

Rural Development

Rural Utilities Service

U.S. Department of Agriculture

Water and Environmental Programs

*Annual Activity Report for
Fiscal Year 2001*



From the Desk of the Administrator . . .

The challenges presented by investing in safe and clean water for rural areas and small communities are sometimes daunting, but achievements provided through the Rural Utilities Service (RUS) Water and Environmental Programs continue to be rewarding. From its first Water and Waste Disposal (WWD) loan of \$1,600 over 60 years ago, the WWD program has grown and matured into one of the Department of Agriculture's most successful rural development efforts. Today it furnishes more capital to rural water and waste disposal systems than any other single source. With dependable facilities, rural communities can attract families and businesses that will invest in the community and improve the quality of life for all residents.

The strength of RUS lies in the establishment of the Agency as a voice for rural America. Today's RUS is viewed by both the Congress and the Administration as an Agency of action focused on results. We are looked upon as a provider of solutions and offer our applicants and borrowers an excellent avenue to access the network of government programs and services available to improve the quality of life in rural America.

Many rural communities continue to lack infrastructure and public services, such as water systems, sewer systems, storm drainage, and solid waste disposal services. Other public services such as advanced telecommunications, air transportation, schools, hospitals, libraries and security are important for the community as well as economic development. These services are particularly important in rural America. Only through a coordinated effort can the limited resources available for infrastructure and community facilities be put to best use. There is unlimited opportunity for the Rural Development mission area to address the challenges of the future and help rural communities reach their fullest potential. It is this same team approach, which provides for the strength of RUS. Each program within RUS is committed to success and focused on improving the quality of life in rural communities.

As I begin my first year as the RUS Administrator, I am proud to be a part of President Bush's team. I look forward to meeting the challenges and helping rural America grow and prosper.

***Hilda Gay Legg
Administrator***

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What is Water and Environmental Programs?

Water and Environmental Programs (WEP) oversees the Rural Utilities Service (RUS) programs that help rural communities develop drinking water and waste disposal systems. Safe drinking water and waste disposal systems are vital not only to public health, but also to the economic vitality of rural America. WEP is a leader in helping rural communities obtain funding and technical assistance to make these projects possible.

WEP is a division of RUS, which is the chief funding agency for rural infrastructure programs in the United States Department of Agriculture's Rural Development mission area. Through WEP, RUS provides affordable water and waste disposal (WWD) loans and grants to rural communities for water and waste disposal infrastructure. The financial

assistance helps rural areas and towns build environmentally sound facilities bringing clean, safe water and effective, sanitary waste disposal to rural people.

The WWD Program is administered through a WEP National office staff in Washington, DC, and a network of field staff. The network of 47 Rural Development State offices, supported by area and local offices, delivers the WWD Program in the states and U.S. territories. WEP staff provides technical assistance such as reviewing projects for engineering, environmental, and financial feasibility. The staff works closely with program participants, their project engineers, and state regulatory agencies to ensure that projects are reasonable, affordable, and based on commonly accepted engineering practices. WEP staff also helps communities explore project funding options and technical assistance through the WWD Program.

WEP administers the loan and grant programs identified below by Catalog of Federal Domestic Assistance (CFDA) number:

10.760	Water and Waste Disposal Loans and Grants: direct and guaranteed
10.761	Technical Assistance and Training Grant Program
10.762	Solid Waste Management Grant Program
10.763	Emergency Community Water Assistance Grants
10.770	Water and Waste Facility Loans and Grants to Alleviate Health Risks

www.cfda.gov

FY 2001 Funding and Accomplishments

Area	Program	Funds	No. of Projects
Special Initiatives	Alaska	19,600,000	18
	Colonias	19,000,346	32
	Native American	15,750,000	34
	EZ/EC/REAP	49,614,938	39
	Subtotal	103,965,284	123
Other Agencies	ARC	13,935,908	50
	EDA	2,480,000	3
	Subtotal	16,415,908	53
Emergency	ECWAG	10,000,000	30
	ECWAG-DI S	10,000,000	32
	Emergency	41,777,013	29
	Subtotal	61,777,013	91
Technical Assistance	SWM	3,513,150	41
	TAT	16,125,865	10
	Circuit Rider	8,869,448	1
	Subtotal	28,508,463	52
Regular Program	Direct	1,211,197,717	968
	Guaranteed	5,294,670	6
	Subtotal	1,216,492,387	974
Total		1,427,159,055	1,293

FY 2001 Funding Activity Highlights

WEP invested \$1.4 billion in direct and guaranteed loans and grants to help rural communities develop 1,293 water and waste disposal facilities. Funding activities include:

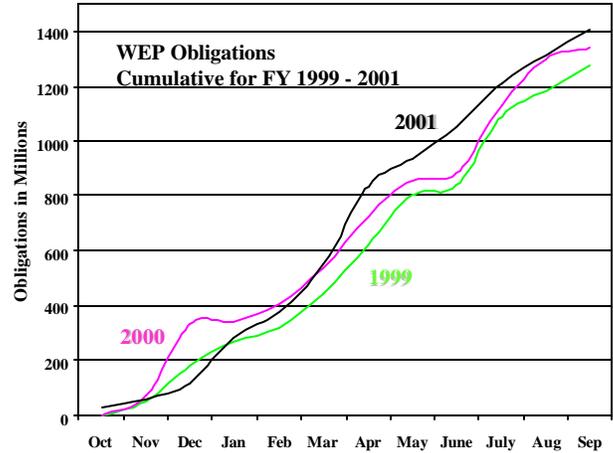
- ❖ \$1.2 billion in WWD direct loans and grants made to develop 968 facilities
- ❖ \$104 million assisted 123 projects in disadvantaged communities
- ❖ \$61 million funded 91 projects in communities qualifying for emergency assistance
- ❖ \$28.5 million funded 52 grants to technical assistance providers
- ❖ 25,000 technical assistance calls were completed by Circuit Riders
- ❖ \$843 million funded 780 water facilities in rural communities
- ❖ \$477 million funded 384 new or improved waste disposal facilities
- ❖ \$49.6 million funded 39 projects in EZ/EC/REAP areas
- ❖ \$1 million in Colonias Grants made to 300 individuals and families for improvements in homes
- ❖ 93 percent of direct loans approved at below-market interest rates
- ❖ 53 projects administered for partner organizations
- ❖ 75 percent of WEP applicants are public bodies
- ❖ Average grant for Native American project is 73 percent grant
- ❖ \$23.8 million for Native American projects leveraged with \$7.9 million in funds from other sources

