Natural Resources

Waste, Remediation, and Air

(LFB Budget Summary Document: Page 452)

LFB Summary Items for Which an Issue Paper Has Been Prepared

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May 18, 2023 Joint Committee on Finance Paper #600

Environmental Management Account Overview (Natural Resources -- Waste, Remediation, and Air)

CURRENT LAW

The segregated environmental fund consists of: (a) the nonpoint account, which is the primary funding source for nonpoint source water pollution abatement programs in Wisconsin; and (b) the environmental management account, which primarily supports Department of Natural Resources (DNR) programs related to recycling, groundwater, and cleanup of contaminated lands. The two accounts are statutorily designated as one fund but are tracked separately for budgetary purposes. For discussion of the nonpoint account, see the budget paper #614 entitled "Nonpoint Account Overview."

The environmental management account receives revenues primarily from several state solid waste tipping fees paid by Wisconsin landfills for each ton of solid waste disposed in the landfill. State tipping fees total $12.997 per ton, including $9.64 deposited in the environmental management account, $3.20 in the nonpoint account, and $0.157 in other accounts. Environmental management account revenues include tipping fees related to recycling, and several other fees and revenues.

The environmental management account provides funding for: (a) recycling financial assistance to local governments; (b) DNR administration of contaminated land, brownfields cleanup, and recycling programs, including staff in remediation and redevelopment, solid waste management, air management, groundwater management, and central administrative programs; (c) brownfields grant programs; (d) debt service costs for general obligation bonds issued for state funded cleanup of contaminated land and sediment; (e) state-funded cleanup of contaminated properties where there is no responsible party able or willing to pay for the cleanup; (f) debt service costs for general obligation bonds issued under the former point source water pollution abatement grant program, which ended in 1990; (g) certain environmental and recycling programs in the

Department of Agriculture, Trade and Consumer Protection (DATCP), and the Departments of Health Services (DHS) and Military Affairs (DMA); and (h) remediation of specific sites using moneys received under court-approved settlement agreements or orders.

DISCUSSION POINTS

1. This paper provides a general overview of the environmental management account, including the estimated condition and general information about revenues and expenditures for the account during the 2023-25 biennium. Discussion and alternatives for individual issues affecting the environmental management account are included in separate budget papers.

Revenues

2. Wisconsin landfills pay state solid waste tipping fees for each ton of solid waste disposed of in the landfill. Table 1 shows the state tipping fee rates per ton. State tipping fee rates are $12.997 per ton for municipal solid waste and non-high-volume industrial waste. The recycling and solid waste landfill administration tipping fees are assessed and collected quarterly. Other environmental management (environmental repair, groundwater, and well compensation), nonpoint, and Solid Waste Facility Siting Board fees are assessed annually in May for tons disposed of during the previous calendar year. Of the total state tipping fees, $9.64 per ton of municipal solid waste and non-high-volume industrial waste is deposited in the environmental management account. High-volume industrial waste is subject to tipping fees of $0.497 per ton, of which $0.34 per ton is deposited in the environmental management account. The state tipping fee was increased from $3.80 per ton to $5.90 per ton in the fall of 2007 and to $12.997 per ton by the fall of 2009.

TABLE 1

State Solid Waste Tipping Fees Per Ton

Fund, Fee	Type	Municipal and Non-High-Volume Industrial Waste	High-Volume Industrial Waste	PCB-Contaminated Sediment
Recycling	SEG	$7.000	$0.000	$0.000
Environmental repair	SEG	2.500	0.200	0.850
Groundwater	SEG	0.100	0.100	0.100
Well compensation	SEG	0.040	0.040	0.040
Subtotal Environmental Management		$9.640	$0.340	$0.990
Nonpoint account	SEG	3.200	0.000	3.200
DNR solid waste landfill administration	PR	0.150	0.150	0.150
DOA Solid Waste Facility Siting Board	PR	0.007	0.007	0.007
Subtotal Nonpoint/Program Revenue Accounts		$3.357	$0.157	$3.357
Total State Tipping Fee		$12.997	$0.497	$4.347

3. Table 2 shows the total tons of solid waste disposed of in Wisconsin landfills for the past five years, from 2018 through preliminary data for calendar year 2022. Tonnages are shown on a calendar-year basis, and fees are mostly received before the end of the following fiscal year; fees for calendar year 2022 disposal will primarily be received as fiscal year 2022-23 revenues. The number of tons of waste subject to state statutory tipping fees has ranged between 6.4 million to 6.9 million tons during the past five years.

TABLE 2

Tons of Solid Waste Landfilled in Wisconsin
By Category and Year

Type of Waste	2018	2019	2020	2021	2022
Tons subject to nonpoint and environmental tipping fees[1]	5,889,031	5,984,229	5,736,286	5,674,500	5,674,392
High-volume industrial waste subject to environmental tipping fees [2]	1,055,341	914,402	706,762	922,477	1,203,381
Tons subject to state statutory tipping fees	6,944,372	6,898,631	6,443,048	6,596,977	6,877,773
Tons exempt from state statutory tipping fees [3]	1,849,430	1,799,883	1,569,053	1,584,540	1,572,548
Total waste landfilled in Wisconsin	8,793,802	8,698,514	8,012,101	8,181,517	8,450,322
Percent change in total tons landfilled in Wisconsin	4.0%	-1.1%	-7.9%	2.1%	3.3%
Landfilled tons from out-of-state [4]	363,348	390,997	340,331	315,185	329,445

[1] Some of these tons are subject to reduced rates for, or exemption from, certain state tipping fees.
[2] Includes utility power plant ashes and sludges, pulp and papermill waste, foundry manufacturing waste, and energy recovery incinerator ash. These wastes are not subject to nonpoint or recycling tipping fees.
[3] DNR assesses a $0.15 per ton landfill license surcharge fee to some of these tons under administrative code provisions.
[4] Tons from out-of-state are a subset of total waste landfilled in Wisconsin, and may be included in various categories of waste.

4. The environmental management account provides funding for several recycling and environmental programs. Under current law, during the 2023-25 biennium, the largest expenditure from the environmental management account would be base funding of $20 million annually for DNR recycling grants to local governments, which pays for a portion of local costs of operating a recycling program that meets state program requirements. Second would be approximately $17 million annually for DNR administration of contaminated land, brownfields cleanup, and recycling programs, including 104.46 staff in remediation and redevelopment, solid waste management, air management, groundwater management, and central administrative programs. The third-largest expenditure area would be debt service costs for general obligation bonds issued for state-funded cleanup of contaminated land and sediment, for the former point source water pollution abatement grant program that ended in 1990, and for DNR administrative facilities. Additional expenditure areas include: (a)

brownfields and well compensation grant programs; (b) state-funded cleanup of contaminated properties where there is no responsible party able or willing to pay for the cleanup; (c) certain environmental and recycling programs in DATCP, the Wisconsin Economic Development Corporation, and DHS and DMA.

5. Table 3 shows the condition of the environmental management account in 2021-22 through 2024-25 under current law and Committee action to date. In the 2023-25 biennium, approximately 91% of revenue to the environmental management account is anticipated to be received from solid waste tipping fees. The remaining 9% of revenues include a transfer from the segregated petroleum inspection fund, several license and other environmental fees, and revenues received for designated purposes. Additionally, under 2019 Wisconsin Act 9, $6.15 million each year from the environmental management account's general revenue is transferred to the nonpoint account of the environmental fund beginning in 2019-20.

6. The environmental management account is expected to have an available balance of approximately $33.2 million on June 30, 2023. Further, estimated account revenues each year in the 2023-25 biennium are expected to exceed authorized and budgeted expenditures. One reason for the estimated balance in the environmental management account is because debt service payments have declined significantly for the former point source water pollution abatement grant program that ended in 1990.

TABLE 3

Environmental Management Account Condition

	2021-22 Actual	2022-23 Budgeted	2023-24 Estimated	2024-25 Estimated	2024-25 Staff
Opening Balance	$39,689,600	$41,101,000	$43,792,800	$49,937,100	
Revenues					
Solid Waste Tipping Fees - Recycling [1]	$37,996,600	$39,065,700	$38,417,400	$38,801,600	
Solid Waste Tipping Fees - Environmental [1]	15,080,300	15,118,000	15,389,500	15,543,400	
Transfer to Nonpoint Account	-6,150,000	-6,150,000	-6,150,000	-6,150,000	
Transfer from Petroleum Inspection Fund	1,704,800	1,704,800	1,704,800	1,704,800	
Pesticide and Fertilizer Fees	1,775,300	1,610,000	1,600,000	1,600,000	
Hazardous Waste Generator Fees	917,000	900,000	900,000	900,000	
Site-Specific Remediation	2,708,200	100,000	5,000	5,000	
Other Fees and Income	1,421,300	1,232,000	1,200,000	1,200,000	
Additional Prior Year Collections [1]	2,064,800	4,905,700	4,905,700	4,905,700	
Billed Amounts Outstanding on June 30 [1]	-4,905,700	-4,905,700	-4,905,700	-4,905,700	
Total Revenue	$52,612,500	$53,580,500	$53,066,700	$53,604,800	
Total Revenue Available	$92,302,100	$94,681,500	$96,859,500	$103,541,900	
Expenditures					
DNR Recycling Grants to Local Governments	$20,000,000	$20,000,000	$20,000,000	$20,000,000	
DNR Programs and Operations	16,495,500	15,674,100	17,002,300	17,002,300	104.46
DNR Cleanup or Well Grants	2,996,500	5,992,700	2,492,700	2,492,700	
DNR Site-Specific Remediation	1,627,500	100,000	100,000	100,000	
Debt Service for General Obligation Bonds	7,976,400	5,820,200	5,207,500	5,016,800	
WEDC Brownfields Grants	1,000,000	1,000,000	1,000,000	1,000,000	
Other Agencies [2]	1,105,200	1,101,700	1,119,900	1,119,900	2.00
Expenditure of Prior Year Encumbrances	0	1,200,000	0	0	
Total Expenditures	$51,201,100	$50,888,700	$46,922,400	$46,731,700	106.46
Cash Balance	$41,101,000	$43,792,800	$49,937,100	$56,810,200	
Encumbrances, Continuing Balances [3]	-$11,752,800	-$10,552,800	-$10,552,800	-$10,552,800	
Closing Available Balance	$29,348,200	$33,240,000	$39,384,300	$46,257,400	

[1] Tipping fee revenues reflect amounts billed, with adjustments shown for previously billed amounts collected and current billings not received by the close of the fiscal year.

