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## WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

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<b>2003 Wisconsin Act 316</b> [2003 Assembly Bill 396]	<b>Clean Water Fund Program Financial Hardship Assistance for the Elcho Sanitary District</b>
2003 Acts: <a href="http://www.legis.state.wi.us/2003/data/acts/">www.legis.state.wi.us/2003/data/acts/</a>	Act Memos: <a href="http://www.legis.state.wi.us/lc/act_memo/act_memo.htm">www.legis.state.wi.us/lc/act_memo/act_memo.htm</a>

The state's Clean Water Fund Program provides funding for the design, planning, and construction of sewage collection and treatment facilities. The program is administered by the Department of Natural Resources (DNR) and the Department of Administration (DOA).

A part of the statutory formula for calculating the amount of financial assistance requires the municipality applying for a clean water fund grant to pay not less than 30% of the cost of the project. However, the program also has a financial hardship provision applicable to municipalities in which the median household income in the municipality is 80% or less of the median household income in the state, and the estimated total annual charges per residential user in the municipality that relate to wastewater treatment will exceed 2% of the median household income in the municipality. The statute directs DNR and DOA to provide financial hardship assistance to these municipalities so that estimated total annual charges per residential user in the municipality related to wastewater treatment do not exceed 2% of the median household income in the municipality, if possible. The statute directs DNR to promulgate rules establishing a formula to estimate the operation, maintenance, and replacement costs for purposes of determining wastewater treatment user charges under the financial hardship assistance part of the program.

2003 Wisconsin Act 316 requires DOA and DNR to restructure financial hardship assistance that was provided to the Elcho Sanitary District in 1999. The Act directs DNR to use the operation, maintenance, and replacement costs that were estimated in the financial assistance agreement into with the Elcho Sanitary District, rather than the average operation, maintenance, and replacement costs which would normally be used in the DNR's formula. Act 316 also allows the portion of total project costs paid by the Elcho Sanitary District to be less than 30% of the cost of the project.

**Effective Date:** April 27, 2004

**Prepared by:** Mark C. Patronsky, Senior Staff Attorney

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This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents.