Division of Water Infrastructure
SRF Funding for Hurricane Helene

2025

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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.
- Initial Cap of $5M per applicant for WW projects and $10 M per applicant for DW projects will be applied; this cap may be increased after April, 2026 based on funding availability.

CWSRF Helene Decentralized Wastewater Treatment Systems (DWTS)

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?

Any local government unit (LGU), non-profit water/wastewater corporations and Community Development Finance Institutions or Nonprofits that provide financing assistance to homeowners to repair or replace DWTS in NC.

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.
- All funds must be spent within 5 years or December 2031 (whichever comes first).
- Funds are subject to all SRF conditions (Except BABA).

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 are posted on the Division's Application Forms and Additional Resources webpage. Applications will be accepted year-round on a rolling basis until March 2, 2026. Any un-obligated funds will be awarded to previously approved applications based on SWIA awarded priority points and funding needs after April SWIA meeting.