[2] Includes Department of Agriculture, Trade and Consumer Protection clean sweep, Department of Health Services groundwater and air quality standards, and Department of Military Affairs emergency response training.

[3] In 2021-22, includes $8.2 million for DNR state-funded cleanup, $2.0 million for DNR well compensation, $0.75 million for DATCP clean sweep grants, and $0.41 million for electronics recycling.

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May 18, 2023 Joint Committee on Finance Paper #601

PFAS Municipal Grant Program
(Natural Resources -- Waste, Remediation, and Air)

[LFB 2023-25 Budget Summary: Page 452, #1]

CURRENT LAW

In recent years, per- and polyfluoroalkyl substances (PFAS) have been found throughout Wisconsin in soils, surface water, groundwater, and wildlife. PFAS are a class of synthetic chemicals commonly found in nonstick surfaces, cookware, paint, and firefighting foam The Environmental Protection Agency reports that there are at least 12,000 unique types of PFAS. They are temperature, water, and oil resistant. Epidemiological research and studies indicate that PFAS are toxic to humans, as they do not easily degrade and tend to accumulate in humans, animals, and the environment. In parts of the state, PFAS have dispersed through the environment from such sources as: (a) discharges of firefighting foams in municipal and military firefighting uses; and (b) industrial waste discharged to municipal sewerage systems, and then applied to land as septage (bio-solids).

Chapter 292 of the statutes (remedial action for environmental contamination) generally requires persons who control or possess a hazardous substance that is discharged to the environment to "take the actions necessary to restore the environment to the extent practicable and minimize the harmful effects from the discharge to the air, lands or waters of this state." Site remediation includes an investigation to determine the extent of contamination, and plans for interim and long-term actions to restore the site and soils, groundwater, or surface water.

Local governments are not liable for cleanup under the hazardous substances spills and solid waste management statutes for discharges of hazardous substances on or originating from property they acquired in certain ways. They are also exempt from the requirement to reimburse DNR for any cleanup expenses incurred by DNR at these sites under certain circumstances. The local government exemption from liability would apply if the local government acquired the property

through tax delinquency proceedings, condemnation or other specified methods. A local government is not eligible for the exemption from liability if it caused the discharge of the hazardous substance.

Additionally, state and federal law provides for the prevention and elimination of toxic substances in public and private water supplies intended for human consumption. Water supplies exceeding certain levels of contamination are required to be removed from service. Depending on the nature of the water source and the contamination, a responsible party could be liable for providing for the replacement of the affected water supply.

DISCUSSION POINTS

1. In 2019, the Governor issued Executive Order No. 40 to address the public health risks of environmental contamination by PFAS in the state and instructed the Department of Natural Resources (DNR) to establish and lead a council to consider state and local responses to the proliferation of PFAS uses and the presence of PFAS in the environment. In December, 2020, the Wisconsin PFAS Action Council (WisPAC) published the PFAS Action Plan, including numerous recommendations to address PFAS contamination in the state. The PFAS Action Plan recommended creation of a municipal grant program to: (a) investigate potential PFAS contamination sources; (b) sample private water supplies; (c) provide temporary emergency water, water treatment, or bulk water supply; and (d) remediate PFAS contamination.

2. Assembly Bill 43/Senate Bill 70 would create a municipal grant program with one-time funding of $85,000,000 GPR in 2023-24 and ongoing funding of $15,000,000 SEG in 2024-25 for multiple activities to respond to suspected or known PFAS contamination. Eligible municipalities would include any city, village, town, county, utility district, lake protection district, sewerage district, or municipal airport, provided one of the following had occurred: (a) the municipality or a third party tested or trained with a Class B firefighting foam that contained intentionally added PFAS in accordance with applicable state and federal law, and within the boundaries of the municipality; (b) the municipality applied bio-solids to land under a DNR-issued wastewater permit; or (c) PFAS are impacting the municipality's drinking water supply, surface water, or groundwater within the municipality, and the responsible party is unknown, unwilling, or unable to take the necessary response actions.

3. DNR would award grants for any of the following activities:

a. Investigating potential PFAS impacts to the air, land, or water at a site or facility;

b. Treating or disposing of PFAS-containing firefighting foam containers from a municipal site or facility;

c. Sampling a private water supply within three miles of a site or facility known to contain PFAS or to have caused a PFAS discharge;

d. Providing a temporary emergency water supply, a water treatment system, or bulk water

to replace water contaminated with PFAS;

e. Conducting emergency, interim, or remedial actions to mitigate, treat, dispose of, or remove PFAS contamination in the air, land, or waters of the state;

f. Removing or treating PFAS in a public water system using the most cost-effective method to provide safe drinking water in areas where PFAS levels exceed either the maximum contaminant level or an enforcement standard for PFAS, or where the state has issued a health advisory for PFAS; and

g. Sampling and testing water for PFAS contamination in a public, private, or tribal elementary or secondary school, a state-licensed or state-certified childcare center, or a school district-sponsored childcare center.

4. Applicants would be required to contribute matching funds equal to at least 20% of the amount of the grant, including either cash or in-kind contributions. Applicant municipalities would be required to demonstrate the following: (a) financial and administrative commitment to performing and completing eligible activities; (b) the degree to which the project would have a positive impact on public health and the environment; and (c) other criteria on which DNR prioritizes available grant funds. DNR would be authorized to request that any applicant provide information necessary to determine the eligibility of the project, identify the funding requested, determine the priority of the project, and calculate the amount of a grant.

5. DNR would be authorized to issue emergency rules for the PFAS municipal grant program, without the finding of emergency or providing evidence that an emergency rule is necessary to preserve public health, peace, safety or welfare. DNR would not be required to prepare a scope statement and submit proposed emergency rules to the Governor.

6. DNR indicates there are currently at least 15 PFAS sites for which the municipality is the owner or responsible party of a cleanup, and perhaps an additional 60 sites where the municipality could apply on behalf of a site owner. However, it is not clear what level of funding would be needed, and over what period, to investigate and remediate all instances of PFAS contamination in Wisconsin lands and waters. It is likely that PFAS contamination will continue to be found throughout the state given the prevalence of products and uses in which they occur, as well as their resistance to breakdown and attenuation. Additionally, in many instances the identification of a party responsible for a PFAS discharge to the environment is difficult or impossible, due to the substances' widespread, long-term use. Therefore, it is likely that identification of multiple long-term public and private funding sources would be necessary for continued remediation of PFAS contamination.

7. The following sections describe general estimates provided by DNR for several of the activities that would be eligible under the PFAS municipal grant program as proposed:

Site Investigations. DNR reports that PFAS site investigations, an initial step of identifying remediation needs, are highly variable. They may be dependent on the degree and extent of contamination and the phase of investigation. The Department indicates that such costs could be several million dollars per site for complex sites, and several times that on a community-wide

basis, depending on the extent of contamination. DNR reports that significant variables influencing site investigation cost ranges would include: (a) project management; (b) data analysis and laboratory costs; (c) equipment rentals, including for heavy excavating or drilling equipment; (d) staffing or contract costs for field technicians; (e) surveying costs; (f) geology of the area being sampled; and (g) waste characterization and disposal.

Sampling of Water Supplies. DNR reports that sampling a single private water supply can cost between $300 and $500. Because potential PFAS-contaminated sites continue to be identified, DNR is not able to reliably estimate the number of private wells that would require sampling. There are approximately 700,000 to 800,000 private wells in Wisconsin. DNR reports that approximately 1,900 public drinking water systems are expected to be sampled in 2023, and based on trend data the Department anticipates that 5 to 10% of systems may be impacted by PFAS above the current Department of Health Services (DHS) health recommendations. It is anticipated that private and public water.

Providing Temporary Water Supplies. DNR states that providing emergency temporary water supplies to communities impacted by contamination can cost between $300 and $1,500 per year, per household. DNR says that providing bulk water can cost approximately $3,000 for a home for a six-month period, and it is only allowable if the DHS issues an advisory. Further, DNR indicates that in-home water treatments can range in cost, based on type -- a carbon filter might cost $50, and a reverse osmosis unit could cost more than $200. Whole-home or point-of-entry treatment systems can cost between $1,500 and $5,000, and all in-home treatment systems would have ongoing operational and maintenance costs. DNR reports that some costs, depending on scale, may be eligible for federal Bipartisan Infrastructure Law funding.

Conducting Emergency or Interim Remedial Action. DNR reports that conducting emergency or remedial action can vary widely in cost depending on the action needed. For example, cleanup of aqueous film forming foam (AFFF)-contaminated debris or soil from a car or house fire could cost between $25,000 and $40,000. However, a contaminated waterway or sewer could be more expensive. DNR states that important variables to consider in determining these costs include initial response and assessment, surface soil scraping of impacted areas, disposal of impact soil and debris, treatment of impacted water, reporting requirements, equipment, and utility location.

