

**1999 DRAFTING REQUEST**

**Assembly Amendment (AA-AB133)**

Received: **05/13/99**

Received By: **traderc**

Wanted: **Soon**

Identical to LRB:

For: **Legislative Fiscal Bureau**

By/Representing: **Schug**

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Drafter: **traderc**

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Alt. Drafters:

Subject: **Environment - water quality**

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**Pre Topic:**

LFB:.....Schug -

**Topic:**

Environmental improvement fund urban storm water loan program

**Instructions:**

See Attached

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/P1	traderc 05/18/99	chanaman 05/19/99	mclark 05/20/99	_____	lrb_docadmin 05/20/99		
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FE Sent For:		5/18	5/19 mre	mrc/clt 5/19			

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progress toward reaching project goals; (f) the extent to which the application proposes to use available federal funding; and (g) the extent to which the project is necessary to enable the City of Racine to control storm water discharges as required under federal and state requirements. In addition, the motion would require that projects must specify the geographic area of a significant site, subwatershed or watershed and be consistent with priorities identified by DNR on a geographic or watershed basis.

**7. Municipal Flood Control and Riparian Restoration Program.** Create a municipal flood control and riparian restoration program within the urban nonpoint program to provide financial assistance to cities, villages, towns or metropolitan sewerage districts for facilities and structures, including the purchase of perpetual flowage and conservation easement rights on land within the flood way and flood proofing of public or private structures remaining in the 100 year flood plain, for the collection and transmission of storm water and ground water. Allocate \$3 million in general obligation bonding authority to fund up to 70% of eligible costs for construction and real estate acquisition for a DNR approved project. Require that \$1 million SEG annually from the nonpoint account of the environmental fund that is currently being used for nonpoint source grants and local assistance annually be used by DNR for municipal flood control and riparian restoration program local assistance grants for up to 70% of eligible costs, including planning and design costs.

Allow DNR to provide grants (a) for projects affecting two or more municipalities or metropolitan sewerage districts, to one of the applicant municipalities or metropolitan sewerage districts upon application by two or more municipalities or metropolitan sewerage districts affected by the project; (b) to a municipality or metropolitan sewerage district with jurisdiction for the provision of storm water collection facilities to two or more municipalities or metropolitan sewerage districts affected by the project; or (c) for projects affecting only one municipality or metropolitan sewerage district to the applicant municipality or metropolitan sewerage district.

Require that DNR specify criteria for determining the eligibility and priority ranking of projects which include requiring: (a) no transfer of flooding down stream; (b) to the extent practical, no harm of existing beneficial functions of waterbodies and wetlands; (c) the maintenance of aquatic and riparian environments; (d) to the extent practical, the use of storm water retention and detention structures and the use of natural storage; (e) adequate opportunity for public use access for the stream and flood way; and (f) no channelization, acceleration of upstream runoff or concrete lining of natural stream beds.

**8. Environmental Improvement Fund Urban Storm Water Loan Program.** Create an urban storm water loan program funded from the clean water fund within the environmental improvement fund to provide financial assistance for nonpoint source pollution and urban storm water runoff projects (rather than under the general clean water fund program). Provide a present value subsidy limit for the urban storm water loan program of \$4.5 million during 1999-01 to fund project costs of approximately \$20 million. The subsidy limit represents the estimated state cost, in 1998 dollars, to provide 20 years of subsidy for the projects that would be funded in the 1999-01 biennium. Decrease the present value subsidy limit for the clean water fund program by \$2.1 million from \$87.4 million to \$85.2 million, to reflect a decrease in clean water fund demand of approximately \$11 million. (Funding for nonpoint and storm water projects would increase by \$9

million, from \$11 million under AB 133 to \$20 million under the motion.)

Provide that urban storm water loans would have an interest rate of 55% of the market interest rate, or approximately 2.64% (instead of 65% of market, or 3.12%, currently under the clean water fund program). Provide \$4,100,000 in additional general obligation bonding authority for the clean water fund program to fund the increased subsidy and project funding under the urban storm water loan program. Provide that the funding source, types of financial assistance and program and application requirements for the clean water fund program would be used for the urban storm water loan program.

Direct that eligible activities under the urban storm water loan program would be practices that are eligible for urban cost share grants and other activities that are specified in administrative rules promulgated by DNR. Direct DNR to promulgate final administrative rules for the program by December 31, 2000. Municipalities could not use low-interest loans to meet municipal match requirements for state cost share grants for nonpoint and storm water projects. \*

9. **Legislative Intent.** In addition to current legislative intentions, identify that the intent of the Legislature is to enact the soil and water conservation law and the nonpoint source water pollution program to: (a) provide for basic allocation programs to conserve soil and water resources and to manage nonpoint sources of water pollution; (b) provide a mechanism for statewide coverage of soil and water conservation needs at the county level; and (c) provide for a statewide clearinghouse for county applications for state soil and water and nonpoint source local assistance. Further, clarify that the intent of the nonpoint source pollution abatement financial assistance program is to focus resources where nonpoint source related water quality problems and threats are the most severe and control is most feasible.

10. **Grant Funding.** Provide an increase in general obligation bonding authority of \$6 million for existing priority watershed projects under the nonpoint source water pollution abatement grant program. Delete the allocation of bonding revenue for competitive nonpoint source projects and the appropriation for bonding currently authorized for meeting nonpoint source water quality standards and transfer those amounts (\$4 million in bonding under AB 133) to the general obligation bonding authority for existing priority watershed projects. Provide \$15 million in general obligation bonding authority in a new appropriation for urban nonpoint cost share grants. Provide \$3 million in general obligation bonding authority in a new appropriation for municipal flood control and riparian restoration cost share grants. Require that \$2 million SEG from the nonpoint account of the environmental fund that is currently being used for nonpoint source grants and local assistance annually would be used by DNR for urban local assistance (staffing) grants and \$1 million of nonpoint SEG annually be used for municipal flood control and riparian restoration local assistance grants. Require DNR and DATCP to develop a schedule for the transfer of funds from the DNR GPR appropriation for nonpoint source grants and/or the DNR SEG appropriation from the nonpoint account of the environmental fund for nonpoint source grants to the DATCP soil and water resource management GPR appropriation or soil and water resource management SEG appropriation to be used for county basic allocation staffing in priority watershed projects and allow the agencies to request the transfer of funds for this purpose under s. 13.10 without the finding of an



State of Wisconsin  
1999 - 2000 LEGISLATURE

LRBb0310/P1

RCT:.....

cmf

Very soon

LFB:.....Schug – Environmental improvement fund urban storm water loan program

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

**LFB AMENDMENT**

**TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45**

DNde

1 At the locations indicated, amend the bill as follows:

2 1. Page 122, line 10: after that line insert:

3 “SECTION 3f. 13.48<sup>x</sup> (26) of the statutes is amended to read:

4 13.48 (26) ENVIRONMENTAL IMPROVEMENT ANNUAL FINANCE PLAN APPROVAL. The  
5 building commission shall review the versions of the biennial finance plan and any  
6 amendments to the biennial finance plan submitted to it by the department of  
7 natural resources and the department of administration under s. 281.59 (3) (bm) and  
8 the recommendations of the joint committee on finance and the standing committees  
9 to which the versions of the biennial finance plan and any amendments were  
10 submitted under s. 281.59 (3) (bm). The building commission shall consider the  
11 extent to which that version of the biennial finance plan that is updated to reflect the

1 adopted biennial budget act will maintain the funding for the clean water fund  
 2 program and the safe drinking water loan program, in the environmental  
 3 improvement fund, in perpetuity. The building commission shall consider the extent  
 4 to which the implementation of the clean water fund program, the safe drinking  
 5 water loan program, the urban storm water loan program and the land recycling loan  
 6 program, as set forth in the biennial finance plan updated to reflect the adopted  
 7 biennial budget act, implements legislative intent on the clean water fund program,  
 8 the safe drinking water loan program, the urban storm water loan program and the  
 9 land recycling loan program. The building commission shall, no later than 60 days  
 10 after the date of enactment of the biennial budget act, either approve or disapprove  
 11 the biennial finance plan that is updated to reflect the adopted biennial budget act,  
 12 except that the building commission may not disapprove those amounts that the  
 13 legislature approves under s. 281.59 (3e) (a), (3m) (a) ~~and (3s) (a) and (3v) (a)~~. If the  
 14 building commission disapproves the version of the biennial finance plan that is  
 15 updated to reflect the adopted biennial budget act, it must notify the department of  
 16 natural resources and the department of administration of its reasons for  
 17 disapproving the plan, and those departments must revise that version of the  
 18 biennial finance plan and submit the revision to the building commission.”

