
Wisconsin Legislative Council

ACT MEMO



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2025 Wisconsin Act 8 [2025 Senate Bill 56]

Use of Certain Federal Funds for Lead Service Line Replacement

BACKGROUND

Under state law, the Department of Administration and the Department of Natural Resources administer the safe drinking water loan program (SDWLP), which is a revolving loan program that provides financial assistance for projects for the planning, designing, construction, or modification of public water systems. Assistance may be provided to local governmental units, and to the private owners of community water systems that serve local governmental units, as specified in the statutes. The program is supported through state and federal funds, including federal capitalization grants.

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The act provides that funds received as federal capitalization grants through the SDWLP may be used to provide private owners of community water systems with forgiveness of loans for the replacement of lead service lines. Prior to the effective date of the act, the statutes had included a prohibition against the use of such funds for principal forgiveness for a private owner. The act creates a new exception to the prohibition with respect to forgiveness of loans for the replacement of lead service lines.

Effective date: July 3, 2025

For a full history of the bill, visit the Legislature's [bill history page](#)

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