

DRAFT STATE FISCAL YEAR 2025 (SFY25) CLEAN WATER BUDGET

Recommended by the Clean Water Board (10/9/2023)

No.	Agency	Activity	SFY25 BASE FUNDS				SFY25 Compared to SFY24 Base Funds	SFY25 ONE-TIME FUNDS			SFY25 Compared to SFY24 One-Time Funds	Total SFY25 (Base + One-Time)	SFY25 Total Compared to SFY24 Total
			Clean Water Fund	Capital Bill (SFY25 Capital Budget Target = \$6m)	Filling the \$4m Base Gap from SFY25 Capital Bill with Clean Water Fund Unallocated/Unreserved	Subtotal Base Funds		Clean Water Fund Prior Year Unallocated/Unreserved	American Rescue Plan Act (ARPA) ⁷	Subtotal One-Time Funds			
Clean Water Budget Statutory Priority Tier 1 (Items of Equal Priority)													
1.1	ANR-DEC (CWIP)	Water Quality Restoration Formula Grants to Clean Water Service Providers & O&M	7,210,000			7,210,000	-	1,150,000		1,150,000	-	8,360,000	-
1.2	ANR-DEC (CWIP)	Basin Planning, Basin Water Quality Council Participation, Education, and Outreach	650,000			650,000	-				-	650,000	-
Water Quality Enhancement Grants													
1.31	ANR-DEC (CWIP)	Statewide Non-regulatory Clean Water Projects	5,000,000			5,000,000	-				-	5,000,000	-
1.32	VHCB	Land Conservation and Water Quality Projects			2,000,000	2,000,000	-				-	2,000,000	-
1.4	AAFM	Water Quality Grants to Partners and Farmers	6,696,887	550,000	1,200,000	8,446,887	426,238	213,113		213,113	(2,786,887)	8,666,000	(2,360,649)
Agency and Partner Operating Support													
1.51	AAFM	Program Support	900,000			900,000	33,750				-	900,000	33,750
1.52	ANR-DEC (CWIP)	Program and Partner Support	1,030,000			1,030,000	76,250	700,000		700,000	298,750	1,730,000	375,000
Tier 1 SUBTOTAL			21,486,887	550,000	3,200,000	25,236,887	538,238	2,063,113	-	2,063,113	(2,488,137)	27,300,000	(1,951,898)
Tier 1 % of Total			83%	9%	69%	71%	54%	54%	-	54%	-	69%	-
Clean Water Budget Statutory Priority Tier 2 (Items of Equal Priority)													
<i>Outreach and Implementation of Forestry Acceptable Management Practices for Maintaining Water Quality</i>													
2.11	ANR-FPR	Forestry Water Quality Practices and Portable Sluider Bridges	144,000			144,000	387				-	144,000	387
2.12	ANR-FPR	Implement BMPs at State Forests, Parks, and Recreational Access Roads		550,000		550,000	-				-	550,000	-
Municipal Stormwater Implementation													
2.21	VTrans	Municipal Roads Grants-in-Aid (MRGP)	3,000,000			3,000,000	-				-	3,000,000	-
2.22	VTrans	Municipal Better Roads (MRGP)	1,000,000			1,000,000	-	1,000,000		1,000,000	1,000,000	2,000,000	1,000,000
2.23	VTrans	Missisquoi Bay Federal Earmark (Non-Federal Match) ³				-	-	-		(1,000,000)	(1,000,000)	-	(1,000,000)
2.24	ANR-DEC (CWIP)	Municipal Three-Acre General Permit and MS4 ⁴				-	(1,000,000)			(7,000,000)	(7,000,000)	-	(8,000,000)
2.3	VHCB	Water Quality Farm Improvement and Retirement Projects		800,000		800,000	-				-	800,000	-
2.4	ANR-DEC (CWIP)	Innovative or Alternative Technologies or Practices to Improve Water Quality				-	-	750,000		750,000	550,000	750,000	550,000
Tier 2 SUBTOTAL			4,144,000	550,000	800,000	5,494,000	(999,613)	1,750,000	-	1,750,000	(6,450,000)	7,244,000	(7,449,613)
Tier 2 % of Total			16%	9%	20%	15%	46%	46%	-	46%	-	18%	-
Clean Water Budget Statutory Priority Tier 3													
3.1	ANR-DEC (WFIP)	Developed Lands Implementation Grants ⁵				-	-	-		-	-	-	-
Tier 3 SUBTOTAL			-	-	-	-	-	-	-	-	-	-	-
Tier 3 % of Total			0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Clean Water Budget Other Priorities													
4.1	ANR-DEC (Lakes)	Lakes in Crisis Fund	120,000			120,000	-				-	120,000	-
4.2	AcA	Stormwater Utility Payments (\$25K each)	25,000			25,000	25,000				(100,000)	25,000	(75,000)
4.3	ACCD	Better Connections and Downtown Transportation Fund				-	-				-	-	-
Capital Bill Priorities													
4.4	ANR-DEC (WFIP)	State Match to Clean Water State Revolving Fund (CWSRF) Federal Grant ⁶	1,600,000			1,600,000	1,267,019				-	1,600,000	1,267,019
4.5	ANR-DEC (WFIP)	Municipal Pollution Control Grants	3,300,000			3,300,000	(700,000)				-	3,300,000	(700,000)
Other SUBTOTAL			145,000	4,900,000	-	5,045,000	692,019	-	-	(100,000)	5,045,000	692,019	-
Other % of Total			0.6%	82%	0%	14%	0%	0%	-	0%	13%	13%	-
Total Proposed for Appropriation⁷			25,775,887	6,000,000	4,000,000	35,775,887	128,644	3,813,113	-	3,813,113	(8,038,137)	39,589,000	(8,969,493)
Anticipated SFY25 Revenue/Sources			25,775,887	6,000,000		31,775,887						31,775,887	
Estimated Unallocated/Unreserved Clean Water Fund Revenue					4,000,000	4,000,000	4,701,669		4,701,669			8,701,669	
Anticipated Total Available⁸			25,775,887	6,000,000	4,000,000	35,775,887	4,701,669	-	4,701,669	-	4,701,669	49,477,556	-
Balance=Total Available-Total Requested			-	-	-	-	-	888,556	-	888,556	-	888,556	-