Overview of Projects Funded in FY 2001

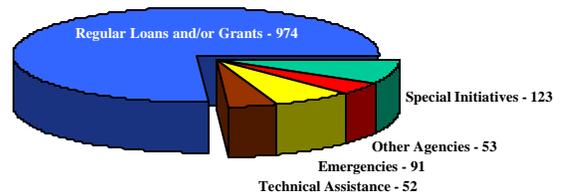
WEP processes loans and grants on an ongoing basis throughout the fiscal year. As shown in the chart, the obligation of funds remains fairly constant during the year. This makes maximum use of limited staff resources and assures the delivery of the WEP allocation of funds.

In fiscal year (FY) 2001, WEP funded 1,293 projects for \$1.4 billion. The majority (76 percent) of the projects was funded from the WWD regular loan and grant program. The balance of the projects was funded through several special programs and initiatives.

Technical Assistance and Training grants and Solid Waste Management grants were made to 52 grantees. Ninety-one applicants received funds set aside to assist water systems with emergency conditions. Through agreements with the Appalachian Regional Commission and the Economic Development Administration, WEP provided funding for and/or administered 53 projects. And through special initiatives such as Alaska Native Villages, Colonias, Native American, and Empowerment Zones, 123 projects received set aside funds.

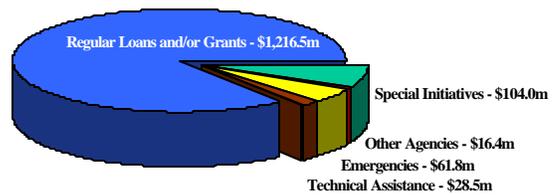


WEP FY 2001 Projects



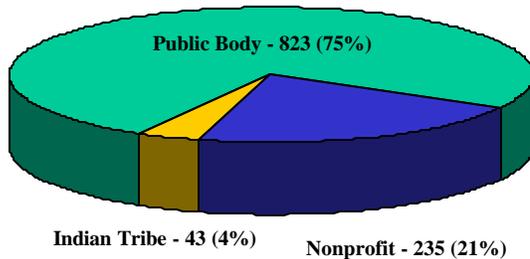
Total Projects = 1278

WEP FY 2001 Funds



Total Funds = \$1,426.4m

WEP Projects - FY 2001 by Type

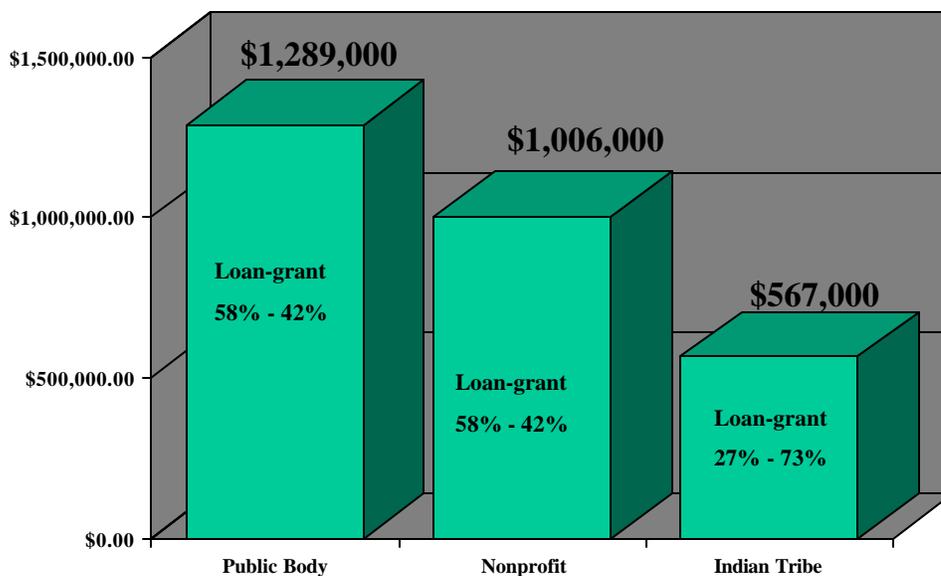


The three categories of eligible applicants are public body, Indian tribe and nonprofit organization. Public bodies made up the largest portions of FY 2001 borrowers at 75 percent. Nonprofit organizations accounted for 21 percent of the borrowers and the balance of 4 percent was Indian tribes.

Public body projects tend to be about 28 percent larger than nonprofit. Two possible reasons are the increased demand for fire protection in public body water systems and more wastewater systems for public bodies.

Indian tribe projects were significantly smaller than public body or nonprofit, and they also used a much higher percentage of grant funds than other projects - 73 percent compared to 42 percent.

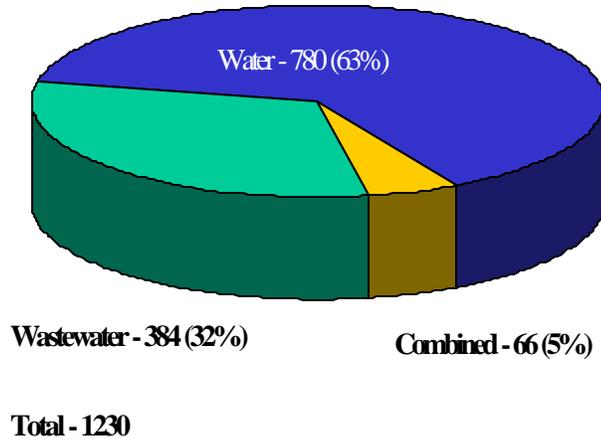
WEP Average Project Data



Water and sewer projects make up the bulk of WEP infrastructure funding. The ratio of water to sewer projects has remained fairly constant over the past few years along a 60/40 split.

