DWSRF Funding Program

BIL-Lead Service Line Replacement Funding (BIL-LSLR)

Program Overview:

The Bipartisan Infrastructure Law (BIL) authorizes increased funding to states for identifying and replacing lead service lines. Funding will be available to eligible water systems in the form of loans with low to 0% interest rates. Under this federal funding program, 49% of the funding the state receives must be provided in the form of forgivable loans allocated to Disadvantaged communities. This means a portion of the loan is forgiven and will not need to be re-paid if the community meets the state's definition of disadvantaged.

For this funding program, the following describes what is considered a "lead service line":

- A service line made of lead, which connects the water main to the building inlet. A lead service line may be owned by the water system, owned by the property owner, or both.
- A galvanized service line is considered a lead service line if it ever was or is currently downstream of any known lead service line.
- Lead connectors including goosenecks and pigtails are considered eligible, whether standalone or connected to a lead service line.

To receive design and construction funding for replacement work, documentation of the service lines needing to be replaced must be submitted in the form of a completed lead service line inventory, engineering report, or other applicable documentation.

Eligible Project Activities:

The following outlines current project eligibilities for BIL-LSLR funding:

- Project activities or components must be otherwise eligible under the Drinking Water State Revolving Fund (DWSRF) and be directly connected to the identification, planning, design, or replacement of lead service lines.
- After a contract is executed, BIL-LSLR funding will be disbursed as reimbursement for costs incurred. Project activities eligible for reimbursement must be performed by 3rd party contractors. Costs incurred for in-house staff are not eligible for reimbursement.
- When replacing lead service lines, the project must replace the entire lead service line, not just a portion, unless a portion has already been replaced. Projects must fully replace both the public and private side up to the point of premise plumbing. Water systems are encouraged to utilize BIL-LSLR funds to replace the private portion of the service line at no additional cost to the homeowner.

- Replacement of a galvanized service line is eligible if it ever was or is currently downstream of any known lead service line. Replacement of galvanized service lines downstream of pipes of unknown materials is only eligible under the DWSRF Base and BIL General Supplemental funding programs, not the BIL-LSLR funding program.
- Replacement of lead connectors including goosenecks and pigtails, whether standalone or connected to a lead service line.
- Replacement of curb stops, curb stop boxes, and other service line appurtenances that are removed as part of full lead service line replacement.
- Site restoration, including landscaping, sidewalks, driveways, etc. if the removal is necessary to replace the lead service line.
- Eligible inventory and planning activities include:
  - Service Line Inventory: Develop or update lead service line inventories, including locating and mapping, as required under the Lead and Copper Rule.
  - Planning & Design: Costs for planning and design and associated pre-project costs.
  - For service lines that are identified as needing replacement, pre-project costs related to conducting outreach and seeking customer consent for private property access.
- Non-routine lead sampling (if not for compliance purposes) as part of a LSLR project.

Other project activities may be eligible but only when clearly demonstrated that it is an integral part of replacement of lead service lines.

Ineligible Activities:

- Replacement of water lines not considered a “lead service line” under this funding program. Replacing distribution water mains (lead jointed or otherwise) is not eligible.
- Corrosion control studies or corrosion control infrastructure.
- Water meters
- Funding for bottled water and premise plumbing.
- Costs related to paying in-house staff.