



Water Supply and Infrastructure Grants

Edits posted on July 9, 2026

The period of public review and comment on the plan began January 5, 2026, and ended February 4, 2026. A public meeting was held via webinar on January 20, 2026, and the final implementation plan was provided to the Board on March 31, 2026. Below are frequently asked questions and responses to date.

To find a specific topic, use the find feature (Ctrl + f) to search by keyword.

Eligibilities

If an eligible political subdivision applies on behalf of another entity, whose conservation and reporting requirements apply? [Newly added 6/2026]

If the applicant (the political subdivision submitting the WSIG application) is required to maintain a water conservation plan, water loss audit, water use survey, or utility profile, those items must be included in the application.

If the beneficiary entity (such as Water Supply Corporation) is required to submit a water use survey or water conservation plan, it must also be current with its required reporting (2023, 2024, and 2025).

If an applicant has never been subject to water conservation reporting requirements, it must submit an approvable water conservation plan with a utility profile containing five years of data (2021-2025).

What does consistency with the 2027 State Water Plan (SWP) mean? [Newly added 6/2026]

Current consistency reviews are being assessed against the [Board-approved 2026 Regional Water Plans](#). The 2027 SWP is anticipated to be taken to the Board for approval consideration in July 2026. Upon issuance, the SWP will be posted on the [TWDB website](#). The 2022 SWP should not be utilized for consistency purposes. Information on consistency determinations may be found in the following [information sheet](#).

Projects do not need to be listed as recommended water management strategies in the 2026 Regional Water Plans. However, the project's water source needs to be consistent with the water source listed for the community in the plan. The water source can be searched by Water

Use Group (WUG) on the interactive State Water Plan which can be located here:
<https://2027.texasstatewaterplan.org/>

Are newly formed (start-up) wholesale water providers eligible, and what water Conservation or reporting requirements apply to them? [Newly added 6/2026]

If the applicant is creating a new entity (new wholesaler), then they could establish new regional infrastructure using the WSIG to provide water and they would not be required to prepare a water loss audit nor a water conservation plan. If the applicant is an existing wholesaler that is adding a new pipeline to provide wholesale water to a new area, then WCP requirements would apply. The WLA and validation would still not apply since they are a wholesaler.

Do applicants need to have a Financial Advisor or Bond Counsel for the WSIG funding opportunity? [Newly added 6/2026]

No. A Financial Advisor and Bond Counsel are not required for this grant opportunity. The related fields in the TWDB-0201A may be left blank.

What if an applicant missed the May 1, 2026, deadline for submitting their Water Conservation Plan (WCP)? Can they remain eligible for WSIG? [Newly added 6/2026]

Yes., but only if the applicant submits a draft 2026 Water Conservation Plan as a PDF to **wcpteam@twdb.texas.gov** for the TWDB review before submitting the WSIG application, and the plan meets all minimum requirements. The WCP must be reviewed and **approved** by the TWDB; otherwise, the project will be ineligible.

Proof of WCP adoption is required at closing.

If a project's service area is smaller than the county level, how should the applicant calculate the AMHI for the service area rather than the entire county? [Newly added 6/2026]

Step-by-step guidance for calculating AMHI for a sub-county service area is provided in the **Application Form TWDB-0174 Walk-Through** recording on the WSIG webpage. The webinar recording is available at: <https://www.twdb.texas.gov/financial/programs/WSIG/index.asp>.

If a project serves only a portion of a system, should AMHI and population be based on the project area or the entire system? [Newly added 6/2026]

Applicants must use the AMHI and population information for the *entire system service area*, not just the portion of the system benefiting from the project.

What financial audit documentation is required for WSIG eligibility, and are alternatives, extensions, or reimbursement for audit costs allowed? [Newly added 6/2026]

A current, certified annual financial audit adopted by the applicant's governing body is required for WSIG eligibility. **The audit must have a fiscal year end between January 31, 2025, and June 30, 2026.** Applications without a current audit will be deemed administratively incomplete and ineligible. Compilation reports compiled financial statements, or any other financial documentation are not accepted in lieu of an audit. Extensions for audit completion are not permitted. Audit expenses are not considered project-related expenses and are not eligible for reimbursement under WSIG.

