

2019 DRAFTING REQUEST

Bill

For: Administration-Budget 266-2081

Drafter: mpfotenh

By: Potts

Secondary Drafters:

Date: 2/8/2019

May Contact:

Same as LRB:

Submit via email: YES

Requester's email:

Carbon copy (CC) to: doasbostatlanguage@wisconsin.gov

Pre Topic:

DOA:.....Potts, BB0314 -

Topic:

Well Compensation Grant

Instructions:

See attached

Drafting History:

| <u>Vers.</u> | <u>Drafted</u> | <u>Reviewed</u> | <u>Submitted</u> | <u>Jacketed</u> | <u>Required</u> |
|--------------|-----------------------|-----------------------|----------------------|-----------------|-----------------|
| /? | mpfotenh 2/11/2019 | ccarmich 2/11/2019 | | | |
| /P1 | mpfotenh 2/13/2019 | ccarmich 2/14/2019 | dwalker 2/11/2019 | | State S&L |
| /P2 | | | dwalker 2/14/2019 | | State S&L |

FE Sent For:

<END>

Pfotenhauer, Mary

From: Hanaman, Cathlene
Sent: Monday, February 11, 2019 9:11 AM
To: Pfotenhauer, Mary
Subject: FW: Statutory Language Drafting Request - 2019-21

From: Potts, Andrew - DOA <Andrew.Potts@wisconsin.gov>
Sent: Friday, February 08, 2019 3:10 PM
To: Hanaman, Cathlene <Cathlene.Hanaman@legis.wisconsin.gov>
Cc: Potts, Andrew - DOA <Andrew.Potts@wisconsin.gov>; Potts, Andrew - DOA <Andrew.Potts@wisconsin.gov>
Subject: Statutory Language Drafting Request - 2019-21

Biennial Budget: 2019-21

Topic: Well Compensation Grant

Tracking Code: BB0314

SBO Team: AEJ

SBO Analyst: Potts, Andrew
Phone: 608-266-2081
E-mail: andrew.potts@wisconsin.gov

Agency Acronym: 370

Agency Number: 370

Priority: High

Intent:

Make the following modifications to the well compensation grant under s. 281.75:

- ✓ (1)(b) set a threshold level of arsenic contamination of 10 parts per billion and a nitrate threshold of 10 parts per million.
- ✓ (4m)(a) increase the income limit to \$100,000
- ✓ (7)(b) delete this provision
- ✓ (9) delete this provision
- ✓ Create an economic hardship option for applicants with an income below the median household income for Wisconsin as determined by the US Census American Community Survey. Applicants with an income below the median household income would receive an award of 100% of eligible costs up to \$16,000.

Attachments: False

Please send completed drafts to SBOSatlanguage@spmail.enterprise.wistate.us



State of Wisconsin
2019 - 2020 LEGISLATURE

1/P1
LRB-1919/?
MCP:cdc

In 2/11

DOA:.....Potts, BB0314 - Well Compensation Grant

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

S/A ✓
x-ref ✓
S/C ✓

1 AN ACT ^φ...; relating to: the budget [Ⓢ]

Analysis by the Legislative Reference Bureau

ENVIRONMENT ✓

WATER QUALITY

This bill makes changes to the well compensation grant program currently administered by DNR.

Under current law, an individual owner or renter of a contaminated private well may apply for a grant from DNR to cover a portion of the costs to treat the water, reconstruct the well, construct a new well, connect to a public water supply, or fill and seal the well. To be eligible for a grant the well owner or renter's annual family income may not exceed \$65,000. A grant awarded under the program may not cover any portion of a project's eligible costs in excess of \$16,000 and, of those costs, may not exceed 75 percent of a project's eligible costs, meaning that a grant may not exceed \$12,000. In addition, if the well owner or renter's annual family income exceeds \$45,000, the amount of the award is reduced by 30 percent of the amount by which the annual family income exceeds \$45,000. [Ⓢ]

The bill increases the family income limit to \$100,000. In addition, under the bill, a well owner or renter whose family income is below the state's median income may receive a grant of up to 100 percent of a project's eligible costs, not to exceed \$16,000. The bill also eliminates the requirement to reduce an award by 30 percent if the well owner's or renter's family income exceeds \$45,000.

