AP/AL: Appropriation
Category: Health/Human Services
Location: Statewide
Impact House District: Statewide (HD 1 - 40)
Estimated Project Dates: 07/01/2026 - 06/30/2031

Project Type: Water / Sewer / Solid Waste
Recipient: Various
House District: Statewide (HD 1 - 40)
Contact: Gene McCabe
Contact Phone: (907)269-7580

Brief Summary and Statement of Need:
The Village Safe Water program provides financial and technical assistance to rural communities to plan, design, and construct water and sewer system improvements. Sixty percent of the funding provides first-time service to communities while 40 percent is used for expansion, upgrade, and replacement of existing services.

Funding:	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	Total
1002 Fed Rcpts	$254,000,000	$254,000,000	$254,000,000	$254,000,000	$254,000,000		$1,270,000,000
1003 GF/Match	$18,000,000	$18,000,000	$18,000,000	$18,000,000	$18,000,000		$90,000,000
1108 Stat Desig	$500,000	$500,000	$500,000	$500,000	$500,000		$2,500,000
Total:	$272,500,000	$272,500,000	$272,500,000	$272,500,000	$272,500,000	$0	$1,362,500,000

☑ State Match Required ☐ One-Time Project ☐ Phased - new ☐ Phased - underway ☑ Ongoing
25% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
Totals:	0	0

Prior Funding History / Additional Information:
Sec1 Ch12 SLA2025 P4 L18 SB57 $437,855,900
Sec1 Ch8 SLA2024 P11 L31 SB187 $106,100,000
Sec1 Ch8 SLA2024 P12 L5 SB187 $159,150,000
Sec14 Ch1 SLA2023 P88 L25 HB39 $99,081,184
Sec14 Ch1 SLA2023 P88 L30 HB39 $148,621,775
Sec11 Ch11 SLA2022 P88 L28 HB281 $46,900,000
Sec11 Ch11 SLA2022 P88 L33 HB281 $70,350,000
Sec11 Ch1 SLA2021 P104 L12 HB69 $3,650,000
Sec8 Ch1 SLA2021 P71 L33 HB69 $70,812,000
Sec5 Ch8 SLA2020 P65 L5 HB205 $64,830,000
Sec1 Ch1 SLA2019 P4 L14 SB2002 $12,080,000
Sec1 Ch3 SLA2019 P3 L23 SB19 $52,750,000
Sec1 Ch19 SLA2018 P5 L7 SB142 $68,830,000
Sec1 Ch1 SLA2017 P4 L48 SB23 $64,830,000
Sec1 Ch2 SLA2016 P4 L9 SB138 $64,830,000
Sec1 Ch38 SLA2015 P3 L32 SB26 $51,500,000

Sec1 Ch18 SLA2014 P51 L14 SB119 $51,500,000
Sec1 Ch16 SLA2013 P63 L15 SB18 $51,500,000
Sec1 Ch17 SLA2012 P113 L22 SB160 $51,500,000

Project Description/Justification:
The Department of Environmental Conservation provides technical and financial support to Alaska's communities to design and construct drinking water and sanitation facilities. Communities apply each year to the State for grants to fund these projects. Applications are scored based primarily on the extent to which proposed projects address critical public health needs, as well as the communities' capacity to operate and maintain the facilities. High-ranking projects are placed on a multi-year priority list which identifies projects to receive funding over the next several years. The majority of project awards made under this program are eligible for grant funds made available to the State through the federal government. A portion of the federal grant monies available requires the State to appropriate matching funds.

Each year communities propose more projects than the State has in available funding. When projects are proposed, total costs are estimated based on the best information available but are subject to change. Balances in these projects may be shifted to augment other projects that were underestimated or applied to other approved projects on the waiting list based on a first-ready, first-served basis.

Statutory designated program receipts (SDPR) are required due to the nature of these large construction projects where there is a common occurrence of program income. This happens when project resources (often heavy equipment, but sometimes excess material such as gravel) are needed to provide a benefit to the community outside the scope of the project. Federal grant funding agencies do not allow project resources to be used for such purposes. The SDPR funds are generally used to augment project funding but can be used for any scope that is eligible for the federal funding that was used for the project.

A portion of federal and State match funds may be used for the planning and development of alternative safe drinking water and sanitation technologies.