



# 2025 Capital Budget Requests

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House 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.

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Projects currently not fundable due to lack of state match

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

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- 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:  
28 unfunded projects, \$128M

## 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  
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