Under current law, a well that is contaminated only by nitrates is eligible for a grant only if the well is a water supply for livestock, is used at least three months

in each year, and contains nitrates in excess of 40 parts per million. The bill eliminates these restrictions.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

- ① **SECTION 1.** 281.75 (1) (b) (intro.), 1. ^{and} 2. of the statutes are amended to read:
- 2 281.75 (1) (b) (intro.) "Contaminated well" or "contaminated private water
- 3 supply" means a well or private water supply which does any of the following:
- 4 1. Produces water containing one or more substances of public health concern
- 5 in excess of a primary maximum contaminant level promulgated in the national
- 6 drinking water standards in 40 CFR 141 and 143;
- 7 2. Produces water containing one or more substances of public health concern
- 8 in excess of an enforcement standard under ch. 160; or.

History: 1983 a. 410; 1985 a. 22, 29; 1989 a. 31; 1991 a. 39; 1993 a. 413; 1995 a. 27 ss. 4208 to 4210, 9116 (5); 1995 a. 227 s. 401; Stats. 1995 s. 281.75; 1997 a. 27; 2001 a. 16; 2005 a. 123, 335; 2007 a. 20; 2009 a. 28; 2011 a. 7, 10, 32; 2013 a. 1; 2017 a. 69.

Cross-reference: See also ch. NR 123, Wis. adm. code.

- 9 **SECTION 2.** 281.75 (1) (b) 4. of the statutes is created to read:
- 10 281.75 (1) (b) 4. Produces water containing at least 10 parts per billion of
- 11 arsenic or at least 10 parts per million of nitrates.

****NOTE: These are the standards for arsenic and nitrates under current law (see s. 281.75 (1) (b) 1. and 2.).

- 12 **SECTION 3.** 281.75 (4m) (a) of the statutes is amended to read:
- 13 281.75 (4m) (a) In order to be eligible for an award under this section, the
- 14 annual family income of the landowner or lessee of property on which is located a
- 15 contaminated water supply or a well subject to abandonment may not exceed \$65,000
- 16 \$100,000.

History: 1983 a. 410; 1985 a. 22, 29; 1989 a. 31; 1991 a. 39; 1993 a. 413; 1995 a. 27 ss. 4208 to 4210, 9116 (5); 1995 a. 227 s. 401; Stats. 1995 s. 281.75; 1997 a. 27; 2001 a. 16; 2005 a. 123, 335; 2007 a. 20; 2009 a. 28; 2011 a. 7, 10, 32; 2013 a. 1; 2017 a. 69.

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- 17 **SECTION 4.** 281.75 (7) (a) of the statutes is amended to read:

1 281.75 (7) (a) If the department finds that the claimant meets all the
2 requirements of this section and rules promulgated under this section and that the
3 private water supply is contaminated or that the well is a well subject to
4 abandonment, the department shall issue an award. The Except as provided under
5 par. (am), the award may not pay more than 75 percent of the eligible costs. The
6 award may not pay any portion of eligible costs in excess of \$16,000.

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7 **SECTION 5.** 281.75 (7) (am) of the statutes is created to read:

8 281.75 (7) (am) An award under this subsection may pay up to 100 percent of
9 the eligible costs if the annual family income of the claimant is below the median
10 family income for the state, as determined by United States Census Bureau.

****NOTE: Under s. 281.75 (4m) (b), median income means the county median income, and is determined based on statistics published by the federal department of housing and urban development. Let me know if you would prefer to use this as the basis of determining median income under sub. (7) (am).

