Wisconsin Department of Administration
Division of Executive Budget and Finance

Fiscal Estimate - 2025 Session

☒ Original ☐ Updated ☐ Corrected ☐ Supplemental

LRB Number **25-2170/1**	Introduction Number **SB-0127**

Description
exempting certain persons from PFAS enforcement actions under the spills law

Fiscal Effect

State:
- ☐ No State Fiscal Effect
- ☒ Indeterminate
  - ☐ Increase Existing Appropriations
  - ☐ Decrease Existing Appropriations
  - ☐ Create New Appropriations
  - ☐ Increase Existing Revenues
  - ☐ Decrease Existing Revenues
  - ☐ Increase Costs - May be possible to absorb within agency's budget ☐ Yes ☐ No
  - ☐ Decrease Costs

Local:
- ☐ No Local Government Costs
- ☐ Indeterminate
  1. ☐ Increase Costs — ☐ Permissive ☐ Mandatory
  2. ☐ Decrease Costs — ☐ Permissive ☐ Mandatory
  3. ☐ Increase Revenue — ☐ Permissive ☐ Mandatory
  4. ☐ Decrease Revenue — ☐ Permissive ☐ Mandatory
  5. Types of Local Government Units Affected
     ☐ Towns ☐ Village ☐ Cities
     ☐ Counties ☐ Others 0
     ☐ School Districts ☐ WTCS Districts

Fund Sources Affected
☐ GPR ☐ FED ☐ PRO ☐ PRS ☐ SEG ☐ SEGS

Affected Ch. 20 Appropriations

Agency/Prepared By	Authorized Signature	Date
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Fiscal Estimate Narratives

DNR 10/7/2025

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Description exempting certain persons from PFAS enforcement actions under the spills law		

Assumptions Used in Arriving at Fiscal Estimate

The bill exempts the following persons from all of these provisions under the spills law, if the person grants DNR permission to remediate the land at DNR's expense:

1. A person that spread biosolids or wastewater residuals contaminated by PFAS in compliance with any applicable license or permit.

2. A person that owns land upon which biosolids or wastewater residuals contaminated by PFAS were spread in compliance with any applicable license or permit.

3. A fire department, public-use airport, or municipality that responded to emergencies that required the use of PFAS or that conducted training for such emergencies in compliance with applicable federal regulations.

4. A solid waste disposal facility that accepted PFAS.

5. A person that owns, leases, manages, or contracts for property on which the PFAS contamination did not originate, unless the person also owns, leases, manages, or contracts for the property on which the PFAS discharge originated.

ESTIMATED FISCAL EFFECT

If the DNR is tasked with taking lead responsibility for the assurance of clean water for all Wisconsinites under the definitions in this bill, including assuming responsibility for clean up for all the exempted parties outlined in the bill, it is estimated that the increased cost to taxpayers will be on the order of billions of dollars to upgrade public and private water systems to lower PFAS levels to below health-based levels, not including the cost of site investigation and cleanup of the contaminated environment.

Drinking Water:

In 2018, Minnesota accepted an $850 million settlement from 3M for PFAS contamination in 14 communities caused by discharges from landfills in the twin cities metro areas. The environmental agency received $700 million from the settlement to address drinking water contaminated from the landfills, which will not fully cover the cost. The state's cost to implement safe, sustainable drinking water projects for 6 public water systems and part of a 7th system range from tens of millions of dollars (for smaller community systems) to hundreds of millions (for larger community systems) to address PFAS. The state is also incurring costs to connect up to 700 homes to public systems and to install granular treatment systems on up to 1,600 contaminated private wells. The settlement will not cover clean-up or ongoing operations and maintenance of treatment systems. The full extent of the contamination has not been identified yet, so the state's liability may continue to grow.

Wisconsin has approximately 2,000 public drinking water systems that are required to monitor for PFAS and an estimated 800,000 private wells. While the extent of PFAS contamination statewide is unknown, based on sampling data from public and private wells, a conservative assumption of 10% of public systems and 4% of private wells may be impacted by PFAS above recommended health-based levels.

Private Water

One of the few "knowable costs" related to PFAS impacts in private water is the cost of sampling all private wells. To sample approximately 800,000 private wells at $500 per sample would be $400 million.

Based on the 2022 ambient study, the DNR estimates approximately 4% of shallow wells may be impacted at levels above DHS' health-based recommendations. Of the 800,000 private wells in Wisconsin, roughly 125,000 are shallow. Statewide, that would equate to 5,000 private wells. Well replacement costs for the impacted wells at $20-25,000 per well would total between $102.5 million and $125 million; in addition, in-home treatment systems may be required at a cost of $12.5 million for installation and $6.25 million for biennial O&M costs related to the in-home treatment systems.