History: 1971 c. 125; 1973 c. 90; 1973 c. 243 s. 82; 1973 c. 335 s. 13; 1975 c. 39, 40, 198, 199; 1977 c. 26; 1977 c. 29 ss. 7, 8r, 1654 (8) (c); 1977 c. 325; 1977 c. 418 ss. 5, 5m, 924 (18) (c); 1979 c. 34, 221, 350; 1981 c. 341; 1983 a. 27 ss. 11 to 12n, 2202 (5); 1983 a. 36 ss. 18 to 20, 96 (3); 1983 a. 207; 1985 a. 29, 120; 1987 a. 27, 186, 395, 399; 1989 a. 31, 366; 1991 a. 39, 269, 315; 1993 a. 16, 288, 414; 1995 a. 27, 216, 225, 227; 1997 a. 5, 27, 35, 237.

19 **2.** Page 401, line 9: after that line insert:

20 “SECTION 303m. 20.320 (1) (c) of the statutes is amended to read:

21 20.320 (1) (c) *Principal repayment and interest — clean water fund program.*

22 A sum sufficient to reimburse s. 20.866 (1) (u) for the payment of principal and

23 interest costs incurred in transferring moneys from s. 20.866 (2) (tc) to the

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1 environmental improvement fund for the purposes of the clean water fund program  
2 under s. 281.58 and the urban storm water loan program under s. 281.595.

History: 1989 a. 366 ss. 16, 19 to 21, 27 to 30; 1991 a. 39; 1993 a. 16; 1995 a. 27, 216, 227; 1997 a. 27, 35, 237, 252.

3 **SECTION 303q.** 20.320 (1) (s) of the statutes is amended to read:

4 20.320 (1) (s) *Clean water fund program financial assistance.* From the  
5 environmental improvement fund, a sum sufficient for the purposes of providing  
6 clean water fund program financial assistance under s. 281.58 and urban storm  
7 water loan program assistance under s. 281.595.

History: 1989 a. 366 ss. 16, 19 to 21, 27 to 30; 1991 a. 39; 1993 a. 16; 1995 a. 27, 216, 227; 1997 a. 27, 35, 237, 252.

8 **SECTION 303u.** 20.320 (1) (x) of the statutes is amended to read:

9 20.320 (1) (x) *Clean water fund program financial assistance; federal.* From  
10 the clean water fund program federal revolving loan fund account in the  
11 environmental improvement fund, all moneys received from the federal government  
12 to provide financial assistance under the clean water fund program under s. 281.58  
13 and under the urban storm water loan program under s. 281.595, as authorized by  
14 the governor under s. 16.54, except moneys appropriated under par. (y), for financial  
15 assistance under the clean water fund program under s. 281.58 and under the urban  
16 storm water loan program under s. 281.595. <sup>2</sup> NOT I.

History: 1989 a. 366 ss. 16, 19 to 21, 27 to 30; 1991 a. 39; 1993 a. 16; 1995 a. 27, 216, 227; 1997 a. 27, 35, 237, 252.

17 **3.** Page 404, line 16: after that line insert:

18 **SECTION 318g.** 20.370 (4) (mt) of the statutes is amended to read:

19 20.370 (4) (mt) *General program operations — environmental improvement*  
20 *programs; state funds.* From the environmental improvement fund, the amounts in  
21 the schedule for general program operations under s. 281.58, 281.59, 281.595,  
22 281.60, 281.61 or 281.62.

History: 1971 c. 40, 95; 1971 c. 125 ss. 101 to 121, 522 (1); 1971 c. 211, 215, 277, 330, 336; 1973 c. 12 s. 37; 1973 c. 90, 100; 1973 c. 243 s. 82; 1973 c. 296, 298, 301, 318, 333, 336; 1975 c. 8, 39, 51, 91, 198; 1975 c. 224 ss. 7d, 7f, 7m, 17 to 19p; 1977 c. 29 ss. 181 to 234, 1657 (34); 1977 c. 274, 370, 374, 376, 377; 1977 c. 418 ss. 95 to 110, 929 (37); 1977 c. 421, 432; 1977 c. 447 ss. 42 to 44, 210; 1979 c. 34 ss. 199 to 322, 2102 (39) (a); 1979 c. 221; 1979 c. 361 s. 113; 1981 c. 1, 20, 86, 95, 131, 294, 330; 1981 c. 374 ss. 6, 7, 148, 150; 1983 a. 27 ss. 216m to 269, 2202 (23); 1983 a. 75, 181, 243, 397; 1983 a. 410 ss. 5m to 11, 2202 (38); 1983 a. 413; 1983 a. 416 ss. 1, 19; 1983 a. 426; 1985 a. 16, 22; 1985 a. 29 ss. 282d to 356, 3202 (26) (a), (39) (a), (c), (dm), (i); 1985 a. 46, 60, 65, 120, 202, 296; 1987 a. 27, 98, 110, 290, 295, 298, 305; 1987 a. 312 s. 17; 1987



a. 384, 397, 399, 403, 418; 1989 a. 31, 128, 284, 288, 326; 1989 a. 335 ss. 22nn to 30g, 89; 1989 a. 336, 350, 359, 366; 1991 a. 32; 1991 a. 39 ss. 326b to 394, 594c; 1991 a. 254, 269, 300, 309, 315; 1993 a. 16, 75, 166, 213, 343, 349, 415, 421, 453, 464; 1993 a. 490 ss. 18, 271; 1995 a. 27, 201, 225, 227, 296, 378, 459; 1997 a. 27, 35; 1997 a. 237 ss. 33 to 38d, 727g; 1997 a. 248.

1 **SECTION 318j. 20.370 (4) (mx)** of the statutes is amended to read:  
 2 **20.370 (4) (mx)** *General program operations — clean water fund program;*  
 3 *federal funds.* As a continuing appropriation, from the clean water fund program  
 4 federal revolving loan fund account in the environmental improvement fund, the  
 5 amounts in the schedule for general program operations of the clean water fund  
 6 program and the urban storm water loan program under s. ss. ~~281.58~~ 281.59 and  
 7 281.595.”

**History:** 1971 c. 40, 95; 1971 c. 125 ss. 101 to 121, 522 (1); 1971 c. 211, 215, 277, 330, 336; 1973 c. 12 s. 37; 1973 c. 90, 100; 1973 c. 243 s. 82; 1973 c. 296, 298, 301, 318, 333, 336; 1975 c. 8, 39, 51, 91, 198; 1975 c. 224 ss. 7d, 7f, 7m, 17 to 19p; 1977 c. 29 ss. 181 to 234, 1657 (34); 1977 c. 274, 370, 374, 376, 377; 1977 c. 418 ss. 95 to 110, 929 (37); 1977 c. 421, 432; 1977 c. 447 ss. 42 to 44, 210; 1979 c. 34 ss. 199 to 322, 2102 (39) (a); 1979 c. 221; 1979 c. 361 s. 113; 1981 c. 1, 20, 86, 95, 131, 294, 330; 1981 c. 374 ss. 6, 7, 148, 150; 1983 a. 27 ss. 216m to 269, 2202 (23); 1983 a. 75, 181, 243, 397; 1983 a. 410 ss. 5m to 11, 2202 (38); 1983 a. 413; 1983 a. 416 ss. 1, 19; 1983 a. 426; 1985 a. 16, 22; 1985 a. 29 ss. 282d to 356, 3202 (26) (a), (39) (a), (c), (dm), (i); 1985 a. 46, 60, 65, 120, 202, 296; 1987 a. 27, 98, 110, 290, 295, 298, 305; 1987 a. 312 s. 17; 1987 a. 384, 397, 399, 403, 418; 1989 a. 31, 128, 284, 288, 326; 1989 a. 335 ss. 22nn to 30g, 89; 1989 a. 336, 350, 359, 366; 1991 a. 32; 1991 a. 39 ss. 326b to 394, 594c; 1991 a. 254, 269, 300, 309, 315; 1993 a. 16, 75, 166, 213, 343, 349, 415, 421, 453, 464; 1993 a. 490 ss. 18, 271; 1995 a. 27, 201, 225, 227, 296, 378, 459; 1997 a. 27, 35; 1997 a. 237 ss. 33 to 38d, 727g; 1997 a. 248.

