Drinking Water Capitalization Grant Subsidy **FY2027 Request: $5,344,000**
Reference No: 49697

AP/AL: Appropriation
Project Type: Water / Sewer / Solid Waste
Category: Health/Human Services
Location: Statewide
House District: Statewide (HD 1 - 40)
Impact House District: Statewide (HD 1 - 40)
Contact: Gene McCabe
Estimated Project Dates: 07/01/2026 - 06/30/2031
Contact Phone: (907)269-7580

Brief Summary and Statement of Need:
The Department of Environmental Conservation is required to issue subsidies as a condition of the Drinking Water Loan Fund Capitalization Grant.

Funding:	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	Total
1100 Drk Wtr Fd	$5,344,000	$5,344,000	$5,344,000	$5,344,000	$5,344,000		$26,720,000
Total:	$5,344,000	$5,344,000	$5,344,000	$5,344,000	$5,344,000	$0	$26,720,000

☐ State Match Required ☐ One-Time Project ☐ Phased - new ☐ Phased - underway ☑ Ongoing
0% = 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 L6 SB57 $2,512,300
Sec1 Ch8 SLA2024 P11 L8 SB187 $4,114,000
Sec14 Ch1 SLA2023 P88 L9 HB39 $2,452,800
Sec11 Ch11 SLA2022 P88 L11 HB281 $2,900,000
Sec8 Ch1 SLA2021 P71 L31 HB69 $5,800,000
Sec1 Ch3 SLA2019 P3 L16 SB19 $2,500,000
Sec1 Ch19 SLA2018 P4 L25 SB142 $2,041,000
Sec1 Ch1 SLA2017 P4 L11 SB23 $2,041,000
Sec1 Ch2 SLA2016 P4 L5 SB138 $2,526,300
Sec1 Ch38 SLA2015 P3 L30 SB26 $2,526,300
Sec1 Ch18 SLA2014 P51 L12 SB119 $2,526,300
Sec1 Ch16 SLA2013 P63 L10 SB18 $2,692,800
Sec1 Ch17 SLA2012 P113 L11 SB160 $4,634,000
Sec1 Ch5 SLA2011 P81 L9 SB46 $4,071,900
Sec1 Ch43 SLA2010 P23 L19 SB230 $4,071,900

Project Description/Justification:
The Department of Environmental Conservation receives an annual capitalization grant from the Environmental Protection Agency (EPA) that funds the Alaska Drinking Water Loan Fund. Under the terms of the grant, the State is required to issue a certain amount of subsidies to grantees in the form of loan forgiveness. This appropriation is required to properly record the loan forgiveness as an

expense in the Alaska Drinking Water Loan Fund.