What water loss audit and water loss audit validation requirements must be met for a WSIG application to be eligible? [Newly added 6/2026]

A Water Loss Audit must be submitted by the WSIG application deadline of July 30. Entities required to report annually remain delinquent until their audit is submitted. The Water Loss Audit Validation is not required prior to application submittal. If selected for WSIG funding, the TWDB will contact the applicant to schedule validation of the 2025 water loss audit before the project is considered by the Board.

Is there any opportunity for Water Supply Corporations (WSC) to participate in the WSIG opportunity? [Newly added 6/2026]

Water Supply Corporations are not eligible to receive a direct or pass-through grant through WSIG. An eligible political subdivision may submit a project that would ultimately benefit a WSC. That project would be WSIG eligible if the applicant entity owned the project and the constructed assets. Those assets could not be transferred to the WSC while the grant is outstanding.

A new funding opportunity for Texas Water Supply Corporations can be viewed at:
<https://www.twdb.texas.gov/financial/programs/TWSCG/index.asp>.

Is eligibility based on the population served by the applicant, rather than the city or county population, including applicants serving populations over 1,000,000?

Yes, eligibility is based on the population served by the applicant, not solely on city population. If a project is providing first-time centralized water service to currently unserved households, the population used for eligibility is the population of the new service being provided. If a project contains components that provide first-time service AND components that serve the existing service area, the population used for eligibility is the population of the new service being provided AND the population of the existing service area combined. Applicants serving populations over 1,000,000 may receive up to \$55M each, within the \$400M set-aside.

When multiple eligible entities collaborate on a regional project, can each entity apply for its pro rata share of the capital costs, even if the entities are different types of political subdivisions (such as cities, counties, or special districts)?

Yes. WSIG allows regional projects in which multiple eligible entities apply for their pro rata share of the capital costs. Each participating entity must independently qualify as an eligible political subdivision, regardless of whether it is a city, county, special district, or other eligible entity type. The project itself must also meet WSIG eligibility requirements.

Are Groundwater Conservation Districts eligible?

Yes, Groundwater Conservation Districts are eligible to apply.

Can multiple small communities apply together under one local government association?

The local government association must be organized and formed as a governmental entity to be eligible.

Are all public water systems eligible for the WSIG?

No, only political subdivisions, namely local governments, are eligible. Water Supply Corporations and Investor-Owned Utilities are not eligible entities.

Are Independent School Districts (ISD) and public universities considered eligible entities for the WSIG opportunity?

Yes, but only if the ISD or public university operates a registered Public Water System (PWS) that serves or will serve connections beyond their own facilities, providing service (water) to entities not owned by the institution, either private residential or business. Only project costs associated with activities taking place beyond their own facilities will be WSIG eligible.

Are Public Utility Agencies (PUA) considered eligible entities for the WSIG opportunity?

Yes, however, eligibility for PUAs is limited to those that were formed prior to June 22, 2025.

Are Districts (SUD, MUD) and Water Authorities considered political subdivisions of the State?

Yes, districts or authorities created under Section 52, article III, or Section 59, Article XVI of the Texas Constitution would be eligible.

Must applicants applying for a canal lining or conversion project through the NADBank submit the TWDB WSIG grant in order to access the \$100 million set aside?

No, entities that have already applied to the NADBank's Water Resiliency Fund program for a canal lining or conversion project do not need to submit the WSIG application to access the \$100 million set aside within the WSIG.

What entity types are eligible for the WSIG?

The following entity types are eligible to receive WSIG funding:

- Cities
- Counties
- Councils of Governments
- Conservation and Reclamation Districts/Water Districts created under Section 52, article III or Section 59, Article XVI of the Texas Constitution, such as Special Utility Districts, Municipal Utility Districts, River Authorities, and similar political subdivisions water districts

Would a non-profit with its own wastewater facility be eligible (for example, churches)?