8 **4.** Page 409, line 14: after that line insert:

9 **“SECTION 341h. 20.370 (9) (mt)** of the statutes is amended to read:

10 **20.370 (9) (mt)** *Aids administration — environmental improvement programs;*  
 11 *state funds.* From the environmental improvement fund, the amounts in the  
 12 schedule for the administration of ss. 281.58, ~~280.60~~ 281.595, 281.60, 281.61 and  
 13 281.62.

*Editor - I deleted the brackets around "281.60"*

**NOTE: NOTE: The bracketed language indicates the correct cross-reference. Corrective legislation is pending.**

**History:** 1971 c. 40, 95; 1971 c. 125 ss. 101 to 121, 522 (1); 1971 c. 211, 215, 277, 330, 336; 1973 c. 12 s. 37; 1973 c. 90, 100; 1973 c. 243 s. 82; 1973 c. 296, 298, 301, 318, 333, 336; 1975 c. 8, 39, 51, 91, 198; 1975 c. 224 ss. 7d, 7f, 7m, 17 to 19p; 1977 c. 29 ss. 181 to 234, 1657 (34); 1977 c. 274, 370, 374, 376, 377; 1977 c. 418 ss. 95 to 110, 929 (37); 1977 c. 421, 432; 1977 c. 447 ss. 42 to 44, 210; 1979 c. 34 ss. 199 to 322, 2102 (39) (a); 1979 c. 221; 1979 c. 361 s. 113; 1981 c. 1, 20, 86, 95, 131, 294, 330; 1981 c. 374 ss. 6, 7, 148, 150; 1983 a. 27 ss. 216m to 269, 2202 (23); 1983 a. 75, 181, 243, 397; 1983 a. 410 ss. 5m to 11, 2202 (38); 1983 a. 413; 1983 a. 416 ss. 1, 19; 1983 a. 426; 1985 a. 16, 22; 1985 a. 29 ss. 282d to 356, 3202 (26) (a), (39) (a), (c), (dm), (i); 1985 a. 46, 60, 65, 120, 202, 296; 1987 a. 27, 98, 110, 290, 295, 298, 305; 1987 a. 312 s. 17; 1987 a. 384, 397, 399, 403, 418; 1989 a. 31, 128, 284, 288, 326; 1989 a. 335 ss. 22nn to 30g, 89; 1989 a. 336, 350, 359, 366; 1991 a. 32; 1991 a. 39 ss. 326b to 394, 594c; 1991 a. 254, 269, 300, 309, 315; 1993 a. 16, 75, 166, 213, 343, 349, 415, 421, 453, 464; 1993 a. 490 ss. 18, 271; 1995 a. 27, 201, 225, 227, 296, 378, 459; 1997 a. 27, 35; 1997 a. 237 ss. 33 to 38d, 727g; 1997 a. 248.

14 **SECTION 341h. 20.370 (9) (mx)** of the statutes is amended to read:

15 **20.370 (9) (mx)** *Aids administration — clean water fund program; federal*  
 16 *funds.* From the clean water fund program federal revolving loan fund account in  
 17 the environmental improvement fund, all moneys received from the federal  
 18 government to administer the clean water fund program and the urban storm water  
 19 loan program, as authorized by the governor under s. 16.54, for the administration

1 of the clean water fund program and the urban storm water loan program under s.  
2 ss. 281.58 ~~or~~, 281.59 and 281.595.”

History: 1971 c. 40, 95; 1971 c. 125 ss. 101 to 121, 522 (1); 1971 c. 211, 215, 277, 330, 336; 1973 c. 12 s. 37; 1973 c. 90, 100; 1973 c. 243 s. 82; 1973 c. 296, 298, 301, 318, 333, 336; 1975 c. 8, 39, 51, 91, 198; 1975 c. 224 ss. 7d, 7f, 7m, 17 to 19p; 1977 c. 29 ss. 181 to 234, 1657 (34); 1977 c. 274, 370, 374, 376, 377; 1977 c. 418 ss. 95 to 110, 929 (37); 1977 c. 421, 432; 1977 c. 447 ss. 42 to 44, 210; 1979 c. 34 ss. 199 to 322, 2102 (39) (a); 1979 c. 221; 1979 c. 361 s. 113; 1981 c. 1, 20, 86, 95, 131, 294, 330; 1981 c. 374 ss. 6, 7, 148, 150; 1983 a. 27 ss. 216m to 269, 2202 (23); 1983 a. 75, 181, 243, 397; 1983 a. 410 ss. 5m to 11, 2202 (38); 1983 a. 413; 1983 a. 416 ss. 1, 19; 1983 a. 426; 1985 a. 16, 22; 1985 a. 29 ss. 282d to 356, 3202 (26) (a), (39) (a), (c), (dm), (i); 1985 a. 46, 60, 65, 120, 202, 296; 1987 a. 27, 98, 110, 290, 295, 298, 305; 1987 a. 312 s. 17; 1987 a. 384, 397, 399, 403, 418; 1989 a. 31, 128, 284, 288, 326; 1989 a. 335 ss. 22nn to 30g, 89; 1989 a. 336, 350, 359, 366; 1991 a. 32; 1991 a. 39 ss. 326b to 394, 594c; 1991 a. 254, 269, 300, 309, 315; 1993 a. 16, 75, 166, 213, 343, 349, 415, 421, 453, 464; 1993 a. 490 ss. 18, 271; 1995 a. 27, 201, 225, 227, 296, 378, 459; 1997 a. 27, 35; 1997 a. 237 ss. 33 to 38d, 727g; 1997 a. 248.

3 **5.** Page 454, line 4: after that line insert:

4 “SECTION 528t. 20.505 (1) (v) of the statutes is amended to read:

5 20.505 (1) (v) *General program operations — environmental improvement*  
6 *programs; state funds.* From the environmental improvement fund, the amounts in  
7 the schedule for general program operations under s. 281.58, 281.59, 281.595, 281.60  
8 or 281.61.

History: 1971 c. 108, 125, 215; 1971 c. 270 s. 104; 1973 c. 90 and supp., 157, 305; 1975 c. 39 ss. 179 to 184f, 735 (5); 1975 Ex. Order No. 24; 1975 c. 224, 397; 1977 c. 29; 1977 c. 196 ss. 70, 131; 1977 c. 377 s. 30; 1977 c. 418 s. 929 (1), (55); 1979 c. 32 s. 92 (5); 1979 c. 34, 175, 221; 1979 c. 355 s. 241; 1979 c. 361; 1981 c. 20 ss. 400b to 421, 2202 (57) (b); 1981 c. 44 s. 3; 1981 c. 62, 121; 1981 c. 202 s. 23; 1981 c. 314, 374, 391; 1983 a. 27 ss. 439 to 456, 2202 (1); 1983 a. 36, 187, 282, 371, 393; 1985 a. 29, 31, 57, 120, 296, 297, 332; 1987 a. 27 ss. 296n, 296q, 297b, 297d, 299a to 299r, 300a, 301a, 418 to 432; 1987 a. 142, 147, 342, 399; 1989 a. 31, 56, 107, 122, 336, 339, 345, 366; 1991 a. 39 s. 469, 593q to 614; 1991 a. 105, 269, 315; 1993 a. 16 ss. 470g, 470m, 470r, 488 to 506m; 1993 a. 33, 75, 193, 349, 358, 374, 414, 437, 477, 491; 1995 a. 27, 56, 201, 216, 225, 227, 370, 403; 1997 a. 3; 1997 a. 27 ss. 189, 227 to 229m, 233, 666g to 692; 1997 a. 237, 283.

9 **SECTION 528v.** 20.505 (1) (x) of the statutes is amended to read:

10 20.505 (1) (x) *General program operations — clean water fund program; federal*  
11 *funds.* As a continuing appropriation, from the clean water fund program federal  
12 revolving loan fund account in the environmental improvement fund, the amounts  
13 in the schedule for general program operations of the clean water fund program and  
14 the urban storm water loan program under s. ss. 281.58 ~~or~~, 281.59 and 281.595.”