8. There are some sources of state funding available for some of the activities proposed for the municipal grant program, including PFAS site investigation, conducting emergency or remedial action, and disposal of firefighting foams. [See separate Legislative Fiscal Bureau issue papers under "Natural Resources -- Waste, Remediation, and Air."] The funding under AB 43/SB 70 for the municipal grant program in general would significantly increase state funding otherwise appropriated for these purposes. The most significant federal funding to date is under the Infrastructure Investment and Jobs Act, under which Wisconsin received approximately $26 million for state fiscal years 2022-23 and 2023-24 for addressing emerging contaminants in public and community water systems.

9. It is not likely that the environmental management account could support $15 million in ongoing expenditures, given the account's current balances and ongoing revenues under current law. Although $15 million or more could be supported by the account on a one-time basis in the 2023-25

biennium, an ongoing amount less than $15 million each year would be necessary to maintain a stable account balance in future biennia.

10. Under AB 43/SB 70, DNR would have discretion in allocating $100 million in the 2023-25 biennium toward the various purposes identified. It may be desirable to allow the agency to respond as needed to significant findings of contamination, or to augment federal funding for public water system upgrades under the safe drinking water loan program, given the uncertainty in how significantly different areas of the state may be affected by PFAS. The Committee could consider providing DNR $85 million GPR in 2023-24 in a continuing appropriation and $15 million beginning in 2024-25 in a continuing appropriation for the purposes described previously [Alternative 1].

11. The Committee could also approve single parts of the AB 43/SB 70 funding proposal, including providing $85 million GPR [Alternative 2a] or $15 million SEG in a continuing appropriation in 2023-24 [Alternative 2b]. The Committee could provide one-time SEG funding of lesser increments, including $10 million [Alternative 3a] or $5 million [Alternative 3b].

12. A means of the Legislature retaining additional discretion over the distribution of funds among varied program purposes would be to create different appropriations for the purposes specified in AB 43/SB 70. The Committee could specify separate appropriations as follows for the various PFAS funding provisions: (a) investigating potential PFAS impacts to the air, land, or water at a site or facility; (b) treating or disposing of PFAS-containing firefighting foam containers from a municipal site; (c) sampling a private water supply within three miles of a site or facility known to contain PFAS or to have caused a PFAS discharge; (d) providing a temporary emergency water supply or a water treatment system; (e) conducting emergency, interim, or remedial actions; (f) removing or treating PFAS in a public water system using the most cost-effective method to provide safe drinking water; and (g) sampling and testing water for PFAS contamination in schools and daycares. To allocate funding, the Committee could consider placing funding in the Committee's supplemental appropriation and require DNR to submit a plan for allocation and release of the funds under a request under s. 13.10 of the statutes [Alternative 4]. The Committee could also take no action [Alternative 5].

ALTERNATIVES

1. Create a grant program for municipalities to investigate and respond to PFAS contamination statewide, funded by one-time GPR of $85,000,000 in 2023-24 and a continuing appropriation with ongoing funding of $15,000,000 SEG beginning in 2024-25. Specify eligible activities and grant applicants as under AB 43/SB 70, and require a 20% match from grant recipients, including cash or in-kind amounts. Authorize DNR to promulgate emergency rules, without the finding of an emergency, and waive requirements for a statement of scope and that emergency rules be submitted to the Governor in final draft form.

ALT 1	Change to Base
GPR	$85,000,000
SEG	15,000,000
Total	$100,000,000

2. Adopt the PFAS municipal grant provisions under Alternative 1, but provide only one of the following:

a. GPR of $85,000,000 in 2023-24 in a continuing appropriation; or

ALT 2a	Change to Base
GPR	$85,000,000

b. SEG funding of $15,000,000 in 2023-24 in a continuing appropriation.

ALT 2b	Change to Base
SEG	$15,000,000

3. Adopt the PFAS municipal grant provisions under Alternative 1, but provide one-time SEG funding in a continuing appropriation in 2023-24. Specify one of the following amounts:

a. $10,000,000

ALT 3a	Change to Base
SEG	$10,000,000

b. $5,000,000

ALT 3b	Change to Base
SEG	$5,000,000

4. Create separate appropriations for PFAS funding provisions as described in a previous section. Specify that funding be placed in the Committee's supplemental appropriation and require DNR to request the funds and provide a detailed plan of use before the funds are released. (This alternative could be moved in addition to any of Alternatives 1 through 3.)

5. Take no action.

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May 18, 2023 | Joint Committee on Finance | Paper #602

PFAS Management Staffing
(Natural Resources -- Waste, Remediation, and Air)

[LFB 2023-25 Budget Summary: Page 453, #2]

CURRENT LAW

The statutes direct the Department of Natural Resources (DNR) to serve as the central unit of state government to protect, maintain, and improve the quality and management of the waters of the state, ground and surface, public and private. DNR also has general authority for implementation of the state's direct-response hazardous substances cleanup programs, and for establishment and administration of cleanup standards for contaminated media, such as groundwater, soil, surface water, sediments, other materials, and indoor air. DNR also manages fish and wildlife populations to ensure their general preservation and conservation, and in the case of game animals, their abundance and suitability for consumption.

DISCUSSION POINTS

1. Since 2013, multiple sites with PFAS groundwater, drinking water, surface water, sediment, or soil contamination have been reported to DNR at locations around the state as a result of various private and governmental uses of the chemicals. DNR indicates that the number of PFAS-contaminated sites are unknown. Currently, the DNR remediation and redevelopment program's online database lists 129 sites associated with PFAS contamination, including such sites as manufacturers of PFAS-containing products, airports, military installations, landfills, and sites with no known responsible party or sources. Data for 124 public water systems shows detectable levels of at least one PFAS compound in these systems since January of 2021.

2. In December, 2020, the Wisconsin PFAS Action Council (WisPAC) published the PFAS Action Plan, including numerous recommendations to address PFAS contamination in the state. The PFAS Action Plan recommended multiple actions for DNR and other state agencies to

address PFAS contamination, including: (a) establishing PFAS standards for air and water, as well as standards and practices for disposal and cleanup; (b) identifying potential PFAS sites and publishing confirmed sources in an interactive public web application; (c) standardizing PFAS sampling methods; (d) testing all public water systems for PFAS; and (e) increasing research of PFAS baseline concentrations in various media, as well as means of PFAS transport through media or biological systems.

3. In August of 2022, WisPAC published a progress report outlining the accomplishments made towards implementation of the 2020 Action Plan's recommendations. These included: (a) development and implementation of administrative rules for drinking water and surface water standards for PFOA and PFOS, which went into effect in August of 2022; (b) implementation of a hazard index approach for evaluating potable well sampling results using the Department of Health Services recommended groundwater standards; (c) release of a best management practices document and list of resources for disposal of PFAS-containing waste and biosolids management; (d) publication of a website showing locations of PFAS-tested wastewater, municipal drinking water, private wells, and surface waters; and (e) implementing a collection of firefighting foams from Wisconsin fire departments, and developing best management practices for foam use.

4. Assembly Bill 43/Senate Bill 70 would provide $729,400 in 2023-24 and $934,200 in 2024-25 with 11.0 positions to remediate and manage PFAS. Table 1 summarizes positions under the bill by DNR program area. All positions shown would be funded from the environmental management account of the environmental fund, except those for wildlife management, which would be supported by the fish and wildlife account of the conservation fund.

TABLE 1

PFAS Management Positions and Funding -- Assembly Bill 43/Senate Bill 70

DNR Program / Positions	2023-24	2024-25	Positions
Drinking and Groundwater			
Water Supply Specialists	$176,900	$226,200	3.00
Water Quality			
Wastewater Specialists	125,600	164,400	2.00
Air Management			
Air Management Engineer / Air Management Specialist	175,700	214,600	2.00*
Remediation and Redevelopment			
Hydrogeologist Program Coordinator / Hydrogeologist	125,600	164,400	2.00
Waste and Materials Management			
Hydrogeologist	62,800	82,300	1.00
Wildlife Management			
Toxicologist	62,800	82,300	1.00
Total	$729,400	$934,200	11.00

* Includes 1.0 four-year project position.

5. The 11.0 staff would be intended to have the following responsibilities:

(a) 3.00 drinking and groundwater staff would sample and address contaminants in drinking water and continue to develop and implement federally-compliant administrative rules relating to PFAS contamination;

(b) 2.00 water quality staff would continue to develop water quality standards for PFAS based on Department of Health Services recommendations and assist in PFAS effluent monitoring;

(c) 2.00 air management staff would identify sources of PFAS air emissions and operate the state's ambient air deposition monitoring network to monitor for PFAS;

(d) 2.00 remediation and redevelopment staff would develop guidelines for PFAS sampling and establish procedures related to sampling, lab analysis, site screening, and cleanup standards;

(e) 1.00 waste and materials management position would develop safe disposal and treatment methods for PFAS-containing wastes and evaluate landfills for potential waste disposal; and

(f) 1.00 wildlife management position would develop PFAS sampling methodologies for wildlife, educate local communities impacted by PFAS in wildlife, and coordinate with DHS to establish health advisories for consumption of PFAS-impacted wildlife.

6. DNR reports that at least 20 staff persons in the Environmental Management Division are currently involved in PFAS activities as part of, or in addition to, their original position responsibilities. The Department reports that, to date, PFAS-related work has largely been incorporated into existing staff workload, including meeting ongoing demands for technical assistance, engagement, and coordination with local governments to support communities impacted by PFAS contamination.

