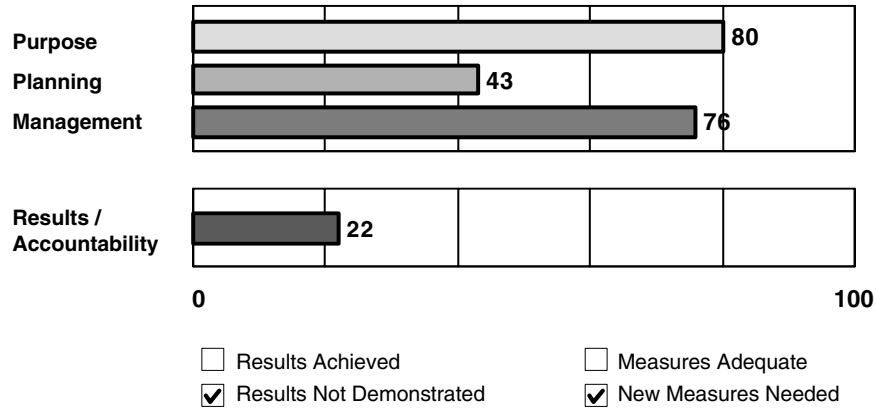


Program: Drinking Water State Revolving Fund

Agency: Environmental Protection Agency

Bureau: Environmental Protection Agency, activities



Key Performance Measures

Year Target Actual

Measure	Year	Target	Actual
Long-term Measure: Percent of population served by community water systems in compliance with health-based drinking water standards	2001	91	91
	2003	92	
	2005	95	
Annual Measure: Measure under development			
Efficiency Measure: Measure under development			

Rating: Results Not Demonstrated

Program Type: Block / Formula Grants

Program Summary:

The Drinking Water State Revolving Fund program capitalizes state revolving loan funds that finance infrastructure improvements for public water systems and other activities that support state drinking water programs and promote public health protection. Most of the money has gone to upgrade water treatment plants.

The PART indicated that the Drinking Water SRF program is very competent as a national financial resource for state infrastructure projects targeted at compliance with health-based drinking water standards. A challenge facing the Drinking Water SRF program is to develop measurable long-term and annual performance goals that link the program to its public health mission. Additional findings include:

1. The program purpose is clear and it is designed to have a significant impact on a well identified need, although, there are other federal, state and private resources available to address the problem.
2. Evaluation of public health impacts from infrastructure improvements is difficult, in part because states provide only aggregate data.

In response to these findings, the Administration will:

1. Continue capitalization of the Drinking Water SRF at the 2003 President's Budget level because, although target revolving levels for the fund have been reached, continued federal support will close the recently identified gap in funding capital infrastructure needs for the next twenty years. The extended commitment proposed in the President's 2004 Budget is expected to provide \$45 billion for loans and assistance through the State Drinking Water SRFs, which will support over 21,000 new projects.
2. Develop new performance measures to be included in EPA's 2004 GPRA plan to better demonstrate the impact of the program.

(For more information on this program, please see the Environmental Protection Agency chapter in the Budget volume.)

Program Funding Level (in millions of dollars)

2002 Actual	2003 Estimate	2004 Estimate
850	850	850