

State of Misconsin 2011 - 2012 LEGISLATURE



2011 SENATE BILL 288

November 14, 2011 – Introduced by LAW REVISION COMMITTEE. Referred to Committee on Natural Resources and Environment.

AN ACT *to repeal* 20.320 (1) (y), 25.43 (1) (ae), 25.43 (2) (ae), 281.58 (3) (b), 281.58 (6) (b) 5m., 281.58 (13) (be), 281.58 (13) (bs) and 281.58 (13) (em); *to renumber* 281.58 (3) (a); and *to amend* 20.320 (1) (x), 25.43 (2) (c), 25.43 (3), 281.58 (13) (cm), 281.58 (13) (d), 281.58 (13) (e) (intro.), 281.59 (3) (a) 6., 281.59 (3e) (a) 1. and 281.59 (3e) (e) of the statutes; **relating to:** federal financial hardship assistance under the Clean Water Fund Program (suggested as remedial legislation by the Department of Natural Resources).

Analysis by the Legislative Reference Bureau

Under the Clean Water Fund Program, this state provides financial assistance for projects for controlling water pollution, including sewage treatment plants. This bill eliminates statutory provisions related to a federal financial hardship grant program under the Clean Water Fund Program.

For further information, see the Notes provided by the Law Revision Committee of the Joint Legislative Council.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

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LAW REVISION COMMITTEE PREFATORY NOTE: This bill is a remedial legislation proposal, requested by the Department of Natural Resources and introduced by the Law Revision Committee under s. 13.83 (1) (c) 4. and 5., stats. After careful consideration of the various provisions of the bill, the Law Revision Committee has determined that this bill makes minor substantive changes in the statutes, and that these changes are desirable as a matter of public policy.

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SECTION 1. 20.320 (1) (x) of the statutes is amended to read:

20.320 (1) (x) Clean water fund program financial assistance; federal. From the clean water fund program federal revolving loan fund account in the environmental improvement fund, all moneys received from the federal government to provide financial assistance under the clean water fund program under s. 281.58, as authorized by the governor under s. 16.54, except moneys appropriated under par-(y), for financial assistance under the clean water fund program under s. 281.58.

Section 2. 20.320 (1) (y) of the statutes is repealed.

NOTE: Section 2 repeals the appropriation for federal financial hardship assistance for the Clean Water Fund. This fund was a one-time fund and the funds were disbursed several years ago.

- **SECTION 3.** 25.43 (1) (ae) of the statutes is repealed.
- 10 **SECTION 4.** 25.43 (2) (ae) of the statutes is repealed.
- 11 **Section 5.** 25.43 (2) (c) of the statutes is amended to read:
 - 25.43 (2) (c) The department of administration may establish and change accounts in the environmental improvement fund other than those under pars. (a), (ae), (am) and (b). The department of administration shall consult the department of natural resources before establishing or changing an account that is needed to administer the programs under ss. 281.58, 281.59 and 281.61.

NOTE: SECTIONS 3 to 5 delete references to the Clean Water Fund Program federal financial hardship assistance account.

- **Section 6.** 25.43 (3) of the statutes is amended to read:
- 18 25.43 (3) Except for the purpose of investment as provided in s. 25.17 (2) (d), 19 the environmental improvement fund may be used only for the purposes authorized

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- 1 under ss. 20.320 (1) (r), (s), (sm), (t), and (x) and (y), (2) (s) and (x) and (3) (q), 20.370
- 2 (4) (mt), (mx) and (nz), (8) (mr) and (9) (mt), (mx) and (ny), 20.505 (1) (v), (x) and (y),
- 3 281.58, 281.59, 281.60, 281.61 and 281.62.

Note: Sections 1 and 6 delete a reference to the appropriation for federal financial hardship assistance for the Clean Water Fund. This appropriation is repealed in Section 2 of the bill.

- **SECTION 7.** 281.58 (3) (a) of the statutes is renumbered 281.58 (3).
- **SECTION 8.** 281.58 (3) (b) of the statutes is repealed.
- **SECTION 9.** 281.58 (6) (b) 5m. of the statutes is repealed.
- 7 **Section 10.** 281.58 (13) (be) of the statutes is repealed.
- **SECTION 11.** 281.58 (13) (bs) of the statutes is repealed.
- **SECTION 12.** 281.58 (13) (cm) of the statutes is amended to read:

281.58 (13) (cm) The amount and type of assistance to be provided to a municipality that receives state financial hardship assistance shall be determined under rules promulgated by the department. Assistance to be provided to a municipality that receives federal financial hardship assistance shall be in the form of a grant for a portion of the project costs plus a loan at the interest rate under sub (12) for the type of project being funded. The maximum amount of subsidy that a municipality receiving federal financial hardship assistance may receive is equal to the amount of subsidy that the municipality would have received if it had received state financial hardship assistance. If a municipality receives state financial hardship assistance for a project, the total amount of the subsidy for the project may not exceed the amount of subsidy that the municipality would have received if it had received only state financial hardship assistance. Subsection (8) (g) does not apply to the amount of a federal financial hardship assistance grant that a municipality may receive.

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Note: Section 12 of the bill deletes references to the federal financial hardship assistance grant from the statute that requires the DNR to promulgate rules establishing criteria for financial hardship assistance.

SECTION 13. 281.58 (13) (d) of the statutes is amended to read:

281.58 **(13)** (d) The department shall establish a financial hardship assistance funding list for each fiscal year that ranks projects of municipalities that are eligible under par. (b) or (be), and that submit complete financial assistance applications under sub. (9) (a) no later than June 30 of the preceding fiscal year, in the same order that they appear on the priority list under sub. (8e).

SECTION 14. 281.58 (13) (e) (intro.) of the statutes is amended to read:

281.58 **(13)** (e) (intro.) Subject to par. (em), in <u>In</u> each fiscal year, the department shall allocate financial hardship assistance under this subsection in the following order:

SECTION 15. 281.58 (13) (em) of the statutes is repealed.

Note: Section 15 repeals a statute relating to how federal financial hardship assistance must be allocated if all available state financial hardship assistance has been allocated. The amendment in Section 14 reflects that repeal.

SECTION 16. 281.59 (3) (a) 6. of the statutes is amended to read:

281.59 (3) (a) 6. An amount equal to the estimated present value of subsidies for all clean water fund program loans and grants expected to be made for the wastewater treatment projects listed in the biennial needs list under s. 281.58 (3m), except for federal financial hardship assistance grants under s. 281.58 (13), discounted at a rate of 7% per year to the first day of the biennium for which the biennial finance plan is prepared.

SECTION 17. 281.59 (3e) (a) 1. of the statutes is amended to read:

281.59 (3e) (a) 1. An amount of present value of the subsidy for the clean water fund program, except for federal financial hardship assistance grants under s.

281.58 (13), that is specified for that biennium under par. (b) and is based on the
amount included in the biennial finance plan under sub. (3) (a) 6.

SECTION 18. 281.59 (3e) (e) of the statutes, as affected by 2011 Wisconsin Act 32, is amended to read:

281.59 (3e) (e) The department may expend, for financial hardship assistance, other than federal financial hardship assistance grants under s. 281.58 (13) (be), in a biennium under s. 281.58 (13) (e), an amount up to 5 percent of the amount approved by the legislature under par. (b) for that biennium. The department may expend such amount only from the percentage of the amount approved by the legislature under par. (b) that is not available under par. (d) for financial assistance.

Note: Sections 8 to 11, 13, and 16 to 18 eliminate references to the federal financial hardship assistance grant. Section 7 renumbers a statute to reflect the elimination of one of those references.

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