



Statewide Water and Sewer Infrastructure Funding

Department of Agriculture and Natural Resources and Other State Agencies

Overview

Governor Noem's recommended budget includes \$660,000,000 in one-time ARPA funding to support eligible improvements to water and sewer infrastructure projects throughout the state. This funding will boost both transformational and core infrastructure projects across the state.

Water and sewer systems impact the quality of life for all South Dakota residents. This infrastructure benefits the health and welfare of South Dakotans, protects the State's environment and natural resources, and drives economic activity.

This funding will allow state political subdivisions and private non-profits which provide water and sewer services to apply for funding through programs managed by the Department of Agriculture and Natural Resources (DANR) and awarded by the Board of Water and Natural Resources.

\$60,000,000 of the funding will be provided to various state agencies, including the Board of Regents and Technical Colleges, to make improvements to the water and sewer infrastructure at facilities operated by those agencies. The ability to use these one-time funds will free up future maintenance and repair funds for other meaningful and important improvements projects.

Description

Water and sewer infrastructure throughout the state is in need of repairs and upgrades. Existing programs overseen by DANR fund over \$150,000,000 in projects annually. These one-time funds will provide grants to help offset impacts to user rates. Improvements will include drinking water source, treatment, storage, and distribution; wastewater collection and treatment; stormwater management; and non-point source improvements. Many of these projects will include the opportunity for increased regionalization, further providing long-term benefits to the state and its citizens.

Funding

DANR currently has received preliminary applications for 258 local projects totaling \$3,240,000,000. The primary source of additional funds to fully complete a project will come from the Clean Water and Drinking Water State Revolving Fund programs in the form of low-interest loans. Furthermore, state agencies have proposed 125 projects totaling \$60,000,000, which would provide 100 percent of the eligible water and sewer infrastructure related costs for these improvement projects. Together this funding will make meaningful investments in water and sewer infrastructure projects across the state, which will have long lasting benefits for future generations.