7. Table 2 shows PFAS-related all-funds staffing expenditures for the 2019-20 through 2022-23 fiscal years, with data for 2022-23 through May 1. Funding shown includes costs for permanent and project position salaries, limited-term employees, and fringe benefits for all employee types. The table does not include amounts for detection and management of emerging contaminants generally. Most expenditures have come in the DNR remediation and redevelopment program, which has general authority for cleanup of contamination. Overall staffing costs have been $4.7 million since 2019-20.

TABLE 2

DNR PFAS-Related Expenditures

Program Area	2019-20	2020-21	2021-22	2022-23*	Total
Remediation and Redevelopment	$588,100	$827,200	$677,500	$367,300	$2,460,100
Water Quality	171,200	239,400	158,300	69,500	638,400
Drinking and Groundwater	39,500	56,800	176,900	258,500	531,700
Air Management	66,500	153,500	108,400	32,300	360,700
Waste and Materials Management	80,700	77,400	51,900	27,200	237,200
Fisheries Management	10,400	53,900	76,200	66,400	206,900
Environmental Analysis and Sustainability	58,400	19,400	12,700	9,100	99,600
Law Enforcement	1,500	27,500	45,900	22,800	97,700
Environmental Management Administration	14,000	28,100	300	0	42,400
Fish and Wildlife Management	3,000	3,700	100	0	6,800
Wildlife Management	1,500	3,900	200	100	5,700
Information Technology	400	0	0	0	400
Grand Total	$1,035,200	$1,490,800	$1,308,400	$853,200	$4,687,600

*Preliminary as of May 1, 2023

8. DNR indicates that the responsibilities for additional work could not be further incorporated into existing positions' workload and responsibilities within the Department without further reallocating staff from other non-PFAS activities. DNR contends that ongoing demands for technical assistance, engagement, and coordination with local governments merits these 11.00 additional positions. It could be argued that because DNR-recorded expenditures for staffing costs in each of the fiscal years shown exceed the amounts under AB 43/SB 70, the agency has realized workload and incurred costs that justify the amounts.

9. DNR also contends that positions are needed in the range of subprograms to address the various ways in which PFAS may affect the environment and wildlife. The department indicates that the 2.0 Remediation and Redevelopment positions would be the highest priority, but that all proposed staffing are considered essential to the state's comprehensive response to PFAS.

10. Alternatives 1 through 6 provide the options of approving any of the additional positions by DNR program area as shown in Table 1. Alternative 7 also provides the options of approving the positions as two-year or four-year project positions. Project positions can authorize additional staffing for an agency to accomplish defined objectives without committing the state to budgeting the positions on a permanent basis. However, agencies may find project positions difficult to recruit and keep filled under current labor market conditions.

ALTERNATIVES

1. *Drinking and Groundwater.* Provide funding of $176,900 SEG in 2023-24 and $226,200 SEG in 2024-25 with 3.0 water supply specialist positions.

ALT 1	Change to Base	
	Funding	Positions
SEG	$403,100	3.00

2. *Water Quality.* Provide funding of $125,600 SEG in 2023-24 and $164,400 SEG in 2024-25 with 2.0 wastewater specialist positions.

ALT 2	Change to Base	
	Funding	Positions
SEG	$290,000	2.00

3. *Air Management.* Provide funding of $175,700 SEG in 2023-24 and $214,600 SEG in 2024-25 with 1.0 air management engineer and 1.0 air management specialist four-year project position.

ALT 3	Change to Base	
	Funding	Positions
SEG	$390,300	2.00

4. *Remediation and Redevelopment.* Provide funding of $125,600 SEG in 2023-24 and $164,400 SEG in 2024-25 with 1.0 hydrogeologist position and 1.0 hydrogeologist program coordinator position.

ALT 4	Change to Base	
	Funding	Positions
SEG	$290,000	2.00

5. *Waste and Materials Management.* Provide funding of $62,800 SEG in 2023-24 and $82,300 SEG in 2024-25 with 1.0 hydrogeologist position.

ALT 5	Change to Base	
	Funding	Positions
SEG	$145,100	1.00

6. *Wildlife Management*. Provide funding of $62,800 SEG in 2023-24 and $82,300 SEG in 2024-25 with 1.0 wildlife management toxicologist position.

ALT 6	Change to Base	
	Funding	Positions
SEG	$145,100	1.00

7. Approve any of the positions under Alternatives 1 through 6 as one of the following:

   a. Two-year project positions; or
   b. Four-year project positions.

8. Take no action.

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May 18, 2023 Joint Committee on Finance Paper #603

PFAS Statewide Testing and Emergency Measures (Natural Resources -- Waste, Remediation, and Air)

[LFB 2023-25 Budget Summary: Pages 454-455, #3 and 4]

CURRENT LAW

Per- and polyfluoroalkyl substances (PFAS) are a class of synthetic chemicals commonly found in nonstick surfaces, cookware, paint, and firefighting foam. The Environmental Protection Agency reports that there are at least 12,000 unique types of PFAS. They are temperature, water, and oil resistant. Epidemiological research and studies indicate that PFAS are toxic to humans, as they do not easily degrade and tend to accumulate in humans, animals, and the environment. In parts of the state, PFAS have dispersed through the environment from such sources as: (a) discharges of firefighting foams in municipal and military firefighting uses; and (b) industrial waste discharged to municipal sewerage systems, and then applied to land as septage (bio-solids).

Currently, promulgation of federal standards for the various types of PFAS compounds are underway, with a proposed drinking water standard for two compounds (PFOA and PFOS) recommended at four parts per trillion (ppt). Wisconsin's standard is currently set at 70 parts per trillion.

Because PFAS are prolific compounds that have been found in nearly every medium including water, soil, air, animals, and humans, it is recommended by most health and environmental organizations to test these media and address contamination in excess of established limits, for the sake of human and environmental health. The state does not currently have any dedicated funding for PFAS-specific sampling or testing programs.

DISCUSSION POINTS

1. Assembly Bill 43/Senate Bill 70 would provide $1,480,000 in 2023-24 and $730,000 in

2024-25 for statewide PFAS sampling and testing. The funds would be intended for the following activities: (a) $750,000 in 2023-24 for well sampling and testing; (b) $600,000 each year for state-led investigation, mitigation, and testing for PFAS and other emerging contaminants on properties where responsible parties cannot be identified, refuse to take timely action, or where contaminants pose an active threat to human health; (c) $55,000 each year to survey and analyze 44 large rivers across the state and their watersheds for PFAS; (d) $50,000 in each year to collaborate with the University of Wisconsin-Madison and nearby states to identify sources of PFAS, impacted waterways, and possible fish consumption concerns for vulnerable populations; and (e) $25,000 each year to sample wastewater where PFAS is suspected. The $730,000 provided in 2024-25 would continue as base funding in future biennia. All funding would be from the environmental management account of the segregated (SEG) environmental fund, except the funding for fish and wildlife sampling, which would be supported by the fish and wildlife account of the segregated conservation fund.

2. Additionally, AB 43/SB 70 would provide $900,000 environmental management SEG annually to support PFAS emergency measures, such as distributing bottled water or other alternative water supplies to communities impacted by PFAS contamination in drinking water. Table 1 summarizes these amounts and purposes.

TABLE 1

PFAS Sampling, Testing, and Emergency Measures Funding -- AB 43/SB 70

Activity	2023-24	2024-25
Emergency Measures	$900,000	$900,000
Private Well Sampling	$750,000	$0
State-Led Investigations, Sampling, and Response	600,000	600,000
Waterways Survey and Analysis	55,000	55,000
Fish and Wildlife Research	50,000	50,000
Wastewater Treatment Facility Testing	25,000	25,000
Total	$2,380,000	$1,630,000

3. DNR reports that funding for sampling and testing would be used or allocated as follows:

• $750,000 in 2023-24 for well testing would fund such activities for an estimated 1,500 to 2,000 private wells. DNR indicates that private well testing funds may be distributed through a number of different methods, but most likely through grants to county health departments. DNR estimates there are approximately 700,000 to 800,000 private wells in Wisconsin.

• $600,000 each year for investigation, mitigation, and testing is based on the estimated cost of $30,000 for initial rounds of groundwater testing, equal to initial assessment tests being conducted at up to 20 sites throughout the state.

• Of the $55,000 for surface water surveys, DNR reports that $40,000 would fund lab analysis at an estimated average cost of $400 per sample analyzed, and $15,000 would be for salary

for a limited-term employee, travel, supplies, and services.

- $50,000 in each year is the estimated amount needed to fund investigation and research on waterways and fisheries by researchers at UW-Madison to identify sources of PFAS.

- $25,000 each year is intended to cover the cost for 30 to 40 samples per year from publicly-owned treatment works, including lab analysis, supplies, staff time, and travel time.

4. Table 2 shows the amounts for emergency measures, sampling, and testing by appropriation in which funding would be provided. Funding of $880,000 in 2023-24 and $130,000 in 2024-25 would be provided in general operations SEG appropriations for the Divisions of Environmental Management ($830,000 in 2023-24, and $80,000 annually thereafter) and Fish, Wildlife, and Parks ($50,000 annually). The operations appropriations are annual, meaning funding not expended or encumbered as of each June 30 lapses to the respective SEG account balance. This would include funding of $750,000 for private well sampling that would lapse to the environmental management account balance if not encumbered by June 30, 2024.

