

## 2003 ASSEMBLY BILL 396

June 10, 2003 – Introduced by Representatives FRISKE and GARD. Referred to Committee on Natural Resources.

- 1 **AN ACT relating to:** Clean Water Fund Program financial hardship assistance  
2 for the Elcho Sanitary District.

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### *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. The program is administered by the Department of Natural Resources (DNR) and the Department of Administration (DOA). Current law specifies that the total amount of financial assistance provided to a recipient for a project under the Clean Water Fund Program may not result in the recipient paying less than 30% of the cost of the project. The Clean Water Fund Program provides financial hardship assistance to communities that meet certain financial criteria to reduce the costs of financing projects below the costs that would be incurred using the usual clean water fund assistance. The law requires DNR and DOA to provide financial hardship assistance so that estimated annual charges for residential wastewater treatment will not exceed 2% of the median household income in the community, if possible. The law requires DNR to establish a formula for estimating operating, maintenance, and replacement costs to be used in estimating charges for wastewater treatment.

This bill requires DNR and DOA to restructure the Clean Water Fund Program financial hardship assistance provided to the Elcho Sanitary District in 1999. The bill requires the departments to use estimated operating, maintenance, and replacement costs, rather than average costs, which would ordinarily be used under DNR's formula, for the purposes of recalculating the financial hardship assistance and specifies that the financial hardship assistance may result in the Elcho Sanitary District paying less than 30% of the cost of the project.

