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## State of Misconsin 2023 - 2024 LEGISLATURE

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## 2023 ASSEMBLY BILL 887

January 2, 2024 - Introduced by Representatives Haywood, Bare, Emerson, Ohnstad, Moore Omokunde, Stubbs, Ratcliff, Joers, C. Anderson, Palmeri, Sinicki, Jacobson, Andraca, Hong, Madison, Drake, Clancy and Goyke, cosponsored by Senators L. Johnson, Carpenter, Taylor, Roys, Spreitzer, Larson, Agard and Hesselbein. Referred to Committee on Energy and Utilities.

AN ACT to amend 20.866 (2) (td); and to create 13.48 (26m) and 281.61 (8) (b)

of the statutes; **relating to:** bonding for lead service line replacement and granting bonding authority.

## Analysis by the Legislative Reference Bureau

Under current law, the Department of Administration and the Department of Natural Resources administer the safe drinking water loan program (SDWLP), which provides financial assistance from the environmental improvement program to local governmental units and to the private owners of community water systems that serve local governmental units for projects for the planning, designing, construction, or modification of public water systems. DNR establishes a funding list for SDWLP projects, and DOA allocates funding for those projects.

Under current law, the state may contract up to \$74,950,000 in public debt for the SDWLP. This bill increases the bonding authority for the program by \$200,000,000 and requires DOA to allocate up to \$200,000,000 of the authorized public debt to projects involving forgivable loans to private users of public water systems to cover not more than 50 percent of the cost to replace lead service lines.

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:

## **ASSEMBLY BILL 887**

SECTION 1

13.48 (26m) Lead service line replacement. The legislature finds and determines that the prevalence of lead service lines in connections to public water systems poses a public health hazard and that processes for reducing lead entering drinking water from such pipes requires additional treatment of wastewater. It is therefore in the public interest, and it is the public policy of this state, to assist private users of public water systems in replacing lead service lines.

**Section 2.** 20.866 (2) (td) of the statutes is amended to read:

20.866 (2) (td) Safe drinking water loan program. From the capital improvement fund, a sum sufficient to be transferred to the environmental improvement fund for the safe drinking water loan program under s. 281.61. The state may contract public debt in an amount not to exceed \$71,400,000 for this purpose. The state may contract additional public debt in an amount up to \$3,550,000 \$274,950,000 for this purpose.

**Section 3.** 281.61 (8) (b) of the statutes is created to read:

281.61 (8) (b) The department of administration shall allocate not more than \$200,000,000 from proceeds of public debt authorized under s. 20.866 (2) (td) to projects involving forgivable loans to private users of public water systems to cover not more than 50 percent of the cost to replace lead service lines.

20 (END)