or eliminate pollution of water resources, and/or to improve planning and management of solid waste facilities.

Grants are made to enhance operator skills in operations and maintenance, identify threats to water resources, and reduce the solid waste stream.

Rural Water Circuit Rider Technical Assistance

Provides on-site technical assistance to help assure cost-effective operation of rural water systems. USDA Rural Development Circuit Rider can provide assistance with day-to-day operational, financial and management problems.

The assistance is available at no charge and may be requested by officials of rural water systems or by Rural Development personnel. It complements supervisory assistance provided by Rural Development personnel.

Applications

Information about the Water and Environmental Programs and advice on how to assemble information to determine engineering feasibility, economic soundness, cost estimates, organization, financing and management matters, may be obtained from Rural Development field offices. These offices are usually listed in local telephone directories under "U. S. Department of Agriculture."

For More Information

See the Water and Waste Disposal Programs Web site at <http://www.usda.gov/rus/water/index.htm>

Or write your local or State USDA Rural Development office (see the U.S. Government listing of your phone directory under U.S. Department of Agriculture), or the National Office at:

USDA Rural Development
Water and Environmental Programs
STOP 1548
Washington, D.C. 20250-1548

Phone: (202) 690-2670
FAX: (202) 720-0718

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