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Testimony before the Senate Committee on Natural Resources and Energy Senator André Jacque January 30, 2020

Chairman Cowles and Committee Members,

Thank you for holding this hearing on Senate Bill 710, relating to the private on-site wastewater treatment system replacement or rehabilitation grant program.

This legislation is part of a package of recommendations from the Speaker's Task Force on Water Quality. The bipartisan and bicameral task force was created in February of 2019 and has traveled the state holding 14 hearings across the state. Members of the task force heard from hundreds of citizens, over 70 organizations, and traveled thousands of miles gathering information to address Wisconsin's water quality challenges

Results from the Southwest Wisconsin Groundwater and Geology Study (SWIGG), a multi-county groundwater study, showed that of a sample of 35 wells that previously tested positive for contamination 32 of these wells contained contamination of fecal origin. Of these 32 wells, 30 tested positive for human waste. Failing Private Onsite Wastewater Treatment Systems (POWTS) contaminate our groundwater. Remediation or replacement is expensive, often costing thousands of dollars. For a low income household, high cost can result in failure to maintain a POWTS systems and groundwater contamination.

The POWTS replacement or rehabilitation grant program, also referred to as the Wisconsin Fund, provides financial assistance to owners of a principal residence and small commercial establishment who meet certain eligibility criteria, to cover a portion of the cost of repairing or replacing failing POWTS. The program is designed to reimburse, on average, 60% of the cost of replacement or remediation.

Senate Bill 710 extends the sunset date of the POWTS grant program from June 30, 2021 to June 30, 2023. The bill also provides two plan review project staff at DSPS to help address the backlog of POWTS permit applications that occurs each summer as well as requires DSPS to produce and distribute educational materials to counties to inform those residents who may be eligible for this program.

Thank you for your consideration of Senate Bill 710.

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P.O. Box 8952 Madison, WI 53708-8952 Rep.Krug@legis.wi.gov

Chairman Cowles,

Thank you for holding hearings this week on bills from the Speaker's Task Force on Water Quality including this bill, SB710 (AB 791). The goal of this bill is to extend the life of the Wisconsin Fund. The Wisconsin Fund is a program that provides grants to homeowners and small commercial businesses to help offset a portion of the cost for the repair, rehabilitation, or replacement of existing failing Private Onsite Wastewater Treatment Systems (POWTS). Eligibility is based upon several criteria, including household income and age of the structure. 67 counties out of Wisconsin's 72 counties, the City of Franklin, and the Oneida Tribe of Wisconsin participate in the program. County government officials assist interested individuals in determining eligibility and in preparation of grant applications. The 2017 State Budget bill set the sunset date for the program for June 2021, this bill extends that sunset date to June 2023.

In Adams County where I live for example we are a tourism destination. The Town of Rome in particular boasts of our Tri Lakes area (Arrowhead, Camelot and Sherwood). These three lakes cause our summer population to grow to over 15,000 while our full time regular population is just over 2,500. The residences around the lakes are all private well and private septic homes as is most of Adams County (66% of all homes, fourth highest percentage in the state, 10,000+ septic systems).

Our challenge in particular is two-fold. We know that upstream inputs of phosphorus and nitrate cause water quality concerns for our lakes, but back in 2017, we found that failing septic systems are also a major contributor of excess nutrients to our lakes. Many of the homes on and near the lakes were built in the 1970's meaning most of the septic systems are reaching the end of their useful lives. As an area that can be seen as property rich we are also income poor in many areas and as such homeowners struggle with replacement costs for their failing systems (and their private wells).

This fund has always focused on systems installed prior to 1978 and the criteria for grant money towards replacement on household income. As you can likely gather Adams County and the Town of Rome are not alone in facing this challenge in rural Wisconsin. Knowing that we can count on a process to keep our local water clean while helping our neighbors in need is comforting as we tackle water quality on many fronts this session.

On top of the need to expand the life of the Wisconsin Fund this bill also creates two new program revenue positions at DSPS to help in the application and plan review for system replacement permits. As more and systems fail and our rural populations grow we have found there tends to be a significant backlog in permitting the replacement/installation of new systems. These positions can help alleviate that issue and provide extended education and outreach services to counties that participate in this program.

