



THE UNITED STATES
CONFERENCE OF MAYORS

SRF Capitalization Grants and Infrastructure Investment and Jobs Act

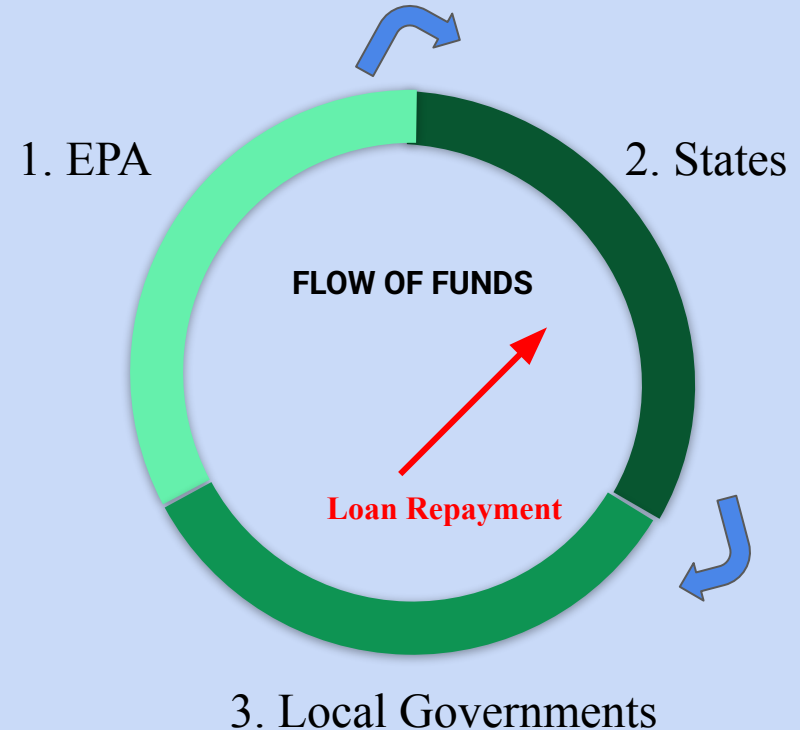
Mayors Water Council | Kassidy Klein

April 4, 2025



Water and Wastewater Financing through the SRF Programs

- **Drinking Water State Revolving Loan Fund:**
Program provides low-interest loans to local governments and private utilities to plan, design, and build or upgrade drinking water systems.
- **Clean Water State Revolving Loan Fund:**
Provides low-interest loans to local governments to plan, design, and build or upgrade wastewater, stormwater, and nonpoint source pollution prevention projects.





Breakdown of IIJA Funding for SRF Programs

<u>Clean Water State Revolving Loan Fund (Supplemental)*</u>	\$11.7 Billion
<u>Drinking Water State Revolving Loan Fund (Supplemental)*</u>	\$11.7 Billion
<u>Lead Pipe Replacement (through DWSRF)*</u>	\$15 Billion
<u>Emerging Contaminants (DWSRF and CWSRF)</u>	\$5 Billion



FY 2024 Distribution of Drinking Water State Revolving Funds

State	Base Allotment	General Supplemental (BIL)	Emerging Contaminants (BIL)	Lead Service Lines (BIL)	Total FY 24 DWSRF Amount (Base + BIL)
New York	\$21,769,000	\$107,363,000	\$35,687,000	\$129,179,000	\$293,998,000
Pennsylvania	\$15,375,000	\$75,829,000	\$25,205,000	\$152,366,000	\$268,775,000
Maryland	\$9,683,000	\$47,757,000	\$15,874,000	\$29,917,000	\$103,231,000
Virginia	\$6,581,000	\$32,458,000	\$10,789,000	\$49,339,000	\$99,167,000



BIL Funding vs. Annual Congressional Funding

Drinking Water State Revolving Loan Fund Allotments

State	FY 2021	FY 2024 Total (Includes BIL)
New York	\$44,926,000	\$293,998,000 +554%
Pennsylvania	\$33,873,000	\$268,775,000 +694%
Maryland	\$20,152,000	\$103,231,000 +412%
Virginia	\$17,949,000	\$99,167,000 +452%



Lead Pipe SRF Allocation

- \$3 billion annually through Fiscal Year 2026. Money can be used for projects focused on the identification, planning, design, and replacement of lead service lines.
- \$9 billion has been announced to date. Formula calculation for future allotments for the last two years are currently being re-assessed through EPA's 7th DWINSA Survey.
- Money needs to be approved through the State. 49% additional subsidy for disadvantaged communities.
- Still falls drastically short of the \$100-110 billion estimated cost to remove all lead pipes.



Fiscal Year 2022-2024 BIL Lead Pipe Allotments

State	FY 2022	FY 2023	FY 2024	Total Combined
Maryland	\$51,934,000	\$28,650,000	\$29,917,000	\$108,501,000
New York	\$115,781,000	\$113,656,000	\$129,179,000	\$358,616,000
Pennsylvania	\$87,296,000	\$154,956,000	\$152,366,000	\$394,618,000
Virginia	\$46,256,000	\$48,717,000	\$49,339,000	\$144,312,000



Funding Concerns and Future of the SRF

- Funding through the IIJA is only available through FY2026.
- The SRF funding mechanism, even with the IIJA supplements, fails to satisfy estimated investment needs.
- Lead pipe replacement SRF, for example, is scheduled to provide \$15 billion, but has a real cost of \$90-100 billion.
- The major drivers of necessary future investment include: inflation, population increase, aging physical infrastructure, and a suite of new unfunded mandates.



Funding Concerns and Future of the SRF - Continued

- U.S. Census data shows that local governments spent over **\$150.9 billion** on water and wastewater in 2022.
- This includes **\$892 billion** in capital investment since the year 2000.
- EPA estimates the need for water infrastructure investments will be over **\$1.2 trillion** over the next 20 years.
- Local governments have already spent **\$2.46 trillion** on water and wastewater utilities over the past 25 years.