

**Background Information for
Joint Legislative Commission on Governmental Operations March 27, 2014 Meeting**

Division of Water Infrastructure

In the 2013 legislative session, the General Assembly created a new division, the Division of Water Infrastructure, within the Department of Environment and Natural Resources. The division was created to consolidate the funding for all State-administered water and wastewater grant and loan programs for public health and environmental infrastructure needs as well as to provide a single point of entry for local governments to apply for funds. The Department of Environment and Natural Resources has been asked to provide the Joint Legislative Commission on Governmental Operations a status report on the new Division of Water Infrastructure, and its oversight board, the State Water Infrastructure Authority.

Background

The new Division of Water Infrastructure administers two loan programs, the Clean Water State Revolving Fund and the Drinking Water State Revolving Fund, and a portion of one federally funded grant program, the Community Development Block Grant (CDBG) Infrastructure program. The General Assembly also provided the division with a General Fund appropriation for planning and supplemental grants for water and wastewater needs in the State's most economically distressed Tier 1 and Tier 2 counties. (See table below for funding levels.)

The General Assembly also created a new oversight authority, the Water Infrastructure Authority, which consists of nine members. The Authority's powers and duties are outlined in statute and include setting priorities for grants and loans administered by the new division, reviewing funding applications received and making final award decisions. The Authority has also been tasked with creating a master plan to meet the State's infrastructure needs, assessing and making recommendations on the role of the State in the development and funding of wastewater, drinking water and stormwater infrastructure and analyzing the adequacy of funding to meet projected needs.

Programs and Funds Administered by the Division of Water Infrastructure

Program	FY 2013-14	FY 2014-15
Clean Water State Revolving Fund *	\$ 29,550,000	\$ 30,000,000
Drinking Water State Revolving Fund *	\$ 28,140,000	\$ 29,872,950
CDBG - Infrastructure	\$ 25,837,500	\$ 25,837,500
General Fund- Planning and Supplemental Grants	\$ 4,000,000	\$ 5,500,000
Total Funding Available	\$ 87,527,500	\$ 91,210,450

*The federal government provides \$5 in loan funds for every \$1 in state matching funds.