History: 1971 c. 108, 125, 215; 1971 c. 270 s. 104; 1973 c. 90 and supp., 157, 305; 1975 c. 39 ss. 179 to 184f, 735 (5); 1975 Ex. Order No. 24; 1975 c. 224, 397; 1977 c. 29; 1977 c. 196 ss. 70, 131; 1977 c. 377 s. 30; 1977 c. 418 s. 929 (1), (55); 1979 c. 32 s. 92 (5); 1979 c. 34, 175, 221; 1979 c. 355 s. 241; 1979 c. 361; 1981 c. 20 ss. 400b to 421, 2202 (57) (b); 1981 c. 44 s. 3; 1981 c. 62, 121; 1981 c. 202 s. 23; 1981 c. 314, 374, 391; 1983 a. 27 ss. 439 to 456, 2202 (1); 1983 a. 36, 187, 282, 371, 393; 1985 a. 29, 31, 57, 120, 296, 297, 332; 1987 a. 27 ss. 296n, 296q, 297b, 297d, 299a to 299r, 300a, 301a, 418 to 432; 1987 a. 142, 147, 342, 399; 1989 a. 31, 56, 107, 122, 336, 339, 345, 366; 1991 a. 39 s. 469, 593q to 614; 1991 a. 105, 269, 315; 1993 a. 16 ss. 470g, 470m, 470r, 488 to 506m; 1993 a. 33, 75, 193, 349, 358, 374, 414, 437, 477, 491; 1995 a. 27, 56, 201, 216, 225, 227, 370, 403; 1997 a. 3; 1997 a. 27 ss. 189, 227 to 229m, 233, 666g to 692; 1997 a. 237, 283.

15 **6.** Page 467, line 16: after that line insert:

16 “SECTION 593m. 20.536 (1) (ka) of the statutes is amended to read:

17 20.536 (1) (ka) *General program operations; environmental improvement fund.*  
18 All moneys received for providing services to the department of administration or the

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1 department of natural resources in administering ss. 25.43, 281.58, 281.59, 281.595,  
2 281.60, 281.61 and 281.62, for general program operations.

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History: 1973 c. 90; 1977 c. 29, 418; 1981 c. 20; 1987 a. 399; 1989 a. 366; 1995 a. 216, 227; 1997 a. 27

3 **7.** Page 474, line 19: after that line insert:

4 “SECTION 629s. 20.866 (2) (tc) of the statutes is amended to read:

5 20.866 (2) *Clean water fund program.* From the capital improvement fund,  
6 a sum sufficient for the purpose of s. 281.57 (10m) and to be transferred to the  
7 environmental improvement fund for the purposes of the clean water fund program  
8 and the urban storm water loan program under ss. 281.58 and, 281.59 and 281.595.

9 The state may contract public debt in an amount not to exceed \$552,743,200  
10 \$556,843,200 for this purpose. Of this amount, the amount needed to meet the  
11 requirements for state deposits under 33 USC 1382 is allocated for those deposits.  
12 Of this amount, \$8,250,000 is allocated to fund the minority business development  
13 and training program under s. 66.905 (2) (b). Moneys from this appropriation  
14 account may be expended for the purpose of s. 281.57 (10m) only in the amount by  
15 which the department of natural resources and the department of administration  
16 determine that moneys available under par. (tn) are insufficient for the purpose for  
17 s. 281.57 (10m).

NOT  
I

History: 1971 c. 42; 1971 c. 100 s. 23; 1971 c. 125, 211, 215, 236, 307, 330, 336; 1973 c. 90 ss. 148 to 149m, 555m (2); 1973 c. 333; 1975 c. 26, 39, 40, 41, 200, 224, 422;  
1977 c. 4, 6; 1977 c. 29 ss. 385 to 387, 1650m (4), 1656 (43); 1977 c. 418; 1979 c. 4; 1979 c. 34 ss. 675a to 677v, 2102 (6) (a), (39) (a), (52) (a); 1979 c. 107, 221; 1981 c. 1 ss.  
17, 18, 47; 1981 c. 20, 108, 317, 336; 1983 a. 27; 1983 a. 36 s. 96 (4); 1983 a. 97, 192, 195, 212; 1983 a. 410 s. 2202 (2); 1985 a. 6; 1985 a. 8 ss. 4, 12; 1985 a. 29 ss. 589m to  
598, 3202 (23) (c), (26) (a), (53) (a); 1985 a. 77, 120, 332; 1987 a. 27, 295, 298, 399, 403, 409; 1989 a. 31, 46, 107, 122, 219, 336, 359, 366; 1991 a. 39, 51, 269, 309, 324; 1993  
a. 2, 16, 98, 115, 213, 343, 377, 413, 437, 453, 485; 1995 a. 27 ss. 1159 to 1168s, 9126 (19), 9145 (1); 1995 a. 40, 57, 60, 113; 1995 a. 216, s. 30m and 9127; 1995 a. 227, 246,  
372, 388, 416, 452; 1997 a. 27, 35, 61, 164, 237, 252.

18 **8.** Page 499, line 21: after that line insert:

19 “SECTION 706q. 25.43 (1) (h) of the statutes is amended to read:

20 25.43 (1) (h) The fees imposed under ss. 281.58 (9) (d), 281.595 (11m) and 281.60  
21 (11m).

History: 1987 a. 399; 1989 a. 31, 366; 1995 a. 27, 227; 1997 a. 27, 35, 237, 252; s. 13.93 (2) (c).

22 **SECTION 706s.** 25.43 (2) (c) of the statutes is amended to read:

1 25.43 (2) (c) The department of administration may establish and change  
 2 accounts in the environmental improvement fund other than those under pars. (a),  
 3 (ae), (am) and (b). The department of administration shall consult the department  
 4 of natural resources before establishing or changing an account that is needed to  
 5 administer the programs under ss. 281.58, 281.59, 281.595 and ~~or~~ 281.61.”

*Ed - I deleted the brackets around "or"*  
 NOTE: NOTE: Par. (c) is shown as affected by two acts of the 1997 legislature and as merged by the revisor under s. 13.93 (2) (c). The bracketed "or" was inserted by 1997 Wis. Act 237 without being underscored. No change was intended. Corrective legislation is pending. NOTE:

History: 1987 a. 399; 1989 a. 31, 366; 1995 a. 27, 227; 1997 a. 27, 35, 237, 252; s. 13.93 (2) (c).

6 **9.** Page 500, line 2: after “281.59,” insert “281.595.”

7 **10.** Page 826, line 7: before “281.60” insert “281.595.”

8 **11.** Page 1152, line 18: after that line insert:

9 “SECTION 2495p. 281.58 (7) (b) 5. of the statutes is repealed.”

10 **12.** Page 1153, line 21: after that line insert:

11 “SECTION 2502v. 281.58 (12) (a) 2. of the statutes is repealed.”

12 **13.** Page 1154, line 1: after that line insert:

*Insert  
7-12*

13 **SECTION 2504p.** 281.59 (1) (d) (intro.) of the statutes is amended to read:

14 281.59 (1) (d) (intro.) “Subsidy” means the amounts provided from the  
 15 environmental improvement fund to clean water fund program, safe drinking water  
 16 loan program, urban storm water loan program and land recycling loan program  
 17 projects for the following purposes:

History: 1989 a. 366 ss. 40, 63, 65, 66, 97, 99, 106, 108 to 110, 115; 1991 a. 32, 39, 189, 315; 1993 a. 16; 1995 a. 27; 1995 a. 227 s. 426; Stats. 1995 s. 281.59; 1995 a. 452; 1997 a. 27, 237.

18 **SECTION 2504q.** 281.59 (1) (d) 1. of the statutes is amended to read:

19 281.59 (1) (d) 1. To reduce the interest rate of clean water fund program, safe  
 20 drinking water loan program, urban storm water loan program and land recycling  
 21 loan program loans from market rate to a subsidized rate.

History: 1989 a. 366 ss. 40, 63, 65, 66, 97, 99, 106, 108 to 110, 115; 1991 a. 32, 39, 189, 315; 1993 a. 16; 1995 a. 27; 1995 a. 227 s. 426; Stats. 1995 s. 281.59; 1995 a. 452; 1997 a. 27, 237.

22 **SECTION 2504r.** 281.59 (1) (em) of the statutes is created to read:

1           281.59 (1) (em) “Urban storm water loan program” means the program  
2 administered under s. 281.595, with financial management provided under this  
3 section.”.

4           **14.** Page 1154, line 8: after that line insert:

5           “**SECTION 2506f.** 281.59 (1m) (d) of the statutes is created to read:

6           281.59 (1m) (d) There is established an urban storm water loan program,  
7 administered under s. 281.595, with financial management provided under this  
8 section.

9           **SECTION 2506g.** 281.59 (2) (a) of the statutes is amended to read:

10          281.59 (2) (a) Administer its responsibilities under this section and ss. 281.58,  
11 281.595, 281.60 and 281.61.

12          History: 1989 a. 366 ss. 40, 63, 65, 66, 97, 99, 106, 108 to 110, 115; 1991 a. 32, 39, 189, 315; 1993 a. 16; 1995 a. 27; 1995 a. 227 s. 426; Stats. 1995 s. 281.59; 1995 a. 452; 1997 a. 27, 237.

