



2025 Capital Budget Requests

Karin Berkholtz | Deputy Director
Senate Capital Investment Committee
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Governor's 2025 Funding Recommendations

Proposed 2025 Capital Budget Requests:	\$99,012,000
CW and DW revolving fund state match	\$39,000,000
Water Infrastructure Funding (WIF) Program	\$23,485,000
Point Source Implementation Grant (PSIG) Program	\$18,527,000
Emerging Contaminants Grants Program (new)	\$18,000,000

Fund Source: General Obligation Bonds



State Match to Federal Capitalization Grants

\$39M in state match will unlock \$215M in federal funds.

Projects currently not fundable due to lack of state match

2025 Clean Water IUP		2025 Drinking Water IUP	
51 projects	\$465M	81 projects	\$319M

- Required 20% state match for 2025 & 2026 federal capitalization grants.
- Repayments revolve back to pay PFA revenue bond debt service and make new loans.
- FY23 appropriation of \$41M for state match fully allocated.

Funding Program Requests

Water Infrastructure Funding (WIF) Program \$23,485,000

Estimated WIF Needs:

Clean Water
27 unfunded projects, \$41M

Drinking Water
56 unfunded projects, \$48M

Point Source Implementation Grant (PSIG) Program \$18,527,000

Estimated PSIG Needs:
26 unfunded projects, \$124M

Emerging Contaminants (EC) Grant Program \$18,000,000

New program to supplement federal funds to treat for manganese and PFAS in municipal drinking water systems.

Estimated EC Needs:
2025 IUP: 19 unfunded projects, \$194M

Policy Recommendations

Program	Policy Recommendations
CW and DW Revolving Funds	Authorize CW PF grants for projects to address emerging contaminants in wastewater. Authorize DW PF grants for projects to comply with a maximum contaminant level (MCL) requirement.
WIF program	Increase maximum grant to \$10 million (currently \$5 million).
PSIG program	Increase maximum grant to \$12 million (currently \$7 million).
Emerging Contaminants Grant Program	Establish new program to assist cities with construction projects to meet state drinking water standards for manganese and pending federal and state standards for PFAS substances. Program administered in conjunction with MDH utilizing the DWRF process. State funds will be combined with approximately \$120M in federal funds available through the federal IJA.

Questions?

Presenter
Email
Phone

