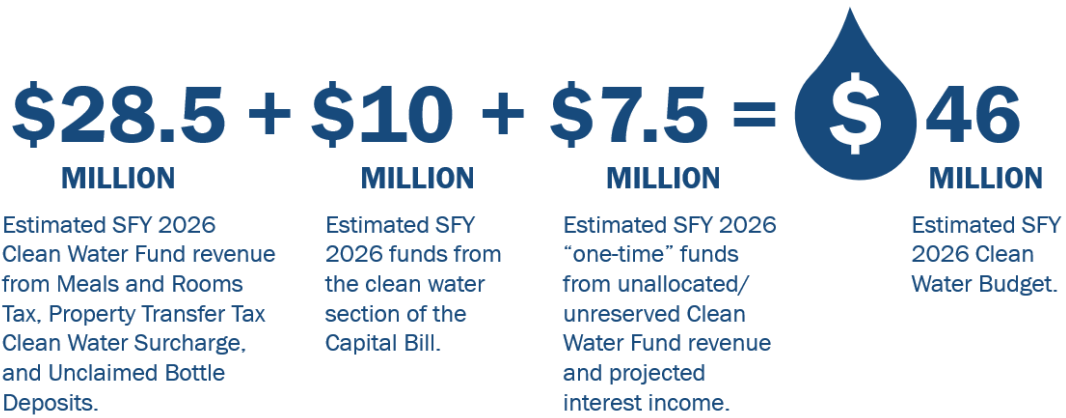


# State Fiscal Year 2026 Clean Water Budget at a Glance

## State Fiscal Year 2026 Clean Water Budget by Funding Source

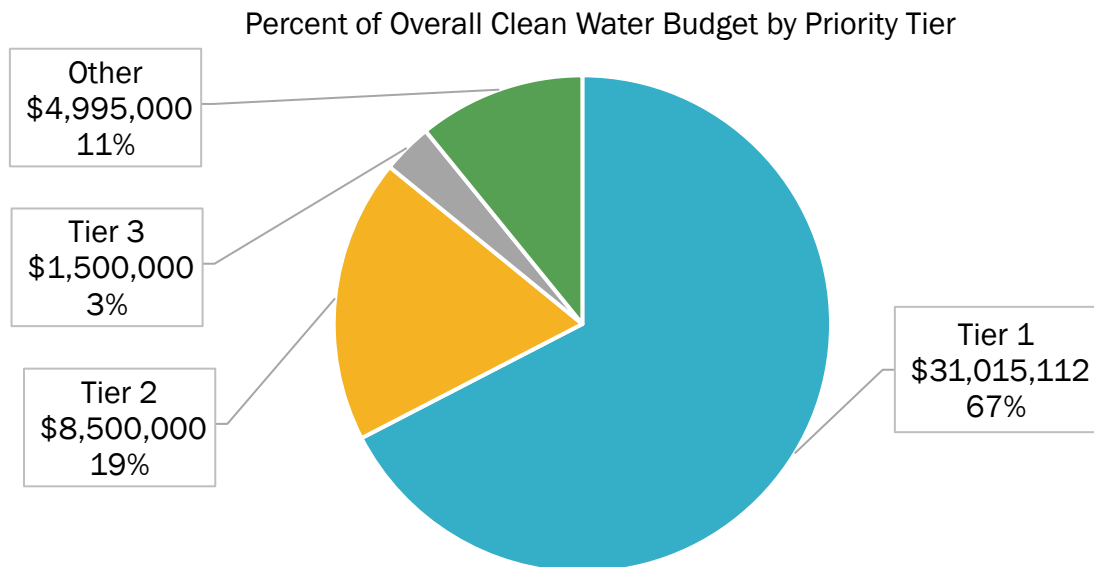


**Figure 1: State Fiscal Year 2026 Clean Water Budget totals by funding source.** The SFY 2026 Clean Water Budget totals approximately \$46 million, and is made up of:

- \$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.

