

ENVIRONMENTAL IMPROVEMENT PROGRAM

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY25 Adjusted Base	FY26 Recommended	% Change Over FY25	FY27 Recommended	% Change Over FY26
GPR	6,699,000	206,165,000	2,977.5	4,437,000	-97.8
SEG-O	4,500,000	4,500,000	0.0	4,000,000	-11.1
TOTAL	11,199,000	210,665,000	1,781.1	8,437,000	-96.0

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY25 Adjusted Base	FY26 Recommended	FTE Change Over FY25	FY27 Recommended	FTE Change Over FY26
TOTAL	0.00	0.00	0.00	0.00	0.00

AGENCY DESCRIPTION

The program was created in 1997 Wisconsin Act 27 to expand lending activities related to the water quality of our state. The program operates three lending programs for the purposes of construction and expansion of wastewater 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 program. The Department of Administration is responsible for the financial management of the program.

PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

Program 1: Clean Water Fund Program Operations

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

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

Goal: Provide the most cost-effective means of capital to communities.

Goal: Reduce the amount of GPR support needed.

Environmental Improvement Program

Program 2: Safe Drinking Water Loan Program Operations

Goal: Protect public health by providing the financial resources necessary for communities to maintain safe and 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.

Goal: Provide the most cost-effective means of capital to communities.

PERFORMANCE MEASURES

2023 AND 2024 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2023	Actual 2023	Goal 2024	Actual 2024
1.	Number of financial assistance agreements.	65	157	70	91
1.	Dollar amount of financial assistance agreements.	\$300 million	\$318 million	\$325 million	\$388 million
1.	Delinquent/defaulted loans.	0	0	0	0

Note: Based on fiscal year.

2025, 2026 AND 2027 GOALS

Prog. No.	Performance Measure	Goal 2025	Goal 2026	Goal 2027
1.	Number of financial assistance agreements.	70	70	70
1.	Dollar amount of financial assistance agreements.	\$325 million	\$350 million	\$375 million
1.	Delinquent/defaulted loans.	0	0	0

Note: Based on fiscal year.

ENVIRONMENTAL IMPROVEMENT PROGRAM

GOVERNOR'S BUDGET RECOMMENDATIONS

RECOMMENDATIONS

1. Replacement of Lead Service Lines
2. Revenue Bonding Authority
3. Debt Service Reestimate

Environmental Improvement Program

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

	ACTUAL FY24	ADJUSTED BASE FY25	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY26	FY27	FY26	FY27
GENERAL PURPOSE REVENUE	\$5,348.7	\$6,699.0	\$6,699.0	\$6,699.0	\$206,165.0	\$4,437.0
State Operations	0.0	0.0	0.0	0.0	200,000.0	0.0
Local Assistance	5,348.7	6,699.0	6,699.0	6,699.0	6,165.0	4,437.0
SEGREGATED REVENUE (3)	\$0.0	\$4,500.0	\$4,500.0	\$4,500.0	\$4,500.0	\$4,000.0
Local Assistance	0.0	4,500.0	4,500.0	4,500.0	4,500.0	4,000.0
TOTALS - ANNUAL	\$5,348.7	\$11,199.0	\$11,199.0	\$11,199.0	\$210,665.0	\$8,437.0
State Operations	0.0	0.0	0.0	0.0	200,000.0	0.0
Local Assistance	5,348.7	11,199.0	11,199.0	11,199.0	10,665.0	8,437.0

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

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

	ACTUAL FY24	ADJUSTED BASE FY25	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY26	FY27	FY26	FY27
1. Clean water fund program operations	\$2,047.5	\$7,837.6	\$7,837.6	\$7,837.6	\$7,280.1	\$5,594.4
2. Safe drinking water loan program operations	\$3,301.2	\$3,361.4	\$3,361.4	\$3,361.4	\$203,384.9	\$2,842.6
TOTALS	\$5,348.7	\$11,199.0	\$11,199.0	\$11,199.0	\$210,665.0	\$8,437.0

Environmental Improvement Program

1. Replacement of Lead Service Lines

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	200,000,000	0.00	0	0.00
TOTAL	0	0.00	0	0.00	200,000,000	0.00	0	0.00

The Governor recommends providing funding under the Safe Drinking Water Loan Program for the replacement of lead service lines.

2. Revenue Bonding Authority

The Governor recommends authorizing an additional \$725,900,000 in revenue bonds to fund the state match requirements and additional loans in the safe drinking water loan program and clean water fund program.

3. Debt Service Reestimate

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-534,000	0.00	-2,262,000	0.00
SEG-O	0	0.00	0	0.00	0	0.00	-500,000	0.00
TOTAL	0	0.00	0	0.00	-534,000	0.00	-2,762,000	0.00

The Governor recommends adjusting the program's base budget to reflect a reestimate of debt service on authorized bonds.