No, non-profit entity applicants are not eligible, nor are wastewater projects eligible.

Allowable Projects

Are water meter replacement or AMI system projects eligible for WSIG funding? [Newly added 6/2026]

Yes. Meter replacement projects are eligible if they mitigate water loss, address system inefficiencies, or improve system performance.

Are generators eligible for funding under WSIG? [Newly added 6/2026]

Generators may be eligible if they are ancillary to an eligible project that addresses water supply, water loss, or compliance.

Are reuse projects (both direct and indirect) eligible? [Newly added 6/2026]

Yes, potable reuse projects are eligible for funding so long as the project's end water use is for drinking water purposes only (not irrigation or other non-potable uses), and the project's water source is consistent with the State Water Plan.

For canal lining and canal conversion projects, must awardees use NADBank funds, or could they choose to use WSIG funds?

Applicants may pursue canal lining or conversion projects through either the NADBank Water Resiliency Fund or the WSIG opportunity. WSIG does not require applicants to use NADBank funds, and applicants may apply to both since funding is not guaranteed under either opportunity.

Are pipeline replacement projects that do not require TCEQ review eligible and how are they treated for readiness?

Pipeline replacement projects that do not require TCEQ review may be eligible. The WSIG application (TWDB-0174) includes provisions for project designs that do not require TCEQ approval, refer to Section IV.2.C, “Project Components Not Requiring TCEQ Approval.” These projects may still be considered ready to proceed if all other readiness requirements are met.

If an applicant is purchasing water rights, does that activity fall under planning, acquisition, and design (PAD)?

Yes. The purchase of water rights is generally considered an activity that occurs during the Planning or Acquisition phases. In most cases, the purchase itself would fall under the Acquisition phase – for example, when an applicant acquires land that includes associated water rights for the purpose of developing new supply, such as drilling wells.

Applicants must demonstrate a reasonable expectation of obtaining the necessary water rights before any project funds are released. In addition, a Water Rights Certification must be issued before any Construction phase funds can be disbursed. These conditions would be included in the Board Resolution.

For entities serving a population greater than 150,000, the purchase of water rights is an allowable activity, provided the applicant’s project is considered ready to proceed.

Are source water protection land purchases permitted?

No, land purchases for source of water protection are not allowed.

Would repairs to infrastructure qualify for grant funding?

Yes, so long as repairing the infrastructure addresses water loss or a project which is primarily to resolve a TCEQ violation or create additional water supplies. Costs for ongoing operation and maintenance activities are ineligible.

Would distribution system improvements qualify for grant funding?

Yes, so long as repairing the infrastructure addresses water loss or a project which is primarily to resolve a TCEQ violation or create additional water supplies

What types of additional supply projects are eligible?

- Purchase capacity from/of another system
- Capacity buy-in
- Providing first-time service to unserved, existing residents
- Purchase of water rights

- A new storage tank
- Rehabilitation and expansion of a storage tank
- A water boost system
- New water wells within an existing wellfield

The projects listed above are generally eligible for WSIG funds depending on the exact details and so long as the project is consistent with the State Water Plan. First-time service to unserved, existing residents could not include work on those residences' private property (i.e., residential hookups).

Can funds be used to address wastewater system violations?

No, the WSIG may not be used for a wastewater project.

Would the wastewater treatment components be eligible?

No, only the tertiary treatment portion of the wastewater treatment process and distribution thereafter for a potable use is eligible.

Are reuse projects that offset a user's potable water usage with non-potable water be eligible through the WSIG?

No, only reuse projects that provide potable drinking water for potable uses are eligible.

Can the grant be used for residential and commercial projects?

A grant from the WSIG may be used to complete a project that serves both residential and commercial retail customers. A grant from the WSIG may not be used on private property for those residences or commercial properties (i.e., residential hookups).

Are replacing service lines eligible for WSIG funding?

Partially, yes. Replacing service lines on the privately-owned side of the line is ineligible while replacing the publicly owned side of the line is eligible.

Can a project address lead and copper main lines?

