## **State Fiscal Year 2026 Clean Water Budget at a Glance**

State Fiscal Year 2026 Clean Water Budget by Funding Source



Estimated SFY 2026 Clean Water Fund revenue from Meals and Rooms Tax. Property Transfer Tax Clean Water Surcharge. and Unclaimed Bottle Deposits.

Estimated SFY 2026 funds from the clean water section of the Capital Bill.

Estimated SFY 2026 "one-time" funds from unallocated/ unreserved Clean Water Fund revenue and projected interest income.



Water Budget.

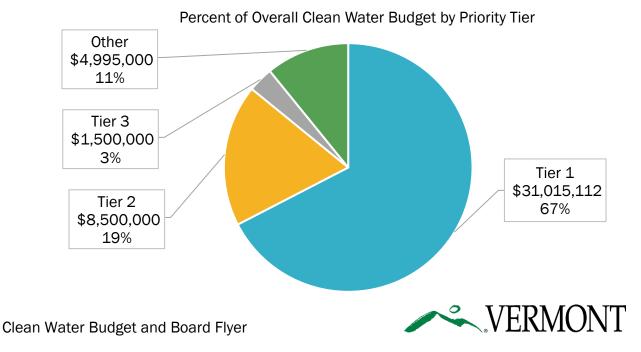
Figure 1: State Fiscal Year 2026 Clean Water Budget totals by funding source. The SFY 2026 Clean

Water Budget totals approximately \$46 million, and is made up of:

- \$28.5 million in forecasted SFY 2026 Clean Water Fund revenue,
- \$10 million in unallocated/unreserved Clean Water Fund revenue recommended to be programmed as "one-time" funds, and
- \$7.5 million from the Clean Water section of the Capital Bill. •

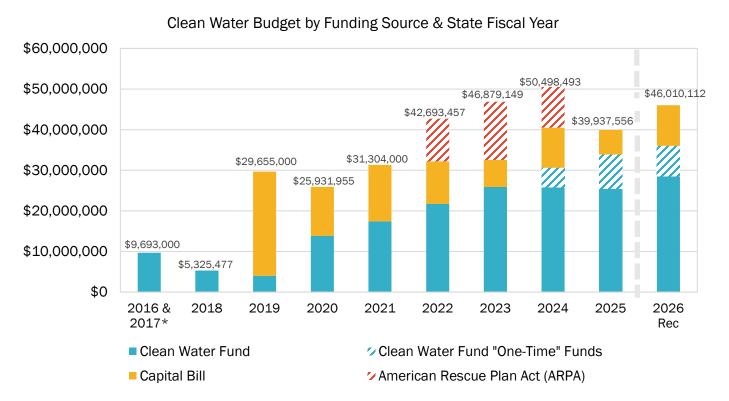
See page 5 of the SFY 2026 Policy Document for the proposed SFY 2026 Clean Water Budget recommendation sheet.

## State Fiscal Year 2026 Clean Water Budget by Priority Tier



**Figure 2: Percent of Overall Clean Water Budget by Priority Tier.** The Clean Water Board separates funding programs into Tiers 1-3 and Other, where the highest priority programs are considered Tier 1 and the lowest priority programs are considered Tier 3 or Other. Statute determines for the Board which types of programs are first, second, and third priority. This pie chart summarizes how the total Clean Water Budget, including both Clean Water Fund and Capital Bill dollars, is allocated across priority tiers: 67% is allocated to Tier 1 initiatives, 19% to Tier 2 initiatives, 3% to Tier 3 initiatives, and 11% to "other" initiatives. The Board allocates more funding towards higher priority tiers. These tiering percentages will differ when looking at the Clean Water Budget by Clean Water Fund and Capital Bill funding source. See page 8 of the SFY 2026 Policy Document for more details.

## Clean Water Budget by Funding Source and State Fiscal Year



**Figure 3: Clean Water Budget by Funding Source and State Fiscal Year (SFY).** This bar chart shows the full SFY 2026 Clean Water Budget draft (far right vertical bar) compared to prior fiscal year approved budgets (SFY 2016-2025). The SFY 2026 Budget represents a \$6 million increase compared to SFY 2025. This positive change is because of recent economic trends and the effect of interest income on fund balance.

Access the SFY 2026 Policy Document from the Clean Water Board site page:<u>dec.vermont.gov/water-investment/cwi/clean-water-board</u>



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Clean Water Budget and Board Flyer

