



## ASSISTANT ADMINISTRATOR FOR WATER

WASHINGTON, D.C. 20460

### **MEMORANDUM**

**SUBJECT:** Fiscal Year 2026 Lead Service Line Replacement Allotments for the Drinking Water State Revolving Fund Provisions of the Infrastructure Investment and Jobs Act

**FROM:** Jessica L. Kramer

**TO:** Water Division Directors, Regions I-X

This memorandum provides final allotment tables for the fiscal year 2026 Drinking Water State Revolving Fund Lead Service Line Replacement funding provided through the Infrastructure Investment and Jobs Act (P.L. 117-58). Eligible states, Puerto Rico, and Washington, D.C. have until September 30, 2027, to apply for and receive these funds. Any available funds remaining unawarded after that date will be available for reallocation.

### **I. GENERAL UPDATES**

In the Commerce, Justice, Science; Energy and Water Development; and Interior and Environment Appropriations Act, 2026 (P.L. 119-74), Congress reduced the FY 2026 LSLR appropriation by \$125 million. These funds were repurposed for the Department of the Interior's wildland fire management programs. Therefore, the total amount available to the EPA for national set-asides and for allotment to the states was reduced from \$3 billion to \$2.875 billion. States receiving the statutory minimum 1% allotment will notice that their allotment amount has been reduced because of Congress's repurposing of funds.

The EPA will continue to work with states to ensure that IJIA DWSRF LSLR funds are promptly applied toward assistance agreements supporting lead service line replacement projects.

### **II. METHOD FOR DETERMINING FY 2026 ALLOTMENTS**

The Safe Drinking Water Act Section 1452(h)(2) states that the Drinking Water Infrastructure Needs Survey and Assessment must "include an assessment of costs to replace all lead service lines." Pursuant to the January 17, 2025, memorandum titled "*2025 Update to the 7th DWINSA and Approach for Fiscal Years 2025 and 2026 Infrastructure Investment and Jobs Act Lead Service Line Replacement Allotments*," the EPA has updated its approach under the 7th DWINSA to estimate lead service line-specific need by incorporating the Lead and Copper Rule Revisions initial inventory state summary

counts into the DWINSA. The Lead and Copper Rule Revisions inventory is currently the best available national and state-level information on lead service lines. For the purposes of using the Lead and Copper Rule Revisions inventory data to develop the allocation formula, the EPA made certain adjustments to the state submitted inventory data, as was done for FY 2025. Specifically, the EPA assumed that blank inventories represent only non-lead service lines and the agency filled system-level gaps in non-lead service line information using the total number of service connections reported in the Safe Drinking Water Information System. The EPA identified quality assurance concerns during review of the data and worked with states to review and update the information used for developing these allotments. Consistent with the EPA's prior approach to analyzing lead service line data, the agency calculated ratios of reported lead service lines to total known service line materials in order to predict how many unknown material service lines might be lead. The FY 2026 allotments were developed based on the inventory information submitted by states as of calendar year 2025, Quarter 4.

With this updated inventory information, the EPA still estimates that there are approximately 4 million lead and galvanized service lines requiring replacement nationwide. The EPA's estimates of the number of lead service lines in each state, which are the basis of the EPA's allotments, are on the updated DWINSA dashboard, available on the EPA's [7th DWINSA website](#).

### III. ADDITIONAL SUBSIDY PROVISIONS

There are no changes in the additional subsidy authorities from FY 2025 to FY 2026. The IJJA LSLR funding is 49 percent additional subsidy for water systems that meet the state's disadvantaged community criteria as described in Section 1452(d)(3) of SDWA.<sup>1</sup> The state-by-state LSLR additional subsidy amounts are presented in Attachment B.

If you have questions, please contact Kiri Anderer ([anderer.kirsten@epa.gov](mailto:anderer.kirsten@epa.gov)) in the EPA Headquarters DWSRF program.

### ATTACHMENTS (2)

1. FY 2026 IJJA LSLR DWSRF Allotment of \$2,875,000,000
2. FY 2026 IJJA LSLR Additional Subsidization

**cc:** SRF Regional Branch Chiefs, Regions I-X

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<sup>1</sup> Section 1452(d)(3) of SDWA defines a "disadvantaged community" as: "...the service area of a public water system that meets affordability criteria established after public review and comment by the State in which the public water system is located."