



State of Wisconsin  
2021 - 2022 LEGISLATURE

LRB-0942/P1  
MCP:amn

DOA:.....Potts, BB0319 - Well compensation

**FOR 2021-2023 BUDGET -- NOT READY FOR INTRODUCTION**

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

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*Analysis by the Legislative Reference Bureau*

**ENVIRONMENT**

**WATER QUALITY**

***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.

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 claims based on nitrates, and instead allows grants to be issued for wells based on contamination by at least 10 parts per million of nitrate nitrogen. The bill also allows grants to be issued for wells contaminated by at least 10 parts per billion of arsenic.

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.

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

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

**SECTION 1.** 20.370 (6) (cf) of the statutes is created to read:

20.370 (6) (cf) *Environmental aids - compensation for well contamination and abandonment - general fund.* The amounts in the schedule to pay compensation under s. 281.75.

\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

**SECTION 2.** 281.75 (1) (b) (intro.), 1. and 2. of the statutes are amended to read:

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

1. Produces water containing one or more substances of public health concern in excess of a primary maximum contaminant level promulgated in the national drinking water standards in [40 CFR 141](#) and [143](#);

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

**SECTION 3.** 281.75 (1) (b) 4. of the statutes is created to read:

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

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

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

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

281.75 (5) (f) ~~The~~ Except as provided in par. (g), the department shall allocate money for the payment of claims according to the order in which completed claims are received. The department may conditionally approve a completed claim even if the appropriation under s. 20.370 (6) (cr) is insufficient to pay the claim. The department shall allocate money for the payment of a claim which is conditionally approved as soon as funds become available.

**SECTION 6.** 281.75 (5) (g) of the statutes is created to read:

281.75 (5) (g) If the appropriation under s. 20.370 (6) (cr) is insufficient to pay claims, the department may, for claims based on nitrate levels, allocate money for the payment of those claims in the following order of priority:

1. Claims based on water containing more than 40 parts per million of nitrate nitrogen.
2. Claims based on water containing more than 30 but not more than 40 parts per million of nitrate nitrogen.
3. Claims based on water containing more than 25 but not more than 30 parts per million of nitrate nitrogen.

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

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

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

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

**SECTION 8.** 281.75 (7) (am) of the statutes is created to read:

281.75 (7) (am) An award under this subsection may pay up to 100 percent of the eligible costs if the annual family income of the claimant is below the median family income for the state, as determined by U.S. bureau of the census.

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

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

(END)