# CALIFORNIA'S FEDERAL WATER FUNDING

February 2026

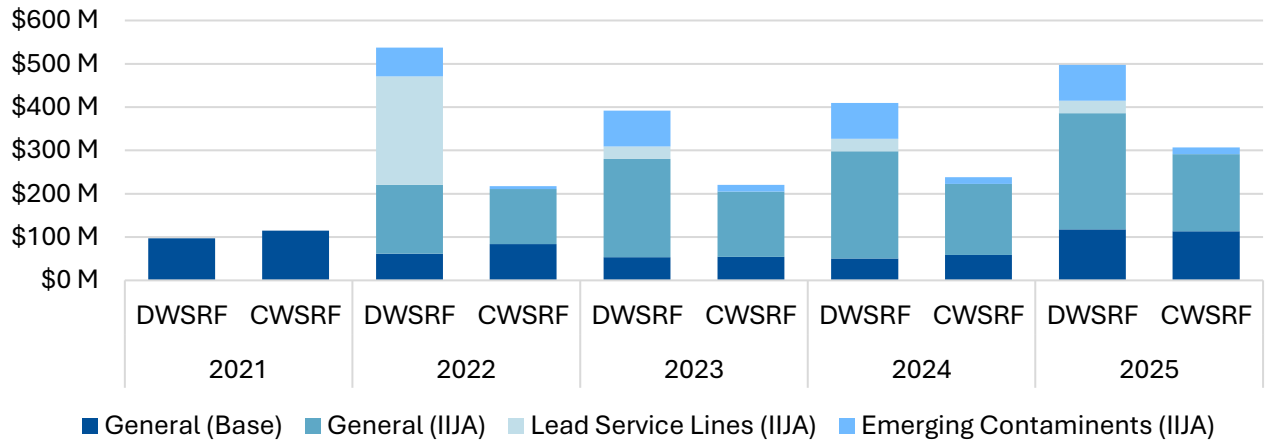
ATLAS PUBLIC POLICY

The EPA's Drinking Water and Clean Water State Revolving Funds (DWSRF and CWSRF) represent the nation's largest federal investment in drinking and wastewater infrastructure, enabling states to better meet urgent water system needs in their communities. In recent years, $2.8 billion in SRF funds has helped California address a portion of its $149 billion in infrastructure investment needs.

## California has relied on $2.8 billion in SRF support since 2022

Since 2022, California has been allotted **$1.84 billion** for the state's DWSRF, including **$336 million** to replace lead pipelines, and **$983 million** for the state's CWSRF. These funds have supported local projects including repairs to a 100-year-old water supply tunnel in the Hetch Hetchy Regional Water System that supplies 2.7 million residents in the Bay Area with drinking water, and the expansion of the North City Water Reclamation Plant, which recycles wastewater from several San Diego communities for irrigation and industrial reuse throughout the region. The California Water Resources Control Board is receiving an estimated **$106 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).

## $149 billion in future water infrastructure needs

Per the latest Drinking Water Infrastructure Needs Survey and Assessment and Clean Watershed Needs Survey, California is anticipated to need **$83.5 billion** in drinking water investments and **$65.5 billion** in wastewater investments over the next two decades. The federal investments over the last four years help address about **1.9 percent** of this gap, but further funding is required to maintain the state's water systems.