



Division of Water Infrastructure SRF Funding for Hurricane Helene

2025

Last updated: May 30, 2025

American Relief Act, 2025 (PL 118-158) includes Supplemental Appropriations for the State Revolving Funds (SRF) for drinking water facilities and wastewater treatment works impacted by Hurricane Helene and for decentralized wastewater treatment systems in areas affected by Hurricane Helene (SA-HMW)

Funds are for enhancing infrastructure resiliency

How much funding is available?

North Carolina's allotment is \$409 million for Drinking Water State Revolving Fund (DWSRF Helene) projects and \$253 million for Clean Water State Revolving Fund (CWSRF Helene) projects, including administrative costs. There is also approximately \$22 million for the CWSRF program to improve the resilience of decentralized wastewater treatment systems (CWSRF Helene Decentralized).

DWSRF Helene and CWSRF Helene

What types of projects can this program fund?

This program can fund SRF-eligible projects that serve one or more of the following purposes:

- Reduce flood risk and vulnerability at drinking water/wastewater treatment works, or
- Enhance resiliency to rapid hydrologic change or natural disasters at treatment works

Who can apply for this funding?

Any local government unit (LGU) or non-profit water/wastewater corporations affected by Hurricane Helene may apply for this funding. LGUs include counties, cities, towns, Sanitary Districts, Water and Sewer Authorities, Metropolitan Districts, etc. Investor-owned drinking water corporations affected by Hurricane Helene may also apply for the DWSRF Helene funds.

What are examples of types of drinking water and wastewater projects that can be funded by SA-HMW?

- Projects that prevent interruption of collection/distribution system operation in the event of a flood or natural disaster
- Projects that prevent floodwaters from entering treatment works or well house
- Projects that maintain the operation of treatment works and integrity of a treatment train in the event of a flood or natural disaster
- Projects that preserve and protect treatment works equipment in the event of a flood or natural disaster
- Projects that make connections from homes served by decentralized wastewater treatment systems to centralized wastewater treatment systems

This is not an all-inclusive list.

What are the program specifics for this funding?

- Funds will be made available as no interest loans, with principal forgiveness applied to the loan.
- Project funding can have 20- to 30-year loan terms based on the anticipated life of the infrastructure.
- Program specifics such as amount of principal forgiveness and funding limits per applicant are described in [draft Intended Use Plans](#) that are receiving public comments in May-June, 2025.

CWSRF Helene Decentralized Wastewater Treatment Systems

What types of projects can this program fund?

This program can fund CWSRF-eligible projects that serve one or more of the following purposes:

- Improve the resilience of decentralized wastewater treatment systems to flooding
- Assess the potential to connect homes served by decentralized wastewater treatment systems to centralized wastewater treatment systems, or
- To fund such connections.

Repair/replacement of decentralized wastewater treatment systems that meet the requirements above in areas that were affected by Hurricane Helene are eligible.

Who can apply for this funding?

Currently, any local government unit (LGU) or non-profit water/wastewater corporations in areas affected by Hurricane Helene may apply for this funding. Applicants can contract with organizations to manage projects.

What are the program specifics for this funding?

- Funds will be made as 100% principal forgiveness loans. No portion of the funding will be repayable.
- Projects will have potentially up to five years to expend funds.
- Program specifics are described in a [draft Intended Use Plan](#) that is receiving public comments in May-June, 2025.

General Information and Applications

What do I need to know before I apply for SRF SA-HMW funding?

- The primary purpose of the project must be to reduce flood risk and enhance resiliency. Recovery from hurricane damage is only eligible if the recovery includes reducing flood risks or enhancing resiliency.
- The scope of a project seeking SA-HMW funds must include resiliency and must be different from the scopes that received funding from other federal agencies.
- SRF federal crosscutter requirements apply, including Engineering Report approval, Environmental Review, federal and state procurement requirements, American Iron and Steel requirements, Davis-Bacon Wage requirements, etc. Crosscutters will be applicable to the entire project. However, Build America, Buy America (BABA) Act requirements do not apply to SA-HMW funds.
- Planning and design costs incurred after September 27, 2024 will be eligible to receive these funds if they meet the eligibility criteria for SA-HMW funding and costs were incurred for projects that are/were in compliance with all of the SRF requirements applicable to SA-HMW funds.

How do I apply for the funds?

Application materials will be available after the State Water Infrastructure Authority finalizes the priority rating system by which applications will be prioritized after reviewing public comments. Application materials will be posted on the [Division's Application Forms and Additional Resources](#) webpage by the end of July 2025. Applications will be accepted year-round on a rolling basis until all funds are awarded.

Prior to July 2025, potential applicants are strongly encouraged to submit projects for consideration using a simple pre-application form at

<https://edocs.deq.nc.gov/Forms/SA-HMW-Pre-Application-Form>

