

## Federal Grants Requiring Legislative Approval

March 4, 2010

UCA 63J-5-204(3) requires that, before obligating the state to accept or receive new federal funds or to participate in a new federal program under a “high impact federal funds request” (greater than \$10,000,000 received in one year, requires more than 10 new FTE, or requires more than \$1,000,000 in state matching funds) an agency must submit the request summary to the governor, and if the governor approves the request, to the Legislature for its approval or rejection during an annual general session or a special session.

Included in this packet:

### Department of Environmental Quality

- Clean Water State Revolving Loan Fund Capitalization Grant: \$12,000,000 federal funds
- Drinking Water State Revolving Loan Fund Capitalization Grant: \$13,573,000 federal funds

Department of Environmental Quality  
 Request for approval of Grant Applications Requiring Legislative Approval

The Department of Environmental Quality is applying for two federal grants that will exceed \$10,000,000 each in federal funding. They are therefore considered "High impact federal funds request" per the Federal Funds Procedures Act and require the approval of the Legislature. The two grants are summarized below:

	Match			Total Grant
	Federal	General Funds	Restricted Funds	
Clean Water State Revolving Fund Capitalization Grant	12,000,000		2,400,000	14,400,000
Drinking Water State Revolving Fund Capitalization Grant	13,573,000	1,357,300	2,714,600	17,644,900

The grants provide funding for loans and grants to eligible entities to provide infrastructure funding to assist communities to properly treat and dispose of wastewater, provide assistance for public water systems, provides funding to administer the grants and loans and provide technical and other assistance to drinking water systems

The grant and loan portion of the grants are accounted for in the Water Development Security Account and the administrative portion of the grant is accounted for in the Environmental Quality's operating budget. The matching funds are met by existing funds appropriated to Environmental Quality and funds in the Water Development Security Accounts. The federal funds needing legislative approval are summarized below:

	Federal Funds
Water Development Security Account - Water Quality	11,520,000
Water Development Security Account - Drinking Water	11,401,320
Environmental Quality	
Water Quality	480,000
Drinking Water	2,171,680