



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OFFICE OF
WATER

February 24, 2000

CWSRF 00-09
DWSRF 00-02

MEMORANDUM

SUBJECT: Proposed Capitalization Levels for Clean Water and Drinking Water SRFs

FROM: William Kramer, Acting Chief /s/
State Revolving Fund Branch

Connie Bosma, Chief /s/
Regulatory Implementation Branch

TO: Clean Water and Drinking Water SRF State Program Managers
Water Division Directors

The financial resources that the Clean Water and Drinking Water State Revolving Funds (CW/DWSRFs) provide are essential in helping States promote water quality and protect public health. As you know, EPA and the States assume a shared responsibility for utilizing these resources so that public health and environmental compliance benefits are maximized. Part of this shared responsibility is communicating information that impacts present and future SRF program planning. As such, we are pleased to provide you with the following information about the Administration's Federal capitalization plans for the two SRFs:

<i>Fiscal Year</i>	<i>Proposed level for Clean Water SRF</i>	<i>Proposed level for Drinking Water SRF</i>
1997	\$ 625 million	\$1.275 billion
1998	1.350 billion	725 million
1999	1.350 billion	775 million
2000 (enacted after rescission)	1.345 million	820 million
2001 (President's Budget Request)	800 million	825 million
2002	800 million	825 million
2003	800 million	825 million
2004	800 million	825 million
2005	800 million	825 million

The above capitalization plan is similar to the plan discussed in the memorandum (website: <http://www.epa.gov/owm/nework.htm>) dated February 18, 1998 (SRF 98-06), except for the fiscal years 2000 through 2005. The FY 2000 enacted budget provides \$1.345 billion for the CWSRF after a rescission of approximately 0.34% of 1% on \$1.350 billion, and \$820 million for the DWSRF. This proposed capitalization schedule is consistent with the plan to capitalize the CWSRF and DWSRF so that, on a national basis, they will generate average annual assistance (revolve) at approximately \$2 billion and \$500 million, respectively. The attached charts illustrate the amounts of assistance that we expect the SRFs to provide on a sustained basis.

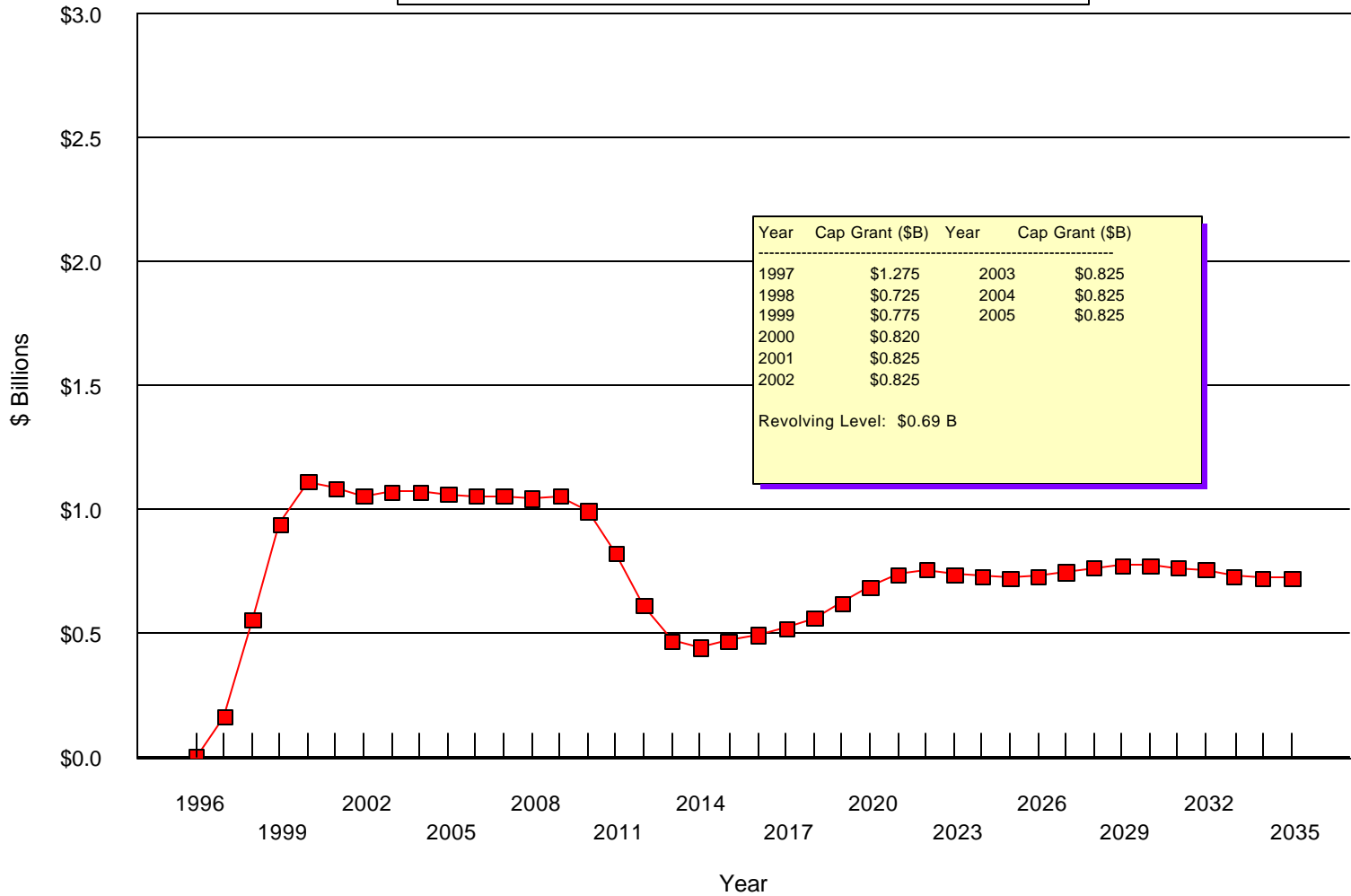
This information will assist State and EPA staff with current and future planning, and will help States work with their legislatures to plan for the appropriation of SRF match funds. State and EPA staff are also encouraged to use both the Planning and Cash Flow Models for CWSRF and DWSRF. If you have any comments or questions about our capitalization plan, please contact William Kramer of the CWSRF at (202) 260-5824, Connie Bosma of the DWSRF at (202) 260-5529, or your SRF Regional Coordinator.