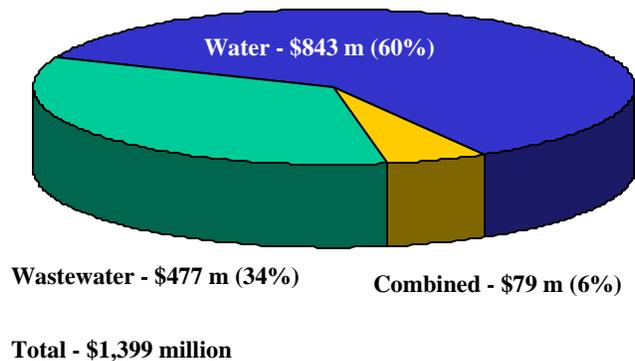
The 780 water projects represent 63 percent while the 384 wastewater systems accounted for 32 percent. The balance of the projects made improvements to both water and sewer systems.

WEP Projects - FY 2001 by Type



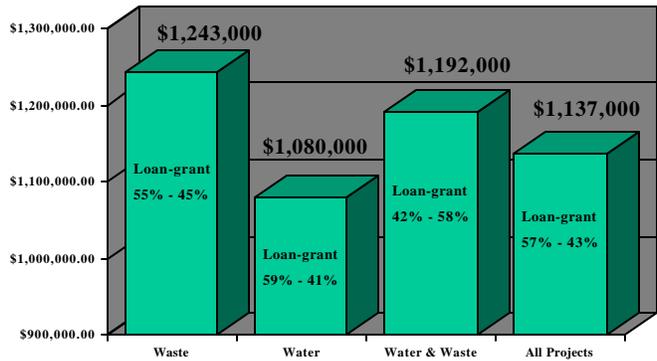
WEP Projects - FY 2001 by Funds

We also see the same general 60/40 split when looking at the funds for water and sewer systems. Water projects used \$843 million or 60 percent of WEP funds. Wastewater used \$477 million or 34 percent of WEP funds.



As expected, wastewater projects are more costly than water projects. Wastewater projects cost about 15 percent more than water projects, but used a relatively smaller portion of grant funds.

WEP Average Project Data

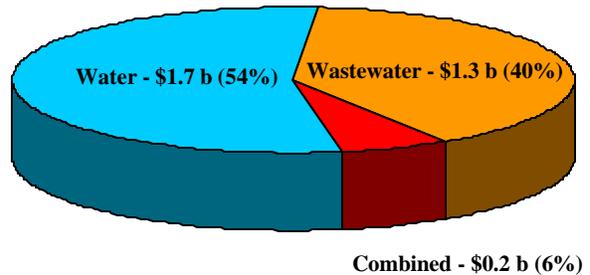


For all projects the average WEP funds were \$1.137 million with the loan/grant split at 57/43 percent.

This series of charts describe the WEP backlog as of September 19, 2001. At the end of FY 2001 there were over 1,500 applications for nearly \$3.3 billion. The backlog has remained at about this level for several years.

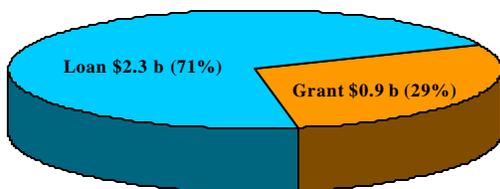
Backlog data from our management information systems indicates a continuing need for water and waste disposal infrastructure in rural areas. Water projects make up the majority of the demand, in both numbers and dollars. Again, there is very close to a 60/40 split with wastewater projects.

WEP Backlog - FY 2001
Amount of Applications on Hand by Type



Total - \$3.3 billion as of September 19, 2001

WEP Backlog - FY 2001
Amount of Applications on Hand by Funds



Total - \$3.2 billion as of September 19, 2001

Surprisingly, the demand for loan funds is much higher than the demand for grant funds.

Guaranteed Loans

RUS works with local lenders to guarantee loans to build or improve water and waste disposal facilities in rural areas and in cities and towns with a population of 10,000 or less. Loan guarantees are often the solution when a lender is interested in financing a project, but feels that a reduction in the risk is necessary. The loan guarantee is 90 percent of the total loan amount.

Interest rates are negotiated between the lender and the borrower. They may be either fixed or variable rates, but must be in line with those rates customarily charged to borrowers in similar circumstances in the ordinary course of business.

Eligible lenders include:

- ❖ Commercial Banks
- ❖ Savings and Loan Associations
- ❖ Mortgage Companies

- ❖ National Rural Utilities Cooperative Finance Corp.
- ❖ Co-Bank
- ❖ Farm Credit System banks

The lender is charged a one-time guarantee fee of 1 percent of the guaranteed loan amount. This fee may be passed on to the borrower. The lender may sell the guaranteed loans on the secondary market, but must retain a minimum of 5 percent of the unguaranteed portion of the total loan.

In FY 2001, six guaranteed loans were made for a total of \$5,294,670.

Direct Loans and Grants

WWD direct loans and grants are designed to improve the quality of life and promote economic development in rural America.

Eligible applicants are public entities, such as municipalities, counties, special-purpose districts, Indian tribes, and corporations operated on a not-for-profit basis. Eligible WWD projects include water systems, sanitary sewer systems, solid waste disposal systems, and storm drainage systems. The most common uses are to restore deteriorating water supplies or to improve, enlarge, or modify inadequate water or waste facilities. Funds are directed to rural areas and cities and towns with a population of 10,000 or less. Applicants must be unable to obtain sufficient credit from commercial sources to finance actual needs at reasonable rates and terms.

Loans may be made at one of three interest rates -- the poverty rate, intermediate rate, or market rate -- the latter two are subject to adjustment each quarter. The rate applied to the loan depends on the need to meet applicable health

or sanitary standards and the median household income (MHI) of the service area.

Priority is given to public entities, in areas with less than 5,500 people, to restore a deteriorating water supply, or to improve, enlarge, or modify a water facility or an inadequate waste facility. Also, preference is given to requests that involve the merging of small facilities and those serving low-income communities.

