



# State Revolving Fund Loan Programs

*Drinking Water, Clean Water, Nonpoint Source*

## FACT SHEET

January 2026

## **GENERAL PROGRAM INFORMATION**

### **What is the State Revolving Fund (SRF) Loan Program?**

The State Revolving Fund (SRF) Loan Program provides low interest loans to Indiana communities for projects that improve wastewater and drinking water infrastructure and for nonpoint source projects. The Indiana Finance Authority administers this program to protect public health and the environment.

### **Who is eligible?**

- Cities, towns, counties, regional sewer/water districts, conservancy districts are eligible for wastewater, drinking water and nonpoint source SRF loans.
- In addition, private, not-for-profit and water authorities are eligible for drinking water SRF loans.

### **Where does SRF's funding originate?**

The State applies to the U.S. Environmental Protection Agency (U.S. EPA) annually for capitalization grants to fund its SRF Programs. To increase available funds, the State leverages its U.S. EPA capitalization grants in the municipal bond market. These funds are combined with the U.S. EPA required state match and are then made available to Indiana communities in the form of low interest loans.

### **What types of projects are eligible for funding?**

**Wastewater** projects may include:

- Treatment plant improvements,
- Sewer line extensions to existing or platted unsewered properties,
- Combined sewer overflow corrections,
- Infiltration/inflow projects,
- Sewer/Pump Station Rehabilitation or Replacement, and/or
- Projects defined in the Water Resources Reform and Development Act.

**Drinking water** projects may include:

- Drinking water wells and surface water intakes,
- Treatment plant improvements,
- Water line replacements and extensions to existing or platted un-served properties, and/or
- Water storage facilities.

**Nonpoint source** projects may include:

- Wetland protection and restoration measures,
- Providing sewer service to properties served by on-site sewage disposal systems,
- Best Management Practices for agriculture and stormwater runoff,
- Brownfield Remediation,
- Riparian Buffers and Conservation Easements, and/or
- Wellhead and Source Water Protection measures.

### **What types of projects are not eligible for funding?**

Ineligible projects include those projects solely intended for economic development and projects primarily for fire suppression.

### **How does a community apply for an SRF loan?**

- An eligible entity can submit an application at any time to the SRF Loan Program at: 100 N. Senate Ave., Rm. 1275, Indianapolis, IN 46204.
- Application forms are available on SRF's website at <http://www.srf.in.gov>.

### **What are the loan terms?**

- The SRF loan is a fixed rate, 20-year loan. However, up to 35-year loan terms are available for qualifying projects.
- Interest rates reset quarterly and are at or below 90% of the average 20-year AAA-rated, general obligation bond Municipal Market Data. Rates are further discounted based on the applicant's median household income (gathered from census data) and local user rates.
- Interest rates can be further reduced by up to 0.5% if the project has Green Project Reserve components or nonpoint source features. In addition, interest rates may be reduced to 0.0% for qualifying projects that include lead line replacement.

### **Where can I get more information about SRF loans?**

For information regarding wastewater projects or drinking water projects, please contact SRF Program Manager, Jenn Pence, at [jpence@ifa.in.gov](mailto:jpence@ifa.in.gov) or (317) 232-4396.