13          **SECTION 2506h.** 281.59 (2) (b) of the statutes is amended to read:

14          281.59 (2) (b) Cooperate with the department in administering the clean water  
15 fund program, the safe drinking water loan program, the urban storm water loan  
program and the land recycling loan program.

16          History: 1989 a. 366 ss. 40, 63, 65, 66, 97, 99, 106, 108 to 110, 115; 1991 a. 32, 39, 189, 315; 1993 a. 16; 1995 a. 27; 1995 a. 227 s. 426; Stats. 1995 s. 281.59; 1995 a. 452; 1997 a. 27, 237.

17          **SECTION 2506i.** 281.59 (3) (a) 1. of the statutes is amended to read:

18          281.59 (3) (a) 1. An estimate of the wastewater treatment, safe drinking water,  
19 urban storm water and land recycling project needs of the state for the 4 fiscal years  
of the next 2 biennia.

20          History: 1989 a. 366 ss. 40, 63, 65, 66, 97, 99, 106, 108 to 110, 115; 1991 a. 32, 39, 189, 315; 1993 a. 16; 1995 a. 27; 1995 a. 227 s. 426; Stats. 1995 s. 281.59; 1995 a. 452; 1997 a. 27, 237.

**SECTION 2506j.** 281.59 (3) (a) 4. of the statutes is amended to read:

1           281.59 (3) (a) 4. The extent to which the funding for the clean water fund  
2           program, the urban storm water loan program and the safe drinking water loan  
3           program, in the environmental improvement fund, will be maintained in perpetuity.

History: 1989 a. 366 ss. 40, 63, 65, 66, 97, 99, 106, 108 to 110, 115; 1991 a. 32, 39, 189, 315; 1993 a. 16; 1995 a. 27; 1995 a. 227 s. 426; Stats. 1995 s. 281.59; 1995 a. 452; 1997 a. 27, 237.

4           **SECTION 2506k.** 281.59 (3) (a) 5. of the statutes is amended to read:

5           281.59 (3) (a) 5. The most recent available audited financial statements of the  
6           past operations and activities of the clean water fund program, the safe drinking  
7           water loan program, the urban storm water loan program and the land recycling loan  
8           program, the estimated environmental improvement fund capital available in each  
9           of the next 4 fiscal years for the clean water fund program, the urban storm water  
10          loan program and the safe drinking water loan program, and the projected  
11          environmental improvement fund balance for the clean water fund program, the  
12          urban storm water loan program and the safe drinking water loan program for each  
13          of the next 20 years given existing obligations and financial conditions.

History: 1989 a. 366 ss. 40, 63, 65, 66, 97, 99, 106, 108 to 110, 115; 1991 a. 32, 39, 189, 315; 1993 a. 16; 1995 a. 27; 1995 a. 227 s. 426; Stats. 1995 s. 281.59; 1995 a. 452; 1997 a. 27, 237.

14          **SECTION 2506L.** 281.59 (3) (a) 6s. of the statutes is created to read:

15          281.59 (3) (a) 6s. An amount equal to the estimated present value of subsidies  
16          for all loans under the urban storm water loan program to be made during the  
17          biennium for which the biennial finance plan is prepared, discounted at a rate of 7%  
18          per year to the first day of that biennium.

19          **SECTION 2506m.** 281.59 (3) (a) 7. of the statutes is amended to read:

20          281.59 (3) (a) 7. A discussion of the assumptions made in calculating the  
21          amounts under subs. 6., 6e. and, 6m. and 6s.

History: 1989 a. 366 ss. 40, 63, 65, 66, 97, 99, 106, 108 to 110, 115; 1991 a. 32, 39, 189, 315; 1993 a. 16; 1995 a. 27; 1995 a. 227 s. 426; Stats. 1995 s. 281.59; 1995 a. 452; 1997 a. 27, 237.

22          **SECTION 2506q.** 281.59 (3) (j) of the statutes is amended to read:

1           281.59 (3) (j) No later than November 1 of each odd-numbered year, the  
 2 department of administration and the department jointly shall submit a report, to  
 3 the building commission and committees as required under par. (bm), on the  
 4 implementation of the amount established under sub. (3e) (b) as required under s.  
 5 281.58 (9m) (e), and on the operations and activities of the clean water fund program,  
 6 the safe drinking water loan program, <sup>✓</sup>the urban storm water loan program and the  
 7 land recycling loan program for the previous biennium.”<sup>✓</sup>

History: 1989 a. 366 ss. 40, 63, 65, 66, 97, 99, 106, 108 to 110, 115; 1991 a. 32, 39, 189, 315; 1993 a. 16; 1995 a. 27; 1995 a. 227 s. 426; Stats. 1995 s. 281.59; 1995 a. 452; 1997 a. 27, 237.

8           **15.** Page 1154, line 10: delete “\$87,400,000” and substitute “\$85,200,000”.

9           **16.** Page 1154, line 20: after that line insert: <sup>✓</sup>

S.P.D.  
please  
fix  
comparisons

10  
11  
12

“SECTION 2509m. 281.59 (3s) <sup>(3v)</sup> of the statutes is <sup>created</sup> amended to read:

281.59 (3s) <sup>(c)</sup> SAFE DRINKING WATER LOAN PROGRAM EXPENDITURES. (a) No moneys  
 may be expended for the <sup>urban storm</sup> safe drinking water loan program in a biennium until the  
 legislature reviews and approves all of the following as part of the biennial budget  
 act for the biennium:

15

1. An amount of present value of the subsidy for the <sup>urban storm</sup> safe drinking water loan  
 program 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) <sup>6s</sup> ~~of~~.

18

2. The amount of public debt, authorized under s. 20.866 (2) <sup>(tc)</sup> ~~of~~, that the state  
 may contract for the purposes of the <sup>urban storm</sup> safe drinking water loan program.

20

(b) The amount of present value of the subsidy for the <sup>urban storm</sup> safe drinking water loan  
 program that is approved by the legislature under this paragraph is as follows:

22

1. Equal to ~~\$21,000,000~~ <sup>\$4,500,000</sup> during the ~~1997-99~~ <sup>1999-01</sup> biennium.
2. Equal to \$1,000 for any biennium after the ~~1997-99~~ <sup>1999-01</sup> biennium.

23

1 (c) The department of administration may allocate amounts approved under

2 par. (b) as the present value of subsidies for financial assistance under the ~~safe~~

3 ~~drinking~~ <sup>urban storm</sup> water program. <sup>loan</sup>

4 (d) Using the amount approved under par. (b) as a base, the department of

5 administration shall calculate the present value of the actual subsidy of each ~~safe~~

6 ~~drinking~~ <sup>urban storm</sup> water loan made for those projects in each biennium that are approved for

7 financial assistance. The present value shall be discounted as provided under sub.

8 (3) (a) ~~am.~~ <sup>65</sup>”.

History: 1989 a. 366 ss. 40, 63, 65, 66, 97, 99, 106, 108 to 110, 115; 1991 a. 32, 39, 189, 315; 1993 a. 16; 1995 a. 27; 1995 a. 227 s. 426; Stats. 1995 s. 281.59; 1995 a. 452; 1997 a. 27, 237.

9 17. Page 1155, line 7: before “or” insert “, the urban storm water loan  
10 program”.

11 18. Page 1155, line 12: after that line insert:

12 “SECTION 2511c. 281.59 (9) (am) of the statutes is amended to read:

13 281.59 (9) (am) The department of administration, in consultation with the  
14 department, may establish those terms and conditions of a financial assistance  
15 agreement that relate to its financial management, including what type of municipal  
16 obligation, as set forth under s. 66.36, is required for the repayment of the financial  
17 assistance. Any terms and conditions established under this paragraph by the  
18 department of administration shall comply with the requirements of this section and  
19 s. 281.58, 281.595, 281.60 or 281.61. In setting the terms and conditions, the  
20 department of administration may consider factors that the department of  
21 administration finds are relevant, including the type of obligation evidencing the  
22 loan, the pledge of security for the obligation and the applicant’s creditworthiness.

History: 1989 a. 366 ss. 40, 63, 65, 66, 97, 99, 106, 108 to 110, 115; 1991 a. 32, 39, 189, 315; 1993 a. 16; 1995 a. 27; 1995 a. 227 s. 426; Stats. 1995 s. 281.59; 1995 a. 452; 1997 a. 27, 237.