Grants are made in combination with direct loans or with funding from other sources. Grants may be up to 75 percent of eligible project costs but are limited to the amount necessary to enable the residents to be charged reasonable user rates. In addition, the MHI of the service area must be below the State non-metropolitan MHI level to receive any grant, and generally below the National poverty level or 80 percent of the State figure to be eligible for the maximum grant level.

Other Programs

Through its Emergency Water Shortage loan/grant reserve and the **Emergency Community Water Assistance Grant (ECWAG) Program**, WEP assisted the residents of rural areas that have experienced a significant decline in quantity or quality of their drinking water.

ECWAG's were made to applicants located in areas with presidential disaster designations. Additional ECWAG funds were utilized for other applicants with localized acute water problems. A reserve of regular loan and grant funds was set aside to provide further support for emergency water shortages which could not be met under the ECWAG program.

ECWAG's were made to public bodies and private nonprofit corporations serving rural areas. Public bodies include counties, cities, townships, incorporated towns and villages, boroughs, authorities, districts, and other political subdivisions of a State. Public bodies also include Indian tribes on Federal and State reservations and other federally-

recognized Indian tribal groups in rural areas.

Technical Assistance and Training (TAT) Grants are used to identify and evaluate solutions to water and waste disposal problems in rural areas, assist applicants in preparing applications for water and waste grants, and improve the operation and maintenance of existing water and waste disposal facilities in rural areas.

Projects funded through the **Solid Waste Management (SWM) Grant Program** reduce or eliminate pollution of water resources and improve planning and management of solid waste disposal facilities in rural areas.

RUS loans and grants for water systems represent a large national investment in water and waste disposal infrastructure. This investment is protected through a unique program of on-site technical assistance. WEP's **Circuit Rider Technical Assistance Program** has helped thousands of rural communities with their water systems. The Circuit Riders,

provided through a contract with the National Rural Water Association, completed over 25,000 technical assistance calls in rural communities during RUS FY 2001.

Circuit riders work alongside the rural system officials and operators to show them how to solve their own problems. They typically have many years of experience in the actual operation and/or management of a public water supply system and have an understanding of rural and small water system problems and how they may be resolved. Technical assistance may include on-site advice on water usage problems, establishing sound management and operating procedures, advising new systems on construction, water quality issues, and security. Circuit riders provide a valuable service by assisting small water systems in meeting Federal Safe Drinking Water Act standards.

Because of their local acceptance and usage of the Circuit Riders, rural communities and small municipalities don't have to borrow as much for repairs. Instead, they concentrate on needed expansions and updating their water systems.

The USDA **Empowerment Zones/Enterprise Communities (EZ/EC)** and **Rural Economic Area Partnership (REAP) Program** are important steps in rebuilding America's poverty-stricken rural communities. These programs are designed to empower people and communities all across this Nation by inspiring Americans to work together to improve living conditions in their communities, and create jobs and opportunities.

The REAP initiative was established to address critical issues related to constraints in economic activity and growth, low density settlement patterns, stagnant or declining employment, and isolation that have led to disconnection from markets, suppliers, and centers of information and finance.

Fifty-seven rural areas have been designated as EZ/EC and an additional five REAP zones have been selected. These communities meet certain poverty and distress criteria and have prepared creative strategic plans for revitalization. The Federal government will focus special attention on working cooperatively with designated communities to

overcome regulatory impediments, to permit flexible use of existing Federal funds, and to assist these communities in meeting essential mandates.

Colonias is a term used to describe subdivisions that exist outside incorporated areas located along the United States-Mexico border. Colonias are generally characterized as small communities with inadequate drinking water, poor sanitary waste disposal facilities, and substandard housing.

Water or waste disposal systems can obtain up to 100 percent grant to construct basic drinking water, sanitary sewer, solid waste disposal and storm drainage to serve residents of Colonias. Also, the systems can obtain funds to provide grant assistance directly to individuals to install necessary indoor plumbing like bathrooms and pay other costs of connecting to the system.

Since FY 1995, funds have been set aside specifically for eligible projects that benefit members of federally-recognized **Native American** tribes. Applications are processed in accordance with all eligibility and other requirements

of 7 C.F.R. 1777, Section 306C WWD Loans and Grants. These funds cannot be used for projects that are eligible for funding under any other RUS set-aside.

The use of RUS loan funds, as well as funds from other sources, in conjunction with the grant funds is strongly encouraged whenever feasible to maximize the investment in Indian Country. Generally, applicants are expected to borrow as much as they can afford to repay, as in the WWD regular loan and grant program.

The Appalachian Regional Development Act authorizes economic development programs and projects to assist the Appalachian Region to meet its special problems. It provides authority for Federal assistance grants to supplement grant assistance under other Federal grant-in-aid programs. Under a Memorandum of Understanding, this program is administered by WEP for water and sewer projects in rural areas. If there are no WEP funds in the project, an administrative fee is charged to the **Appalachian Regional Commission (ARC)** to cover the processing of the grant.

Loan Portfolio

The total portfolio of Water and Environmental Programs as of September 30, 2001, included 7,942 borrowers, 17,029 loans, and \$7,115,949,935 in unpaid principal.

wastewater technicians and a board-training program. Additional service to applicants and borrowers is provided under a grant to the Rural Community

WEP Portfolio as of September			
Type of Borrower	Borrowers	Loans	Unpaid Principal
Water	5,759	12,078	\$4,737,567,000
Sanitary Sewer	3,029	4,506	2,228,063,000
Solid Waste	100	123	75,880,000
Storm Drainage	28	32	11,980,000
Uncategorized	13	14	5,780,000
RC&D	37	46	1,691,000
Watershed and Flood Prevention	110	184	31,475,000
Guaranteed	37	46	23,513,935
TOTAL	7,942*	17,029	7,115,949,935

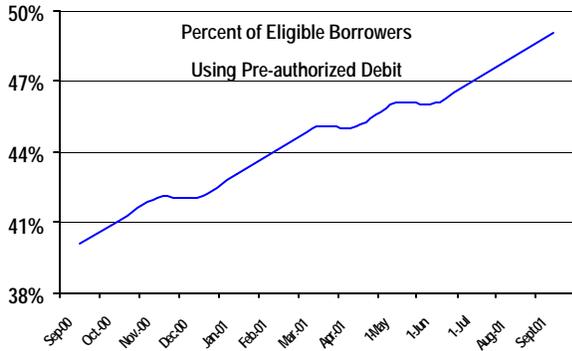
*The numbers in the borrower column do not total as a borrower may have loans in multiple categories.

