

**New Mexico Clean Water State Revolving Fund  
Affordability Criteria System  
January 2023**

The Clean Water Act (CWA) requires that all Clean Water State Revolving Fund programs utilize affordability criteria to determine public entities that would experience a significant hardship raising the revenue necessary to finance an eligible CWSRF project if additional subsidization is not provided. Pursuant to CWA, the affordability criteria shall be based on income and unemployment data, population trends, and other data determined relevant by the State, including whether the project or activity is to be carried out in an economically distressed area, as described in section 301 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3161).

### **Data Sources**

Metrics for the affordability criteria are taken from the American Community Survey (ACS). This data is gathered by the U.S. Census Bureau and is publicly available on the Census Bureau website. ACS data are updated annually.

### **Scoring System Thresholds**

- **Population:** Municipalities and service areas with a population of less than 20,000 and counties with a population of less than 200,000 are considered rural in New Mexico and will receive 50 points for their population score. Rural populations are defined in accordance with Chapter 75, Article 1 NMSA 1978 Rural Infrastructure. Municipalities and service areas with a population over 20,000 and counties with a population over 200,000 that have lost population in the previous 5 years will also receive 50 points.
- **Income:** Municipalities, service areas, and counties with a per capita income 80 percent or less of the national average will be awarded 50 points and are designated as economically distressed pursuant to the Economic Development Act of 1965.
- **Unemployment:** 50 points will be awarded when the municipality or area has an unemployment rate that is above the national average.

The Affordability Criteria System is set up such that a municipality or service area demonstrating that it can meet the criteria in any one of the three categories – population, income, or unemployment – is eligible to receive additional subsidy.

**AFFORDABILITY CRITERIA SYSTEM**

Category	Criteria	Points
Income	<ul style="list-style-type: none"> <li>Service area of project has a per capita income of 80% or less than the national average.</li> </ul>	50
Population OR Population Trends	<ul style="list-style-type: none"> <li>County Population is less than 200,000 or County Population is greater than 200,000 but the population has declined in the previous 5 years.</li> <li>Municipality/service area population is less than 20,000 or the population is greater than 20,000 but the population has declined in the previous 5 years.</li> </ul>	50
Unemployment	<ul style="list-style-type: none"> <li>Municipality/county/service area unemployment is higher than the national average</li> </ul>	50
<p><b>Eligibility for Additional Subsidy:</b> All public entities receiving 50 points or higher are eligible to receive additional subsidy.*</p>		<p>TOTAL POSSIBLE: 150</p>

\*Actual award of additional subsidization is based on availability.