23 SECTION 2511e. 281.59 (9) (b) (intro.) of the statutes is amended to read:



1           281.59 (9) (b) (intro.) As a condition of receiving financial assistance under the  
2           clean water fund program, the safe drinking water loan program, the urban storm  
3           water loan program or the land recycling loan program, an applicant shall do all of  
4           the following:

History: 1989 a. 366 ss. 40, 63, 65, 66, 97, 99, 106, 108 to 110, 115; 1991 a. 32, 39, 189, 315; 1993 a. 16; 1995 a. 27; 1995 a. 227 s. 426; Stats. 1995 s. 281.59; 1995 a. 452; 1997 a. 27, 237.

5           **SECTION 2511f.** 281.59 (9) (b) 1. of the statutes is amended to read:

6           281.59 (9) (b) 1. Pledge the security, if any, required by the rules promulgated  
7           by the department of administration under this section and s. 281.58, 281.595,  
8           281.60 or 281.61.

History: 1989 a. 366 ss. 40, 63, 65, 66, 97, 99, 106, 108 to 110, 115; 1991 a. 32, 39, 189, 315; 1993 a. 16; 1995 a. 27; 1995 a. 227 s. 426; Stats. 1995 s. 281.59; 1995 a. 452; 1997 a. 27, 237.

9           **SECTION 2511g.** 281.59 (11) (a) of the statutes is amended to read:

10           281.59 (11) (a) The department of natural resources and the department of  
11           administration may enter into a financial assistance agreement with an applicant  
12           for which the department of administration has allocated subsidy under s. 281.58  
13           (9m), 281.595 (8), 281.60 (8) or 281.61 (8) if the applicant meets the conditions under  
14           sub. (9) and the other requirements under this section and s. 281.58, 281.595, 281.60  
15           or 281.61.

History: 1989 a. 366 ss. 40, 63, 65, 66, 97, 99, 106, 108 to 110, 115; 1991 a. 32, 39, 189, 315; 1993 a. 16; 1995 a. 27; 1995 a. 227 s. 426; Stats. 1995 s. 281.59; 1995 a. 452; 1997 a. 27, 237.

16           **SECTION 2511i.** 281.59 (11) (b) of the statutes is amended to read:

17           281.59 (11) (b) If a municipality fails to make a principal repayment or interest  
18           payment after its due date, the department of administration shall place on file a  
19           certified statement of all amounts due under this section and s. 281.58, 281.595,  
20           281.60 or 281.61. After consulting the department, the department of  
21           administration may collect all amounts due by deducting those amounts from any  
22           state payments due the municipality or may add a special charge to the amount of  
23           taxes apportioned to and levied upon the county under s. 70.60. If the department

1 of administration collects amounts due, it shall remit those amounts to the fund to  
2 which they are due and notify the department of that action.

History: 1989 a. 366 ss. 40, 63, 65, 66, 97, 99, 106, 108 to 110, 115; 1991 a. 32, 39, 189, 315; 1993 a. 16; 1995 a. 27; 1995 a. 227 s. 426; Stats. 1995 s. 281.59; 1995 a. 452; 1997 a. 27, 237.

3 SECTION 2511k. 281.59 (11) (c) of the statutes is amended to read:

4 281.59 (11) (c) The department of administration may retain the last payment  
5 under a financial assistance agreement until the department of natural resources  
6 and the department of administration determine that the project is completed and  
7 meets the applicable requirements of this section and s. 281.58, 281.595, 281.60 or  
8 281.61 and that the conditions of the financial assistance agreement are met.”

History: 1989 a. 366 ss. 40, 63, 65, 66, 97, 99, 106, 108 to 110, 115; 1991 a. 32, 39, 189, 315; 1993 a. 16; 1995 a. 27; 1995 a. 227 s. 426; Stats. 1995 s. 281.59; 1995 a. 452; 1997 a. 27, 237.

9 19. Page 1155, line 18: after that line insert:

10 “SECTION 25127. 281.59 (13s) of the statutes is amended to read:

11 281.59 (13s) POWERS. The department of administration may audit, or contract  
12 for audits of, projects receiving financial assistance under the clean water fund  
13 program, the safe drinking water loan program, the urban storm water loan program  
14 and the land recycling loan program.

History: 1989 a. 366 ss. 40, 63, 65, 66, 97, 99, 106, 108 to 110, 115; 1991 a. 32, 39, 189, 315; 1993 a. 16; 1995 a. 27; 1995 a. 227 s. 426; Stats. 1995 s. 281.59; 1995 a. 452; 1997 a. 27, 237.

15 SECTION 25128. 281.59 (14) of the statutes is amended to read:

16 281.59 (14) RULES. The department of administration shall promulgate rules  
17 that are necessary for the proper execution of this section and of its responsibilities  
18 under ss. 281.58, 281.595, 281.60 and 281.61.

History: 1989 a. 366 ss. 40, 63, 65, 66, 97, 99, 106, 108 to 110, 115; 1991 a. 32, 39, 189, 315; 1993 a. 16; 1995 a. 27; 1995 a. 227 s. 426; Stats. 1995 s. 281.59; 1995 a. 452; 1997 a. 27, 237.

*w/p  
please fix  
component  
based  
on  
281.61*

19 SECTION 25129. 281.61 of the statutes is amended to read:

20 ~~281.61~~ <sup>281.595</sup> Urban storm water loan program. (1) DEFINITIONS. In this  
21 section:

*created*

*metropolitan sewerage district*

1 (a) "Local governmental unit" means a city, village, town, county, town sanitary  
2 district, public inland lake protection and rehabilitation district or ~~municipal water~~  
3 ~~district.~~

4 (b) "Market interest rate" means the interest at the effective rate of a revenue  
5 obligation issued by this state to fund a loan or portion of a loan for a clean water fund  
6 program project under s. 281.58.

*Insert  
4-6*

7 (c) "Public water system" means a water system providing piped water to the  
8 public for human consumption if the water system has at least 15 service connections  
9 or regularly serves an average of at least 25 individuals daily for at least 60 days each  
10 year.

11 (e) ~~"Safe drinking~~ *Urban storm* water loan program" means the program administered  
12 under this section, with financial management provided under s. 281.59.

13 (2) GENERAL. The department and the department of administration shall  
14 administer a program to provide financial assistance to local governmental units for  
15 ~~projects for~~ the planning, designing, construction or modification of public water  
16 ~~systems, if the projects will facilitate compliance with national primary drinking~~  
17 ~~water regulations under 42 USC 300g-1 or otherwise significantly further the health~~  
18 ~~protection objectives of the Safe Drinking Water Act, 42 USC 300f to 300j-26.~~

*non point source pollution and urban stormwater runoff projects in urban areas.*

19 (2g) INELIGIBLE ~~PROJECTS~~ *uses 3cs* A local governmental unit ~~is not eligible for~~ *may not use* financial  
20 assistance under this section, *to pay any portion of the cost of a project for which* if the local governmental unit does not have the  
21 technical, managerial or financial capacity to ensure compliance with the Safe  
22 Drinking Water Act, 42 USC 300f to 300j-26, or the public water system operated by  
23 the local governmental unit is in significant noncompliance with any requirement  
24 of a primary drinking water regulation or variance under 42 USC 300g-1 unless the  
25 financial assistance will ensure compliance with the Safe Drinking Water Act.

*financial assistance is provided under s. 281.65.*

1 (2r) METHODS OF PROVIDING FINANCIAL ASSISTANCE. The following methods of  
2 providing financial assistance may be used under the ~~safe drinking~~ <sup>urban storm</sup> water loan  
3 program:

4 (a) Making loans below the market interest rate for projects described in sub.  
5 (2).

6 (b) Purchasing or refinancing the obligation of a local governmental unit ~~in the~~  
7 ~~obligation~~ <sup>that</sup> was incurred to finance the cost of a project described in sub. (2) ~~and the~~  
8 ~~obligation was initially incurred after July 1, 1999.~~

9 (c) Guaranteeing, or purchasing insurance for, obligations incurred to finance  
10 the cost of projects described in sub. (2) if the guarantee or insurance will provide  
11 credit market access or reduce interest rates.

12 (d) Providing payments to the board of commissioners of public lands to reduce  
13 principal or interest payments, or both, on loans made to local governmental units  
14 under subch. II of ch. 24 by the board of commissioners of public lands for projects  
15 that are eligible for financial assistance under the ~~safe drinking~~ <sup>urban storm</sup> water loan program.

16 (3) NOTICE OF INTENT TO APPLY. (a) A local governmental unit shall submit notice  
17 of its intent to apply for financial assistance under the ~~safe drinking~~ <sup>urban storm</sup> water loan  
18 program at least 6 months before the beginning of the fiscal year in which it intends  
19 to receive the financial assistance. The notice shall be in a form prescribed by the  
20 department and the department of administration.

