



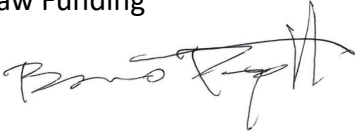
## OFFICE OF WATER

WASHINGTON, D.C. 20460

May 1, 2024

### MEMORANDUM

**SUBJECT:** Fiscal Year 2024 Lead Service Line Allotments for the Drinking Water State Revolving Fund Provisions of the Bipartisan Infrastructure Law Funding

**FROM:** Bruno Pigott, Acting Assistant Administrator 

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

This memorandum provides fiscal year 2024 Drinking Water State Revolving Fund Lead Service Line Replacement funding allotments provided through the *Infrastructure Investment and Jobs Act* (P.L. 117-58, Nov. 15, 2021), also known as the *Bipartisan Infrastructure Law*. As with the FY 2023 DWSRF BIL LSLR allotments, the FY 2024 DWSRF BIL LSLR allotments reflect the lead service line-specific formula derived from the 7<sup>th</sup> Drinking Water Infrastructure Needs Survey and Assessment, or DWINSA, newly updated with recent information from states and systems. The U.S. Environmental Protection Agency's method for projecting numbers of lead service lines is described in the 7<sup>th</sup> DWINSA [Report to Congress](#).

The *Safe Drinking Water Act* requires that the EPA examine the needs for infrastructure improvements at public water systems in the United States and use this information to develop a formula to distribute DWSRF capitalization grants to states. *America's Water Infrastructure Act* of 2018 amended SDWA to require that the EPA evaluate and include the cost to replace lead service lines in the DWINSA. In FY 2023, the EPA used the newly available information from the 7<sup>th</sup> DWINSA to develop a new lead service line-specific formula for the BIL LSLR allotment. The EPA will also be required to evaluate and include the cost to replace lead service lines in future DWINSAs. The EPA recognizes that states and communities continue to make progress on identifying lead services lines. To account for this rapidly developing data, the EPA provided states, territories, and systems a one-time opportunity to adjust their reported service line data. The updated 7<sup>th</sup> DWINSA data were used to develop the FY 2024 lead service line-specific allotment formula. Later this summer, the EPA will release an addendum to the 7<sup>th</sup> DWINSA Report to Congress which will include the updated LSL projections. The report will be available on our website: <https://www.epa.gov/dwsrf>.

In March 2022, the EPA released the [BIL State Revolving Funds Implementation Memorandum](#) with information and guidelines on how the EPA will award and administer SRF Capitalization Grants appropriated in the BIL. As states look to fund more projects and apply for FY 2024 allotments, the EPA is committed to ensuring the key BIL implementation priorities are realized through development of

the states' Capitalization Grant applications and Intended Use Plans. The EPA's oversight role of the SRF programs along with a commitment to provide technical assistance to states and communities is critical to ensuring that states meet the BIL priorities.

The EPA memorandum, [Implementing Lead Service Line Replacement Projects Funded by the Drinking Water State Revolving Fund](#), outlines actions that would further protect public health when conducting lead service line replacements projects funded by the EPA's Drinking Water State Revolving Fund. The memorandum describes requirements for full LSLR and details exceptions, provides recommended strategies on lead service line identification and planning and design for LSLR, describes best practices for risk mitigation when an LSLR is conducted, and emphasizes the importance of public notifications during LSLR projects.

The updated 7<sup>th</sup> DWINSA estimates the cost to replace all lead service lines to be \$50 billion to \$80 billion nationally. The \$15 billion BIL DWSRF LSLR funding is a significant investment towards removing 100 percent of lead service lines. To prioritize the use of these funds towards the greatest public health protection, the EPA is giving precedence to replacement of known sources of lead in drinking water. For the FY 2024 BIL LSLR capitalization grants, to prioritize the replacement of known sources of lead in drinking water, galvanized service lines that are currently or ever were downstream of known lead service lines or components are the only galvanized service lines eligible for this funding. However, galvanized service lines downstream of pipes of unknown materials remain eligible for replacement with DWSRF Base and BIL General Supplemental appropriations. The EPA will include a term and condition in the FY 2024 BIL LSLR capitalization grants to reflect this change. Note, there is no change in eligibility for FY 2022 and FY 2023 BIL LSLR capitalization grants.

