

NORTH CAROLINA'S FEDERAL WATER FUNDING

February 2026

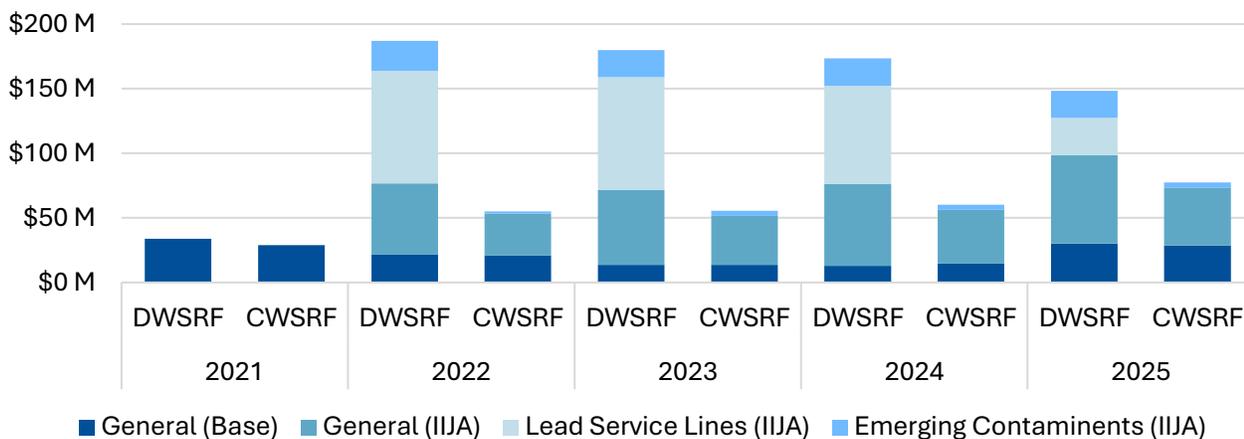


The EPA's Drinking Water and Clean Water State Revolving Funds (DWSRF and CWSRF) represent the nation's largest federal investment in drinking water and wastewater infrastructure, enabling states to better meet urgent water system needs in their communities. In recent years, \$917 million in SRF funds has helped North Carolina address a portion of its \$41.1 billion in infrastructure investment needs.

\$917 million for drinking water and wastewater

Since 2022, North Carolina has been allotted **\$669 million** for the state's DWSRF, including **\$279 million** to replace lead pipelines, and **\$248 million** for the state's CWSRF. These funds have supported local projects including lead service line inventories throughout the state including in Asheville, Asheboro, Durham, and others, and green infrastructure projects like the replacement of a 1930s culvert with a restored stream. The North Carolina Department of Environmental Quality is receiving an [estimated \\$34.5 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).

\$41.1 billion in future water infrastructure needs

Per the latest [Drinking Water Infrastructure Needs Survey and Assessment](#) and [Clean Watershed Needs Survey](#), New Mexico is anticipated to need **\$20 billion** in drinking water investments and **\$21.1 billion** in wastewater investments over the next two decades. The federal investments over the last four years help address **2.3 percent** of this gap, but further funding is required to maintain the state's water systems.