



## 2021 ASSEMBLY BILL 501

August 24, 2021 - Introduced by Representatives KITCHENS, KNODL, MURPHY, MURSAU, NOVAK, TAUCHEN, TUSLER and VANDERMEER, cosponsored by Senators COWLES and BALLWEG. Referred to Committee on Government Accountability and Oversight.

1 **AN ACT to repeal** 281.58 (8m), 281.58 (9) (am), 281.61 (3) and 281.61 (10); and  
2 **to amend** 281.58 (9) (a), 281.58 (9m) (a) 1., 281.61 (4) and 281.61 (5) (a) of the  
3 statutes; **relating to:** procedural changes for applications under the Clean  
4 Water Fund Program and the Safe Drinking Water Loan Program.

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### *Analysis by the Legislative Reference Bureau*

This bill makes various changes to the process for applying for financial assistance under the Clean Water Fund Program and the Safe Drinking Water Loan Program. The Clean Water Fund Program, which is administered by the Department of Natural Resources, provides financial assistance to municipalities for projects to control water pollution, such as sewage treatment plants. Under the Safe Drinking Water Loan Program, DNR provides low-interest loans to municipalities for drinking water infrastructure projects to help them comply with federal drinking water standards.

Under current law, a municipality that intends to apply for financial assistance under either program must submit notice of its intent to apply to DNR at least six months before the beginning of the fiscal year in which it will request to receive the assistance. The bill eliminates the requirement to submit a notice of intent to apply before applying. Current law also prohibits a municipality from submitting more than one application per year under either program. The bill eliminates this prohibition.

Current law also requires an applicant for financial assistance under the Safe Drinking Water Loan Program to submit an engineering report as required by DNR

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by rule. Under the bill, DNR may require submission of an engineering report and, if an engineering report is required, the bill requires the applicant to submit the report either before or at the same time as the application.

In addition, current law requires an applicant for assistance under the Safe Drinking Water Loan Program to submit the application on or before the June 30 before the fiscal year in which the applicant wishes to receive funding, with certain exceptions. The bill removes this requirement and instead requires DNR to provide, at least annually, instructions for submitting applications, including the deadline for submittal, if any.

Finally, under the current Safe Drinking Water Loan Program, if funding is allocated for a loan and the loan is not closed before June 30 of the year following the year in which funding is allocated, DOA must release the allocated funding. The bill repeals this provision.

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

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

1           **SECTION 1.** 281.58 (8m) of the statutes is repealed.

2           **SECTION 2.** 281.58 (9) (a) of the statutes is amended to read:

3           281.58 **(9)** (a) After the department approves a municipality's facility plan  
4 submitted under sub. (8s), the municipality shall submit an application for  
5 participation to the department. The application shall be in such form and include  
6 such information as the department and the department of administration prescribe  
7 and shall include design plans and specifications. The department shall review  
8 applications for participation in the clean water fund program. The department  
9 shall determine which applications meet the eligibility requirements and criteria  
10 under subs. (6), (7), (8), ~~(8m)~~ and (13).

11           **SECTION 3.** 281.58 (9) (am) of the statutes is repealed.

12           **SECTION 4.** 281.58 (9m) (a) 1. of the statutes is amended to read:

13           281.58 **(9m)** (a) 1. The department determines that the project meets the  
14 eligibility requirements and criteria under subs. (7), (8), ~~(8m)~~ and (8s).

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1           **SECTION 5.** 281.61 (3) of the statutes is repealed.

2           **SECTION 6.** 281.61 (4) of the statutes is amended to read:

3           281.61 (4) ENGINEERING REPORT. ~~A~~ The department may require a local  
4           governmental unit or private owner of a community water system that serves a local  
5           governmental unit seeking financial assistance for a project under this section shall  
6           to submit an engineering report, as required by the department by rule. If an  
7           engineering report is required by the department, the local governmental unit or  
8           private owner of a community water system shall submit the engineering report  
9           prior to or concurrent with the submission of the application for financial assistance.

10          **SECTION 7.** 281.61 (5) (a) of the statutes is amended to read:

11          281.61 (5) (a) ~~After the department approves an engineering report submitted~~  
12          ~~under sub. (4), the~~ A local governmental unit or private owner of a community water  
13          system that serves a local governmental unit shall submit an application for safe  
14          drinking water financial assistance and an engineering report, if required, to the  
15          department. ~~The applicant~~ department shall submit the application on or before the  
16          ~~June 30 preceding the beginning of the fiscal year in which the applicant wishes to~~  
17          ~~receive the financial assistance, except that if funds are available in a fiscal year~~  
18          ~~after funding has been allocated under sub. (8) for all approved applications~~  
19          ~~submitted before the June 30 preceding that fiscal year, the department of~~  
20          ~~administration may allocate funding for approved applications submitted after June~~  
21          ~~30~~ at least annually provide application submittal instructions to applicants,  
22          including a deadline for submitting applications, if any. The application shall be in  
23          the form and include the information required by the department and the  
24          department of administration and shall include plans and specifications that are