Yes, water main replacement is considered an eligible project for the WSIG. However, replacement of privately owned service lines and supply pipes from the water mains are not eligible. Information regarding our Lead Service Line Replacement program is available at <https://www.twdb.texas.gov/financial/programs/Lead-SLR/index.asp>.

Are indoor plumbing, upgrades, or retrofits eligible?

No, this project type or component is not eligible for WSIG.

Are there any funding limitations related to developing wells for brackish groundwater?

No, unlike the Texas Water Fund, funding for groundwater wells is not limited by the total dissolved solids levels of the source water.

Can an applicant use these funds to replace fire hydrants?

Yes, but only if it is ancillary and associated with a project primarily to address water loss, create additional water supplies, or resolve a TCEQ violation.

Could grant funds be used to replace an existing TWDB financial assistance commitment?

No, the TWDB will not accept for consideration an application for a project that is intended to replace the funds previously committed by the TWDB for that project. For example, if an entity has been awarded a \$1 million loan commitment to fund a water improvement project through the Drinking Water State Revolving Fund (DWSRF), the TWDB will not consider a \$1 million WSIG application for the same water improvement project. If there are new project costs associated with the DWSRF-funded project in excess of \$1 million, those “cost overruns” would be eligible for consideration for a WSIG.

Could grant funds be used to replace all or a portion of an outstanding SWIFT commitment?

Yes, replacement of unclosed existing SWIFT multi-year commitments (SFY 2027 or later) using WSIG grants would be acceptable. SWIFT projects that have existing unclosed multi-year commitments could replace those future tranches of funds with WSIG funds, but it only applies to those multi-year tranches that are scheduled for closing in SFY 2027 or later.

Can an entity apply for funding to replace and extend old water lines located on a military installation?

No, this is not considered eligible for WSIG.

Allowable Costs

Can a WSIG request include funding for construction-related services, such as engineering during construction, construction management and inspection, or materials testing?

Yes, construction phase services can be requested in the WSIG applications, in addition to the construction costs.

Will WSIG funds be able to cover planning and design costs for systems serving populations greater than 150,000?

No, the WSIG may not be used for the planning and design costs for projects of applicants with population served greater than 150,000.

What types of expenses are allowed under the grant?

Grant administration, Project Management, Engineering Services, and any other traditional capital construction project-related expenses are eligible.

Will there be any matching funds or repayment required?

No, this funding will be provided as 100% grant with no local match required.

Would WSIG funds be released upon project commitment?

No, WSIG funds are not released at commitment. Funds are deposited into an escrow account at closing and released by the TWDB as the project milestones are completed, similar to Texas Water Development Fund (WDF) and SWIFT programs.

Can WSIG funds be used to repay or refinance an existing loan?

No, refinancing or repaying an existing loan with WSIG funds is not an eligible expense.

Are there any specific procurement requirements for professional services and contractors? Can currently contracted services be utilized?

The TWDB does not impose additional procurement requirements. Applicants must follow their local procurement laws and requirements. Any currently contracted professional services may be used and reimbursed for a WSIG grant if those costs were incurred on or after June 22, 2025. Note that all project requirements must be met in order to be eligible for reimbursement (such as US Iron and Steel).

Readiness to Proceed

How does WSIG treat applications that include multiple project components or project types?

WSIG allows multiple project components within a single application, as long as the primary components address adding capacity, water loss, or a TCEQ violation. **Only one application per an eligible entity will be considered.**

For Readiness to Proceed points:

Entities serving a population greater than 150,000 must have **all** project components ready to proceed at the time of application.

Smaller entities may include multiple components, but **all project components must be ready** in order to receive the additional readiness-to-proceed points.

Are environmental constraint memos or similar studies required or reviewed for construction-ready projects?

For entities applying for construction funding, the TWDB will not review documentation demonstrating that the proposed project has been adequately reviewed by the required regulatory agencies within the last five years. However, the entity should maintain all such related documentation in its own files.

