



SCOTT KRUG

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TO: Members, Assembly Committee on Rural Development
FROM: Rep. Scott Krug
RE: 2019 ASSEMBLY BILL 791
DATE: February 4, 2019

Chairman VanderMeer and Committee Members:

Thank you for holding hearings this week on bills from the Speaker's Task Force on Water Quality including this bill, AB 791 (SB 710). The goal of this bill is to extend the life of the Wisconsin Fund. The Wisconsin Fund is a program that provides grants to homeowners and small commercial businesses to help offset a portion of the cost for the repair, rehabilitation, or replacement of existing failing Private Onsite Wastewater Treatment Systems (POWTS).

Eligibility is based upon several criteria, including household income and age of the structure. 67 counties out of Wisconsin's 72 counties, the City of Franklin, and the Oneida Tribe of Wisconsin participate in the program. County government officials assist interested individuals in determining eligibility and in preparation of grant applications. The 2017 State Budget bill set the sunset date for the program for June 2021, this bill extends that sunset date to June 2023.

In Adams County where I live for example we are a tourism destination. The Town of Rome in particular boasts of our Tri Lakes area (Arrowhead, Camelot and Sherwood). These three lakes cause our summer population to grow to over 15,000 while our full time regular population is just over 2,500. The residences around the lakes are all private well and private septic homes as is most of Adams County (66% of all homes, fourth highest percentage in the state, 10,000+ septic systems).

Our challenge in particular is two-fold. We know that upstream inputs of phosphorus and nitrate cause water quality concerns for our lakes, but back in 2017, we found that failing septic systems are also a major contributor of excess nutrients to our lakes. Many of the homes on and near the lakes were built in the 1970's meaning most of the septic systems are reaching the end of their useful lives. As an area that can be seen as property rich we are also

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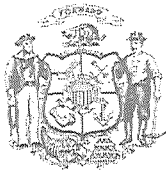
income poor in many areas and as such homeowners struggle with replacement costs for their failing systems (and their private wells).

This fund has always focused on systems installed prior to 1978 and the criteria for grant money towards replacement on household income. As you can likely gather Adams County and the Town of Rome are not alone in facing this challenge in rural Wisconsin. Knowing that we can count on a process to keep our local water clean while helping our neighbors in need is comforting as we tackle water quality on many fronts this session.

On top of the need to expand the life of the Wisconsin Fund this bill also creates two new program revenue positions at DSPS to help in the application and plan review for system replacement permits. As more and systems fail and our rural populations grow we have found there tends to be a significant backlog in permitting the replacement/installation of new systems. These positions can help alleviate that issue and provide extended education and outreach services to counties that participate in this program.

There will be an amendment introduced to this bill as well that will add a much needed septage study component. DSPS will work with the University of Wisconsin Stevens Point Department of Soil and Waste Resources to prepare a report on a study to be conducted that will analyze and make recommendations on practices to mitigate the risk of contamination of the state's groundwater and surface water resources through the strategic and data driven application of septage at sites approved by the Department of Natural Resources. In other words we will continue to strive to find the most effective methods and placements of nutrient applications.

Thank you again for holding a hearing on AB 791 / SB 710. I look forward to your support of this bill. I would be happy to answer any questions you may have.



ANDRÉ JACQUE

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Testimony before the Assembly Committee on Rural Development

Senator André Jacque

February 4, 2020

Chair VanderMeer and Committee Members,

Thank you for holding this hearing on Assembly Bill 791, relating to the private on-site wastewater treatment system replacement or rehabilitation grant program.

This legislation is part of a package of recommendations from the Speaker's Task Force on Water Quality. The bipartisan and bicameral task force was created in February of 2019 and has traveled the state holding 14 hearings across the state. Members of the task force heard from hundreds of citizens, over 70 organizations, and traveled thousands of miles gathering information to address Wisconsin's water quality challenges

Results from the Southwest Wisconsin Groundwater and Geology Study (SWIGG), a multi-county groundwater study, showed that of a sample of 35 wells that previously tested positive for contamination 32 of these wells contained contamination of fecal origin. Of these 32 wells, 30 tested positive for human waste. Failing Private Onsite Wastewater Treatment Systems (POWTS) contaminate our groundwater. Remediation or replacement is expensive, often costing thousands of dollars. For a low income household, high cost can result in failure to maintain a POWTS systems and groundwater contamination.