Credit advice and assistance is provided to the applicants and borrowers throughout the loan making, construction, and system management and maintenance processes. For many rural systems, the projects financed through RUS may be the first experience board members or town councils have with financing and managing a public utility. In recent years, supervised credit assistance has been expanded through the use of service providers. A contract with the National Rural Water Association (NRWA) provides rural water circuit riders. Grants to the NRWA provide

Assistance Program and a grant to West Virginia University Research Foundation for the National Drinking Water Clearinghouse.

Loans written off since the inception of the program are approximately 1 tenth of 1 percent. Over the history of the Water Programs, 44 loans have been written off as a loss to the Government in the amount of \$20,627,374. This figure is extremely small in comparison to the total principal loaned since inception of the program of \$17.5 billion.

During FY 2001, Preauthorized Debit (PAD) has proven to be the most effective direct payment process for WWD borrowers. This system allows loan payments to be



electronically withdrawn from borrowers' bank accounts on the day the payment is due. PAD has reduced the time required for processing payments and allowed for more timely application of payments to the borrowers' accounts. This system has helped to reduce delinquent loans significantly. It has also saved our borrowers time and money in processing payments. The number of borrowers participating continues to grow; as of September 2001, the participation rate was over 48 percent.

Borrowers are required to refinance (graduate) to other

credit when they can obtain the needed funds from commercial sources at reasonable rates and terms. Borrowers are reviewed every other year after the initial loan is 6 years old to determine whether they can refinance with commercial credit sources. Those borrowers determined able to refinance are asked to work with other credit sources in acquiring loans at reasonable rates and terms to pay off their debt to the government. Generally, borrowers are required to refinance only when they can maintain reasonable user rates. In FY 2001, 263 loans graduated.

WEP loans generate a significant amount of income for the Government. In FY 2001 WEP

	Principle & Interest
Loan Payments	577,069,124
Loans Fully Paid	72,344,060
Total	649,413,184

collected over \$649 million in principal and interest payments. This represents over 90 percent of the budget authority allocated to WEP for the new funding it provided during FY 2001.

Engineering and Environmental Staff Review

We are familiar with common acronyms like O&M (operations and maintenance), but this is not sufficient to ensure a system's sustainability in today's regulatory and operating environment. Terms such as MOM (Management, Operation & Maintenance) or CMOM (Capacity, Management, Operation & Maintenance) are terms being used to describe the more comprehensive approach to system sustainability. WEP has promoted capacity development and quality management long before it became popular. Although we need to continue to enhance our skills in assisting systems with these areas, the low delinquency rate of WEP funded systems reflects the benefits of our counsel.

Technology is advancing in the water and waste treatment arena like it is in other more visible fields. The control and monitoring of the facilities and treatment processes are advancing by leaps and bounds. This allows our borrowers to better manage their far-flung systems without a person driving hundreds of miles just to look at the pump stations and

tanks. Manufacturers and specialized operators can be brought into the management loop from remote locations.

With increasing use of e-mail, the Internet, and Intranet, WEP is keeping field staff better informed and interfacing with the applicants, borrowers, and their consultants more efficiently. Success stories are spread quickly, and the Intranet enables persons at remote locations to obtain input from their counterparts across the country. WEP is looking forward to even better communications using the recently signed USDA-wide GIS contract and the Common Computing Environment servers.

After the 1995 USDA reorganization, WEP's Engineering and Environmental Staff revised its environmental policies and procedures regulations for programs brought together into the new agency. The regulation rewrite took over 2 years to complete; the transition from the old to new regulation was completed this fiscal year. Significant accomplishments

achieved through this transition are:

- ❖ Better and more thoughtful integration and consideration of environmental factors during project planning and design.
- ❖ Coordinated environmental impact analyses level of reviews with other co-funding agencies' regulations.
- ❖ Consolidated and streamlined public involvement procedures.

In accordance with RUS' regulatory approach, significant emphasis and progress are being made in negotiating uniform environmental

documentation requirements for co-funded projects. Two states have signed Memorandums of Understanding with co-funding partners and many others are in the process of negotiations.

WEP is negotiating and executing Programmatic Agreements with

State Historic Preservation Offices establishing standard project reviews for National Historic Preservation Act compliance. In one State, for example, a Programmatic Agreement was signed that uses specific Geographic Information System (GIS) data layers as a predictive modeling tool to determine sampling protocols for identifying historic properties and evaluating project effects during project planning and review.

WEP completed the last two environmental compliance-training courses offered on CD's of Rural Development's environmental course

catalog. The two courses are *Environmental Justice* and *Considering Project Effects under the National Environmental Policy Act*. The complete CD's have been distributed to Rural Development field offices and are available to applicants and any other interested parties.

