



Alabama Rural Water Association

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The American Recovery and Reinvestment Act (ARRA) provides for a substantial amount of funding for rural water and sewer systems in Alabama. These funds are now available through USDA Rural Development's Water and Waste Loan and Grant Program.



Who is eligible?

Eligible organizations include public bodies and non-profit systems. Eligible locations are municipalities with 10,000 population or less, and unincorporated areas with no population limits.

What are the loan amounts?

There is no maximum loan limit. Grant funds are limited to the amount needed to maintain reasonable user costs for communities whose median household income is equal to or below the statewide nonmetropolitan median household income.

What are the loan terms?

Interest rates are fixed, and they are currently at historically low levels. Current rates are available at <http://www.usda.gov/rus/water/int-rate.htm>. Loans can be made for up to a 40 year term.

What are the collateral requirements?

Security is typically a pledge of system revenue.

Where should applications be filed?

Applications should be filed in the Area Office that serves your county. A list of the coverage areas and contact information for each office is below. ARWA has received funding for Circuit Riders to assist communities in obtaining these funds. Chris Harmon or Jim Harris of our staff are ready to help you with the process. Contact them today at arwa@alruralwater.com. There has never been a better time to obtain the resources needed to improve your system.