

ARIZONA'S FEDERAL WATER FUNDING

February 2026

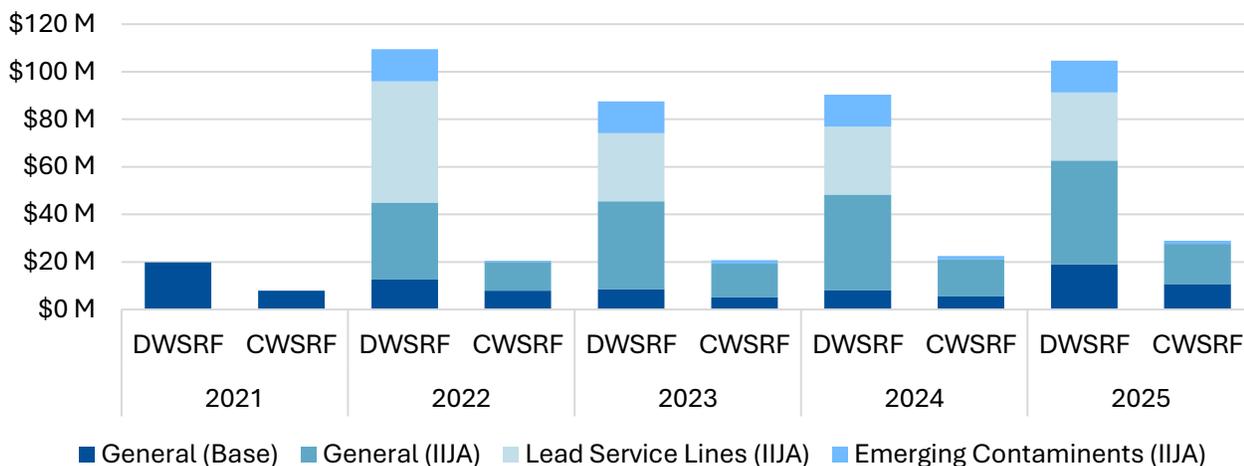


The EPA's Drinking Water and Clean Water State Revolving Funds (DWSRF and CWSRF) represent the nation's largest federal investment in drinking water and wastewater infrastructure, enabling states to better meet urgent water system needs in their communities. In recent years, \$485 million in SRF funds has helped Arizona address a portion of its \$10.3 billion in infrastructure investment needs.

Arizona has relied on \$485 million in SRF support since 2022

Since 2022, Arizona has been allotted **\$392 million** for the state's DWSRF, including **\$140 million** to replace lead pipelines, and **\$92.8 million** for the state's CWSRF. These funds have supported local projects including the expansion of water storage and conveyance infrastructure in Pima County, and the installation of a solar array at the City of Casa Grande Water Reclamation Facility that will offset 42 percent of its annual electric consumption, reducing energy costs. The Water Infrastructure Finance Authority of Arizona is receiving an [estimated](#) **\$12.7 million** set-aside to support program administration.

Federal support for the SRFs has increased since 2022



An additional \$43 billion was appropriated for the SRFs by the Infrastructure Investment and Jobs Act (IIJA) and is being distributed annually between 2022 and 2026.

Source: [Water Program Portal's](#) Outcome Dashboard and EPA's State DWSRF and CWSRF Allotments (2022-2025).

\$10.3 billion in future water infrastructure needs

Per the latest [Drinking Water Infrastructure Needs Survey and Assessment](#) and [Clean Watershed Needs Survey](#), Arizona is anticipated to need **\$4.8 billion** in drinking water investments and **\$5.5 billion** in wastewater investments over the next two decades. The federal investments over the last four years help address about **4.2 percent** of this gap, but further funding is required to maintain the state's water systems.