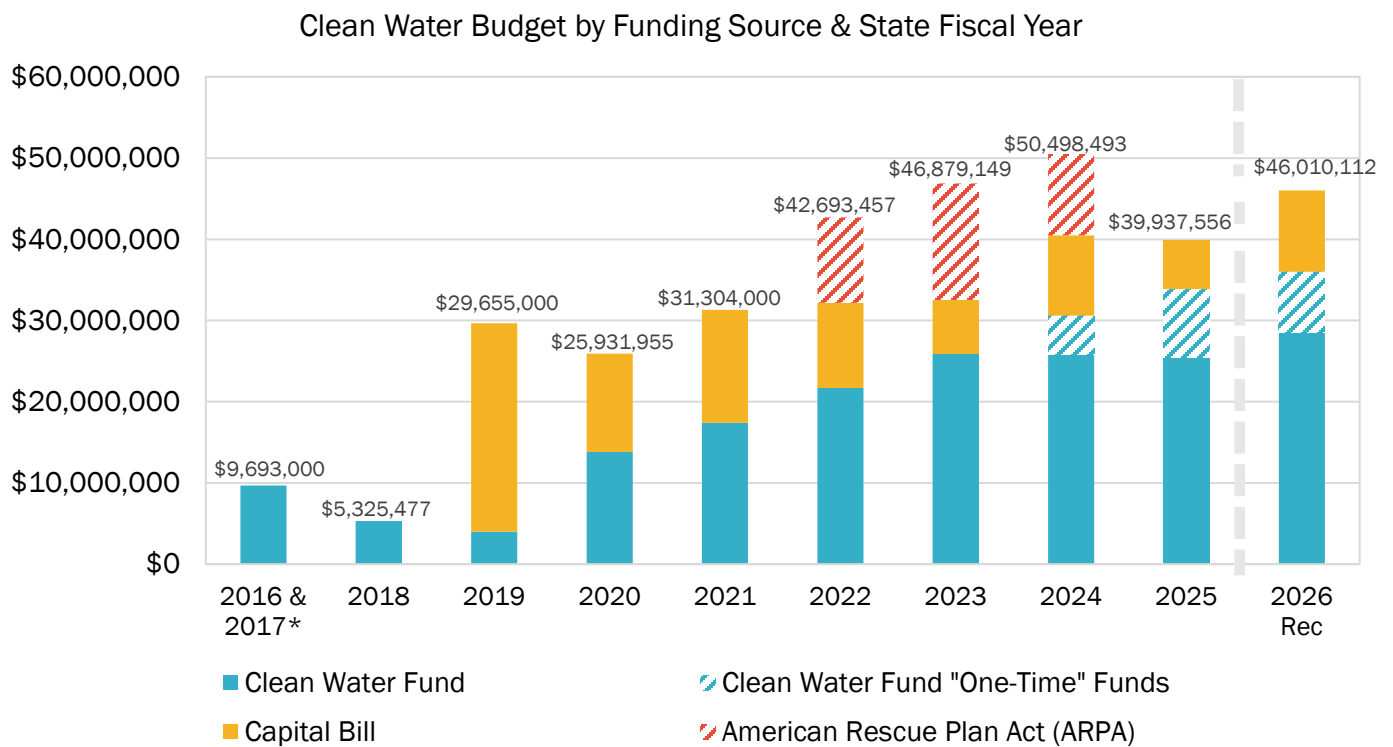
See page 5 of the SFY 2026 Policy Document for the proposed SFY 2026 Clean Water Budget recommendation sheet.

## 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: dec.vermont.gov/water-investment/cwi/clean-water-board](https://dec.vermont.gov/water-investment/cwi/clean-water-board)