The EPA thanks the many states and systems that participated in the effort to update the 7<sup>th</sup> DWINSA. Your continued commitment to the public health protection objectives of the Safe Drinking Water Act and the DWSRF program are vital. If you have questions, please contact Kiri Anderer ([anderer.kirsten@epa.gov](mailto:anderer.kirsten@epa.gov)) of the EPA Headquarters DWSRF program.

## **ATTACHMENTS (2)**

Attachment A – 2024 BIL LSLR DWSRF Allotment of \$3,000,000,000

Attachment B – 2024 BIL LSLR Additional Subsidization

**FY 2024**  
**Distribution of Drinking Water SRF Appropriation**  
**2024 BIL Lead Service Line Replacement DWSRF Allotment of**  
**\$3,000,000,000**

State	Capitalization Grant		State	Capitalization Grant	
	State Grant	% of Funds Available to States		State Grant	% of Funds Available to States
Alabama	\$28,650,000	1.00%	Nevada	\$28,650,000	1.00%
Alaska	\$28,650,000	1.00%	New Hampshire	\$28,650,000	1.00%
Arizona	\$28,650,000	1.00%	New Jersey	\$123,110,000	4.30%
Arkansas	\$45,404,000	1.58%	New Mexico	\$28,650,000	1.00%
California	\$28,650,000	1.00%	New York	\$129,179,000	4.51%
Colorado	\$32,800,000	1.14%	North Carolina	\$76,201,000	2.66%
Connecticut	\$28,650,000	1.00%	North Dakota	\$28,650,000	1.00%
Delaware	\$28,650,000	1.00%	Ohio	\$184,273,000	6.43%
Florida	\$228,679,000	7.98%	Oklahoma	\$28,650,000	1.00%
Georgia	\$59,497,000	2.08%	Oregon	\$28,650,000	1.00%
Hawaii	\$28,650,000	1.00%	Pennsylvania	\$152,366,000	5.32%
Idaho	\$28,650,000	1.00%	Puerto Rico	\$28,650,000	1.00%
Illinois	\$240,899,000	8.41%	Rhode Island	\$28,650,000	1.00%
Indiana	\$65,818,000	2.30%	South Carolina	\$31,201,000	1.09%
Iowa	\$30,066,000	1.05%	South Dakota	\$28,650,000	1.00%
Kansas	\$28,650,000	1.00%	Tennessee	\$84,997,000	2.97%
Kentucky	\$34,991,000	1.22%	Texas	\$28,650,000	1.00%
Louisiana	\$66,617,000	2.33%	Utah	\$28,650,000	1.00%
Maine	\$28,650,000	1.00%	Vermont	\$28,650,000	1.00%
Maryland	\$29,917,000	1.04%	Virginia	\$49,339,000	1.72%
Massachusetts	\$50,095,000	1.75%	Washington	\$28,650,000	1.00%
Michigan	\$61,916,000	2.16%	West Virginia	\$28,650,000	1.00%
Minnesota	\$86,566,000	3.02%	Wisconsin	\$83,278,000	2.91%
Mississippi	\$28,650,000	1.00%	Wyoming	\$28,650,000	1.00%
Missouri	\$43,966,000	1.53%			
Montana	\$28,650,000	1.00%	District of Columbia	\$28,650,000	1.00%
Nebraska	\$28,650,000	1.00%	Other Areas*	\$42,975,000	1.50%
			American Samoa	\$6,816,000	
			Guam	\$6,446,000	
			Northern Marianas	\$17,050,000	
			Virgin Islands	\$12,663,000	

