



Frank Lasee
WISCONSIN STATE SENATOR
FIRST SENATE DISTRICT



Senate Bill 243
Residential and Fire Protection Well Fees
Senate Committee on Natural Resources and Energy
December 2, 2015

Joint Testimony from Senator Lasee and Representative Al Ott:

Thank you for the opportunity to testify on behalf of Senate Bill 243 (SB 243), which clarifies existing law relating to fees and reporting requirements for certain residential and fire protection wells.

Under current law, there are circumstances in which the owner of a single-family residential well can find themselves subject to requirements related to high-capacity well fees and annual reporting. This could mean the difference between a one-time \$50 permit fee, or a \$500 permit fee, yearly reports, and additional annual fees.

Owners of a “high-capacity property” – a property with a pumping capacity greater than 70 gallons per minute (gpm) – are required to pay a \$500 permit fee for the installation of a well. They are also required to complete yearly pumping reports and pay an annual fee of \$125.

Low-capacity wells, which would be a typical residential well, are subject to a \$50 permit fee. There is no yearly reporting requirement or annual fee associated with these wells.

Under current law, a property owner wanting to construct a 15 gpm residential well would pay \$500 for a well permit if that residential well, together with all other wells on the property, would have a pumping capacity of more than 70 gpm in total. They would also have to report annually on their water usage from that well and pay a \$125 yearly fee. That same permit for a residential well would cost just \$50 if the well was drilled on an adjacent parcel that was not defined as a high-capacity property.

The \$500 permit fee and annual reporting fee were created as a means to fund reviews of high-capacity wells in our state. Applying those fees to residential wells is an unnecessary burden on property owners.

SB 243 specifies that a residential well would not be subject to the substantial high-capacity well fees and burdensome annual reporting requirements – even if that well is located on a high-capacity property.

You will note that Sen. Lasee has introduced Senate Amendment 1 to AB 243. This amendment ensures that the bill keeps its focus, as intended, on low-capacity residential wells. A drafting error in the original bill would have applied the provisions of this legislation to residential wells of any capacity.

Under current law, the owner of a fire protection well (many of which are located on private property) is subject to a \$500 permit fee for constructing the well, in addition to the annual reporting and \$125 fee requirement. SB 243 would exempt fire protection wells, regardless of capacity, from the high-capacity fees and reporting requirements.

Because of the volume of water needed in as little time as possible, most fire protection wells are high-capacity wells. These wells, however, are seldom used and have a negligible effect on our groundwater supply. Fire protection wells are installed for an important public safety purpose, and SB 243 eliminates the financial and regulatory barriers to their construction and continued operation.



Al Ott

State Representative • 3rd Assembly District

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Senate Bill 243
Fees For Certain Wells
Senate Committee on Natural Resources & Energy
December 2, 2015

My name is Jeff Beiriger and I serve as the Government Relations Advisor for the Wisconsin Water Well Association. On behalf of the WWSA, I want to thank you for your consideration of Senate Bill 243, as amended.

SB 243 is not about groundwater policy. It is, quite simply, about fees and the bill provides two narrow remedies.

The first deals with low-capacity wells on high capacity properties. By way of definition, a low - capacity well is a well which can pump a maximum of 100,000 gallons of water per day (about 70 gallons per minute). A high-capacity property is any property where a single well or combination of wells have the capacity to pump more than 100,000 gallons per day. With those definitions in mind, let me explain the issue that SB 243 resolves.

Under current law, any well that is drilled on a high capacity property is considered a high-capacity well. That is, regardless of the capacity of the well being drilled, it is subject to a \$500.00 permit fee, annual reporting, and \$125.00 annual reporting fee. SB 243 creates an exception to the law.

Under SB 243, a low-capacity well located on a high-capacity property and used primarily for residential purposes, would be exempt from the higher fee and annual reporting requirements. In essence, it would be treated the same as any other low capacity residential well in the State. A permit would still be required and the well would be constructed to standards promulgated and enforced by the DNR, but the fee paid for the permit would be \$51.50 and no annual reporting or fees would be required.

By way of example, picture a farm with a high-capacity irrigation well. If a residence is built on that farm, the property owner would be required, under current law, to pay a permit fee of \$500.00, file annual reports, and pay an annual fee of \$125.00. Under SB 243, the property owner would pay \$51.50 – the same fee paid for a low capacity well on anything but a high capacity property – and no additional reporting or fees would be required.

Keep in mind that we are talking about a low-capacity well used for residential purposes. Even at capacity, the amount of water used is only a small fraction of the water used on a high-capacity property, but we know that residences do not run constantly and most are constructed with pumping capacities well below the 70 gallon per minute threshold.

The high-capacity well legislation that gave rise to the higher fees and annual reporting was developed to address additional high-capacity wells, not low capacity wells. By definition, however, low-capacity wells on high-capacity properties were caught up in the fee and reporting requirements. The only way to remedy this is by a change in the statutes and, despite a small loss in revenue, the DNR has told us in conversations that the amount is small enough to be absorbed,

that there would be a corresponding reduction in workload, and that staff could be redirected to the review of wells which actually have a pumping capacity of 100,000 or more gallons per day.