21 (b) If a local governmental unit does not apply for financial assistance by April  
22 30 of the 2nd year following the year in which it submitted notice under par. (a), the  
23 local governmental unit shall submit a new notice under par. (a).

24 (c) The department may waive par. (a) or (b) upon the written request of a local  
25 governmental unit.

1 (4) ENGINEERING REPORT. A local governmental unit seeking financial  
2 assistance for a project under this section shall submit an engineering report, as  
3 required by the department by rule.

4 (5) APPLICATION. After the department approves a local governmental unit's  
5 engineering report submitted under sub. (4), the local governmental unit shall  
6 submit an application for ~~safe drinking~~ <sup>urban storm</sup> water financial assistance to the department.  
7 The applicant shall submit the application before the April 30 preceding the  
8 beginning of the fiscal year in which the applicant wishes to receive the financial  
9 assistance. The application shall be in the form and include the information required  
10 by the department and the department of administration and shall include plans and  
11 specifications that are approvable by the department under this section. An  
12 applicant may not submit more than one application per project per year.

13 (6) PRIORITY LIST. The department shall establish a priority list that ranks each  
14 ~~safe drinking~~ <sup>urban storm</sup> water loan program project. The department shall promulgate rules  
15 for determining project rankings that, ~~to the extent possible,~~ <sup>base project</sup> give priority to projects  
16 that address the most serious risks to human health, that are necessary to ensure  
17 compliance with the Safe Drinking Water Act, 42 USC 300f to 300j-26, and that  
18 assist local governmental units that are most in need on a per-household basis,  
19 according to affordability criteria specified in the rules.

20 (7) APPROVAL OF APPLICATION. The department shall approve an application  
21 received under sub. (5) after all of the following occur:

- 22 (a) The project is ranked on the priority list under sub. (6).
- 23 (b) The department determines that the project meets the eligibility  
24 requirements under this section.

*On the impact of a project on groundwater and surface water quality and on public health.*

1 (c) The department of administration determines that the local governmental  
2 unit will meet the requirements of s. 281.59 (9) (b).

3 (d) The legislature has approved an amount under s. 281.59 ~~(9)~~<sup>(3v)</sup>(b) 1. for the  
4 biennium.

5 (8) FUNDING LIST; ALLOCATION OF FUNDING. (a) The department shall establish  
6 a funding list for each fiscal year that ranks projects of local governmental units that  
7 submit approvable applications under sub. (5) in the same order that they appear on  
8 the priority list under sub. (6). If sufficient funds are not available to fund all  
9 approved applications for financial assistance, the department of administration  
10 shall allocate funding to projects that are approved under sub. (7) in the order that  
11 they appear on the funding list, ~~except as follows:~~

12 ~~1. The department of administration shall allocate to projects for public water  
13 systems that regularly serve fewer than 10,000 persons 15% of the available funds  
14 in each fiscal year or such lesser amount that fully funds the eligible projects for  
15 those public water systems.  
16 2. In any biennium, no local governmental unit may receive more than 25% of  
17 the amount established under s. 281.59 (3s) (b) for that biennium.~~

18 (b) In allocating subsidy under this subsection, the department of  
19 administration shall adhere to the amount approved by the legislature for each  
20 biennium under s. 281.59 ~~(9)~~<sup>(3v)</sup>(b).

21 (8m) CONDITIONS OF FINANCIAL ASSISTANCE. As a condition of receiving financial  
22 assistance under the ~~safe drinking~~<sup>urban storm</sup> water loan program, a local governmental unit  
23 shall do all of the following:

24 (a) Establish a dedicated source of revenue for the repayment of the financial  
25 assistance.

23 USC 1381 to 1387

1 (b) Comply with those provisions of ~~42 USC 3091 to 3092-06~~ and this chapter  
2 and the regulations and rules promulgated under those provisions that the  
3 department specifies.

and ch. 283

4 ~~Develop and adopt a program of water conservation as required by the~~  
5 ~~department.~~

6 (c) ~~Develop and adopt a program of system~~ <sup>for the</sup> operation and maintenance of  
7 the ~~public water system~~ <sup>nonpoint source pollution or stormwater project</sup>, including the training of personnel, as required by the  
8 department.

Insert  
18-9

~~(e) Develop and adopt a user fee system.~~

(9) FINANCIAL ASSISTANCE COMMITMENTS. The department and the department

11 of administration may, at the request of a local governmental unit, issue a notice of  
12 financial assistance commitment after the local governmental unit's application for  
13 ~~safe drinking~~ <sup>urban storm</sup> water financial assistance has been approved under sub. (7) and  
14 funding has been allocated under sub. (8) for the local governmental unit's project.  
15 The notice of financial assistance commitment shall specify the conditions that the  
16 local governmental unit must meet to secure financial assistance and shall include  
17 the estimated repayment schedules and other terms of the financial assistance.

18 (10) DEADLINE FOR CLOSING. If funding is allocated to a project under sub. (8)  
19 for a loan and the loan is not closed before April 30 of the year following the year in  
20 which funding is allocated, the department of administration shall release the  
21 funding allocated to the project.

22 (11) LOAN INTEREST RATES. ~~Except as provided under par. (a),~~ the interest  
23 rate on a ~~safe drinking~~ <sup>an urban storm</sup> water loan program loan shall be ~~as follows.~~

24 ~~1. For a local governmental unit that does not meet financial eligibility criteria~~  
25 ~~established by the department by rule,~~ 55% of market interest rate.

1 2. For a local governmental unit that meets financial eligibility criteria  
2 established by the department by rule, 33% of market interest rate.

3 (b) The department and the department of administration jointly may request  
4 the joint committee on finance to take action under s. 13.101 (11) to modify the  
5 percentage of market interest rate under par. (a) 1. or 2.

✓  
Insert  
19-5

6 (12) DUTIES OF THE DEPARTMENT. The department shall do all of the following:

7 (a) Promulgate rules establishing eligibility criteria for applicants and projects  
8 under this section.

9 (b) Promulgate rules that are necessary for the execution of its responsibilities  
10 under the ~~safe drinking~~ <sup>urban storm</sup> water loan program.

11 (c) Cooperate with the department of administration in administering the ~~safe~~  
12 ~~drinking~~ <sup>urban storm</sup> water loan program.

13 (d) By May 1 of each even-numbered year, prepare and submit to the  
14 department of administration a biennial needs list that includes all of the following  
15 information:

16 1. A list of ~~drinking~~ <sup>urban storm</sup> water projects that the department estimates will apply  
17 for financial assistance under the ~~safe drinking~~ <sup>urban storm</sup> water loan program during the next  
18 biennium.

19 2. The estimated cost and estimated construction schedule of each project on  
20 the list, and the total of the estimated costs of all projects on the list.

21 3. The estimated rank of each project on the priority list under sub. (6).

22 (e) Submit a biennial budget request under s. 16.42 for the ~~safe drinking~~ <sup>urban storm</sup> water  
23 loan program.

24 (f) Have the lead state role with the federal environmental protection agency  
25 concerning the ~~safe drinking~~ <sup>urban storm</sup> water loan program.



1 (g) Have the lead state role with local governmental units in providing ~~safe~~  
 2 ~~drinking~~ <sup>urban storm</sup> water loan program information, and cooperate with the department of  
 3 administration in providing that information to local governmental units.

4 (h) Inspect periodically ~~safe drinking~~ <sup>urban storm</sup> water loan program project construction  
 5 to determine project compliance with construction plans and specifications approved  
 6 by the department and the requirements of the ~~safe drinking~~ <sup>urban storm</sup> water loan program. ??

7 ~~(13) CAPITALIZATION GRANT. The department may enter into an agreement~~  
 8 ~~under 42 USC 300j-12 (a), with the federal environmental protection agency to~~  
 9 ~~receive a capitalization grant for the safe drinking water loan program."~~

History: 1997 a. 27.

(END)

Insert  
 10  
 20-9

# Page 1413, line 23: after that line insert:

1 1. Use the fees paid by a person in fiscal year 1999-00 as the basis for the  
2 person's fees.

3 2. Determine the fee for each person based on the number of units of pollutants  
4 discharged by the person, using a 5 year rolling average.

5 3. Increase a person's fees in proportion to increases in the number of units of  
6 pollutants discharged by the person, as determined under subd. 2., and decrease a  
7 person's fees in proportion to decreases in the number of units of pollutants  
8 discharged by the person, as determined under subd. 2.