WEP's CD Catalog

- Water Use Issues - Clean Water Act and Safe Drinking Water Act
- Land Use Issues
- Coastal Use Issues
- National Environmental Policy Act Course
- Transaction Screen Process
- First Responder Course
- Lender Liability
- Historic Preservation Issues
- Considering Project Effects Under NEPA
- Environmental Justice

WWD Loan and Grant Program

State	FY 2000		FY 2001	
	Loan	Grant	Loan	Grant
ALABAMA	21,024,050	11,933,139	14,772,600	12,348,330
ALASKA	300,000	3,804,046	3,309,000	4,200,000
ARI ZONA	4,470,700	3,768,100	5,406,380	3,706,000
ARKANSAS	15,547,600	12,515,360	17,271,500	12,326,400
CALI FORNI A	21,362,800	15,525,465	20,225,350	13,922,596
COLORADO	7,155,500	4,173,800	740,800	2,531,550
CONNECTI CUT	6,322,250	265,050	1,323,165	4,119,265
DELAWARE	4,032,802	1,994,521	3,700,000	2,000,000
FLORI DA	22,372,340	13,099,220	19,885,100	11,604,100
GEORGI A	22,450,908	14,557,930	17,086,090	16,793,390
HAWAI I	0	350,000	259,200	777,500
IDAHO	6,911,600	3,854,420	6,442,000	3,409,800
ILLINOI S	22,199,000	13,603,130	16,460,300	14,341,500
INDI ANA	18,231,200	12,197,500	43,479,700	9,686,087
IOWA	25,222,150	7,583,500	14,919,600	7,049,400
KANSAS	8,940,800	5,758,200	10,366,400	7,186,400
KENTUCKY	31,557,900	16,112,700	29,307,000	15,752,000
LOUI SI ANA	21,794,800	13,005,000	19,939,420	14,429,300
MAI NE	7,162,000	5,075,750	7,563,500	5,485,500
MARYLAND	6,065,350	4,164,325	8,754,100	4,013,971
MASSACHUSETTS	8,518,961	4,209,170	8,102,660	3,770,750
MI CHI GAN	31,182,000	15,583,000	22,965,000	18,547,700
MI NNESOTA	13,936,250	12,786,923	18,472,600	11,209,012
MI SSI SSI PPI	22,777,545	16,139,350	22,566,920	14,736,700
MI SSOURI	14,261,100	10,905,770	16,536,900	11,829,679
MONTANA	7,527,800	2,616,500	4,723,500	4,784,600
NEBRASKA	5,613,100	3,614,900	5,343,600	3,355,400
NEVADA	2,231,963	1,975,000	4,313,526	3,100,000
NEW HAMPSHI RE	2,915,000	4,049,700	7,419,250	5,085,000
NEW JERSEY	7,030,000	2,697,460	10,808,000	2,201,000
NEW MEXI CO	2,827,709	4,939,575	3,964,888	4,712,000
NEW YORK	24,842,025	16,509,943	27,259,200	14,630,100
NORTH CAROLI NA	51,445,300	17,792,000	38,781,000	17,454,632
NORTH DAKOTA	3,300,000	2,415,000	5,620,200	3,500,000
OHI O	27,414,000	17,999,000	39,994,000	18,612,000
OKLAHOMA	12,954,450	7,733,200	15,034,610	9,139,340
OREGON	14,611,050	9,352,645	10,755,830	6,904,870
PENNSYLVANI A	31,805,550	20,543,000	26,349,000	22,250,825
PUERTO RICO	32,581,000	19,337,000	36,326,000	19,582,000
RHODE I SLAND	784,109	1,499,927	1,284,500	1,663,500
SOUTH CAROLI NA	20,620,500	10,579,100	18,748,100	9,707,800
SOUTH DAKOTA	7,124,280	3,435,820	11,961,500	4,104,000
TENNESSEE	30,501,700	14,407,000	31,868,300	13,389,500
TEXAS	33,931,000	21,277,800	26,288,485	28,743,194
UTAH	2,697,900	3,252,500	2,552,400	2,160,708
VERMONT	1,989,870	2,835,760	3,449,500	2,845,360
VIRGIN I SLANDS	0	0	0	0
VIRGIN I A	23,113,000	13,775,850	23,768,480	15,914,150
W. PACI FIC AREAS	0	0	0	0
WASHI NGTON	7,192,150	5,399,250	5,168,780	6,445,112
WEST VIRGIN I A	15,389,200	10,660,000	17,198,000	9,763,060
WI SCONSIN	11,469,680	12,564,310	13,316,050	11,038,102
WYOMI NG	1,422,000	2,450,800	1,446,050	736,500
Total	747,133,842	456,678,488	742,588,834	467,588,682

WEP Guaranteed Water & Waste Loans

State	2000	2001
ALABAMA	\$625,000	\$250,000
FLORIDA	\$2,000,000	\$0
IDAHO	\$20,000	\$0
ILLINOIS	\$0	\$206,920
LOUISIANA	\$1,355,665	\$482,000
MISSISSIPPI	\$354,510	\$0
NEW YORK	\$50,000	\$0
NORTH CAROLINA	\$2,000,000	\$2,505,750
OHIO	\$130,500	\$1,850,000
PENNSYLVANIA	\$4,236,160	\$0
TOTALS	\$10,771,835	\$5,294,670

EZ/EC/REAP Loans and Grants

State	FY 2000		FY 2001	
	Loan	Grant	Loan	Grant
ARIZONA	\$0	\$812,100	\$0	\$750,000
ARKANSAS	\$247,100	\$830,000	\$0	\$274,000
FLORIDA	\$2,252,000	\$2,500,000	\$0	\$0
GEORGIA	\$1,437,350	\$1,397,080	\$1,000,000	\$2,000,000
ILLINOIS	\$627,000	\$1,246,300	\$401,000	\$1,881,600
INDIANA	\$93,000	\$703,500	\$0	\$0
KANSAS	\$0	\$0	\$873,400	\$1,078,300
KENTUCKY	\$1,950,000	\$2,408,000	\$1,130,000	\$1,270,000
LOUISIANA	\$704,000	\$1,145,000	\$3,288,000	\$4,180,000
MICHIGAN	\$1,759,000	\$2,376,000	\$2,000,000	\$2,000,000
MISSISSIPPI	\$592,600	\$1,657,200	\$3,195,900	\$2,542,500
NEW MEXICO	\$474,925	\$1,371,975	\$51,860	\$155,880
NEW YORK	\$2,588,400	\$54,700	\$1,698,100	\$2,078,500
NORTH DAKOTA	\$220,000	\$1,500,000	\$500,000	\$1,500,000
OKLAHOMA	\$1,206,500	\$2,041,050	\$575,000	\$0
PENNSYLVANIA		\$2,200,000		\$0
SOUTH CAROLINA	\$485,600	\$1,549,400	\$0	\$0
SOUTH DAKOTA	\$0	\$0	\$35,148	\$46,852
TENNESSEE	\$3,735,500	\$2,989,500	\$1,101,000	\$4,119,600
TEXAS	\$0	\$0	\$2,025,800	\$2,025,800
VERMONT	\$0	\$0	\$616,900	\$1,849,800
VIRGINIA	\$62,500	\$787,300	\$374,920	\$1,124,730
WASHINGTON	\$0	\$0	\$1,297,910	\$443,438
WEST VIRGINIA	\$0	\$0	\$0	\$129,000
TOTALS	\$18,435,475	\$27,569,105	\$20,164,938	\$29,450,000