There will be an amendment introduced to this bill as well that will add a much needed septage study component. DSPS will work with the University of Wisconsin Stevens Point Department of Soil and Waste Resources to prepare a report on a study to be conducted that will analyze and make



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recommendations on practices to mitigate the risk of contamination of the state's groundwater and surface water resources through the strategic and data driven application of septage at sites approved by the Department of Natural Resources. In other words we will continue to strive to find the most effective methods and placements of nutrient applications.

I look forward to your support of this bill and others in the package of Task Force bills, I would be happy to answer any questions you may have.























TO:

Senate Committee on Natural Resources & Energy Members

FROM:

Wisconsin Ruilders Association

Wisconsin Builders Association Wisconsin Counties Association

Wisconsin Precast Concreate Association Wisconsin Liquid Waste Carriers Association Wisconsin Onsite Water Recycling Association

Wisconsin Towns Association

Wisconsin County Code Administrators Wisconsin Pump & Well Suppliers Wisconsin Water Well Association

Plumbing, Heating & Cooling Contractors of Wisconsin

DATE:

January 30, 2020

RE:

Senate Bill 710

On behalf of the Rural Health & Economic Development Coalition, we sincerely request the Senate Committee on Natural Resources and Energy support SB 710. Our support is based on two primary components of the bill.

- 1. Approve the proposed delay to eliminate the POWTS grant program to June 30, 2023
- 2. Create DSPS efficiencies to approve POWTS & building related plans & permitting through targeted program revenue staff funding

1. Approve the proposed delay to eliminate the POWTS grant program to June 30, 2023

According to LFB Informational Papers; in 2019, the DSPS estimates there are 761,000 POWTS in Wisconsin. This is an increase from 752,000 in 2017 and 738,000 in 2015. Given the impressive numbers of rural Wisconsin residents reliant on a Private Onsite Wastewater Treatment System (POWTS), the POWTS Grant Program was created to provide a direct impact in protecting Wisconsin's rural public health and safety. Thus, ensuring Wisconsin's ground and drinking water are safe, while promoting rural economic development since 1978. For almost 41 years, the POWTS Grant Program has played a role in ensuring our state's surface water, ground water, bedrock and soils are protected from environmental harm associated with POWTS failures. As a result, Wisconsinites are able to reside, work and contribute to the economy in rural areas across Wisconsin towns and counties, while ensuring robust property values for the POWTS homeowners and their neighbors. According to the Legislative Fiscal Bureau; since 1978 over 43,000 low-

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income families/residences and small businesses have utilized this grant program to ensure their homes, their neighbors, their environment and their rural economy and livelihood are protected.

If the POWTS Grant Program sunset is <u>NOT</u> delayed; the following unintended consequences would occur:

- Increased environmental harm
 - o Further contamination of Wisconsin's ground, surface & drinking water
- Decrease in rural economic development
- Reduction in property values
- Potential human health issues
- Fixed income & elderly forced out of homes identified with a failed POWTS

2. Create DSPS efficiencies to approve POWTS & building related plans & permitting through targeted program revenue staff funding

According to Wisconsin State Statute; no zoning permit or building permit can be issued for a home-building project that requires a POWTS until the sanitary permit is issued. Given Wisconsin's limited seasonal construction calendar, proposed program revenue that funds building-related trades should be dedicated to ensuring the regulated community's construction projects are completed safely, on-time and on-budget and POWTS dependent sanitary permits are not unnecessarily delayed by specific DSPS staffing levels. In 2018, POWTS installers experienced the slowest review and approval turn-around in the last 30 years. In response; the coalition recommends the following staff positions that afford timely and efficient oversight of POWTS and construction related trades in lieu of adding 20.0 additional FTEs as the initial budget proposed.

- Increase current POWTS Plan Review staff within the DSPS Division of Industry Services by 2.0 FTE (currently 2.0 FTE dedicated to POWTS review)
 - This increase would provide relief to all in the home-building and POWTS-related construction trades in meeting the current requirements found in SPS 383.22 (2) of which last year was believed to be the worst approval execution in 30 years.