9 4. Omit any multiplier or similar mechanism that would increase a person's  
10 fees in order to compensate for decreases in overall amounts of discharges.

11 5. Omit any provision that would increase the fee per unit of pollutant  
12 discharged in order to compensate for decreases in overall amounts of discharges."

13 **4.** Page 1411, line 22: after that line insert:

14 "(3) WASTEWATER DISCHARGE FEES.

15 (a) *Report.* The department of natural resources shall prepare a report on  
16 wastewater discharge fees under section 299.15 (3) (am) of the statutes. The  
17 department shall include any recommendation for statutory changes needed to  
18 implement section 299.15 (3) (d) of the statutes, as created by this act. The  
19 department shall submit its report to the appropriate standing committees of the  
20 legislature in the manner provided under section 13.172 (3) of the statutes and to the

21 joint committee on finance no later than February 1, 2000.

22 ~~(3) Rules~~ The department of natural resources shall submit in proposed form  
23 the rules required under section 281.595 (12) of the statutes, as created by this act,  
24 to the legislative council staff under section 227.15 (1) of the statutes no later than

non state.  
change  
to  
non state.  
23  
subsection



1 February 1, 2000, and shall promulgate the rules no later than <sup>December 31, 2000,</sup> ~~January 1, 2001~~  
2 unless action by the legislature under chapter 227 of the statutes prevents the  
3 department from meeting this deadline.”

4

(END) of insert

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRBb0310/P1dn

RCT:.....

*cm*

✓  
David Schug:

This is a preliminary version of the draft creating an urban storm water loan program. I have a number of questions and comments about the draft. I also may need to make some changes in this draft once the rest of the nonpoint redesign is drafted. ✓

Should DNR and DOA be able to go to the Joint Committee on Finance to get interest rate changes as under the clean water fund and safe drinking water loan programs? This draft does not authorize that.

This draft includes the option for DNR and DOA to charge a service fee. A service fee is an option in the clean water fund program (see 281.60 (11m)) and is required in the safe drinking water loan program. Should I change the provision authorizing a service fee? *S.*

I was not certain what changes to make in chs. 20 and 25 for this program. I have attempted to have the program funded through the same appropriations that fund the clean water fund program. That is a different approach than was taken for the safe drinking water loan program and the land recycling loan program. I think that perhaps there should be allocation language in s. 20.366 (2) (tc) for the urban storm water loan program. If so, how much should be allocated? If possible, it might be helpful to ask Michael Wolff at DOA to review this draft. I have worked with him on all of the environmental improvement fund drafting. *add right paren.*

This draft does not authorize revenue bonding for urban storm water loan program projects. I think that revenue bonding is not used for the safe drinking water and land recycling loan programs. Also, it seems that the projects in this new program will not be revenue producing in the way that sewage treatment projects are. Therefore, the kind of changes that would be required for PECFA revenue bonding would be necessary to allow revenue bonding for this program. *add space*

I am not certain that the definition of "urban area" is very clear. For a "surrounded area", must the area be surrounded ~~either by~~ a high density area or an industrial or commercial area or could it be surrounded by a combination of those areas? What if there is a large body of water on one side of the area? Also, it seems to me that some quite rural areas could be included in an "urban area" if creative line drawing is used. ←

I was not certain what factors should be used for the priority rankings in proposed s. 281.595 (6). I based the draft on 281.58 (8e) (b) and (c). Similarly, I was not certain

*S.*

what conditions to include in proposed s. 281.595 (8m). I modified the clean water fund conditions.

Should s. 281.58 (8) (a) 1. be amended to omit reference to a nonpoint source control management program? Should language like that provision be added to proposed s. 281.595?

Proposed s. 281.595 (8s) is based on language proposed to be created in the budget for the other environmental improvement fund programs. Is that OK?

The motion said to require DNR to promulgate final rules by December 31, 2000. The Legislature can delay proposed agency rules or prevent them from being promulgated. We generally draft deadlines for submitting proposed rules to the Legislative Council Staff because agencies have control of the rule making process up to that point. That is why I drafted the nonstatutory provision in this draft as I did. Please let me know if you want me to delete the deadline for getting the rules to the Council or if you want a different deadline.

*add hyper to that line*

Please contact me with any questions or redraft instructions.

Rebecca C. Tradewell  
Managing Attorney  
Phone: (608) 266-7290  
E-mail: Becky.Tradewell@legis.state.wi.us

2504e.  
Section 281.58 (12) (f) of the statutes is amended to read:

281.58 (12) (f) The department and the department of administration jointly may request the joint committee on finance to take action under s. 13.101 (11) to modify the percentage of market interest rates established in par. (a) 1. ~~to~~ <sup>or</sup> 3.

History: 1987 a. 399; 1989 a. 31, 336, 366; 1991 a. 32, 39, 189; 1993 a. 16; 1995 a. 27; 1995 a. 227 s. 425; Stats. 1995 s. 281.58; 1997 a. 27, 237.

↑  
strike

(END OF INSERT)

INSERT  
14-6

(9) (c) "Population" means population shown by the last federal census or by any subsequent population estimate under s. 16.96.

(9) (d) "Urban area" means any of the following:

(9) 1. An area with a population of 1,000 or more per square mile.

(9) 2. An area in which the land is used for industrial or commercial land uses.

(9) 3. An area that is surrounded by an area described in subd. 1. or 2.

(END OF INSERT)

provide the loan directly under the clean water fund program, the safe drinking water loan program or the land recycling loan program.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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

SECTION 1. 281.58 (8) (j) of the statutes is created to read:

281.58 (8) (j) The amount of a payment under sub. (6) (b) 8. may not exceed the amount of subsidy necessary to reduce the interest rate on the loan from market rate to the interest rate that would have been charged on a loan to the municipality under sub. (6) (b) 4.

~~SECTION 2. 281.60 (8s) of the statutes is created to read:~~

Insert  
1879

① ~~281.60~~ (8s) LIMITATION ON FINANCIAL ASSISTANCE. The amount of a payment under sub. (2r) (d) may not exceed the amount of subsidy necessary to reduce the interest rate on the loan from market rate to the interest rate that would have been charged on a loan to the ~~political subdivision~~ <sup>local governmental unit</sup> under sub. (2r) (a).

~~SECTION 3. 281.61 (8s) of the statutes is created to read:~~

281.61 (8s) LIMITATION ON FINANCIAL ASSISTANCE. The amount of a payment under sub. (2r) (d) may not exceed the amount of subsidy necessary to reduce the interest rate on the loan from market rate to the interest rate that would have been charged on a loan to the local governmental unit under sub. (2r) (a).

(END)

(END OF INSERT)



Insert 19-5

Section #. 281.60 (11m) of the statutes is amended to read:

(91) ~~281.60~~ (11m) SERVICE FEE. The department and the department of administration <sup>may</sup> jointly charge and collect an annual service fee for reviewing and acting upon ~~land recycling~~ <sup>urban stormwater</sup> loan program applications and servicing financial assistance agreements. The fee shall be in addition to interest payments at the rate under sub. (11). ~~For~~ <sup>✓</sup> the 1997-99 fiscal biennium, the service fee shall be 0.5% of the loan balance. Fee amounts for later biennia shall be established in the biennial finance plan under s. 281.59 (3) ~~and~~ <sup>and shall design the fee</sup> The department and the department of administration shall specify <sup>any fee</sup> in the biennial finance plan ~~a fee designed~~ to cover the costs of reviewing and acting upon ~~land recycling~~ <sup>urban stormwater</sup> loan program applications and servicing financial assistance agreements.

History: 1997 a. 27, 237.

(END OF INSERT)

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRBb0310/P1dn  
RCT:cmh:mrc

May 19, 1999

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Please contact me with any questions or redraft instructions.

Rebecca C. Tradewell  
Managing Attorney  
Phone: (608) 266-7290  
E-mail: [Becky.Tradewell@legis.state.wi.us](mailto:Becky.Tradewell@legis.state.wi.us)

Urban storm water loan program

6/1/99 Per Kendra: <sup>Response to</sup> A DNote

✓ 1. Yes - DNR & DDA should be able to get interest rate change

✓ 2. Service fee prov. is OK as is.

✓ 3. Chs. 20 & 25 OK as is, except need to add revenue bonding so need to add this prog. to 20.320(1)(g), (h) & (u)

4. David is working on def. of "urban area".

✓ 5. Yes - amend s. 281.58(8)(a)1. & add language like that to s. 281.585

6. Rest is OK