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*Testimony before the Senate Committee on Natural Resources and Energy  
Senator André Jacque  
March 11, 2021*

Chair Cowles and Committee Members,

Thank you for holding this hearing on Senate Bill 84, relating to extending the life of the very effective Private On-site Wastewater Treatment System (POWTS) replacement or rehabilitation grant program.

This legislation was part of a package of recommendations last session from the Speaker's Task Force on Water Quality. The bipartisan and bicameral task force was created in February of 2019 and traveled the state holding 14 hearings across Wisconsin. 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. This issue is found throughout our state- 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, and has been used extensively and as intended throughout our state.

Senate Bill 84 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. Rep. Krug and I are proud to be part of the broad coalition in support of extending this vital program as soon as possible before it disappears.

Thank you for your consideration of Senate Bill 84.



# SCOTT KRUG

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TO: Members, Senate Committee on Natural Resources and Energy  
FROM: Representative Scott Krug  
RE: 2021 AB 123 / SB 84  
DATE: March 11, 20201

Chairman Cowles and Committee Members,

Thank you for holding hearings on a bill from the Speaker's Task Force on Water Quality. 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 the eligibility and in preparation of grant applicants. 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 also reaching the end of their useful lives. As an area than 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 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.

This legislation also adds 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 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.

Thank you again for holding a hearing on AB 123 / SB 84. I look forward to your support of this bill. I would be happy to answer any questions you may have.

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**Tony Evers, Governor**  
**Dawn B. Crim, Secretary**

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March 11, 2021

TO: Members of the Senate Committee on Natural Resources and Energy

FR: Michael Tierney, Department of Safety and Professional Services Legislative Liaison

RE: Senate Bill 84

Chair Cowles and Committee members,

Thank you for holding the hearing today on Senate Bill 84.

It is likely that most of the people who benefitted from the Wisconsin Fund may have never heard of it prior to their private onsite wastewater treatment system, or POWTS, failing. Faced with a large bill for a replacement system, the Wisconsin Fund has helped Wisconsinites, often in rural areas, to better afford a replacement system.

In Wisconsin, last year alone, our staff estimates that approximately 7,000 POWTS failed – based upon the number of sanitary permits issued. Depending on the new system put into place, the replacement cost can range from \$5,000 to \$20,000.

Although the Wisconsin Fund is set to sunset this coming summer, administratively the Department could not accept new applications after February 1, 2020. Since then, every month or so, I receive a call or email from a legislative staff person relaying information about a constituent whose POWTS has failed. The constituents are in a quandary. They cannot afford a new system, they fear their well water could become contaminated, and for people with the least financial means – they wonder if they will be able to afford to stay in their homes.

The Governor and the Department of Safety and Professional Services strongly supports the continuation of the Wisconsin Fund to assist Wisconsinites, largely in rural areas, to afford the replacement of their failing POWTS systems. This will help to ensure their water remains clean and they are financially able to remain in their homes.

The project positions authorized in the bill will also help to ensure that the Department continues to adhere to timelines for application and plan reviews that our customers require.

The current bill does require the Department to fund the septage characterization study to be conducted by UW Stevens Point. Based on communications with one of the bill authors, it seems the intent was to allow the Department flexibility in funding the study. Presently, the POWTS grant program and the private sewer system program are funded from appropriation 22100. If the bill could specify an increased appropriation [22100/20.165(2)(j)] by the specific amount of the study and allow a one-time increase in appropriation/expenditure authority, this would enable the Department to maintain current service levels in the private sewer system program while funding the study. The Department would also ask that the bill specifically increase the expenditure/appropriation authority for the positions as well.

Thank you for your consideration. I would be glad to address questions from committee members.