No.	Administering Agency Water Budget Statutory Priority Tier 1 (Ite		SFY26 Draft Budget Value	Focus of Funds	Are these projects required by any law or regulation?	Geographic Availability	Land Use Sector	Sector Key Agriculture
1.1	Agency of Natural Resources, Department of Environmental Conservation, Clean Water Intiative Program	Water Quality Restoration Formula Grants to Clean Water Service Providers & O&M	\$ 7,210,00	To find, design, construct, and maintain diverse natural resource, stormwater, and in some cases agricultural projects, that provide measurable reductions in phosphorous pollution to meet specific targets.	No, projects are done voluntarily	Lake Champlain Basin, Lake Memphremagog Basin		Developed Lands Natural Resources
1.2	Agency of Natural Resources, Department of Environmental Conservation, Clean Water Intiative Program	Basin Planning, Basin Water Quality Council Participation, Education, and Outreach	\$ 750,00	To enhance regional coordination on identification and planning for local watershed priorities with partners listed in statute (watershed organizations, conservation districts, and regional planning commissions).	Planning supports identification of voluntary and regulatory priorities	Statewide	Ĥ <u>∕</u> '■` ∥ 111	Roads Wastewater
1.31	Agency of Natural Resources, Department of Environmental Conservation, Clean Water Intiative Program	Statewide Non- Regulatory Clean Water Projects	\$ 5,000,00	To find, design, construct, and maintain diverse natural resource, stormwater, and in some cases agricultural projects. This includes dam removals, and river corridor easement purchases. All projects must meet at least one of five goals: a. Protect high quality waters, b. Maintain or improve water quality, c. Restore degraded or stressed waters, d. Create resilient watersheds and communities, or e. Support the public's use and enjoyment of the State's waters.	No, projects are done voluntarily	Statewide		
1.32	Vermont Housing and Conservation Board	Land Conservation and Water Quality Projects	\$ 2,000,00	To purchase permanent conservation easements and install enhanced water quality protections like wetland protection zones.	No, projects are done voluntarily	Statewide	Ø	
1.4	Agency of Agriculture, Food and Markets	Water Quality Grants to Partners and Farmers	\$ 13,000,00	To support education and technical assistance for farms as well as to find, design, and construct pollution prevention projects on farms.	Yes and no. Some projects help farmers comply with the Required Agricultural Practices and others are done voluntarily	Statewide	A	
1.51	Agency of Agriculture Food and Markets	Program Support	\$ 1,000,00	To support staff time at the Agency of Agriculture Food and Markets to perform foundational clean water activities like permitting, investigations and complaints, farm inspections and technical assistance.	Staff supports both voluntary and regulatory efforts	Internal, funds operations	A	
1.52	Agency of Natural Resources, Department of Environmental Conservation, Clean Water Intiative Program	Program and Partner Support	\$ 2,055,11	To support a range of initiatives that ensure the success of Vermont's Clean Water Act such as organizational capacity development, provements to clean water tracking and accounting tools and methodologies, and water quality monitoring. Exact initiatives are articulated in the Clean Water Initiative Program's Annual Spending Plan.	Supports capacity for both voluntary and regulatory efforts	Statewide, funds partners; internal, funds operations		
Clean	Water Budget Statutory Priority Tier 2 (Ite	ms of Equal Priority)						
2.11	Agency of Natural Resoruces, Department of Forests, Parks and Recreation	Forestry Water Quality Practices and Portable Skidder Bridges	\$ 250,00	To support State staff in performing outreach and education on the forestry acceptable management practices and to cost share on portable skidder bridges; a practice that prevents erosion around stream crossings at logging sites.	Yes, this funds technical assistance and equipment to comply with forestry sector acceptable management practices	Statewide, funds skidder bridge cost shares; internal, funds operations	Ø \$	
2.12	Agency of Natural Resoruces, Department of Forests, Parks and Recreation	Implement BMPs at State Forests, Parks, and Recreational Access Roads	\$ 750,00	To find, design, and construct clean water improvements to state- managed roads and trails at State Forests, Wildlife Management Areas, State Parks, and recreational access points.	No, projects are done voluntarily	Internal, funds operations	s	
2.21	Agency of Transportation	Municipal Roads Grants-in-Aid (MRGP)	\$ 3,000,00	These projects provide financial assistance to municipalities to implement projects like drainage ditches, removal of high road shoulders, stabilization of gully deterioration and more.	Yes, projects help towns comply with the Municipal Road General Permit	Statewide	Å	
2.22	Agency of Transportation	Municipal Better Roads (MRGP)	\$ 1,750,00	Construction projects under this line item are quick, low-cost projects that enhance road resilience while simultaineously protecting water quality. Funds only available for municipalities.	Yes, projects help towns comply with the Municipal Road General Permit	Statewide	Å	