The POWTS replacement or rehabilitation grant program, also referred to as the Wisconsin Fund, provides financial assistance to owners of a principal residence and small commercial establishment who meet certain eligibility criteria, to cover a portion of the cost of repairing or replacing failing POWTS. The program is designed to reimburse, on average, 60% of the cost of replacement or remediation.

Assembly Bill 791 extends the sunset date of the POWTS grant program from June 30, 2021 to June 30, 2023. The bill also provides two plan review project staff at DSPS to help address the backlog of POWTS permit applications that occurs each summer as well as requires DSPS to produce and distribute educational materials to counties to inform those residents who may be eligible for this program.

Thank you for your consideration of Assembly Bill 791.



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AB 791 Testimony Feb. 4, 2020

Chair Rep. Nancy VanderMeer (R) – Tomah
Rep. Todd Novak (R) – Dodgeville
Rep. Romaine Quinn (R) – Barron
Rep. Treig Pronschinske (R) – Mondovi
Rep. Don Vruwink (D) – Milton
Rep. Dave Considine (D) – Baraboo

Assembly Committee on Rural Development
Vice Chair Rep. Bob Kulp (R) - Stratford
Rep. Tony Kurtz (R) - Wonewoc
Rep. Loren Oldenburg (R) - Viroqua
Rep. Jon Plumer (R) - Lodi
Rep. Nick Milroy (D) – South Range
Rep. Beth Meyers (D) – Bayfield

Thank you for this opportunity to speak before you today. My name is Scott Godfrey and I have been the Director of Planning & Development for Iowa County for 25 years. I am also a Past President of the WI County Code Administrators. I am here today to urge your support of AB 791.

Protecting ground and surface water is a foundational goal of many of the land use regulations that I and the WCCA membership administer. One such regulation is the State private onsite wastewater treatment system code, or private septic system code enforced by counties. Structures with plumbing that do not have access to public water and sewer are required to have a private septic system to treat the effluent that leaves the structure. There is estimated to be 761,000 private septic systems in Wisconsin.

Despite how well designed and maintain, these systems will fail over time and need to be replaced. The cost of replacement depends upon the soil characteristics of the site and the size of the needed system, but can be anywhere from \$8,000 to \$21,000 in Iowa County. The Wisconsin Fund Grant Program continues to be a valuable resource to assist lower income system owners with replacing failed systems. Over 43,000 low income families and small businesses...mostly farmers...have benefitted from this program and all of Wisconsin has benefited by the associated protection of ground and surface waters.

This bill would also add 2.0 project positions through June 30, 2022 that, among other things, would assist in the timely review of private septic system plans. Plan approval is required before a county can issue a permit to allow the system to be installed. Due to unfilled, vacant positions over the past few years, 2018 had the slowest turn-around rate for plan review in the last 30 years. State law prohibits a building permit from being issued prior to a sanitary permit when one is required. Therefore, this delay in plan review has caused a domino effect of delay, sometimes to the point where projects are postponed for an entire building season.

In conclusion, I respectfully urge you to support this bill and, in doing so, show your support for protecting Wisconsin’s cherished water resources and desire to promote economic development.

Thank you



February 4, 2020

Assembly: Committee on Rural Development
Attention: Chair Nancy VanderMeer

Senate Committee on Natural Resources and Energy
Attention: Chair Robert Cowles

Chair VanderMeer and Assembly Committee on Rural Development, and;
Chair Cowles and Senate Committee on Natural Resources and Energy:

This letter is in regards to Assembly Bill (AB) 791 and its companion bill, Senate Bill (SB) 710 which proposes to delay the elimination of the Private Onsite Waste Treatment System (POWTS) Grant program, (also known as the Wisconsin Fund) from June 30th 2021 to June 30th, 2023.

Marathon County has a goal to be the safest, healthiest and most prosperous County and these bills aid in that goal.

The Marathon County Board has identified the implementation of POWTS to safeguard both surface and groundwater resources from pollution from septage.

The POWTS grant program has played a critical role in assisting the most financially vulnerable homeowners and small businesses with upgrading their POWTS to state standards to protect water quality for their own benefit and the safety and health of all citizens.

