



State Revolving Fund Loan Programs

Drinking Water, Clean Water, Nonpoint Source

FACT SHEET

January 2026

SUMMARY OF CURRENT INTEREST RATES

Indiana's Drinking Water and Wastewater State Revolving Fund Loan Programs use a Base SRF Program Interest Rate, which is reset on the first business day of each January, April, July, and October.

The Base Rate is calculated by using 90 percent of the average 20-year AAA-rated, general obligation bond Municipal Market Data ("MMD") composite index for the most recent calendar month. The Base Rate is then discounted further based upon a borrower's Median Household Income (MHI) from the most recent Census data and projected user rates. This Census data is posted at data.census.gov.

Below are the current SRF Program interest rates effective January 1, 2026 through March 31, 2026. The interest rates vary based on three ranges of average monthly user rates for an equivalent dwelling unit (User Rates) within each of the three existing MHI tiers, creating nine possible interest rates.

| Wastewater SRF Interest Rates | User Rates (Over \$75) | User Rates (\$30 to \$75) | User Rates (Under \$30) |
|-------------------------------------|------------------------|---------------------------|-------------------------|
| Tier III (MHI: under \$57,000) | 2.28% | 2.53% | 3.03% |
| Tier II (MHI: \$57,001 to \$70,050) | 2.53% | 2.78% | 3.28% |
| Tier I (MHI over \$70,051) | 2.78% | 3.03% | 3.53% |

** MHI reflected in 2023 ACS 5-year estimates (2019-2023)*

Note: Up to an additional .50% reduction may be permitted if a nonpoint source project is financed along with a point source project or a project that includes green/sustainable, including climate resiliency, components.

| Drinking Water SRF Interest Rates | User Rates (Over \$60) | User Rates (\$30 to \$60) | User Rates (Under \$30) |
|-------------------------------------|------------------------|---------------------------|-------------------------|
| Tier III (MHI: under \$57,000) | 2.28% | 2.53% | 3.03% |
| Tier II (MHI: \$57,001 to \$70,050) | 2.53% | 2.78% | 3.28% |
| Tier I (MHI over \$70,051) | 2.78% | 3.03% | 3.53% |

** MHI reflected in 2023 ACS 5-year estimates (2019-2023)*

Note: Up to an additional .50% reduction may be permitted if a project is financed that includes green/sustainable, including climate resiliency, components. The SRF interest rate may also be reduced if a project includes lead line replacement.

Persons having questions should direct them to:

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