**Total Funds Available to States      \$      2,865,000,000**

**National Set-Asides**

American Indian & Alaska Native Water Systems **	\$60,000,000
National American Iron and Steel Administrative Set Asides	\$0
National EPA Administrative Set Asides	\$60,000,000
OIG Oversight	\$15,000,000

**Total Appropriation      \$      3,000,000,000**

*ther Areas include: the Virgin Islands, American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands. This percentage was changed in FY 2010 appropriations language from 0.33% to 1.5% of the amount available to States. This language carries forward in subsequent appropriations.*

*The percentage for the national set-aside for American Indian and Alaska Native Water Systems was changed from 1.5% to 2.0% of the amount appropriated in FY 2010 appropriations language. This language carries forward in subsequent appropriations.*

**FY 2024**  
**Distribution of Drinking Water SRF Appropriation**  
**2024 BIL Lead Service Line Replacement Additional Subsidization**

State	Capitalization Grant		State	Capitalization Grant	
	State Grant	Required Additional Subsidy (49%)		State Grant	Required Additional Subsidy (49%)
Alabama	\$28,650,000	\$14,038,500	Nevada	\$28,650,000	\$14,038,500
Alaska	\$28,650,000	\$14,038,500	New Hampshire	\$28,650,000	\$14,038,500
Arizona	\$28,650,000	\$14,038,500	New Jersey	\$123,110,000	\$60,323,900
Arkansas	\$45,404,000	\$22,247,960	New Mexico	\$28,650,000	\$14,038,500
California	\$28,650,000	\$14,038,500	New York	\$129,179,000	\$63,297,710
Colorado	\$32,800,000	\$16,072,000	North Carolina	\$76,201,000	\$37,338,490
Connecticut	\$28,650,000	\$14,038,500	North Dakota	\$28,650,000	\$14,038,500
Delaware	\$28,650,000	\$14,038,500	Ohio	\$184,273,000	\$90,293,770
Florida	\$228,679,000	\$112,052,710	Oklahoma	\$28,650,000	\$14,038,500
Georgia	\$59,497,000	\$29,153,530	Oregon	\$28,650,000	\$14,038,500
Hawaii	\$28,650,000	\$14,038,500	Pennsylvania	\$152,366,000	\$74,659,340
Idaho	\$28,650,000	\$14,038,500	Puerto Rico	\$28,650,000	\$14,038,500
Illinois	\$240,899,000	\$118,040,510	Rhode Island	\$28,650,000	\$14,038,500
Indiana	\$65,818,000	\$32,250,820	South Carolina	\$31,201,000	\$15,288,490
Iowa	\$30,066,000	\$14,732,340	South Dakota	\$28,650,000	\$14,038,500
Kansas	\$28,650,000	\$14,038,500	Tennessee	\$84,997,000	\$41,648,530
Kentucky	\$34,991,000	\$17,145,590	Texas	\$28,650,000	\$14,038,500
Louisiana	\$66,617,000	\$32,642,330	Utah	\$28,650,000	\$14,038,500
Maine	\$28,650,000	\$14,038,500	Vermont	\$28,650,000	\$14,038,500
Maryland	\$29,917,000	\$14,659,330	Virginia	\$49,339,000	\$24,176,110
Massachusetts	\$50,095,000	\$24,546,550	Washington	\$28,650,000	\$14,038,500
Michigan	\$61,916,000	\$30,338,840	West Virginia	\$28,650,000	\$14,038,500
Minnesota	\$86,566,000	\$42,417,340	Wisconsin	\$83,278,000	\$40,806,220
Mississippi	\$28,650,000	\$14,038,500	Wyoming	\$28,650,000	\$14,038,500
Missouri	\$43,966,000	\$21,543,340			
Montana	\$28,650,000	\$14,038,500			
Nebraska	\$28,650,000	\$14,038,500			