



State of Wisconsin  
2023 - 2024 LEGISLATURE

LRB-1305/P2  
MCP:skw

DOA:.....Hutter, BB0295 - Well compensation grant program

**FOR 2023-2025 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.

The bill also expands the grant program to allow an owner or renter of a “transient noncommunity water supply” to apply for a grant. A “transient noncommunity water supply” is defined in the bill as a water system that serves at least 25 persons at least 60 days of the year but that does not regularly serve at least 25 of the same persons over 6 months per year.

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, or by a perfluoroalkyl or polyfluoroalkyl substance in an amount that exceeds any applicable health advisory or standard for that substance.

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., 2. and 3. 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~~ that 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;

3. Is subject to a written advisory opinion, issued by the department or the department of health services, containing a specific descriptive reference to the well or private water supply and recommending that the well or private water supply not be used because of potential human health risks.

**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 (1) (b) 5. of the statutes is created to read:

281.75 (1) (b) 5. Produces water containing levels of a perfluoroalkyl or polyfluoroalkyl substance in excess of the maximum level set out in any applicable federal or state health advisory for that substance, if no primary maximum contaminant level under [40 CFR 141](#) and [143](#) or enforcement standard under ch. 160 for that substance has been promulgated.

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

281.75 (1) (f) “Private water supply” means a residential water supply or a livestock water supply, or a transient noncommunity water supply.

**SECTION 6.** 281.75 (1) (gm) of the statutes is created to read:

281.75 (1) (gm) “Transient noncommunity water supply” means a water system that serves at least 25 persons at least 60 days of the year but does not regularly serve at least 25 of the same persons over 6 months per year. “Transient noncommunity

water supply” does not include a public water system that serves at least 15 service connections used by year-round residents or regularly serves at least 25 year-round residents.

**SECTION 7.** 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 8.** 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 9.** 281.75 (5) (g) of the statutes is created to read:

281.75 (5) (g) If the appropriations under s. 20.370 (6) (cf) or (cr) are 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 10.** 281.75 (6) (a) of the statutes is amended to read:

281.75 (6) (a) Contamination of a private water supply, as defined under sub. (1) (b) 1. ~~or~~, 2., 4., or 5. is required to be established by analysis of at least 2 samples of water, taken at least 2 weeks apart, in a manner which assures the validity of the test results. The samples shall be tested by a laboratory certified under s. 299.11.

**SECTION 11.** 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 12.** 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 13.** 281.75 (7) (b) of the statutes is repealed.

**SECTION 14.** 281.75 (9) of the statutes is repealed.

(END)