11 **SECTION 6.** 281.75 (7) (b) of the statutes is repealed.

12 **SECTION 7.** 281.75 (9) of the statutes is repealed.

13

(END)

Pfotenhauer, Mary

From: Potts, Andrew - DOA
Sent: Wednesday, February 13, 2019 1:45 PM
To: Pfotenhauer, Mary
Subject: RE: LRB Draft Number 19-1919_P1

Hi, Mary,

Thanks for the draft.

I have a few notes:

- ✓ Note under section 2, ok.
- ✓ Note under section 5, we want to use the Census Bureau number.
- Ins* ✓ We would like the following added to the draft under s. 281.75(5)(f).
 - If there are insufficient funds to pay claims, the department may issue awards related to contamination by nitrates in the following order of priority:
 1. Water containing nitrates in excess of 40 parts per million expressed as nitrate-nitrogen.
 2. Water containing nitrates in excess of 30 parts per million expressed as nitrate-nitrogen.
 3. Water containing nitrates in excess of 25 parts per million expressed as nitrate-nitrogen.
 4. Water containing nitrates in excess of 20 parts per million expressed as nitrate-nitrogen.
 5. Water containing nitrates in excess of 10 parts per million expressed as nitrate-nitrogen.

Thanks,

Andy

From: christopher.connor@wisconsin.gov <christopher.connor@wisconsin.gov>
Sent: Monday, February 11, 2019 3:09 PM
To: Potts, Andrew - DOA <Andrew.Potts@wisconsin.gov>
Cc: Potts, Andrew - DOA <Andrew.Potts@wisconsin.gov>; Connor, Christopher B - DOA <Christopher.Connor@wisconsin.gov>; Connor, Christopher B - DOA <Christopher.Connor@wisconsin.gov>
Subject: LRB Draft Number 19-1919_P1

We have received an LRB draft for DOA Tracking Code BB0314

LRB Topic: Well Compensation Grant

LRB Draft Number: 19-1919_P1

Drafter: MCP

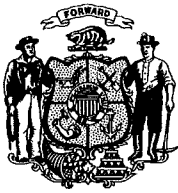
Drafting Attorney: Mary Pfotenhauer
Phone: (608) 266-6778
E-mail: Mary.Pfotenhauer@legis.wisconsin.gov

The document can be found in the Stat Language site on SharePoint:
https://doa.sbo.wisconsin.gov/statutes/Shared%20Documents/19-1919_P1.pdf

Please Note: All new drafts are marked "OUT" and Final = "No" by default. Please update these fields in this record and related drafts as soon as you know if they are "IN" or Final.

Thanks,

Chris



State of Wisconsin
2019 - 2020 LEGISLATURE

In 2/13

1P2
LRB-1919/P1
MCP:cde

DOA:.....Potts, BB0314 - Well Compensation Grant

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

ENVIRONMENT

WATER QUALITY

sub:sub
Well compensation grant program

This bill makes changes to the well compensation grant program currently administered by DNR.

Under current law, an individual owner or renter of a contaminated private well may apply for a grant from DNR to cover a portion of the costs to treat the water, reconstruct the well, construct a new well, connect to a public water supply, or fill and seal the well. To be eligible for a grant the well owner's or renter's annual family income may not exceed \$65,000. A grant awarded under the program may not cover any portion of a project's eligible costs in excess of \$16,000 and, of those costs, may not exceed 75 percent of a project's eligible costs, meaning that a grant may not exceed \$12,000. In addition, if the well owner's or renter's annual family income exceeds \$45,000, the amount of the award is reduced by 30 percent of the amount by which the annual family income exceeds \$45,000.

The bill increases the family income limit to \$100,000. In addition, under the bill, a well owner or renter whose family income is below the state's median income may receive a grant of up to 100 percent of a project's eligible costs, not to exceed \$16,000. The bill also eliminates the requirement to reduce an award by 30 percent if the well owner's or renter's family income exceeds \$45,000.