For ready-to-proceed construction projects, should an applicant wait to award a construction bid contract until a WSIG funding decision is made? If a city awards a construction contract before receiving the grant award, are those costs reimbursed?

Applicants may choose to advertise and receive construction bids before a WSIG funding decision; however, doing so is **at the applicant's own risk**. Any costs incurred before TWDB determines eligibility and awards funds are not guaranteed for reimbursement. Costs associated with the project incurred on or after June 22, 2025, may be considered reimbursable if the project is funded.

Applicants must ensure that all U.S. Iron and Steel requirements are included in the bid and contract documents for the work to remain eligible. If these requirements were not included in the original bid package, applicants should work with their legal counsel to determine the appropriate method to incorporate them into the construction contract.

What are the requirements for a project to be considered “ready to proceed” for WSIG scoring purposes?

To be considered “ready to proceed,” **all** project components must be ready for construction. All required TCEQ approvals and permits must be completed; documentation showing that plans have only been submitted for review is not sufficient. Conditional TCEQ approval is acceptable. Projects that do not require TCEQ review may still be considered ready to proceed, as accommodated in the WSIG application. Environmental documentation is not reviewed at the application stage but must be maintained in the applicant’s files. The *Readiness to Proceed* additional points will not be awarded to projects for entities serving populations less than or equal to 150,000 if the project is not considered ready for construction. However, the project will still be considered for a WSIG.

What does readiness to proceed mean?

Readiness-to-proceed means environmental coordination, land and easement acquisition, permitting, and design (plans and specifications with design report) have all been completed and any required regulatory approvals have been received.

Must the project be bid ready by July 2026 in order to submit an application?

Applicants with a population of 150,001 or greater may only request construction funding and must be ready to proceed to construction at the time of application submittal.

Does the environmental affidavit, plans and specifications, and TCEQ approval need to be complete at the time of application, or can they be completed by the time of closing?

For projects claiming to be “Ready-To-Proceed”, the environmental affidavit, plans and specifications, and TCEQ approval letter must be completed and submitted with the application.

If multiple projects are submitted under the same application, do they all need to be completed by Summer 2027?

All construction contracts must be completed by January 31, 2031. Construction closeout documents must be submitted by February 28, 2031 – this includes completion of a final site visit by TWDB staff.

If multiple projects are submitted under the same application, do they all need to be considered ready to proceed?

Yes, if multiple smaller projects have been included on an application for a system that serves a population greater than 150,000, then all of the smaller projects will need to be ready to proceed to construction. The same must be true for an application for a system that serves a population less than 150,000 to receive the additional “Ready to Proceed” points.

Clarify readiness to proceed, especially with respect to alternative delivery (e.g., design-build or CMAR)?

Both Design-Build and Construction Manager at Risk (CMAR) delivery methods will be accepted for applicant projects that serve populations greater than 150,000. Design packages must be 100% complete to be considered for readiness to proceed. Staged Regulatory, Programmatic, and Bid (RP&B) Design Packages will NOT be considered for readiness to proceed. See TWDB Alternative Delivery Guidance ([TWDB-0570](#)) for additional information on alternative delivery implementation.

United States iron and steel requirements as well as other applicable WSIG requirements will apply to all design packages.

Applicable State and Federal Laws

If an applicant submits a draft Water Conservation Plan (WCP) before the deadline of July 30, 2026, and the TWDB review is still pending, does the application remain eligible? [Newly added 6/2026]

Yes. A draft WCP must be submitted before the WSIG application deadline, even if the TWDB's review is still in progress. Due to the accelerated timeline, the TWDB requested early WCP submissions, but the key requirement is that the plan meets the minimum requirements checklist at the time of application.

Validation is not part of the WSIG application. If the applicant is selected to move forward in the funding process, the TWDB Conservation Department will contact the applicant to begin the validation process. **Applicants do not need a third-party validator.**

In the environmental review section of the application, applicants must complete the 802 Affidavit of Environmental Compliance. What should an applicant do if certain environmental permits – such as TCEQ approval or EAA WPAP Approval – have not yet been obtained? Can the affidavit be modified, omitted, or submitted without all compliance items completed? [Newly added 6/2026]

The 802 Affidavit of Environmental Compliance must be completed exactly as written and cannot be modified. Applicants must list all required environmental permits and compliance items and accurately indicate their status. The affidavit cannot be omitted, and applicants must include all known compliance requirements.

