



# Rural Water Assistance Fund (RWAFF)

The RWAFF program provides small, rural water utilities with low-cost, long-term financing for water and wastewater projects. The program is designed to offer tax-exempt-equivalent financing to water

supply corporations or projects ineligible for tax-exempt financing. Through Fiscal Year 2020, the program has committed approximately \$181 million for projects across Texas.

## Eligible Applicants

- Rural political subdivisions, including nonprofit water supply corporations, serving a population of 10,000 or less
- Counties in which no urban area has a population exceeding 50,000
- Applicants may partner with a federal or state agency or another rural political subdivision to apply for funding

## Eligible Projects

- Planning, design, acquisition, and construction of water, wastewater, or consolidation and regionalization projects

## Benefits and Terms

- Long-term fixed interest rates based on the TWDB's cost of funds
- Tax-exempt-equivalent rates
- Up to 40-year repayment terms
- Tax exemption for project supplies
- Access to funding year round
- No maximum funding limit
- State level environmental review

## Program Requirements

- Must meet any applicable U.S. Tax Code requirements (if funded with alternative minimum tax proceeds)
- Water supply projects must be consistent with the current state water plan
- Adoption of a water conservation and drought contingency plan (for entities receiving assistance greater than \$500,000)
- U.S. Iron and Steel requirements
- Review of legislative requirements regarding water loss threshold limits

For specific questions on the program, please contact [Financial\\_Assistance@twdb.texas.gov](mailto:Financial_Assistance@twdb.texas.gov). Detailed information on the program is also available at [www.twdb.texas.gov/financial/programs](http://www.twdb.texas.gov/financial/programs).