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Ins A
in each year, and contains nitrates in excess of 40 parts per million. The bill eliminates these restrictions.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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2 281.75 (1) (b) (intro.) "Contaminated well" or "contaminated private water
3 supply" means a well or private water supply which does any of the following:

4 1. Produces water containing one or more substances of public health concern
5 in excess of a primary maximum contaminant level promulgated in the national
6 drinking water standards in 40 CFR 141 and 143;

7 2. Produces water containing one or more substances of public health concern
8 in excess of an enforcement standard under ch. 160; or.

9 SECTION 2. 281.75 (1) (b) 4. of the statutes is created to read:

10 281.75 (1) (b) 4. Produces water containing at least 10 parts per billion of
11 arsenic, or at least 10 parts per million of ~~nitrates~~ *nitrate nitrogen*

****NOTE: These are the standards for arsenic and nitrates under current law (see s. 281.75 (1) (b) 1. and 2.).

12 SECTION 3. 281.75 (4m) (a) of the statutes is amended to read:

13 281.75 (4m) (a) In order to be eligible for an award under this section, the
14 annual family income of the landowner or lessee of property on which is located a
15 contaminated water supply or a well subject to abandonment may not exceed \$65,000
16 ~~\$100,000.~~

Ins 2-16
17 SECTION 4. 281.75 (7) (a) of the statutes is amended to read:

18 281.75 (7) (a) If the department finds that the claimant meets all the
19 requirements of this section and rules promulgated under this section and that the

1 private water supply is contaminated or that the well is a well subject to
2 abandonment, the department shall issue an award. The Except as provided under
3 par. (am), the award may not pay more than 75 percent of the eligible costs. The
4 award may not pay any portion of eligible costs in excess of \$16,000.

5 **SECTION 5.** 281.75 (7) (am) of the statutes is created to read:

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10 **SECTION 7.** 281.75 (9) of the statutes is repealed.

11 (END)

1 INSERT A

 Under current law, DNR must issue grants in the order in which completed claims are received. Under the bill, if there are insufficient funds to pay claims, DNR may, for claims based on nitrate contamination, prioritize claims that are based on higher levels of nitrate contamination.

2

3 INSERT 2-16

4 **SECTION 1.** 281.75 (5) (f) of the statutes is amended to read:

5 281.75 (5) (f) The Except as provided in par. (g), the department shall allocate
6 money for the payment of claims according to the order in which completed claims
7 are received. The department may conditionally approve a completed claim even if
8 the appropriation under s. 20.370 (6) (cr) is insufficient to pay the claim. The
9 department shall allocate money for the payment of a claim which is conditionally
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13 claims, the department may, for claims based on nitrate levels, allocate money for the
14 payment of those claims in the following order of priority:

- 15 1. Claims based on water containing more than 40 parts per million nitrate
16 nitrogen.
- 17 2. Claims based on water containing more than 30 but not more than 40 parts
18 per million nitrate nitrogen.
- 19 3. Claims based on water containing more than 25 but not more than 30 parts
20 per million nitrate nitrogen.

1 4. Claims based on water containing more than 20 but not more than 25 parts
2 per million nitrate nitrogen.

3 5. Claims based on water containing more than 10 but not more than 20 parts
4 per million nitrate nitrogen.



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-1919/P2
MCP:cdc

DOA:.....Potts, BB0314 - Well Compensation Grant

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

1 **AN ACT** ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

ENVIRONMENT

WATER QUALITY

1. Well compensation grant program

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14 per million nitrate nitrogen.

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16 per million nitrate nitrogen.

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18 per million nitrate nitrogen.

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5 the eligible costs if the annual family income of the claimant is below the median
6 family income for the state, as determined by United States Census Bureau.

7 **SECTION 8.** 281.75 (7) (b) of the statutes is repealed.

8 **SECTION 9.** 281.75 (9) of the statutes is repealed.

9 (END)