

### Fiscal Estimate - 2021 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>21-3837/1</b>	<b>Introduction Number</b> <b>AB-0392</b>
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**Description**  
 creating a PFAS municipal grant program

**Fiscal Effect**

**State:**

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

**Local:**

<input type="checkbox"/> No Local Government Costs		
<input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	<b>5. Types of Local Government Units Affected</b> <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
DNR/ Paul Neumann (608) 266-0818	Paul Neumann (608) 266-0818	6/29/2021

## Fiscal Estimate Narratives

DNR 6/29/2021

LRB Number	21-3837/1	Introduction Number	AB-0392	Estimate Type	Original
<b>Description</b> creating a PFAS municipal grant program					

### Assumptions Used in Arriving at Fiscal Estimate

The bill creates a municipal grant program, administered by the Department of Natural Resources, to address PFAS contamination, and it directs the Governor to allocate \$10,000,000 per fiscal year for the grant program from the moneys accepted from the federal government under the federal American Rescue Plan Act (ARPA) of 2021.

Under the bill, the Department must provide grants to cities, towns, villages, counties, utility districts, lake protection districts, sewerage districts, and municipal airports. DNR may award a grant only if the applicant tested or trained with a PFAS-containing fire fighting foam in accordance with applicable state and federal law, or if a third party tested or trained with PFAS-containing fire fighting foam within the boundaries of the municipality; the applicant applied biosolids to land under a water pollution permit issued by DNR; or PFAS are impacting the applicant's drinking water supply or surface water or groundwater within the municipality and the responsible party is unknown or is unwilling or unable to take the necessary response actions.

#### I. Assumptions & Background Information

A. The Department assumes that grant funding is one-time for both FY 2022 and FY 2023.

B. Some communities may be at greater risk to PFAS exposure. Wisconsin is home to 8 commercial service airports (Appleton, Central Wisconsin, Chippewa Valley, Dane County, Green Bay, La Crosse, Milwaukee, Rhinelander) and 90 general aviation airports; use of PFAS-containing firefighting foam as has been required by the Federal Aviation Administration at airports for testing and training purposes, and also in emergency situations. Wisconsin is also home to eight military sites that the Department of Defense has identified as confirmed or likely PFAS sites. In addition, there are more than 50 open landfills and hundreds of closed landfills across the state.

C. In Wisconsin, 1.7 million residents rely on private wells for their water source. Ensuring this water is safe from contamination can be costly to the residents, well owners, or community. Testing private wells can cost a well owner several hundred dollars. Temporary emergency drinking water can cost a residence several hundred to \$1,000 per year. Treating private wells can range from \$5,000 to \$15,000 for installation and \$1,000 to \$3,000 in annual operation and maintenance costs. Private well replacement can vary significantly based on the local environment, but can cost anywhere from \$25,000 to \$50,000 per well.

D. Approximately 70% of Wisconsin residents get their drinking water from a public water system. Municipal well treatment can range from \$1 to \$3 million for installation and \$100,000 to \$300,000 for ongoing operation and maintenance expenses. Replacement of municipal wells can cost anywhere from \$1 to \$3 million to install.

E. The eligibility of ARPA-funded PFAS grants would need to be validated along with implementing any other restrictions on the use of ARPA funds.

#### One-Time State Fiscal Effect

A. Local assistance expenditures would increase by up to \$10 million in both FY 2022 and FY 2023 to coincide with the funding that is prescribed in the bill.

B. The Department assumes that 1.0 FTE of work effort, along with \$128,700 of annualized salary and fringe benefit costs, would be required to administer the grant program and to comply with federal reporting requirements. The workload would be absorbed into the duties of existing staff.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2021 Session

Detailed Estimate of Annual Fiscal Effect

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  Updated
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<b>Description</b> creating a PFAS municipal grant program		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>  1. Up to \$10 million of one-time local assistance costs in both FY 2022 and FY 2023. 2. An estimated \$128,700 of one-time salary and fringe benefit costs in both FY 2022 and FY 2023 to administer the grant program.		
<b>II. Annualized Costs:</b>	<b>Annualized Fiscal Impact on funds from:</b>	
	Increased Costs                      Decreased Costs	
<b>A. State Costs by Category</b>		
State Operations - Salaries and Fringes	\$	\$
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR		
FED		
PRO/PRS		
SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$	\$
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
DNR/ Paul Neumann (608) 266-0818	Paul Neumann (608) 266-0818	6/29/2021