No.	Administering Agency	Activity	SFY26 Draft Budget Value	Focus of Funds	Are these projects required by any law or regulation?	Geographic Availability	Land Use Sector
<b>Clean Water Budget Statutory Priority Tier 1 (Items of Equal Priority)</b>							
1.1	Agency of Natural Resources, Department of Environmental Conservation, Clean Water Initiative Program	Water Quality Restoration Formula Grants to Clean Water Service Providers & O&M	\$ 7,210,000	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	
1.2	Agency of Natural Resources, Department of Environmental Conservation, Clean Water Initiative Program	Basin Planning, Basin Water Quality Council Participation, Education, and Outreach	\$ 750,000	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	
1.31	Agency of Natural Resources, Department of Environmental Conservation, Clean Water Initiative Program	Statewide Non-Regulatory Clean Water Projects	\$ 5,000,000	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	\$ 2,000,000	To purchase permanent conservation easements and install enhanced water quality protections like wetland protection zones.	No, projects are done voluntarily	Statewide	
1.4	Agency of Agriculture, Food and Markets	Water Quality Grants to Partners and Farmers	\$ 13,000,000	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	
1.51	Agency of Agriculture Food and Markets	Program Support	\$ 1,000,000	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	
1.52	Agency of Natural Resources, Department of Environmental Conservation, Clean Water Initiative Program	Program and Partner Support	\$ 2,055,112	To support a range of initiatives that ensure the success of Vermont's Clean Water Act such as organizational capacity development, improvements 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	
<b>Clean Water Budget Statutory Priority Tier 2 (Items of Equal Priority)</b>							
2.11	Agency of Natural Resources, Department of Forests, Parks and Recreation	Forestry Water Quality Practices and Portable Skidder Bridges	\$ 250,000	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	
2.12	Agency of Natural Resources, Department of Forests, Parks and Recreation	Implement BMPs at State Forests, Parks, and Recreational Access Roads	\$ 750,000	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	
2.21	Agency of Transportation	Municipal Roads Grants-in-Aid (MRGP)	\$ 3,000,000	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	
2.22	Agency of Transportation	Municipal Better Roads (MRGP)	\$ 1,750,000	Construction projects under this line item are quick, low-cost projects that enhance road resilience while simultaneously protecting water quality. Funds only available for municipalities.	Yes, projects help towns comply with the Municipal Road General Permit	Statewide	

**Sector Key**

-  Agriculture
-  Developed Lands
-  Natural Resources
-  Roads
-  Wastewater

2.24	Agency of Natural Resources, Department of Environmental Conservation, Clean Water Initiative Program	Municipal Three-Acre General Permit and MS4	\$ -	To design and construct stormwater projects that help municipalities and public schools capture and clean rainwater and snowmelt on site.	Yes, projects help municipalities and public schools meet stormwater regulatory permit requirements	Lake Champlain Basin, Lake Memphremagog Basin because regulatory expectations only exist here, for now	 
2.3	Vermont Housing & Conservation Board	Water Quality Farm Improvement and Retirement Projects	\$ 800,000	To fund farm infrastructure and equipment improvements that have a water quality benefit as well as to purchase, retire and permanently conserve parcels of land perviously under agricultural production.	Yes and no. Some projects help farmers comply with the Required Agricultural Practices and others are done voluntarily	Statewide	
2.4	Agency of Natural Resources, Department of Environmental Conservation, Clean Water Initiative Program	Innovative or Alternative Technologies or Practices to Improve Water Quality	\$ 1,950,000	To fund new and creative approaches towards clean water.	Varies. Some efforts are research-focused. Others may be creative solutions to meeting regulatory requirements or non-regulatory water quality restoration	Statewide	   
<b>Clean Water Budget Statutory Priority Tier 3</b>							
3.1	Agency of Natural Resources, Department of Environmental Conservation, Water Investment Division	Developed Lands Implementation Grants	\$ 1,500,000	To design and construct stormwater projects that help private landowners capture and clean rainwater and snowmelt on site.	Yes, projects help private landowners meet the Three-Acre Stormwater General Permit requirements	Lake Champlain Basin, Lake Memphremagog Basin because regulatory expectations only exist here, for now	
<b>Clean Water Budget Other Priorities</b>							
4.1	Agency of Natural Resources, Department of Environmental Conservation, Lakes Program	Lake in Crisis Fund	\$ 120,000	To implement the Crisis Response Plans or Lake in Crisis Orders.	Projects are done voluntarily unless required by a Lake in Crisis Order	Lake Carmi	
4.2	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 established voluntarily by participating towns but utilities can support towns in meeting costs of regulations	St. Albans Town, because all other participating towns have finished the initial five year start-up window	
4.3	Agency of Commerce and Community Development	Better Connections and Downtown Transportation Fund	\$ -	Funds from this line item help municipalities incorporate stormwater management strategies into transportation and community revitalization plans.	No, projects are done voluntarily	Statewide; Downtown Transportation Fund focuses on Designated Downtown and eligible Designated Village Centers	 
4.4	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 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	  
4.5	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	 
4.6	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 priorities.	To be determined based on federal funding opportunities	Statewide	   
<b>SFY 2026 Total</b>			<b>\$ 46,010,112</b>				