Native American Grants

State	2000	2001
ARI ZONA	\$1,128,000	\$50,728
CALI FORNIA	\$850,000	\$1,450,000
IDAHO	\$814,500	\$1,470,000
MAINE	\$500,000	\$925,000
MI CHIGAN	\$0	\$393,000
MI NNESOTA	\$783,000	\$1,387,000
MONTANA	\$228,980	\$500,000
NEBRASKA	\$296,000	\$268,000
NEW MEXI CO	\$1,650,000	\$945,000
NEW YORK	\$550,000	\$511,402
NORTH DAKOTA	\$1,150,000	\$1,877,500
OKLAHOMA	\$651,000	\$1,933,200
OREGON	\$600,000	\$0
SOUTH DAKOTA	\$1,575,000	\$1,368,870
UTAH	\$479,000	\$0
WASHI NGTON	\$0	\$670,300
WI SCONSI N	\$744,520	\$2,000,000
Total	\$12,000,000	\$15,750,000

Colonias Grants

State	2000	2001
ARI ZONA	\$2,963,550	\$2,434,900
CALI FORNIA	\$2,842,000	\$2,154,400
NEW MEXI CO	\$6,300,000	\$7,552,111
TEXAS	\$6,700,000	\$6,858,935
TOTAL	\$18,805,550	\$19,000,346

Alaskan Village Grants

State	2000	2001
ALASKA	\$19,464,579	\$19,600,000

Emergency Program

State	Emergency Direct WW Loans		Emergency Direct WW Grants		ECWAG Direct WW Grants		ECWAG-Designated Direct Grants	
	2000	2001	2000	2001	2000	2001	2000	2001
ALABAMA								\$2,586,000
CALIFORNIA						\$345,000		
FLORIDA						\$412,500		
GEORGIA								\$500,000
IDAHO						\$845,500		\$75,000
IOWA		\$7,000,000		\$3,000,000				\$3,445,000
LOUISIANA		\$860,000		\$1,500,000		\$1,055,000		\$568,000
MAINE						\$1,500,000		
MISSISSIPPI		\$84,000		\$551,600		\$437,800		\$1,280,900
MISSOURI						\$1,676,650		
NEBRASKA		\$135,000		\$211,000				\$288,100
NEW JERSEY						\$500,000		
NEW YORK						\$1,285,000		
NORTH CAROLINA						\$460,550		
OKLAHOMA		\$230,000		\$1,154,000				\$110,000
OREGON						\$500,000		
SOUTH DAKOTA		\$2,707,300		\$2,551,300				
TENNESSEE		\$8,100,000		\$4,182,300				\$697,000
TEXAS	\$50,000	\$5,703,015	\$64,000	\$806,906			\$200,200	
UTAH		\$357,200		\$2,643,392				\$450,000
WASHINGTON						\$500,000		
WISCONSIN						\$482,000		
TOTALS	\$50,000	\$25,176,515	\$64,000	\$16,600,498	\$0	\$10,000,000	\$200,200	\$10,000,000

Other Agencies

Appalachian Regional Commission Grants

State	2000	2001
ALABAMA	\$211,595	\$525,600
GEORGIA	\$1,003,838	\$1,532,500
KENTUCKY	\$3,916,151	\$5,449,432
MARYLAND	\$750,000	\$250,000
MISSISSIPPI	\$3,037,000	\$963,788
NEW YORK	\$750,000	\$450,000
NORTH CAROLINA	\$586,800	\$1,071,650
OHIO	\$300,000	\$500,000
PENNSYLVANIA	\$200,000	\$0
TENNESSEE	\$2,012,250	\$806,000
VIRGINIA	\$682,450	\$896,738
WEST VIRGINIA	\$750,000	\$1,490,200
TOTALS	\$14,200,084	\$13,935,908

Economic Development Administration Grants

State	2000	2001
ARIZONA	\$1,400,000	\$0
IDAHO	\$0	\$1,330,000
INDIANA	\$2,435,445	\$0
MICHIGAN	\$0	\$850,000
MINNESOTA	\$1,550,950	\$300,000
NEW YORK	\$1,000,000	\$0
TOTALS	\$6,386,395	\$2,480,000

Technical Assistance Programs

Solid Waste Management Grants

State	2000	2001
ALASKA	\$0	\$283,600
ARKANSAS	\$68,000	\$128,000
CALIFORNIA	\$70,000	\$71,700
COLORADO	\$0	\$12,500
HAWAII	\$0	\$104,470
IDAHO	\$127,300	\$186,300
ILLINOIS	\$28,000	\$0
KENTUCKY	\$70,000	\$0
LOUISIANA	\$136,974	\$100,000
MAINE	\$226,300	\$279,825
MASSACHUSETTS	\$116,000	\$121,300
MISSOURI	\$40,000	\$79,000
MONTANA	\$88,900	\$93,000
NEBRASKA	\$153,074	\$0
NEVADA	\$85,000	\$90,000
NEW HAMPSHIRE	\$69,925	\$98,700
NEW MEXICO	\$0	\$109,000
NEW YORK	\$0	\$125,000
NORTH CAROLINA	\$90,000	\$110,000
NORTH DAKOTA	\$85,000	\$0
OHIO	\$120,000	\$222,255
OKLAHOMA	\$74,500	\$60,000
OREGON	\$77,000	\$93,000
PENNSYLVANIA	\$20,000	\$20,000
TENNESSEE	\$58,000	\$0
TEXAS	\$0	\$50,000
VERMONT	\$161,000	\$225,500
VIRGINIA	\$720,000	\$850,000
WISCONSIN	\$50,000	\$0
TOTALS	\$2,734,973	\$3,513,150