TABLE 2

PFAS Sampling, Testing, and Emergency Measures Funding

Appropriation/Activity	2023-24	2024-25
Environmental Repair/Response		
Emergency Measures	$900,000	$900,000
State-Led Investigations, Sampling, and Response	600,000	600,000
Subtotal	$1,500,000	$1,500,000
Environmental Management General Operations		
Private Well Sampling	$750,000	$0
Waterways Survey and Analysis	55,000	55,000
Wastewater Treatment Facility Testing	25,000	25,000
Subtotal	$830,000	$80,000
Fish and Wildlife General Operations		
Fish and Wildlife Impacts Research	$50,000	$50,000
Total	$2,380,000	$1,630,000

5. DNR also administers a state-funded environmental response appropriation through the environmental management account of the environmental fund. Table 2 shows $1,500,000 annually in additional base funding would be provided to this appropriation, in which DNR also has base funding of $2,292,700 environmental management SEG. The appropriation typically is used for DNR expenditures related to: (a) DNR-led cleanups of contaminated sites where the responsible party is unknown or cannot or will not clean up the site; (b) the state share at certain federally-funded site cleanups; (c) emergency spill response and cleanups; (d) response and cleanup of abandoned

containers of hazardous substances.

6. The appropriation is also statutorily authorized for use in providing temporary emergency water supplies where contamination has made the water undrinkable due to health concerns, and for replacement of contaminated private wells under certain circumstances. The appropriation had $6.9 million available for expenditures in the 2021-23 biennium, including continuing balances and new appropriations. Annual expenditures have averaged $2.52 million over the last five fiscal years. DNR reports spending approximately $490,000 annually from this appropriation for provision of temporary emergency water supplies related to PFAS contamination.

7. Although this state-funded response appropriation is authorized for use in providing temporary emergency water supplies, DNR indicates that the future need for these emergency water supplies may increase in the coming biennium, due to increasing numbers of water supplies being found to have PFAS contamination in excess of the state standard. The Department reports that water costs can range from $300 to $1,500 per year, per household. Due to PFAS sampling required under state and federal law and Wisconsin residents' substantial interest in drinking water quality, the Department estimates identifying at least 200 more communities in need of emergency water supplies in the biennium. This may cost from $60,000 to $300,000, according to DNR's estimates above, and depending on location and severity of the contamination.

8. The environmental management account is expected to have an available balance of $33.2 million on June 30, 2023. Further, estimated account revenues of $52.3 million each year in the 2023-25 biennium are expected to exceed authorized and budgeted expenditures of $46.3 million in each year. Therefore, the account could reasonably accommodate this additional expense.

9. Funding in any of the general operations or environmental repair appropriations would be allocable to any purposes otherwise funded by those appropriations, and not restricted by statute to the purposes intended by the bill. From environmental management SEG, DNR also would have discretion to allocate funds among the identified testing purposes of wastewater treatment facilities, surface waters, and in 2023-24, private wells. Further, funds in the environmental repair continuing appropriation would remain in the appropriation balance and do not lapse to the account balance unless otherwise directed by the Legislature. This would restrict funding from being available for appropriation to other program areas funded by the environmental management account.

10. It is not clear what level of funding is needed, and over what period, to identify all or most occurrences of PFAS contamination in Wisconsin lands and waters. It is likely PFAS contamination will continue to be found throughout the state given the prevalence of PFAS in consumer products and other commercial or industrial applications, their long-term use, and their exceedingly low reactivity with other substances that leads to persistence in the environment.

11. Due to the health hazards of PFAS, especially in drinking water, and the likelihood of increased need for emergency water supplies, the Committee could approve the annual funding of $900,000 environmental management SEG [Alternative A1]. Given that DNR currently reports spending approximately $490,000 annually for emergency water supplies and expects additional expenditures, the Committee could consider an amount closer to current need, such as $500,000 annually [Alternative A2]. The Committee could also consider providing funding for emergency

water supplies in a new annual appropriation [Alternative A3a], biennial appropriation [Alternative A3b], or the existing environmental repair continuing appropriation [Alternative A3c]. The Committee could also take no action [Alternative A4]. If no funds were provided for the provision of emergency water supplies due to PFAS contamination, DNR may have to postpone certain state-funded cleanup activities under the state-funded response appropriation, should needs for emergency temporary water supplies dictate a funding reallocation.

12. If the Committee wished to provide funding of $750,000 in 2023-24 for private well sampling, it could create a separate continuing appropriation for grants or contracts for that purpose [Alternative B1a]. The environmental management general operations appropriation could also be considered [Alternative B1b]. The Committee could provide the full $600,000 each year for state-led investigations [Alternative C1], $250,000 each year for this purpose [Alternative C2], or take no action.

13. Finally, the Committee could provide the full requested funding amounts for waterways, wastewater, and fisheries sampling. The alternatives provide several funding source options that would allow the Committee to determine an allocation among environmental management SEG, fish and wildlife SEG, or GPR, or to take no action.

ALTERNATIVES

A. Emergency Measures

1. Provide $900,000 environmental management SEG each year to support PFAS emergency measures including distribution of bottled water or other alternative water supplies to communities impacted by PFAS contamination in drinking water.

ALT A1	Change to Base
SEG	$1,800,000

2. Provide $500,000 environmental management SEG each year for PFAS emergency measures.

ALT A2	Change to Base
SEG	$1,000,000

3. In addition to Alternatives A1 or A2, specify funding in one of the following:

a. A new annual appropriation for providing temporary water supplies;

b. A new biennial appropriation for providing temporary water supplies; or

c. The DNR environmental repair appropriation under s. 20.370 (4)(dv).

4. Take no action.

B. Private Water Supply Testing

1. Provide $750,000 in 2023-24 for well sampling and testing. Provide funding in one of the following ways:

a. A new continuing appropriation; or

b. DNR's environmental management general operations appropriation.

ALT B1b	Change to Base
SEG	$750,000

2. Take no action.

C. State-Led Investigation, Mitigation, and Testing

1. Provide $600,000 each year for investigation, mitigation, and testing for PFAS and other emerging contaminants on properties where responsible parties cannot be identified, refuse to take timely action, or where contaminants pose an active threat to human health.

ALT C1	Change to Base
SEG	$1,200,000

2. Provide $250,000 each year for state-led investigation, mitigation and testing for PFAS.

ALT C2	Change to Base
SEG	$500,000

3. Take no action.

D. Waterway, Wastewater and Fisheries Sampling

1. Provide one of the following amounts for DNR Division of Environmental Management operations for additional PFAS-related sampling and testing:

a. $80,000 each year, equal to $55,000 each year to survey and analyze watersheds for PFAS, and $25,000 for sampling and testing at wastewater treatment facilities; or

ALT D1a	Change to Base
SEG	$160,000

b. $55,000 each year; or

ALT D1b	Change to Base
SEG	$110,000

c. $25,000 each year.

ALT D1c	Change to Base
SEG	$50,000

2. Provide $50,000 SEG each year from one of the following for sampling and testing related to PFAS impacts on fisheries and fish consumption:

a. Fish and wildlife SEG;

ALT D2a	Change to Base
SEG	$100,000

b. Environmental management SEG; or

ALT D2b	Change to Base
SEG	$100,000

c. GPR.

ALT D2c	Change to Base
GPR	$100,000

3. Take no action.

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May 18, 2023 Joint Committee on Finance Paper #604

PFAS-Containing Firefighting Foam Disposal (Natural Resources -- Waste, Remediation, and Air)

[LFB 2023-25 Budget Summary: Page 455, #5]

CURRENT LAW

2019 Wisconsin Act 101 prohibits the use of PFAS-containing firefighting foams in Wisconsin, except in certain emergency responses or in contained testing events. In 2020, surveys conducted in the state determined that municipal and other fire departments in Wisconsin have PFAS-containing firefighting foams in need of disposal. 2021 Wisconsin Act 58, the biennial budget act, authorized $1,000,000 from the environmental management account of the segregated (SEG) environmental fund for PFAS-contaminated firefighting foam collections from these sources. In October, 2022, DNR entered into a contract with North Shore Environmental Construction for the collection and disposal of an estimated 25,000 gallons of PFAS-containing foam.

DISCUSSION POINTS

1. Assembly Bill 43/Senate Bill 70 would provide $1,000,000 in one-time funding in 2023-24 for the second phase of disposal and cleanup of PFAS-containing firefighting foam. The Administration indicates that phase two would involve DNR establishing an up-to-date registry of PFAS-containing firefighting foam inventory. Additionally, the bill would direct a portion of the funds to support local fire departments in purchasing non-PFAS-containing foams. DNR reports that part of the $1 million would be used to hire a limited-term employee (LTE) to coordinate and administer the program, including oversight of vendor contracts, and updating of the registry of fire departments using foams and their needs for firefighting foam without intentionally-added PFAS.

2. As of April, 2023, nearly 29,000 gallons have been collected from approximately 200 fire departments, using the $1 million provided under 2021 Act 58. Through May 12, 2023, DNR has expended $323,400 on the contract with North Shore Environmental Construction, and $676,600 is

encumbered, pending completion of the contracted work. The contract provides payment of $11 per gallon of firefighting foam collected and sent for disposal, plus certain travel costs. The contract term would conclude June 30, 2023, although the contract allows optional one-year extensions through June 30, 2025. DNR estimates that future costs may be higher.

3. The amount of firefighting foam still needing collection and disposal is unclear. In 2020, surveys estimated that the total amount of PFAS-containing firefighting foam held by all 825 fire departments in the state is between 63,200 gallons and 96,300 gallons. Of those amounts, approximately 23,700 to 44,700 gallons was considered expired and in need of disposal, and these foams were thought to be at just over half of fire departments in the state. DNR reports that, since the initial foam waste survey in 2020, an additional 100 fire departments have notified DNR or the Department of Agriculture, Trade and Consumer Protection, with whom DNR is cooperating on firefighting foam collection, of foam waste available for collection. The inclusion of an LTE under the provision is intended to provide for additional information gathering from fire departments to determine the exact volume and cost of need.

