

INSIGHT

Lead and Copper Rule Revisions: Funding Lead Service Line Replacements

The U.S. Environmental Protection Agency (EPA) estimates there are 6 to 10 million lead service lines in cities and towns across the country. In an effort to remove the lead-related health risks that remain, Congress included a substantial investment in safe drinking water in the Infrastructure Investment and Jobs Act (IIJA), also referred to as the "Bipartisan Infrastructure Law" (BIL), passed in November 2021. The investment included $15 billion in funding specifically for lead service line replacement.

The funding will be appropriated to each state's Drinking Water State Revolving Fund (SRF), which is currently the primary method of accessing federal dollars for lead service line replacement. Of note, a portion of the SRF funds can be used for the lead service line inventory process, although specific dollar amounts have not been identified.

SRF funds are most often distributed in the form of loans. However, the BIL funding intended for lead service line inventories and replacements has a requirement to provide an additional 49 percent subsidy to eligible applicants. This may come in the form of forgivable loans, grants or a combination of both, but most states are waiting to see the amount of interest before making funding decisions.

Outside of state SRFs, there are other funding sources for lead service line replacement. For example, the state of Missouri dedicated a portion of their American Rescue Plan Act (ARPA) funding to lead service line inventories. Water systems should make an effort to maintain awareness of additional state or local funding that may become available. There are also

several federal programs that could be potential funding partners for lead service line-related work. Many of these programs are competitive, and each one of these programs could warrant a detailed discussion of their own. A short list of these programs is listed below and a more comprehensive list can be found here.

- Drinking Water State Revolving Fund (DWSRF)
- Water Infrastructure Improvements for the Nation (WIIN) Act Grant
    - Assistance for Small and Disadvantaged Communities
- HUD Community Development Block Grant
- Reducing Lead in Drinking Water Grant
- Water Infrastructure Finance and Innovation Act (WIFIA)