

KENTUCKY'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, \$504 million in SRF funds has helped Arizona address a portion of its \$15.3 billion in infrastructure investment needs.

Kentucky has relied on \$504 million in SRF support since 2022

Since 2022, Kentucky has been allotted **\$329 million** for the state's DWSRF, including **\$139 million** to replace lead pipelines, and **\$175 million** for the state's CWSRF. These funds have supported local projects including the interconnection of the City of South Shore — where well failures have left residents without access to clean drinking water — to Portsmouth's water system, and design and construction of a wet water storage facility in Jessamine County intended to prevent sanitary sewer overflows during heavy rain. The Kentucky Infrastructure Authority is receiving an [estimated \\$20.5 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).

\$15.3 billion in future water infrastructure needs

Per the latest [Drinking Water Infrastructure Needs Survey and Assessment](#) and [Clean Watershed Needs Survey](#), Kentucky is anticipated to need **\$7.8 billion** in drinking water investments and **\$7.5 billion** in wastewater investments over the next two decades. The federal investments over the last four years help address **3.3 percent** of this gap, but further funding is required to maintain the state's water systems.