Attachments

cc: Clean Water and Drinking Water SRF Regional Coordinators

Annual DWSRF Capital Assistance

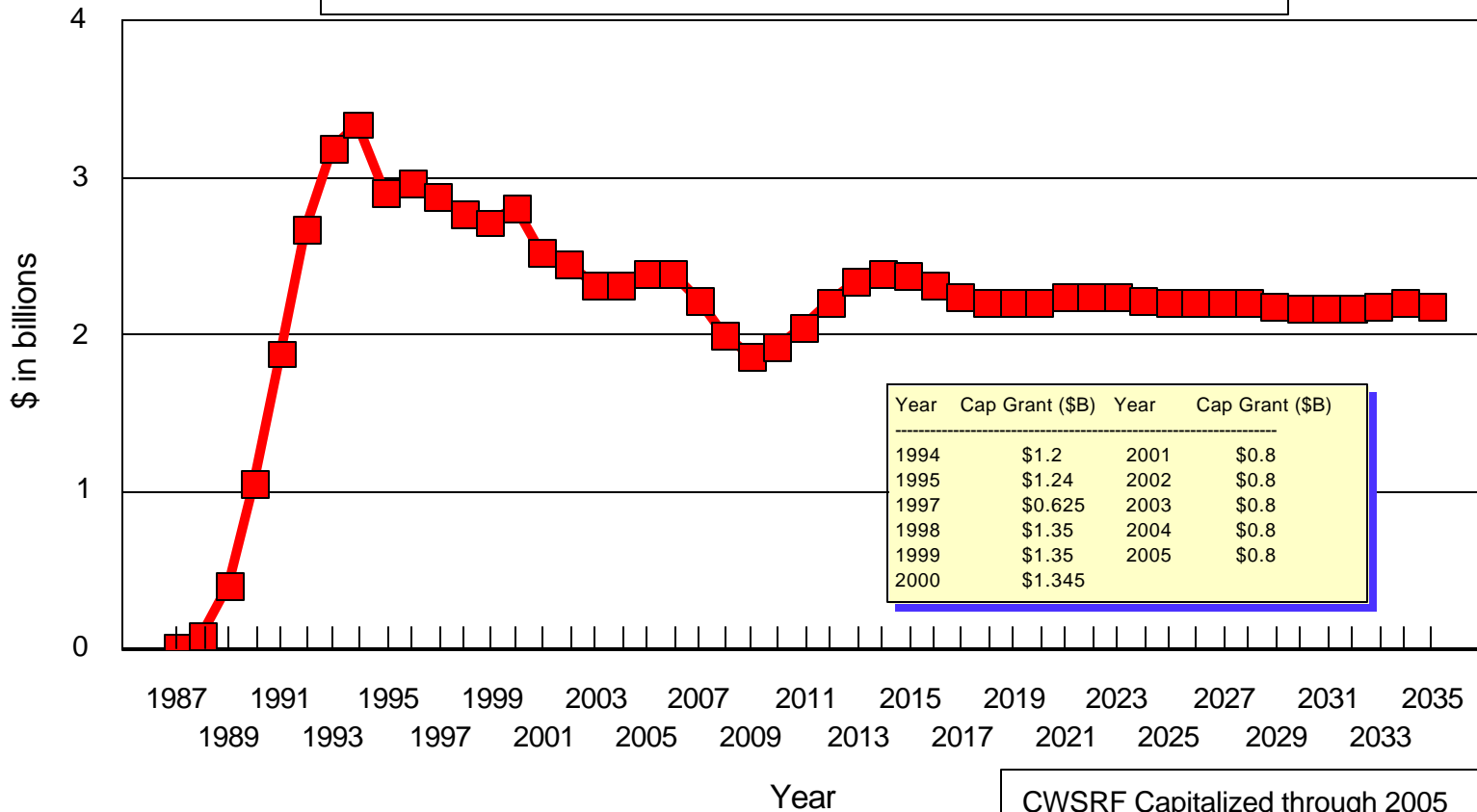
1996 Dollars



FY 2001 Pres. Bud Req.

Annual CWSRF Capital Assistance

\$ in billions adjusted to '96 dollars



CWSRF Capitalized through 2005
FY 2001 Budget