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STATE REPRESENTATIVE • 30th ASSEMBLY DISTRICT

Assembly Bill 905
Assembly Committee on Local Government
February 2, 2022

Thank you Chairman Novak and committee members for hearing testimony on Assembly Bill 905 today. This is a very simple and straightforward bill that will correct an error that occurred during drafting of our recently passed biennial budget (Act 58).

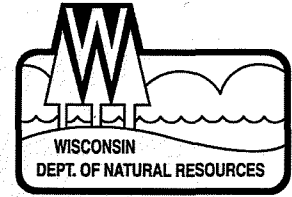
While developing Act 58, the Joint Committee on Finance made changes to the Municipal Dam Grant Program housed at the Department of Natural Resources. This program provides financial assistance for the maintenance, repair, modification, or removal of municipally-owned dams. Increases in bonding authority and project monetary caps were both included in the approved budget.

Before the passage of Act 58, local matching funds were required for maintenance, repair, or modification, but not for the removal of a municipal dam. While drafting Act 58 the Legislative Reference Bureau inadvertently drafted language that requires matching funds for dam removal projects.

With the passage of AB 905, the statutory language would revert to what it was prior to the passage of Act 58. This means that matching funds would not be required for any dam removal project.

The Department of Natural Resources has reached out to my office with some concerns that the \$1,000,000 cap per project would be removed through AB 905. We are working with the Department and the drafter on an amendment to ensure that our proposal only changes the portion of statutes requiring matching funds and retains the project cap at \$1,000,000.

Thank you again for your time and attention to this proposal and I hope I can count on your support of this measure as we move forward.



Assembly Committee on Local Government

2021 Assembly Bill 905 *Financial Assistance Limits for Dam Removal* *February 2, 2022*

Good morning Chair Novak and members of the Committee. My name is Wendy Peich, and I am the Grant Manager for the Municipal Dam Grant Program for the Wisconsin Department of Natural Resources. With me today is Uriah Monday, the State Dam Safety Engineer for the Dam Safety program. Thank you for the opportunity to provide testimony, for informational purposes, on Assembly Bill 905, related to financial assistance limits for dam removal.

The department is charged with protecting life, health, and property from unsafe dams. Beginning in the 1989-91 biennium, the department has administered a competitive grant program to help counties, cities, villages, towns, tribes, and public inland lake protection and rehabilitation districts repair, reconstruct, or remove municipally owned dams. The program has provided over \$30 million in funding since 1990 and has been a vital component of department efforts to improve the safety of dams.

Prior to the passage of 2021 Act 58 (Act 58), the grant program had project cap limits, a cost-share requirement for dam repair projects, and no cost-share requirement for dam removal projects. Act 58 increased the total amount allocated to the grant program from \$4 million to \$10 million and made changes to the cost-share and project cap limit provisions. Act 58 included a cost-share requirement and a project cap limit for dam removal projects. This bill would eliminate both the cost-share requirement and the project cap limit for dam removal projects but retain the cost-share requirement and project cap limit for dam repair projects. The bill also includes important clarifying language about grant requirements that would eliminate potential confusion for dam owners that are considering applying for grants to assist with dam removal projects.

Removal of a dam is typically the greatest possible safety measure that an owner can undertake. The department has not historically required a cost-share for dam removal as an incentive for implementing this great safety measure. While eliminating the cost-share requirement is favorable, eliminating the project cap limit for dam removals could create challenges for the department. Without a project cap on dam removals, there is the potential for a single large removal project using up a large portion of the funds, thereby limiting the number of projects that the department is able to assist with. Eliminating the project cap could also create administrative challenges in developing the priority ranking list of projects. Without a cap on dam removals, it would be difficult to determine how many projects could be funded in each biennium. It could also lead to fewer municipalities receiving grant funding for required dam improvement projects.

In summary, the grant program is a crucial tool to improve resiliency of dams in Wisconsin. To ensure the effectiveness of the program, the department would recommend including a project cap for dam removal projects, like that required for dam repair projects.

On behalf of the Department of Natural Resources, we would like to thank you for your time today. We would be happy to answer any questions you may have.