4. DNR also notes that federal action may lead to airports discontinuing use of firefighting foams that may require collection and disposal. The Federal Aviation Administration (FAA) Reauthorization Act of 2018 directs the FAA to stop requiring the use of PFAS-containing foams, and the National Defense Authorization Act of 2020 also requires the Department of Defense (DOD) to phase out AFFF by October, 2024, with an immediate prohibition of using it for military training exercises. Congress in late 2022 directed FAA to begin planning transitions to replacement foams, and on May 8, 2023, FAA released guidance for airport operators based on DOD specifications for non-PFAS foams. It is anticipated that FAA-approved non-PFAS foams will replace currently used substances. DNR expects that many fire departments and airports would utilize the funding under this AB 43/SB 70 provision to procure PFAS-free foams. DNR expects at a minimum that the remaining amount of the initial $1 million provided under 2021 Act 58 will be expended once the FAA makes this decision.

5. Considering that PFAS are dangerous to human health and that disposing of foams containing them would prevent further dispersal, the Committee could approve the $1 million [Alternative 1]. Alternatively, because an exact need and cost has not yet been identified, the Committee could approve a lower amount. Providing $323,400 [Alternative 2] would restore the available balance in the PFAS foam collection appropriation to $1,000,000 beginning July 1, 2023; DNR would be authorized to expend those amounts until exhausted.

6. 2021 Act 58 allocated initial foam collection funding to the Committee's supplemental SEG appropriation, and funding was approved for release on February 1, 2022. The Committee could consider allocating the amounts under Alternatives 1 or 2 to the supplemental appropriation for release upon DNR's request [Alternative 3].

7. The Committee could also consider amending the PFAS firefighting foam appropriation to authorize funding for assistance to fire departments in replacing PFAS-containing foal with non-PFAS foam [Alternative 4]. The Committee could also take no action [Alternative 5]. Additional amounts could be requested under s. 13.10 of the statutes should additional collections and disposal funding be needed.

ALTERNATIVES

1. Provide $1,000,000 in one-time funding in 2023-24 for the second phase of disposal and cleanup of PFAS-containing firefighting foam.

ALT 1	Change to Base
SEG	$1,000,000

2. Provide $323,400 in one-time funding in 2023-24.

ALT 2	Change to Base
SEG	$646,800

3. Provide funding under Alternatives 1 or 2 in the Committee's supplemental appropriation.

4. Amend the appropriation under s. 20.370 (4)(ps) of the statutes to authorize DNR to expend available funds on assistance to local fire departments for replacing PFAS-containing firefighting foams with foams that do not contain such substances. (This alternative could be moved in addition to, or separate from, any of Alternatives 1 through 3.)

5. Take no action.

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May 18, 2023 Joint Committee on Finance Paper #605

Bonding for Great Lakes Contaminated Sediment Removal (Natural Resources -- Waste, Remediation, and Air)

[LFB 2023-25 Budget Summary: Page 460, #12]

CURRENT LAW

Since 2007, the Department of Natural Resources (DNR) has been authorized $40 million in contaminated sediment bonding authority to pay a portion of the costs of removal of contaminated sediment from Lake Michigan, Lake Superior, or their tributaries, if the project is in a water body that DNR has identified, under the federal Clean Water Act, as being impaired by contaminated sediment. Of these amounts, DNR has expended or committed $36.3 million as of March, 2023, on projects in which the state was responsible for cleanup, or a viable responsible party could not be identified. Debt service costs to repay the bonds are paid from a sum-sufficient appropriation from the segregated (SEG) environmental management account of the environmental fund, and totaled $2,193,600 in 2021-22.

DISCUSSION POINTS

1. Assembly Bill 43/Senate Bill 70 would increase DNR's bonding authority by $15,000,000 for removing contaminated sediments in Lake Michigan, Lake Superior, and their tributaries. Funding under the provision would support a portion of approximately $40.3 million in additional priority state funding obligations identified for remediation in the Portage Canal, Milwaukee Estuary, Sheboygan River, St. Louis River, and Lake Superior. DNR reports that most of the remaining existing bonding authority would also be designated for these areas.

2. Under 2007 Wisconsin Act 20 (the 2007-09 biennial budget act), DNR was authorized $17 million in general obligation bonding authority for removal of contaminated sediment from Lake Michigan or Lake Superior or their tributaries if federal funds were provided for the project under the federal Great Lakes Legacy Act. In each of the three subsequent biennial budgets (2009-11 through

2013-15), an additional $5 million in bonding authority was provided. In each of the 2019-21 and 2021-23 biennial budgets, an additional $4 million was provided to reach the current total authorization of $40 million. Under 2009 Wisconsin Act 28, eligibility for use of the bonding authority was expanded so that projects do not have to receive federal funding under the Great Lakes Legacy Act for a portion of costs, but projects must be in Lake Superior or Lake Michigan or their tributaries, and DNR must have identified the waterway as being impaired by contaminated sediment.

3. DNR has focused use of the contaminated sediment bonding authority on five Great Lakes Areas of Concern (AOCs) under designation by the U.S. Environmental Protection Agency (EPA). These include the Milwaukee Estuary, Sheboygan River, Lower Green Bay and Fox River, Lower Menominee River (in Marinette, shared with Michigan), and St. Louis River (in Superior, shared with Minnesota). A general goal of listing AOCs is to implement practices to remediate the identified contamination and abate current pollution sources. Such management practices are intended to restore beneficial uses of the waterways by the public, as well as for fish and wildlife populations. The Lower Menominee River AOC was delisted in 2020, and was the first AOC in Wisconsin to be delisted.

4. Table 1 shows the contaminated sediment cleanup projects as of May 1, 2023, that were funded, are currently being funded, or are committed from the current bonding authority, totaling $36.3 million. DNR estimates that $36.3 million in state bonding expenditures for these projects would combine with at least $270.9 million in other expenditures, including $183.1 million in federal, other state, and local government funding, and $57.9 million by responsible parties.

TABLE 1

Contaminated Sediment Projects Funded from Existing Bonding Authority

Project	Bonding Expenditures Encumbrances/Commitments
Milwaukee – Kinnickinnic River	$7,617,953
Milwaukee – Lincoln Park / Milwaukee River Phase I	9,719,434
Milwaukee – Lincoln Park / Milwaukee River Phase II	3,387,420
Sheboygan Harbor	3,319,998
Marinette – Menominee River (Ansul/Tyco)	1,000,000
Marinette – Menekaunee Harbor	500,000
Portage Canal – Phase 1	533,814
Portage Canal – Phase 2	319,080
St. Louis River AOC -- Howard's Bay*	1,400,000
St. Louis River AOC -- Munger Landing*	330,120
Milwaukee AOC Planning and Dredged Material Management Facility (DMMF)*	7,500,000
Superior Slips Feasibility*	630,000
Total	$36,257,819
Remaining Uncommitted Current Authority	$3,742,181

* All or part of the funding shown is committed but not yet encumbered.

5. Table 2 shows the potential contaminated sediment projects that meet eligibility requirements under current law. The timeline for each project varies, depending on the specific situation of each project, status of investigations of contamination, and status of negotiation or agreements with responsible parties and local and federal funding partners. The table presents projects in the order of readiness to begin, according to DNR. The Milwaukee DMMF project is most ready to begin, and the Portage Canal Phases 3 and 4 are least ready to begin.

6. While there is uncertainty about the timing of work at several of these sites, DNR anticipates committing all of the $15 million under the provision for the anticipated state costs for the St. Louis and Milwaukee Areas of Concern. Approval of the $15 million would be expected to move these projects forward during the 2023-25 biennium [Alternative 1].

TABLE 2

Potential Sites for Cleanup with Additional Contaminated Sediment Bonding Authority

Project	Potential Bonding Expenditures (state cost share)
Milwaukee -- DMMF Contingency	$3,000,000
St. Louis River -- Superior Slips Construction	6,000,000
St. Louis River -- Superior Slips Design	1,100,000
St. Louis River -- Pickle Pond	1,500,000
Sheboygan River Characterization	175,000
St. Louis River -- Crawford Creek	3,000,000
Sheboygan River Dredging	1,500,000
Milwaukee River Floodplains	2,000,000
Milwaukee -- Bay View Grand Trunk Wetland	1,000,000
Portage Canal – Phases 3 and 4	21,000,000
Total	$40,275,000

7. Generally, when DNR has bonding authority in place and available for allocation to a project, it is easier to assemble project funding packages that include federal and local governments, private responsible parties, or other entities that can contribute funding to a project. The Department needs bonding authority in place before it can allocate it to a project. DNR commits or allocates funding for a project when the project study reaches a stage of feasibility, and negotiations with other potential funding partners results in development of a complete funding package.

8. Debt service costs for bonds issued under the contaminated sediment bonding authority are budgeted at $1.9 million in 2023-24 and $2.0 million in 2024-25 under Committee action to date. The $15 million in new bonding authority under the provision would not be expected to result in an increase in debt service costs in the 2023-25 biennium, but would be anticipated to increase debt service costs in future biennia as bonds are gradually issued to pay for contaminated sediment cleanup projects. Debt service costs on $15 million in general obligation bonds would be approximately $1.2 million annually when all of the bonds are issued, assuming a 20-year term and an interest rate of 5%. As the amount authorized and spent for contaminated sediment cleanup increases, the amount spent

from the environmental management account for debt service would generally increase, absent any other retirement of existing debt, or restructuring or refinancing of outstanding issues. This would decrease funding available for other purposes of the account, such as other contaminated land cleanup and recycling programs.