For construction ready projects, all required permits and agency coordination must be complete before the application is submitted, and the affidavit must reflect that. Environmental permits such as TCEQ approval or EAA WPAP approval are only required at application submittal if the applicant is seeking Ready-to-Proceed points. All required permits must be obtained before closing.

What level of environmental coordination is required for an applicant to self-certify on the 802 Affidavit of Environmental Compliance?. [Newly added 6/2026]

For construction-ready projects, all required environmental permitting and coordination must be **fully completed** at the time of application deadline. Applicants must submit the 802

Affidavit of Environmental Compliance with the application, and the affidavit must reflect that all applicable permits and coordination activities have been completed.

Does WSIG require applicants to certify compliance with Senate Bill 3 (Texas Water Code, Chapter 16, Subchapter M) before the TWDB can approve financial assistance?

“For cities and counties within the 30 counties included in the Governor’s [disaster declaration](#) related to the July 2025 floods, the TWDB may require a certification that the applicable city or county is in compliance with the requirements of SB 3 (codified as Texas Water Code, Chapter 16, Subchapter M). According to the provisions of the legislation, ‘the board may not approve financial assistance, other than financial assistance for an outdoor warning siren... for a county or municipality until the county or municipality certifies to the board that it is in compliance with this section.’ (Tex. Water Code § 16.502(j)).”

If a city does not operate a retail water system (because another entity provides their water service), do they need a water conservation plan to apply for WSIG?

Yes, entities that do not operate a retail system will still be required to submit their own water conservation plan.

Pursuant to Texas Water Code 16.4021(g), if the applicant will utilize the project financed by the board to furnish water or wastewater services to another entity that in turn will furnish the water or wastewater services to the ultimate consumer, the applicant shall:

- (1) submit its own water conservation plan before closing on the financial assistance; and*
- (2) submit the other entity’s water conservation plan, if one exists, before closing on the financial assistance; and*
- (3) require, by contract, that the other entity adopt a water conservation plan that conforms to the board’s requirements and submit it to the board. If the requirement is to be included in an existing water or wastewater service contract, it may be included, at the earliest of the renewal or substantial amendment of that contract, or by other appropriate measures.*

Are draft audits acceptable with the financial application submission?

No, they will not be accepted, and the application will be withdrawn. Only audited financial statements will be accepted.

Are water use survey responses required under this opportunity?

Yes, entities required to submit water use surveys to the TWDB must have submitted for the past 3 years (2023, 2024, and 2025) by March 1 (or no later than the WSIG application deadline) to remain eligible for a WSIG. For more information on the water use survey requirements, visit the [TWDB Water Use Survey webpage](#).

Will water loss validation be required under this opportunity?

Yes, validation of the 2025 water loss audit will be required prior to consideration of the request for financial assistance from the Board.

Will water loss waivers be permitted under this opportunity?

No, water loss waivers are not allowed due to the limited timeframes associated with disbursing these funds.

Are water conservation plans required under this opportunity?

Yes, entities required to submit water conservation plans to the TWDB must have one submitted by May 1, 2026, to remain eligible for a WSIG. Entities that were previously not required must submit an approvable draft no later than the WSIG application deadline. For more information on the water conservation plan requirements, visit the [TWDB Water Conservation Plan webpage](#).

Will new water conservation plans need to be adopted upon application?

No, but a copy of the ordinance, resolution, or tariff indicating official adoption of the water conservation plan is needed prior to closing.

Will water conservation plan costs be reimbursed?

If an applicant incurs costs to finalize or update the required plan prior to the WSIG application deadline, those expenses may be eligible for reimbursement under the opportunity, provided they are directly related to meeting the WSIG application requirements.

