New EPA Grant Program

OSG Program
(Sewer Overflow and Stormwater Reuse Municipal Grant Program)

April 2021
America's Water Infrastructure Act (AWIA) of 2018 reauthorized and expanded section 221 of the Clean Water Act which initiated the start of the OSG program.

- OSG received an appropriation of $28M in FY2020 and $40M in FY2021.

- EPA will provide grants to states, DC, and the U.S. territories to make sub-awards for planning, design and construction of:
  - treatment works to intercept, transport, control, treat, or reuse municipal combined sewer overflows (CSOs), sanitary sewer overflows (SSOs), or stormwater; and
  - any other measures to manage, reduce, treat, or recapture stormwater or subsurface drainage water.

- States shall give priority to projects that:
  - are in a financially distressed community (as determined by the state)
  - are following a long term municipal CSO or SSO control plan
  - have a CSO, SSO, or Stormwater Grant request on their SRF IUP, or
  - are for an Alaskan Native Village

- There is a 20% Green Project Reserve (GPR) requirement and a 20% state match requirement.
Implementation

- The Office of Wastewater Management issued a Grant Implementation Document in March.
- This document goes over how Regions and States should implement the program.
- Details for eligibilities, cost share, grant requirements, etc.
EPA proposed an allocation formula and published a Federal Register Notice for public comment in Aug 2020. After comments from the public which were considered, EPA finalized the formula and published a Federal Register Notice in February 2021 describing the final allocation formula.

- The allocation formula is based off of CSO, SSO, and Stormwater infrastructure needs shown in the latest Clean Watersheds Needs Survey (CWNS) along with additional factors including average annual precipitation, total population, and urban population.
- Each state, U.S. territory, and DC gets an allocation amount they can apply for.

In April 2021, grants were posted to Grants.gov so that interested states may apply. States should work with their EPA Regional Office in developing a grant workplan and application.
Flexibility

- OSG grants can support:
- Ongoing overflow or stormwater work
- Cover planning and design costs to help get a project started
- Can support disadvantaged communities and Environmental Justice initiatives
- May be paired with a Clean Water State Revolving Fund project to reduce the project costs for the community