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2 Agency of Maturel Resources. Department of Environmental Conservation, Clean Water Initial Program Immunite or Alter Value Department of Environmental Conservation, Clean Water Initial Program S 1,050,00 To fund new and creative approaches towards clean wator. Immunite endicines in moleting rogitality registroad of the environmental Conservation, Water Initial Program Stationido Stationido   Agency of Maturel Resources. Description Developed Lands Intermental Conservation, Water Initial Developed Lands S 1,000,000 To design and construct stormwater projects that holp private lindownes capture and clean rainvater and snowmell on site. Yes, projects heb provate Landownes meet the Three Developed Lands Lake Champian Basin, Lake Stromwater Utility Payments (ESR each) S 120,000 To Indonestic distance and socones capture results of volumental Payments (ESR each) S 120,000 To Indonestic distance used by municipatities for all to fue to the yaars results of volumental Payments (ESR each) S 2,000 The fund for the fue to the payment results of volumental Payments (ESR each of volumental Payments (ESR each of volumental Payments (ESR each of volumental Payments (ESR each of volumental Pa	2.3		Improvement and	\$ 800,000	a water quality benefit as well as to purchase, retire and permanently	help farmers comply with the Required Agricultural Practices and others are	Statewide	A
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Agency of Natural Resources. Department of Environmental Conservation, Lakes Program Lake in Crisis Fund \$ 120.00 To implement the Crisis Response Plans or Lake in Crisis Orders. Projects are done voluntarity unless required by a Lake in Crisis Order Lake Carmi Image: Crisis Order   12 Agency of Administration Stormwater Utility Payments (\$25K each) \$ 25.000 These funds are used by municipalities to establish and support their stormwater utilities for up to five years. No, stormwater utilities are staticipality forwns but utilities can support their stormwater utilities for up to five years. St. Abars Town, because al obser participating towns have their entities for up to five years. St. Abars Town, because al obser participating towns have utilities can support towns in stat-tup window Statewate: Connoction Transportation Fund Community Statewate: Connoction requirement strategies into transportation and community evitilization plans. No, projects are done voluntarity Statewate: Common state Algency or participating funds Statewate: Common reasport towns Statewate: Common r	Clean 3.1	Agency of Natural Resources, Department of Environmental Conservation, Water Investment		\$ 1,500,000		landowners meet the Three- Acre Stormwater General	Lake Memphremagog Basin because regulatory expectations only exist here,	
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1.3 Agency of Commerce and Community Development Beter Connections and Downtown Transportation Fund \$ - Finds from this line item help municipalities incorporate stormwater management strategies into transportation and community nevtilization plans. No. projects are done voluntarily Transportation Fund focuses on Designated Downtown and eligible Designated Downtown and eligible Designated Village Centers   1.4 Agency of Natural Resources, Department of Environmental Conservation, Water Infrastructure Financing Programs State Match to Clean Water State Revolving Fund (CWSRF) Federal Grant \$ - To populate the State's share of the Clean Water State Revolving fund (CWSRF) Federal Grant Yes and no. Most are driven by regulation, some are done voluntarily Yes and no. Most are driven by regulation, some are done voluntarily Statewide   1.5 Agency of Natural Resources, Einancing Programs Municipal Pollution Control Grants \$ 4,000,000 To help municipalities fund stormwater, sewage, or waste infrastructure infrastructure improvements. Yes and no. Most are driven by regulation, some are done voluntarily Statewide Imagement for statewide   1.6 Agency of Administration Non-Federal Match \$ 80,000.0 This line-item supports bringing in federal dollars to supplement existing funding programs to support Clean Water Board and Budged To be determined based on betered funding encontruinitie Statewide Imagement infector	4.2	Agency of Administration		\$ 25,000		established voluntarily by participating towns but utilities can support towns in	other participating towns have finished the initial five year	
Agency of Natural Resources, Department of Environmental Conservation, Water Infrastructure Financing Programs State Match to Clearl Water State Revolving Fund (CWSRF) Federal Grant \$ - Fund which provides low-interest loans for design and construction of diverse natural resource, wastewater, and stormwater-type practices on both public and private lands. Loans prioritized towards municipal projects. Yes and no. Most are driven by regulation, some are done voluntarily Statewide   1.5 Agency of Natural Resources, Department of Environmental Conservation, Water Infrastructure Financing Programs Municipal Pollution Control Grants \$ 4,000,000 To help municipalities fund stormwater, sewage, or waste infrastructure improvements. Yes and no. Most are driven by regulation, some are done voluntarily Statewide   1.6 Agency of Administration Non-Federal Match \$ 850,000. This line-item supports bringing in federal dollars to supplement existing funding programs to support Clean Water Board and Budget To be determined based on federal funding consort/unities Statewide	4.3		Downtown	-	management strategies into transportation and community		Transportation Fund focuses on Designated Downtown and eligible Designated Village	
I.5 Department of Environmental Conservation, Water Infrastructure Financing Programs Municipal Pollution Control Grants \$ 4,000,000 To help municipalities fund stormwater, sewage, or waste infrastructure improvements. Yes and no. Most are driven by regulation, some are done voluntariliy Statewide   I.6 Agency of Administration Non-Federal Match \$ 850,000.0 This line-item supports bringing in federal dollars to supplement existing funding programs to support Clean Water Board and Budget To be determined based on federal funding opportunities Statewide	4.4	Department of Environmental Conservation, Water Infrastructure	Water State Revolving Fund (CWSRF) Federal	\$	Fund which provides low-interest loans for design and construction of diverse natural resource, wastewater, and stormwater-type practices on both public and private lands. Loans prioritized towards municipal	by regulation, some are done	Statewide	
1.6 Agency of Administration Non-Federal Match \$ 850,000.0 existing funding programs to support Clean Water Board and Budget federal funding opportunities Statewide Statewide	4.5	Department of Environmental Conservation, Water Infrastructure		\$ 4,000,000		by regulation, some are done	Statewide	
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