If a new entity has no current facilities, and has no water use survey, water loss audit, or conservation information, would this disqualify them from being able to apply for a WSIG?

No. If a new entity has no current facilities, they would be exempt from the requirement of submitting a conservation plan, water loss audit, and water use survey.

Will state water plan consistency waivers be permitted under this opportunity?

No, state water plan consistency waivers are not allowed due to the limited timeframes associated with disbursing these funds.

Does the Davis Bacon Act or other State Revolving Fund programmatic requirements apply to WSIG projects?

No, State Revolving Fund requirements do not apply to WSIG funds.

Can an entity retroactively apply the US Iron and Steel requirements to a project that is under construction and still be considered eligible for the WSIG?

If the construction project meets the United States iron and steel requirements as well as other applicable WSIG requirements, costs incurred on or after June 22, 2025, could be eligible. Please refer to the [United States Iron and Steel Guidance \(TWDB-1105\)](#) available on the Texas Water Development Board's Program Guidance & Manuals webpage. No waivers to US Iron and Steel requirements will be issued for WSIG projects. Applicants seeking reimbursement costs may be asked to submit a [certification](#) of having met this requirement during the application review phase.

Prioritization

What is meant by the “Design Year” on Form TWDB-0208? [Newly added 6/2026]

The Design Year is the forecasted year used to determine the design standards and full capacity of the project. It represents the point in time when the project is expected to be fully operational and when its design will be evaluated against projected performance needs.

Is there an opportunity for applicants to correct information on their application?

Yes. Applicants contacted to correct an error will have up to three business days to respond. The TWDB does not issue notices of administratively completeness for this opportunity. If the application is found to be administratively incomplete during the review, it will be deemed ineligible. Note: Applicants will not receive written correspondence related to the application outside of the three-day correction request.

Will 2024 American Community Survey (ACS) data be used for the WSIG opportunity?

Yes, the 2024 ACS data will be used for this prioritization.

I have a pending Drinking Water State Revolving Fund application. Can I pause that application and submit the project for WSIG consideration?

With the exception of the SWIFT 2026 funding cycle, if an entity has submitted an application for other TWDB financial assistance programs, the entity may request via email to pause the review of that application until they receive notice regarding a possible WSIG funding commitment.

Pausing a SWIFT application now effectively withdraws the application from consideration. Also note that pausing an application for the Texas Water Development Fund may result in the project missing the deadline for the 2027 bond sale.

Disbursement of Funds

What is the process for releasing escrowed funds, what documentation is required, and how is project progress monitored?

Escrowed funds are released at the start of each new project phase or construction contract once the preceding milestone is complete. For construction-only projects, applicants are not required to submit outlays, invoices, or progress reports to initiate releases. Progress will instead be verified through more frequent TWDB site visits.

For projects that include planning or design, quarterly progress reports are required to initiate each release. The TWDB may request project documents at any time to verify progress.

Will there be a requirement to return the accrued interest in the escrow account, or can it be applied toward eligible project costs? [Updated 7/2026]

All accrued interest is required to be returned to the TWDB.

All project work must be completed by January 31, 2031. Construction closeout documents including final payment requests must be submitted by **February 28, 2031**. Any unspent funds and accrued interest will ultimately be returned to the State Comptroller.

Other Topics

How were the per project caps determined?

The per project caps were determined using the median estimated project costs of a Drinking Water State Revolving Fund project. These are listed as eligible Project Information Forms, or PIFs, within the State Fiscal Year 2026 Intended Use Plan.

How did you come up with the target amounts for each population category?

The target amounts were based on historical project information received through the Drinking Water State Revolving Fund program.

When are the next WSIG webinars scheduled?

Two webinars covering the WSIG financial application were held on April 23 and May 13, 2026. The webinar recordings can be viewed at <https://www.twdb.texas.gov/financial/programs/WSIG/index.asp>

Where can I submit general questions regarding WSIG?

You may send questions to WSI_grants@twdb.texas.gov. Our team will route your question to the appropriate subject matter expert at the TWDB. We will respond to your question via email as soon as we are able.