Proposed SFY 2025 Clean Water Budget by Agency

Agency	SFY25 BASE FUNDS				SFY25 Base Compared to SFY24 Base	SFY25 ONE-TIME FUNDS			SFY25 Compared to SFY24 One-Time Funds	Total SFY25 (Base + One-Time)	SFY25 Total Compared to SFY24 Total		
	Clean Water Fund	Capital Bill (SFY25 Capital Budget Target = \$6m)	Filling the \$4m Base Gap from SFY25 Capital Bill with Clean Water Fund Unallocated/Unreserved	Subtotal Base Funds		Clean Water Fund Prior Year Unallocated/Unreserved	American Rescue Plan Act (ARPA) ⁷	Subtotal One-Time Funds					
AAFM	7,596,887	550,000	1,200,000	9,346,887	459,088	213,113		213,113	(2,786,887)	9,560,000	(2,328,899)		
ACCD	-	-	-	-	-	-		-	-	-	-		
ANR (DEC)	14,010,000	4,900,000	-	18,910,000	(358,731)	2,600,000		2,600,000	(6,151,250)	21,810,000	(6,507,981)		
ANR (FPR)	144,000	550,000	-	694,000	387	-		-	-	694,000	387		
AcA	25,000	-	-	25,000	25,000	-		-	(100,000)	25,000	(75,000)		
VHCB			2,800,000	2,800,000	-			-	-	2,800,000	-		
VTrans	4,000,000			4,000,000	-	1,000,000		1,000,000	-	5,000,000	-		
Total Proposed for Appropriation⁷			25,775,887	6,000,000	4,000,000	35,775,887	128,644	3,813,113	-	3,813,113	(8,038,137)	39,589,000	(8,969,493)

Footnotes:

- The Capital Bill operates on a biennial basis, with the 2023 Capital Bill covering SFY24-25. The Capital Bill "as passed" (Act 69 of 2023) reduced the SFY25 total for allocation by the Clean Water Board in the SFY25 Clean Water Budget from the roughly \$10-12 million target to \$6 million.
- The State of Vermont Legislature appropriated American Rescue Plan Act (ARPA) funds to be recommended for allocation by the Clean Water Board in SFY22, SFY23, and SFY24. ARPA funds are no longer available in SFY25. The ARPA column is included in this SFY25 Clean Water Budget sheet for purposes of comparison to the SFY24 Clean Water Budget.
- The "Missisquoi Bay Federal Earmark (Non-Federal Match)" line item was a one-time expense in SFY24 and is not needed to continue in SFY25. It is included here for purposes of comparison between SFY24 and SFY25. See SFY24 Clean Water Budget materials for more information.
- The "Municipal Three-Acre General Permit and MS4" line item was primarily funded with American Rescue Plan Act (ARPA) dollars, no longer available in SFY25, but will be encumbered/dependent through December 2026. In SFY25, activities previously supported by this line item will transition to a combination of Lake Champlain Basin Program federal funding and CWSRF financing.
- Three-Acre General Permit projects, which are the focus of the "Developed Lands Implementation Grants" line item, were primarily funded with American Rescue Plan Act (ARPA) dollars. ARPA dollars are no longer available for budgeting in SFY25, but will be encumbered/dependent through December 2026. Three-Acre General Permit projects will eventually transition to a financing structure.
- The SFY24 Appropriations Bill as enacted (Act 78 of 2023) established a "Cash Fund for Capital and Essential Investments" to cover required state match to secure Bipartisan Infrastructure Law (BIL) resources through the Clean Water State Revolving Fund (CWSRF). In SFY25, \$2.208 million in match has been authorized by the General Assembly under the SFY25 Capital Bill from the Cash Fund to draw down BIL CWSRF resources.
- The SFY24 Clean Water Budget total amount proposed for appropriation was \$48,498,493, shown here for purposes of comparison between SFY24 and SFY25 Clean Water Budgets. In addition to the total proposed for appropriation, \$2 million were transferred in the SFY24 Clean Water Budget to the Clean Water Fund Contingency Risk Reserve. Total SFY24 Clean Water Budget appropriations and transfers was \$50,498,493.
- Projected SFY25 Clean Water Fund revenue are based on the consensus revenue forecast adopted by the Vermont Emergency Board at its July 2023 meeting, summarized in the August 2023 Clean Water Fund operating statement. Unallocated/Unreserved Clean Water Fund revenue are determined based on the difference between total revenue and total appropriations.

Total SFY24 and SFY25 Clean Water Budget Appropriations

Funding Source	SFY24	SFY25	SFY25 Compared to SFY24
Clean Water Fund Revenue	25,782,243	25,775,887	13,644
Capital Bill	9,885,000	6,000,000	(3,885,000)
Clean Water Fund Revenue - Unallocated/Unreserved	-	4,000,000	4,000,000
Base Appropriation Subtotal	35,647,243	35,775,887	128,644
ARPA	10,000,000	-	(10,000,000)
Clean Water Fund Revenue - Unallocated/Unreserved	2,851,250	3,813,113	961,863
One-Time Appropriation Subtotal	12,851,250	3,813,113	(8,038,137)
Total Appropriation	48,498,493	39,589,000	(8,969,493)