

Fiscal Estimate Narratives

DNR 2/14/2013

LRB Number	13-0941/2	Introduction Number	AB-0013	Estimate Type	Original
Description Methods of providing assistance under the Clean Water Fund Program and the Safe Drinking Water Loan Program and projects that are eligible for assistance under the Clean Water Fund Program					

Assumptions Used in Arriving at Fiscal Estimate

As is required in FY 2013 by the Federal Clean Water Fund Program and Safe Drinking Water Loan Program Capitalization grant agreements, the bill provides the Department of Natural Resources (DNR) authority to award funds to eligible municipalities as principal forgiveness (the functional equivalent of a grant) as part of the DNR's federal grant from EPA.

The bill also provides the Department flexibility in the types of projects eligible for Clean Water Fund Program loan funds. This flexibility would enable municipalities to minimize their costs by implementing cost-effective solutions to meet their effluent limits.

State Fiscal Effect

The Department does not anticipate the need for additional staffing as a result of the bill.

Impacts to Local Units of Government

For FY 2013, a minimum of 7 municipalities will receive up to \$500,000 each in principal forgiveness for their Clean Water Fund Program projects and a minimum of 13 municipalities will receive up to \$500,000 each in Principal Forgiveness for their Safe Drinking Water Loan Program projects. Receipt of principal forgiveness by these communities represents a direct cost savings for their water infrastructure projects.

Long-Range Fiscal Implications