

ENVIRONMENTAL IMPROVEMENT PROGRAM

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY01 Adjusted Base	FY02 Recommended	% Change Over FY01	FY03 Recommended	% Change Over FY02
GPR	30,824,100	30,788,400	-0.1	35,148,000	14.2
SEG-O	4,000,000	6,000,000	50.0	6,000,000	0.0
TOTAL	34,824,100	36,788,400	5.6	41,148,000	11.9

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY01 Adjusted Base	FY02 Recommended	FTE Change From FY01	FY03 Recommended	FTE Change From FY02
TOTAL	0.00	0.00	0.00	0.00	0.00

AGENCY DESCRIPTION

The fund was created in 1997 Wisconsin Act 27 to expand lending activities related to the water quality of our state. The fund encompasses the former Clean Water Fund (now known as the Clean Water Fund Program) and operates three lending programs for the purposes of construction and expansion of wastewater treatment facilities; construction and expansion of public drinking water facilities; and remediation of municipally-owned contaminated lands. The Department of Natural Resources has lead responsibility for the environmental and project management aspects of the programs operating under the fund. The Department of Administration is responsible for the financial management of the fund.

PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

Program 1: Clean Water Fund Program Operations

Goal: Protect the water quality of our surface and ground waters by funding the repair, rehabilitation, expansion and construction of municipal wastewater collection and treatment facilities.

Goal: Provide financial resources to promote projects that serve to remediate contaminated lands so that they may be restored for useful purposes.

Program 2: Safe Drinking Water Loan Program Operations

Goal: Protect public health by providing the financial resources necessary for communities to maintain adequate public drinking water systems.

Goal: Encourage communities to undertake needed drinking water supply construction projects in a time frame that is in the best interests of the community and the environment.

Program 3: Private Sewage System Program

Goal: Provide counties and certain municipal governments with loans so that they may make grants to eligible individuals for the repair or replacement of private sewage treatment systems.

PERFORMANCE MEASURES

Prog. No.	Performance Measure	Actual 2000	Goal 2001	Goal 2002	Goal 2003
1.	Number of loans.	41	85	80	54
1.	Dollar amount of loans.	\$109,700,000	\$352,634,060	\$330,539,146	\$153,209,871
1.	Delinquent/defaulted loans.	0	0	0	0

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GOVERNOR'S BUDGET RECOMMENDATIONS

RECOMMENDATIONS

1. Program Modifications
2. Debt Service Reestimate

Table 1
Department Budget Summary by Funding Source (in thousands of dollars)

	ACTUAL FY00	ADJUSTED BASE FY01	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY02	FY03	FY02	FY03
GENERAL PURPOSE REVENUE	\$28,588.5	\$30,824.1	\$30,824.1	\$30,824.1	\$30,788.4	\$35,148.0
Local Assistance	28,588.5	30,824.1	30,824.1	30,824.1	30,788.4	35,148.0
FEDERAL REVENUE (1)	33,740.2					
Local Assistance	33,740.2					
SEGREGATED REVENUE (3)	56,119.6	4,000.0	4,000.0	4,000.0	6,000.0	6,000.0
Local Assistance	56,119.6	4,000.0	4,000.0	4,000.0	6,000.0	6,000.0
TOTALS-ANNUAL	118,448.3	34,824.1	34,824.1	34,824.1	36,788.4	41,148.0
Local Assistance	118,448.3	34,824.1	34,824.1	34,824.1	36,788.4	41,148.0

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

Table 3
Department Budget Summary by Program (in thousands of dollars)

	ACTUAL FY00	ADJUSTED BASE FY01	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY02	FY03	FY02	FY03
1. Clean water fund program operations	\$99,174.8	\$34,044.0	\$34,044.0	\$34,044.0	\$35,162.7	\$39,030.2
2. Safe drinking water loan program operations	19,273.5	780.1	780.1	780.1	1,625.7	2,117.8
TOTALS	118,448.3	34,824.1	34,824.1	34,824.1	36,788.4	41,148.0

1. Program Modifications

The Governor recommends the following changes to the Environmental Improvement Fund:

1. Clean Water Fund Program. (a) Provide an additional \$85 million in general obligation bonding authority and \$92 million in revenue bonding authority for the Clean Water Fund Program. (b) Set the Clean Water Fund Program subsidy level at \$90 million. (c) Change the requirement that two-thirds of wastewater flow for any new wastewater collection systems be from homes built prior to October 17, 1972, to ten years prior to the facility plan approval date in order for a municipality to qualify for state subsidies under the Clean Water Fund Program.
2. Safe Drinking Water Loan Program. (a) Set the Safe Drinking Water Loan Program subsidy level at \$10.9 million. (b) Change the intent to apply deadline for the Safe Drinking Water Loan Program from four to six months prior to the following fiscal year so that it is consistent with other programs under the environmental improvement fund.
3. Land Recycling Loan Program. Set the Land Recycling Loan Program subsidy level at \$9.1 million.
4. Wisconsin Fund. Eliminate residual bonding authority in the Wisconsin Fund Program.

2. Debt Service Reestimate

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-35,700	0.00	4,323,900	0.00
SEG-O	0	0.00	0	0.00	2,000,000	0.00	2,000,000	0.00
TOTAL	0	0.00	0	0.00	1,964,300	0.00	6,323,900	0.00

The Governor recommends adjustments in the agency's base to reflect a reestimate of debt service on authorized bonds.