Technical Assistance and Training Grants

State	2000	2001
ALASKA	\$100,000	\$100,000
ARIZONA	\$0	\$100,000
ILLINOIS	\$225,000	\$0
LOUISIANA	\$109,788	\$0
NEVEDA	\$150,000	\$0
NEW MEXICO	\$0	\$150,000
OKLAHOMA	\$8,959,632	\$9,139,865
VIRGINIA	\$5,296,000	\$5,436,000
WEST VIRGINIA	\$1,132,200	\$1,200,000
TOTALS	\$15,972,620	\$16,125,865

All WWD Programs - FY 2001

State	No. of Loans	Loan Amount	No. of Grants	Grant Amount
ALABAMA	16	\$15,022,600	22	\$15,459,930
ALASKA	1	\$3,309,000	9	\$24,183,600
ARI ZONA	13	\$5,406,380	24	\$7,041,628
ARKANSAS	26	\$17,271,500	25	\$12,728,400
CALI FORNI A	18	\$20,225,350	25	\$17,943,696
COLORADO	2	\$740,800	8	\$2,544,050
CONNECTI CUT	4	\$1,323,165	5	\$4,119,265
DELAWARE	2	\$3,700,000	3	\$2,000,000
FLORI DA	14	\$19,885,100	14	\$12,016,600
GEORGI A	15	\$18,086,090	14	\$20,825,890
HAWAI I	1	\$259,200	3	\$881,970
IDAHO	19	\$6,442,000	28	\$7,316,600
ILLI NOIS	31	\$17,068,220	24	\$16,223,100
INDI ANA	18	\$43,479,700	10	\$9,686,087
IOWA	27	\$21,919,600	39	\$13,494,400
KANSAS	21	\$11,239,800	16	\$8,264,700
KENTUCKY	45	\$30,437,000	60	\$22,471,432
LOUI SI ANA	31	\$24,569,420	31	\$21,832,300
MAINE	16	\$7,563,500	24	\$8,190,325
MARYLAND	11	\$8,754,100	8	\$4,263,971
MASSACHUSETTS	10	\$8,102,660	8	\$3,892,050
MI CHIGAN	26	\$24,965,000	20	\$21,790,700
MI NNESOTA	26	\$18,472,600	23	\$12,896,012
MI SSI SSI PPI	53	\$25,846,820	47	\$20,513,288
MI SSOURI	32	\$16,536,900	34	\$13,585,329
MONTANA	11	\$4,723,500	11	\$5,377,600
NEBRASKA	15	\$5,478,600	18	\$4,122,500
NEVADA	7	\$4,313,526	9	\$3,190,000
NEW HAMPSHI RE	10	\$7,419,250	11	\$5,183,700
NEW JERSEY	6	\$10,808,000	6	\$2,701,000
NEW MEXI CO	10	\$4,016,748	24	\$13,623,991
NEW YORK	52	\$28,957,300	52	\$19,080,002
NORTH CAROLI NA	19	\$41,286,750	21	\$19,096,832
NORTH DAKOTA	8	\$6,120,200	10	\$6,877,500
OHIO	23	\$41,844,000	25	\$19,334,255
OKLAHOMA	21	\$15,839,610	17	\$21,536,405
OREGON	13	\$10,755,830	11	\$7,497,870
PENNSYLVANI A	17	\$26,349,000	15	\$22,270,825
PUERTO RI CO	15	\$36,326,000	8	\$19,582,000
RHODE I SLAND	4	\$1,284,500	3	\$1,663,500
SOUTH CAROLI NA	21	\$18,748,100	12	\$9,707,800
SOUTH DAKOTA	18	\$14,703,948	17	\$8,071,022
TENNESSEE	52	\$41,069,300	52	\$23,194,400
TEXAS	30	\$34,017,300	36	\$38,484,835
UTAH	12	\$2,909,600	11	\$5,254,100
VERMONT	9	\$4,066,400	13	\$4,920,660
VI RGI N ISLANDS	0	\$0	0	\$0
VI RGI NI A	24	\$24,143,400	28	\$24,221,618
WASHI NGTON	14	\$6,466,690	16	\$8,058,850
WEST VI RGI NI A	14	\$17,198,000	21	\$12,582,260
WI SCONSIN	21	\$13,316,050	19	\$13,520,102
W. PACI FI C AREAS	0	\$0	0	\$0
WYOMI NG	4	\$1,446,050	3	\$736,500
TOTAL	928	\$794,234,157	993	\$624,055,450

For additional information, contact your local USDA Rural Development office, or contact the National office at:

USDA Rural Utilities Service
Water and Environmental Programs Division
1400 Independence Avenue, SW,
Washington, D.C. 20250
Telephone (202) 690-2670, fax (202) 720-0718, or

Visit the WEP website: <http://www.usda.gov/rus/water/>



USDA Rural Utilities Service

Water & Environmental Programs

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Water and Environmental Programs

Home Page

Water and Environmental Programs (WEP) provides loans, grants and loan guarantees for drinking water, sanitary sewer, solid waste and storm drainage facilities in rural areas and cities and towns of 10,000 or less. Public bodies, non-profit organizations and recognized Indian tribes may qualify for assistance. WEP also makes grants to nonprofit organizations to provide technical assistance and training to assist rural communities with their water, wastewater, and solid waste problems.

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Visitors will find timely information on:

- ❖ WEP program information and how to apply for assistance
- ❖ Links to processing forms, regulations, State regulatory agencies
- ❖ Locations of Rural Development State offices and contact information
- ❖ Technical assistance programs available
- ❖ Engineering resources for applicants, engineers, consultants, employees
- ❖ Training tools and tips on preparing engineering, environmental, and financial feasibility reviews, success stories, etc.
- ❖ Information on special initiatives and legislative matters
- ❖ Links to technical assistance providers that specialize in drinking water, wastewater, and solid waste management problems for small communities.