



America's Water Infrastructure Needs – Planning Beyond IIJA

Key Facts:

- A water main breaks somewhere in the U.S. every two minutes – as many as 300,000 in a single year. This contributes to a loss of roughly six billion gallons of treated drinking water every day, amounting to 2.1 trillion gallons a year at an annual cost of at least \$7.6 billion.¹
- More than \$625 billion is needed over the next 20 years to maintain drinking water infrastructure in the United States - a 32% increase from the last assessment five years earlier.²
- At least \$630 billion is needed over the same for wastewater and stormwater infrastructure.³
- In 2024, the projected gap between water infrastructure needs and spending in the United States was roughly \$91 billion – by 2043, the cumulative gap could be as much as \$2 trillion.⁴
 - Continued reauthorizations at IIJA levels could reduce the investment gap by \$125 billion, saving more than 200,000 jobs and enabling countless critical infrastructure projects.⁵
- Fully closing the water infrastructure investment gap through an annual investment of \$109 billion over twenty years would grow the U.S. GDP by \$4.5 trillion, and create over 800,000 jobs⁶
- Since the creation of the EPA State Revolving Fund programs, \$90 billion in federal funding has translated to more than \$244 billion in financial assistance for water infrastructure projects across America – a \$3 return on investment for every \$1 of federal funding.⁷ Funding provided to the SRFs through IIJA has led to more than 3,000 loans per year over the last three years – two-thirds of which went to small and rural communities.
- IIJA contained over \$55 billion in water funding, including almost \$15 billion for the Clean Water and Drinking Water SRFs – but not all programs have been funded at their full authorization.
 - In FY2022, FY2023, FY2024, and FY2025 appropriations, the SRFs were funded below authorization at pre-IIJA levels. Several programs authorized in the law were also under-appropriated or were not appropriated.
 - Prior to their removal in the FY 2025 Continuing Resolution, **more than half** of the appropriation was diverted from SRF funding as Congressionally-directed spending (“earmarks”) for water infrastructure, instead of being provided as additional funding. In 2024, **this effectively cut annual Clean Water SRF funding by 48% and Drinking Water SRF funding by 54%**. While these projects are important, this approach undermines the long-term viability of the SRF programs by failing to return funding to the revolving pool.

¹https://www.uswateralliance.org/sites/uswateralliance.org/files/publications/The%20Economic%20Benefits%20of%20Investing%20in%20Water%20Infrastructure_final.pdf

² https://www.epa.gov/system/files/documents/2023-04/Final_FAQ_DWINSAs_4.4.23.v1.pdf

³ <https://www.epa.gov/system/files/documents/2024-05/2022-cwns-report-to-congress.pdf>

⁴ <https://uswateralliance.org/wp-content/uploads/2024/05/Bridging-the-Gap%E2%80%94The-Economic-Benefits-of-Investing-in-Water.pdf>

⁵ Ibid.

⁶ <https://infrastructurereportcard.org/wp-content/uploads/2021/03/Failure-to-Act-Water-Wastewater-2020-Final.pdf>

⁷ https://www.cifanet.org/files/ugd/ce9ad4_61a7d2f91ed44b3f87db14df28ebdce5.pdf



Issue Background:

America's water infrastructure is still critically underfunded – but Congress has the chance to change that. The Infrastructure Investment and Jobs Act (IIJA) of 2021 was the largest single investment in America's water infrastructure in our nation's history. IIJA's total allocation of roughly \$55 billion over five years for critical water infrastructure programs like the EPA State Revolving Funds allowed communities to move forward on countless critical projects, and those benefits are beginning to be felt all across the United States. Yet this is just the first step – decades of underinvestment, combined with rapidly rising costs and growing demand, have created a tremendous gap in needs versus investment. IIJA funding levels can make a real difference, but only if Congress adopts this as a funding baseline going forward - we quite literally cannot afford to return to pre-IIJA spending levels.

The longer we postpone essential maintenance, repair, and replacement projects, the more costly these essential projects will become. Agency and industry studies have both consistently estimated essential water infrastructure needs across water and wastewater systems amount to at least \$1 trillion across the next twenty years.

The State Revolving Funds are set to receive IIJA appropriations through FY 2026 – and the deadline for reauthorization is fast approaching. In addition to robust FY2026 appropriations, WASDA urges Congress to prioritize SRF reauthorization at-or-above SRF levels free of earmarks before September 30th, 2026.

What can Congress do to help?

- **WASDA ASK:** Fully fund water infrastructure programs including but not limited to the Drinking Water and Clean Water State Revolving Funds (SRF) and the Water Infrastructure Finance and Innovation Act (WIFIA) at or above the levels authorized in IIJA and provide funding to other IIJA water programs that have yet to receive appropriations.
 - **WASDA Ask:** Provide, at a minimum, the full \$3.25 billion FY 2026 authorization for the Clean Water and Drinking Water SRFs.
 - **WASDA ASK:** Treat funding for congressionally-directed spending waterworks projects as additive, rather than drawing from SRF allocations.
- **WASDA ASK:** Reauthorize the SRF, WIFIA, and other water infrastructure programs at-or-above IIJA-levels through FY 2031. Congress should also consider creating other permanent sources of federal funding for water infrastructure to directly support the SRF programs.

Contact: Zack Perconti, WASDA Director of Government Affairs
Zperconti@gasolutions.net



800 Roosevelt Road, Suite C-312 • Glen Ellyn, IL 60137
P 630.672.3670 • F 630.790.3095 www.wasda.com