9. Another option would be to provide a smaller increase in bonding authority than the amount under the provision. For example, $7.5 million, half the recommended amount, could be provided instead of $15 million [Alternative 2]. This would provide a total of $11.2 million in authority for use in the 2023-25 biennium ($3.7 million existing and $7.5 million new) that has not been allocated to projects yet. The Committee could also provide $4 million in additional bonding authority, as was provided under 2019 Wisconsin Act 9 and 2021 Wisconsin Act 58 [Alternative 3].

10. In addition to, or instead of, any of Alternatives 1 through 3, the Committee could provide funding from environmental management SEG [Alternatives 4a through 4c]. This alternative would provide cash funding and therefore not obligate the account to debt service on additional bonding authority. Funding would be provided in a continuing appropriation in 2023-24.

11. If no action is taken to provide additional bonding authority, DNR would need to prioritize commitment of the currently authorized, unobligated authority for projects, or it could allocate remedial action bonding authority. Although uncertain, local governments and responsible parties might be able to provide part of the funding for priority projects.

ALTERNATIVES

1. Provide bonding authority of $15,000,000 for removing contaminated sediments in Lake Michigan, Lake Superior, and their tributaries.

ALT 1	Change to Base
BR	$15,000,000

2. Provide bonding authority of $7,500,000 for removing contaminated sediments in Lake Michigan, Lake Superior, and their tributaries.

ALT 2	Change to Base
BR	$7,500,000

3. Provide $4,000,000 for removal of contaminated sediment in Lake Michigan, Lake Superior, and their tributaries. (This would equal the amount provided under 2021 Act 58, the biennial budget act.)

ALT 3	Change to Base
BR	$4,000,000

4. Create a continuing appropriation from the environmental management account of the segregated environmental fund for removal of contaminated sediment from the Great Lakes or tributaries. (This alternative can be moved in addition to any of Alternatives 1 through 3.) Specify one of the following one-time funding amounts in 2023-24:

a. $15,000,000

ALT 4a	Change to Base
SEG	$15,000,000

b. $7,500,000

ALT 4b	Change to Base
SEG	$7,500,000

c. $4,000,000

ALT 4c	Change to Base
SEG	$4,000,000

5. Take no action.

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May 18, 2023 Joint Committee on Finance Paper #606

Air Management Program Position Transfers (Natural Resources -- Waste, Remediation, and Air)

[LFB 2023-25 Budget Summary: Page 461, #14]

CURRENT LAW

The implementation of air quality programs in Wisconsin is conducted by the Bureau of Air Management in the Department of Natural Resources (DNR) Environmental Management Division, as well as staff in the DNR regional offices and support from staff in the Department's other programs. Air management staff in the five DNR regions perform permit review and issuance for new construction and existing sources, stack emission test plan approval, compliance inspections and enforcement, complaint investigation, inspection of asbestos demolition and renovation, and inventory of industrial source emissions. DNR's air management program has the primary responsibility in Wisconsin to issue permits to federally-regulated major sources of air pollution under the federal Clean Air Act and to ensure permittees' compliance with applicable standards. This authority was first delegated to the state by the Environmental Protection Agency (EPA) in 1995. This program is also known as the Title V stationary source air permit program, after the section of the Clean Air Act Amendments of 1990 that established the program. (Such sources are referred to as "federally-regulated" in this budget paper.)

Generally, major sources for federally-regulated operation permits include facilities that have the potential to emit any one of the following: (a) over 100 tons per year of any criteria pollutant in attainment areas and in marginal or moderate ozone nonattainment areas for any criteria pollutant, or 50 tons per year of volatile organic compounds (VOCs) or nitrogen oxides (NOx) in serious nonattainment areas, or 25 tons per year of VOCs or NOx in severe nonattainment areas; (b) 10 tons per year of any federal hazardous air pollutant (HAP); or (c) 25 tons per year of all combined federal HAPS. Criteria pollutants include ozone, sulfur dioxide, nitrogen dioxide, particulate matter (solid or liquid matter suspended in the atmosphere), carbon monoxide, and lead.

Beginning in 2013-14 for calendar year 2013 emissions, sources that are required to obtain an operation permit under federal law continue to pay an annual air emissions tonnage fee of $35.71 per ton. In addition, all federally-regulated sources pay an annual base fee, based on the tons of actual billable emissions from the facility in the prior calendar year as follows: (a) $900 if the source emitted not more than 10 tons of billable emissions in the prior calendar year; (b) $1,300 if the source emitted more than 10 tons but not more than 25 tons in the prior calendar year; (c) $1,600 if the source emitted more than 25 tons but not more than 50 tons in the prior calendar year; (d) $2,300 if the source emitted more than 50 tons and not more than 80 tons in the prior calendar year; and (e) $3,000 if the source emitted more than 80 tons per year in the prior calendar year. Fee revenue for federally-regulated permits totaled $3,707,200 in 2020-21 and $4,180,800 in 2021-22.

DISCUSSION POINTS

Associated Positions Funded from Federally-Regulated Permit Fees

1. Assembly Bill 43/Senate Bill 70 would transfer 8.75 positions and $896,100 PR funded by operation permit fees for federally-regulated (Title V) stationary air pollution sources to environmental fund SEG. The transfer would fund the 8.75 staff, which serve division-wide purposes, using environmental SEG instead of Title V program revenues (PR), as this source has experienced continuous decline over the last several years. The Department requested a substantially similar transfer under s. 13.10 of the statutes in November of 2021, which is pending before the Committee.

2. Table 1 shows the authorized positions and funding for the air management program for 2022-23. Total base funding for DNR's direct air management responsibilities is $15.4 million with 128.75 authorized positions. As shown in the table, most program positions are funded from: (a) operating permit fees for federally-regulated and state-regulated sources; (b) permit fees for the construction of new emission sources; and (c) federal grants under the Clean Air Act. Other positions are funded by other PR sources as well as petroleum inspection fund SEG and the environmental management account of the environmental fund. The petroleum inspection fund is supported by 1¢ per gallon of the 2¢ per gallon state petroleum inspection fee assessed on certain products sold in state, primarily motor vehicle fuel and home heating oil. The environmental management account is funded primarily from several state tipping fees on waste disposed of in landfills throughout Wisconsin.

TABLE 1

2022-23 DNR Air Management Authorized Funding and Positions

Source	Fund Source	Amount	Positions
Bureau of Air Management			
Program Revenue (PR)			
Stationary Source Fees – Federally-Regulated Sources	PR	$6,024,300	52.00
Stationary Source Fees – State-Regulated Sources	PR	1,316,900	12.00
New Source Construction Permit Fees	PR	2,292,800	19.50
Asbestos Abatement Fees	PR	630,900	4.00
Ozone-Depleting Substance Fees	PR	135,500	1.50
Federal Clean Air Grants	FED	3,424,000	34.00
Petroleum Inspection Fund – Segregated Revenue (SEG)	SEG	1,518,200	4.75
Environmental Management Account – (SEG)	SEG	60,000	1.00
Subtotal Bureau of Air Management		$15,402,600	128.75
Division of Environmental Management			
Stationary Source Fees --- Federally-Regulated Sources	PR	$493,500	3.00
Public Safety			
Stationary Source Fees – Federally-Regulated Sources	PR	$104,000	1.00
Federal Clean Air Grants	FED	161,400	1.50
Internal and External Services Programs			
Stationary Source Fees – Federally-Regulated Sources	PR	$490,800	5.75
Federal Indirect Cost Reimbursement	FED	544,400	0.00
Petroleum Inspection Fund	SEG	101,900	0.75
Total DNR Air Management Funding		$17,298,600	140.75

3. In addition to the positions assigned to the air management program, the Environmental Management Division is authorized 3.0 positions from federally-regulated stationary source fees for division-wide program management. The Division of Public Safety and Resource Protection is authorized 2.5 positions from air funding sources for law enforcement purposes. The Internal Services Division and External Services Division are authorized 6.5 positions from federal and state air funding sources for legal, administrative services, customer service and licensing, communication and education strategy, and to assist businesses in meeting environmental requirements. Of these 12.0 positions, 9.75 are funded from fees assessed on federally-regulated sources.

4. Table 2 shows actual annual revenues and expenditures from federally-regulated permit fees for 2012-13 to 2021-22. The table reflects federally-regulated operation permit fee increases that took effect beginning in 2014 under 2013 Wisconsin Act 20. DNR states that billable air emissions and the number of federally-regulated permitted facilities have declined and will continue to decline due to: (a) consistent reductions in emissions pursuant to federal and state air pollution regulations; and (b) shifts by utilities and other emitting facilities from coal-fired power to other sources, including natural gas and renewable sources such as hydropower, solar, and wind. Revenues were insufficient to cover expenditures in several fiscal years shown, including the three fiscal years from 2018-19 to 2020-21. The annual surplus in 2021-22 is mostly attributable to receivable revenues from 2020-21.