The "unknown costs" include how many wells or communities and where throughout the state the sampling might identify PFAS impacts. It will likely identify some rural communities with significant impacts (e.g., Stella area with ~40% wells impacted) where individual wells will need to be replaced ($20-25,000 average cost for a well replacement) and potentially in-home treatment installed ($2,500 installation and $1,250 biennial O&M per well). It will also likely identify some densely populated communities (e.g., French Island with 4,500 residents and 1,500 wells/connections) where a community water system can be installed with individual hook-ups for tens to hundreds of millions of dollars (French Island estimates the total cost to be $80 million).

Public Water

The "knowable costs" based on statewide monitoring suggest approximately 10% of public water systems will exceed the US EPA's PFAS MCLs and DHS health-based recommendations. According to preliminary Economic Impact Assessment (EIA) for DNR's current NR 809 revisions to adopt US EPA's PFAS MCLs, the estimated cumulative cost for the 10% of public water systems that will exceed US EPA MCLs is approximately $12.6M annually over the next 20 years (or the life of a Safe Drinking Water Program Loan) or $252M over 20 years.

In addition, there will be ongoing monitoring costs for all public water systems, including the roughly 90% not in exceedance of the MCLs. There are approximately 4,000 wells across these systems that will need to sample at least once at a cost of $500 per well, or $2M. Depending on these initial sampling results, systems may need to sample more regularly into the future.

Systems that determine connecting new individuals is needed can estimate approximately $1 million per mile at current costs.

If a public drinking water system needs to be upgraded or replaced, a recent installation in a medium-sized city in Wisconsin cost $20 million.

In a large suburb of the Twin Cities in Minnesota with 20 wells cost more than $120 million and water treatment systems of the new wells cost $250-350 million for installation. This does not include ongoing maintenance or clean-up costs.

A smaller community in the Twin Cities east metro area cost $12 million to replace 2 municipal drinking water wells.

Wastewater:

Minnesota has worked extensively to understand the resource needs for the state to address PFAS impacts on wastewater. One industrial site has spent hundreds of millions of dollars to install a treatment system with GAC, RO, ion exchange, etc. to address groundwater and production facilities. According to a 2023 Minnesota Pollution Control Agency (MPCA) report, the cost for a mid-size community WWTP effluent treatment system can range from $41 million to $170 million for the initial costs and $4.5 million to $13 million for annual O&M.

Wisconsin has approximately 629 publicly owned treatment works (POTWs). WPDES permits may require effluent sampling as frequently as monthly and it costs approximately $500 per wastewater sample. In 2021, Wisconsin estimated in an economic impact analysis for the implementation of PFOA and PFOS surface water quality criteria that the cumulative peak annual cost to small businesses for treatment, minimization and source reduction, and sampling was $2 million. This is based on the source identification and reduction approach taking effect up to seven years prior to a final effluent limitation.

Solid waste disposal facilities:

The bill doesn't define "solid waste disposal facility." Multiple definitions in statute may be used to infer that the bill would exempt landfills (municipal solid waste/industrial/construction and demolition/one-time disposal), historic fill/waste sites (landfills that were built before 1970 and were not licensed by the DNR), land disposal sites approved through low hazard exemptions including dredged material disposal sites, and landspreading facilities under NR 518.

As in the Twin Cities, where three 3M landfills were responsible for contaminating drinking water across 14 communities, it's possible that non-engineered landfills in Wisconsin are also contaminating wells with a potential cost on the order of millions of dollars or more to provide clean drinking water.

Wisconsin currently has 35 active municipal solid waste landfills (i.e., those that accept most residential and commercial waste, likely with PFAS); 22 industrial landfills (accept mostly one type of waste and 12 are papermill sludge landfills); 19 construction and demolition waste landfills (likely with PFAS materials from carpet, painted surfaces, etc.)

There are about 3,100 closed landfills that are documented. Many of these were constructed prior to the 1990s when landfills were required to be engineered (i.e. lined to prevent groundwater contamination).

Site Investigation and Clean-up:

While costs incurred by responsible parties do not need to be reported to the department, and costs for site investigation for PFAS are case specific, an average investigation typically costs tens of thousands of dollars and can reach hundreds of thousands of dollars.

While there currently aren’t any broadly available clean-up technologies for PFAS in water or soil, disposal in a landfill has occurred. Costs associated with disposal are also highly variable due the amount of contaminated soil or sediment and the distance it needs to be hauled to be disposed – often to hazardous waste landfills out-of-state and landfills are not obligated to accept.

Overall Summary:

The number of individuals that obtain an exemption by granting the DNR permission to remediate their property is not fully known at this time. Therefore, while the fiscal effect on the DNR is indeterminate, it is possible for it to be significant given the costs that the DNR would be asked to absorb for cleaning up PFAS contamination.

Long-Range Fiscal Implications