Marathon County is in support of extending the elimination of the POWTS grant program to June 30th, 2023 and beyond due to the direct connection to the expansion of our POWTS Maintenance Program. Marathon County is adding approximately 6,800 POWTS to the current POWTS Maintenance Program, as required by State law. The County estimates that approximately 1,250 of these POWTS are failing systems that will need to be replaced. The POWTS grant fund program would assure financial assistance to low-income residents of Marathon County who need to comply with the regulations to have compliant POWTS on their premises.

I ask that this correspondence be added to the official record of the appropriate Committees. Thank you for considering our concerns.

Sincerely,

Kurt Gibbs
County Board Chair

cc: Marathon County Legislators
Wisconsin Counties Association
Wisconsin Towns Association



TO: Assembly Committee on Rural Development & Mining Members

FROM: Wisconsin Realtors Association
Wisconsin Builders Association
Wisconsin Counties Association
Wisconsin Precast Concrete Association
Wisconsin Liquid Waste Carriers Association
Wisconsin Onsite Water Recycling Association
Wisconsin Towns Association
Wisconsin County Code Administrators
Wisconsin Pump & Well Suppliers
Wisconsin Water Well Association
Plumbing, Heating & Cooling Contractors of Wisconsin

DATE: February 4, 2020

RE: Assembly Bill 791

On behalf of the Rural Health & Economic Development Coalition, we sincerely request the Assembly Committee on Rural Development & Mining support AB 791. Our support is based on two primary components of the bill.

1. Approve the proposed delay to eliminate the POWTS grant program to June 30, 2023
2. Create DSPS efficiencies to approve POWTS & building related plans & permitting through targeted program revenue staff funding

1. Approve the proposed delay to eliminate the POWTS grant program to June 30, 2023

According to LFB Informational Papers; in 2019, the DSPS estimates there are 761,000 POWTS in Wisconsin. This is an increase from 752,000 in 2017 and 738,000 in 2015. Given the impressive numbers of rural Wisconsin residents reliant on a Private Onsite Wastewater Treatment System (POWTS), the POWTS Grant Program was created to provide a direct impact in protecting Wisconsin's rural public health and safety. Thus, ensuring Wisconsin's ground and drinking water are safe, while promoting rural economic development since 1978. For almost 41 years, the POWTS Grant Program has played a role in ensuring our state's surface water, ground water, bedrock and soils are protected from environmental harm associated with POWTS failures. As a result, Wisconsinites are able to reside, work and contribute to the economy in rural areas across Wisconsin towns and counties, while ensuring robust property values for the POWTS homeowners and their neighbors. According to the Legislative Fiscal Bureau; since 1978 over 43,000 low-

income families/residences and small businesses have utilized this grant program to ensure their homes, their neighbors, their environment and their rural economy and livelihood are protected.

If the POWTS Grant Program sunset is NOT delayed; the following unintended consequences would occur:

- Increased environmental harm
 - Further contamination of Wisconsin's ground, surface & drinking water
- Decrease in rural economic development
- Reduction in property values
- Potential human health issues
- Fixed income & elderly forced out of homes identified with a failed POWTS

2. Create DSPS efficiencies to approve POWTS & building related plans & permitting through targeted program revenue staff funding

According to Wisconsin State Statute; no zoning permit or building permit can be issued for a home-building project that requires a POWTS until the sanitary permit is issued. Given Wisconsin's limited seasonal construction calendar, proposed program revenue that funds building-related trades should be dedicated to ensuring the regulated community's construction projects are completed safely, on-time and on-budget and POWTS dependent sanitary permits are not unnecessarily delayed by specific DSPS staffing levels. In 2018, POWTS installers experienced the slowest review and approval turn-around in the last 30 years. In response; the coalition recommends the following staff positions that afford timely and efficient oversight of POWTS and construction related trades in lieu of adding 20.0 additional FTEs as the initial budget proposed.

- Increase current POWTS Plan Review staff within the DSPS Division of Industry Services by 2.0 FTE (currently 2.0 FTE dedicated to POWTS review)
 - This increase would provide relief to all in the home-building and POWTS-related construction trades in meeting the current requirements found in SPS 383.22 (2) of which last year was believed to be the worst approval execution in 30 years.