TABLE 2

Federally-Regulated Permits Revenue and Expenditures

Year	Revenue	Expenditures
2012-13	$5,890,300	$5,951,300
2013-14	7,281,900	5,765,200
2014-15	7,265,900	6,127,900
2015-16	5,121,300	5,852,200
2016-17	3,882,600	5,235,400
2017-18	6,195,800	5,271,700
2018-19	4,410,800	5,616,600
2019-20	4,189,700	5,057,900
2020-21	3,707,200	3,999,500
2021-22	4,180,800	3,492,900

5. DNR reports that the reduction in billable air emissions and federally-regulated permitted facilities do not necessarily result in a decreased need for program staff. The Department states that when a federally-regulated facility reduces its potential to emit pollution, decreases may be due to these facilities' compliance with additional regulations or operating more complex equipment. DNR contends that verifying permittees' compliance and proper use of additional control technologies requires a sustained or, in some cases, increased workload for the air program overall while also reducing revenue. Some facilities also may transition to operating as state-regulated sources, which are described further in a separate section.

6. DNR's air management program reports that it has been able to use available PR balances, reduce expenditures, and hold positions vacant to account for the federally-regulated permit revenue insufficiencies, and that such measures will continue in the 2023-25 biennium to the extent feasible. The appropriation for federally-regulated source permit fees has 29.5 positions as of April 1, 2023, that had been vacant for at least six months, and 19.0 that had been vacant for two years or longer.

7. DNR indicates that the 8.75 positions to be transferred were selected because they are not directly related to core federally-regulated permitting work to which the agency believes available revenues would be better allocated. Table 3 outlines the 8.75 positions that would be transferred from PR funding to SEG funding, including: (a) 2.00 positions in the Division of Environmental Management administration; (b) 1.00 position in the Division of Public Safety and Resource Protection; and (c) 3.25 positions in the Bureau of Customer and Outreach Services; and (d) 2.50 positions in the Bureau of Environmental Analysis and Sustainability. Funding of $2,500 listed for communications purposes would be for supplies and services.

TABLE 3

Air Program Position Transfers

DNR Program	Funding	Positions
Environmental Management Administration	$249,200	2.00
Enforcement	117,300	1.00
External Services		
Customer Services	226,700	3.25
Environmental Analysis and Sustainability	300,400	2.50
Communications	2,500	0.00
Total	$896,100	8.75

8. As of April 1, 2023, 3.00 of the 8.75 positions are vacant. Of the 3.0 vacant positions, 1.0 position is a division administrator that has been vacant since March of 2022. Another 1.5 positions are customer service representatives that have been vacant since May of 2022, and the other 0.5 position is a customer services representative that has been vacant since August of 2019. DNR reports that the positions have been held vacant due to funding insufficiencies and that the 2.0 customer services positions are considered crucial to departmental work. Specifically, the positions would increase division-wide support to the public, businesses, and regulated parties seeking help with questions, forms, and website navigation via phone, email, and in person. DNR reports that the 2.0 positions would be filled if funding were changed according to the bill.

9. By reducing the ongoing commitments of federally-regulated sources permit fees, the request may extend the time under which DNR could operate the program at current fee levels without requesting fee increases under budget legislation. Under a federal program delegation, Wisconsin is required to demonstrate to EPA that the emissions fees assessed by the state for federally-regulated sources will be sufficient to fully support the federally-regulated program. EPA requires delegated state programs to monitor fee adequacy as part of their operations, and when necessary to propose fee adjustments to keep the state program fully funded. Any fee adjustment made must be approved by the Legislature and must be submitted with a fee adequacy showing to EPA for approval. DNR last provided a fee adequacy report to EPA in February, 2017, along with other updates to information about how the federally-regulated air permit program meets federal requirements and collects adequate fees. EPA last approved a fee adequacy showing in December, 2019.

10. EPA can also request fee adequacy reports if there are concerns that a state is not adequately implementing a program. If current state fees were to continue to be insufficient to support the permitting program for federally-regulated sources, the state would be required to implement fees sufficient to support the program or risk the program being found deficient by EPA. A program that does not remedy a deficiency ultimately could be subject to loss of certain federal air management or highway funding, or EPA could assume responsibilities for collecting fees in the state and administering permitting in the state. DNR estimates that 46.0 positions are needed to maintain staffing levels that would demonstrate program adequacy to EPA in the long term. Although current vacancy levels and fund sufficiency have led to DNR operating the program with fewer filled

positions than that amount, it is likely the program in the coming biennia would have to consider a reallocation of staffing to different funding sources, request a fee increase, or both, in order to satisfy federal requirements for the program.

11. Given the continued DNR workload for federally-regulated sources and declining program revenues, the Committee could approve the request and transfer 8.75 PR positions and $896,100 PR annually in funding to environmental fund SEG [Alternative A1]. The environmental management account is expected to have a closing available balance of $33.2 million on June 30, 2023. The account's ongoing revenues are anticipated to exceed base expenditures by an average of $6 million annually. This is due primarily to declining debt service payments for certain programs funded by state SEG-supported general obligation bonds. Therefore, the account could accommodate the additional $896,100 SEG in annual expenditures needed to fund the 8.75 positions in the bill.

12. The Committee could also delete the 3.00 vacant positions and associated funding and transfer only the 5.75 filled positions and corresponding funding to environmental management SEG [Alternative 2]. A deletion of a division administrator position would also require a reduction of the number of unclassified division administrator positions enumerated for DNR under s. 230.08 of the statutes. The Committee could take no action [Alternative 3]. DNR reports that the positions would continue to be held vacant due to funding source insufficiencies, despite the departmental need for the positions to be filled.

Other Transfers

13. Assembly Bill 43/Senate Bill 70 would also transfer the following positions and funding, with no net change to funding sources: (a) 3.0 PR vacant air management positions and $228,900 PR from the appropriation for federally-regulated sources to the appropriation for state-regulated sources; (b) 1.0 PR vacant air management position and $77,800 PR from the appropriation for federally-regulated sources to the PR appropriation for asbestos management; and (c) 1.0 FED position and $77,800 FED from air management to the safe drinking water loan program. The intention of these 5.0 transfers would be to reallocate the positions according to current staffing needs and available funding sources.

14. As previously discussed, a change in the quantity or type of emissions by a given facility could lead to the facility being regulated under a different air emissions permitting regime. The transfers of PR position authority from the federally-regulated sources program to the state-regulated sources program and asbestos management is intended to better reflect the current workload of the programs. The receiving appropriations do have sufficient revenues and balances to accommodate the transferred positions; the state-regulated sources appropriation had a July 1, 2022, balance of $2.5 million, while the asbestos management program had available balances of $3.0 million.

ALTERNATIVES

A. Associated Positions Funded from Federally-Regulated Permit Fees

1. Transfer 8.75 positions and $896,100 PR annually funded by operation permit fees for

federally-regulated (Title V) stationary air pollution sources to environmental fund SEG.

ALT A1	Change to Base Funding	Positions
PR	- $1,792,200	- 8.75
SEG	- 1,792,200	8.75
Total	$0	0.00

2. Transfer 5.75 positions and $1,278,600 PR to environmental fund SEG. Delete 3.00 vacant positions and $513,600 PR in associated funding. Reduce from 10 to 9 the number of DNR unclassified division administrator positions authorized under s. 230.08(2)(e) of the statutes.

ALT A2	Change to Base Funding	Positions
PR	- $1,792,200	- 8.75
SEG	1,278,600	5.75
	- $513,600	- 3.00

3. Take no action.

B. Other Transfers

1. Transfer 5.00 positions to appropriations of the same funding sources, to better align the positions with staffing needs and available funding sources.

2. Delete 4.00 vacant PR positions and associated funding.

ALT B2	Change to Base Funding	Positions
PR	- $613,400	- 4.00

3. Take no action.

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May 18, 2023 Joint Committee on Finance Paper #607

Reauthorize Funding for Cleanup of Electronic Waste (Natural Resources -- Waste, Remediation, and Air)

CURRENT LAW

2021 Wisconsin Act 234 and subsequent action by the Joint Committee on Finance provided $2.5 million from the environmental management account of the segregated (SEG) environmental fund in the 2021-23 biennium for DNR to contract with third parties to conduct the assessment, collection, transportation, and disposal of cathode ray tube glass and related electronics waste from 5R Processors. The firm, now defunct, operated as an electronics and appliance recycling firm with several sites in Wisconsin, including Ladysmith (Rusk County), Glen Flora (Rusk County), Catawba (Price County) and West Bend (Washington County).

Act 234 intended to create a continuing appropriation for cleanup purposes. Monies in continuing appropriations do not lapse to the balance of the source fund, and Act 234 intended to allow DNR to expend all monies appropriated for the cleanup purposes until exhausted. However, Act 234 inadvertently provided funding as an annual appropriation. Unencumbered funds in annual appropriations revert to the balance of the source fund at the close of each fiscal year.

MODIFICATION

Modify the statutory language of s. 20.370 (4)(hs), the appropriation for electronic waste cleanup related to 5R Processors, to be continuing. Reauthorize the unencumbered, unexpended balance of the appropriation, $1,450,000, so that DNR can continue the intended cleanup initiatives. The funds would be available until fully expended.

Explanation: Because the authorizing language of s. 20.370 (4)(hs) creates an annual appropriation, any amounts for the cathode ray tube glass cleanup not encumbered as of June 30, 2023, will lapse to the environmental management account balance. DNR will be unable to expend or encumber the entirety of the funds by the end of the current fiscal year due to unresolved property ownership matters and the subsequent inability of remediation

contractors to access the sites. The Department has currently encumbered $1,050,000, but due to the varying timelines for contractor activities needs more time to conduct cleanup and expend the remaining $1,450,000. This modification conforms with the intent of 2021 Act 234.

	Change to Base
SEG	$1,450,000

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NATURAL RESOURCES

Waste, Remediation, and Air

LFB Summary Item for Which No Issue Paper Has Been Prepared

Item #	Title
15	Waste Management Positions Transfer