



## **State Revolving Fund Loan Programs**

*Drinking Water, Clean Water, Nonpoint Source*

## **FACT SHEET**

*January 2026*

### **NONPOINT SOURCE LOANS AND PROJECTS**

#### **What is Nonpoint Source Water Pollution?**

Nonpoint Source (NPS) water pollution comes from many diffuse sources and results when human-made pollutants are carried to waterways by the natural movement of water. NPS results from land runoff, precipitation, atmospheric deposition, drainage, seepage, or hydrologic modification. SRF recognizes, that NPS runoff and watershed disturbances are impeding future water quality improvements and threatening past successes. To abate these issues, by integrating a NPS project with a wastewater or drinking water project has the added benefit of lowering the interest rate of your loan.

**Great strides** have been made by communities in addressing water quality problems, and SRF has provided more than \$6.1 billion dollars for wastewater and drinking water infrastructure improvements and over \$410 million in NPS projects.

#### **Who is eligible?**

Political subdivisions including incorporated cities, towns, counties, conservancy districts, regional water, sewer, and waste districts, sanitary districts, and stormwater utilities are eligible to apply.

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

**Eligible NPS projects** must provide water quality benefits to their respective communities and may include, but are not limited to, one or more of the following endeavors:

- Failing septic system- repair, replacement, or connection to sewer.
- Brownfield Remediation.
- Wetland restoration/protection.
- Erosion control measures - vegetative and structural or non-structural.
- Groundwater remediation.
- Stormwater best management practices.
- Source water and wellhead protection measures.
- Agricultural and waste management best management practices.

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

Submit an SRF Loan Program application to the SRF Program. The application can be found at [www.srf.in.gov](http://www.srf.in.gov).

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

- SRF loans have a 20-year term, unless eligible for Extended Term Financing.
- Interest rates are at or below 90% of the average 20-year AAA-rated, general obligation bond Municipal Market Data.
- SRF will allow up to a 0.5% interest rate reduction, as low as 2%, for projects that include a NPS project.

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

For more information, please visit the SRF Web site at [www.srf.in.gov](http://www.srf.in.gov). Contact the SRF Director of Technical Review, Camille Meiners, PE, at [cmeiners@ifa.in.gov](mailto:cmeiners@ifa.in.gov) or 317-234-3661 with any questions.