The second aspect of SB 243 deals with fire protection wells. All across Wisconsin, there are high capacity wells that are used for the purpose of filling tanker trucks used by local fire departments. Under current law, any high capacity well is subject to the \$500.00 fee as well as annual reporting and fees. SB 243 would require that the lower fee of \$51.50 be paid for fire protection wells and the annual reporting requirement and fees would be eliminated.

Part of the reason for this change is to keep in place and expand the network of fire protection wells. Many of these wells are located on private property even though they benefit the surrounding community. Property owners that maintain these wells are required to pay permit and reporting fees and complete annual reports. If the property owner chooses to no longer pay the fees or submit the annual reports, that well would no longer be available for fire protection. We know that a drive of even a few more miles to use an alternate source of water could adversely affect the protection of public health and safety, the property, and neighboring properties.

Some of these wells are owned by local units of government, including rural fire districts. Paying a lesser fee to drill a new well provides the local unit of government with a modest amount of financial relief as does the elimination of the annual reports and fees. These amounts may not seem like a big thing, but many of these fire districts already find themselves holding fundraisers to pay for additional equipment. Truly, every dollar makes a difference. They would rather use these funds to purchase equipment to protect firefighters and the public than to use them on reporting fees.

Keep in mind, that while fire protection wells are, in fact, high-capacity wells – they have to be to provide water quickly – these wells are not intended for continuous pumping. In a good year, these wells will not be used at all so their effect on the groundwater supply is minimal if not non-existent. Besides, what water they do use is being used to protect lives and property and, in that moment anyways, has to be a priority use of our groundwater resources.

We believe SB 243 is a common sense approach to reducing fees and paperwork and that it was carefully drafted to that and only that. We appreciate your consideration and support for SB 243.

Thank you, Mr. Chairman and members of the Committee and I am happy to answer any questions you may have.

Jeffrey J Beiriger
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December 2, 2015

To: Members of the Senate Natural Resources & Energy Committee

Re: Senate Bill 243

Good morning. My name is Terry Marshall and I am the owner of Marshall Well Drilling in Wisconsin Dells.

My company is just one of a couple of hundred well drillers around the state. We're small businesses and we're mostly family-owned and operated. Like me, most of the people in our industry have spent their whole lives drilling wells.

What makes the business satisfying is that we're there to provide good, clean water. When that's your business, you become an important part of the local business community. Being there, helping to provide something as important as water, gives everyone in our industry a tremendous amount of pride. I'm proud of the work my company does and proud to serve as President of the Wisconsin Water Well Association this year.

Let me start by thanking Senator Lasee for introducing SB 243 and Representative Al Ott for introducing Assembly Bill 327, its companion bill in the Assembly. Also, I want to thank all of you in advance for your consideration and support of this legislation.

What I want you to know about SB 243 is that there's really not much in it for the well drillers. With or without this change, we would still be the ones drilling residential wells or fire protection wells. Sure, we might drill one or two more wells if fees were lower, but we're only talking about a few wells that would be affected by this legislation.

If someone benefits from the changes in SB 243, it's the property owner and the people served by a rural fire department. They're the ones paying the higher fees and having to complete the annual reports. They're the ones depending on access to water to fight fires. Reducing fees and eliminating the paperwork helps them.

The reason drillers like me are supportive of the changes is that we are the ones who have to explain the fees and reporting requirements to our customers. In some cases, we might quote a job only to discover that there is a high capacity well on the property. That's when we have to explain that the fee we quoted will now cost ten times as much. If I'm asked why, I can't really

tell them except that it's the law. More than one customer has told me that someone should change that law and I agree.

Frankly, how can I explain that I can drill two wells, one across the road from the other, and one pays a fee of \$51.50 while the other pays a fee of \$500.00? Both wells have the same capacity and the same intended use, but one happens to be located on a property with a high capacity well and the other does not. It seems more logical to me to look at the well and how it is used rather than looking at the property. If they're both low capacity, residential wells, the fees should be the same.

As for the fire protection wells, I should tell you that I have one on my property. I paid the higher permit fee and I send in the annual reports and fees as required. I provide access to the well because it helps my local community. I pay the fees and complete the reports for the same reason. That's a choice I made and one that I hope to continue to make for many years.

Not everyone will make that same choice. Some people don't want to spend the money and some people don't want to complete the reports. They have every right to make a decision that makes sense to them. I'd simply like to make the choice a little bit easier for them. Eliminate the fees and reporting and I think more fire protection wells will remain in place around the State.

As I stated, this is a simple and straight-forward bill that provides some regulatory relief that can only be accomplished through a statutory change. On behalf of the WFWA and the customers we serve, I ask for your support for SB 243.

Thank you for your consideration. I am happy to answer any questions you may have.

Terry Marshall
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