Wisconsin Legislative Council AMENDMENT MEMO



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2021 Senate Bill 839

Senate Substitute Amendment 1

BACKGROUND

The Department of Natural Resources administers a program to provide grants to: (1) certain local units of government for projects to repair, modify, remove, or otherwise increase the safety of a dam; and (2) private owners for dam removal projects. The grant amounts are subject to a statutory cap.

Before the 2021-23 Biennial Budget Act was enacted, grants were generally capped at no more than 50 percent of the first \$400,000 in project costs and no more than 25 percent in remaining project costs, with a total cap of \$400,000 in grant funds per project. However, prior law provided an exception for grants for dam removal. Specifically, dam removal project grants were subject only to the total cap of \$400,000, and were not subject to the 50 percent and 25 percent cost caps.

The budget act increased the cap on grants for dam safety projects to \$1 million per project and adjusted the percent-of-cost caps accordingly, to no more than 50 percent of the first \$1 million and 25 percent of remaining project costs. However, the budget act did not include an exception from the 50 percent and 25 percent caps for dam removal projects, as prior law had.

2021 SENATE BILL 839

2021 Senate Bill 839 modifies the change made by the 2021-23 Biennial Budget Act to restore the exception from the 50 percent and 25 percent cost caps for dam removal projects. However, in contrast to the approach prior to the budget act, the bill also removes the overall spending cap for dam removal projects.

SENATE SUBSTITUTE AMENDMENT 1

Senate Substitute Amendment 1 restores the approach to exempting dam removal projects from the 50 percent and 25 percent project cost caps that had been in effect prior to the enactment of the 2021-23 Biennial Budget Act. In other words, the substitute amendment exempts dam removal projects from the caps on the percentage of costs that may be covered by a grant for a project to remove a dam, but it retains the overall spending cap of \$1 million per project for dam removal projects.

BILL HISTORY

Senator Stafsholt offered Senate Substitute Amendment 1 on February 9, 2022. On February 10, 2022, the Senate Committee on Natural Resources and Energy recommended adoption of the amendment, and passage of the bill, as amended, both on votes of Ayes, 5; Noes, 0.

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