

# Individual Water & Wastewater Grants

## What does this program do?

**This program provides funds to households in an area recognized as a Colonia before October 1, 1989. Grant funds may be used to connect service lines to a residence, pay utility hook-up fees, install plumbing and related fixtures, e.g., bathroom sink, bathtub or shower, commode, kitchen sink, water heater, outside spigot, or bathroom.**

## What is an eligible area?

**These grants are only available in Arizona, California, New Mexico, and Texas. The Colonia must be located in a rural area i.e., unincorporated areas and any city or town with a population of 10,000 of less and is identified as a community designated in writing by the state or county in which it is located; determined to be a Colonia on the basis of objective criteria including lack of: potable water supply, adequate sewage systems, decent, safe and sanitary housing, or have inadequate roads and drainage.**

### Who is eligible?

Applicants must meet the following requirements:

- Own and occupy a dwelling located in a Colonia and have evidence of ownership.
- Have a total taxable income (based on the latest federal income tax form from all individuals residing in the household) that is below the most recent poverty income guidelines established by the U.S. Department of Health and Human Services.
- Have no delinquencies on any federal debt.

### How may funds be used?

Grant funds may be used to pay the reasonable costs for individuals to:

- Extend service lines from a system to a residence.
- Connect service lines to a residence's plumbing.
- Pay reasonable charges or fees for connecting to a system.
- Pay for necessary installation of plumbing and related fixtures within dwellings lacking such facilities. This is limited to one bath tub, sink, commode, kitchen sink, water heater, and outside spigot.
- Construct and/or partition off a portion of the dwelling for a bathroom, not to exceed 4.6 square meters (48 square feet) in size.

- Pay reasonable costs for closing abandoned septic tanks and water wells when necessary to protect the health and safety of recipients of a grant.
- Make improvements to individual's residence when needed to allow the use of the water and/or waste disposal system.

### Grant Restrictions

#### 1. Maximum grant

- Maximum grant to any individual for WATER service lines, connections, and/or construction of a bathroom is \$3,500.
- Maximum grant to any individual for SEWER service lines, connections, and/or construction of a bathroom is \$4,000.
- Lifetime assistance to any individual for initial or subsequent grants may not exceed a cumulative total of \$5,000.

#### 2. Limitations on use of grant funds

Grant funds *may not* be used to:

- Pay any debt or obligation of the grantee other than obligations incurred under the grant.
- Pay costs that are not considered reasonable by the Agency.

## How do we get started?

Applications for this program are accepted year round. Please apply through your local RD office.

## What governs this program?

**Basic Instruction:** 7 CFR Part 3550, Subpart C and HB-1-3550, Appendix 8

## Why does USDA Rural Development do this?

This program facilitates the use of community water and/or waste disposal systems by the residents of Colonias along the U.S./Mexico border.

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**NOTE:** Because citations and other information may be subject to change, please always consult the program instructions listed in the section above titled “*What Governs This Program?*” You may also contact your local office for assistance. You will find additional forms, resources, and program information at [rd.usda.gov](http://rd.usda.gov). *USDA is an equal opportunity provider, employer, and lender.*