WISCONSIN  
COUNTIES  
ASSOCIATION



WISCONSIN COUNTY  
**WCCA**  
CODE ADMINISTRATORS



TO: Senate Natural Resources Committee Members

FROM: Wisconsin Realtors Association  
Wisconsin Builders Association  
Wisconsin Counties Association  
Wisconsin Precast Concrete 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: March 11, 2021

RE: **Support Senate Bill 84 relating to:** the private on-site wastewater treatment system replacement or rehabilitation grant program

On behalf of the Rural Health & Economic Development Coalition, comprised of the organizations identified above, **we sincerely request committee members support SB 84, relating to:** the private on-site wastewater treatment system replacement or rehabilitation grant program. Last session, this proposal was introduced with strong bi-partisan support comprising of almost 50 co-sponsors and passed unanimously in the Senate Natural Resources Committee. The bill also passed the Assembly on a voice vote.

Although this legislation did not pass last session, our coalition remains sensitive to the state's fiscal condition. Because of this, we are pleased to report that **this proposal does NOT impact the state's general-purpose revenue (GPR) funds.** What this proposal does do, is accomplish three primary benefits to all members of our coalition and the stakeholders we serve throughout Wisconsin.

1. Maintain and update the POWTS Grant Program
2. Create DSPS efficiencies to approve POWTS plans & permitting through existing program revenue resources.
3. Septage Characterization Study

**1. Maintain and update the POWTS Grant Program (WI Fund)**

According to the 2019 LFB Informational Paper #68, 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 reliance on a Private Onsite Wastewater Treatment System (POWTS) combined with the historical role the POWTS Grant Program has played to ensure septic systems are not contributing to contamination of Wisconsin's ground and drinking water; maintaining and updating the POWTS Grant Program is paramount. For over 42 years, the POWTS Grant Program has played a role to ensure our state's surface water, ground water, bedrock and soils are protected from environmental harm associated with POWTS failures. As a result, our coalition recommends the committee approve legislative language:

- Create June 30, 2023 POWTS Grant Program sunset
- Maintain the \$1.6 million in PR funding for eligible POWTS Grant Program recipients
- Ensures an educational public outreach component for those potentially in greatest need.

**2. Create DSPS efficiencies to approve POWTS plans & permitting through existing program revenue resources.**

Proactively protecting Wisconsin's ground and drinking water should be considered and addressed to ensure watertight/code compliant POWTS are reviewed, approved, and installed for all new and replacement systems. 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.

The coalition is advocating that this legislative package includes language to increase current POWTS Plan Review staff within the DSPS - Division of Industry Services by 2.0 FTE with existing POWTS-related PR funds.

**3. Establishes a Two-Year Septage Characterization Study**

The study would analyze and make recommendations on practices that mitigate the risk of contaminating ground and surface waters with septage.

**Funding**

Our coalition is sensitive to and continues to be good stewards of Wisconsin taxpayer dollars. As a result, our research concludes that funding for the above-mentioned clean water programs could be funded through existing PR dollars. Please see specific revenue and expense related figures below:

Annual Funding Sources & Expenses for both POWTS Grant Program & 2.0 POWTS Plan Review Staff

<u>Program Revenue (Generated From):</u>		<u>POWTS Related Costs</u>	
2018-19 Sanitary Permits	= \$588,000	2021-22 POWTS Grant Program	= \$840,000
2018-19 Plan Review Fees	= \$605,250	Est. 2.0 FTE Plan Review Staff	= \$159,000
		Septage Characterization Study	= \$ 94,000
<b>*Total</b>	<b>= \$1.2 million</b>	<b>Total</b>	<b>= \$1 million</b>

**Conclusion**

Keeping Wisconsin's waters clean is vitally important to this coalition and their individual members. Not only do coalition members work in and serve Wisconsin's rural areas, **but we also live there, too.** For the following reasons, **we are recommending committee members support passage of SB 84** – to maintain and update the WI POWTS Grant Program & create DSPS efficiencies to approve POWTS plans and permitting through existing PR resources.

Thank you for your consideration of our recommendations. If you have further questions or require additional information as follow-up, please contact George Klaetsch at 608.283.2587.



## Fiscal Estimate Narratives

DNR 3/10/2021

LRB Number	21-0225/1	Introduction Number	SB-156	Estimate Type	Original
<b>Description</b> expanding the clean sweep program to include collection of certain fire fighting foams and making an appropriation					

### Assumptions Used in Arriving at Fiscal Estimate

The bill requires the Department of Agriculture, Trade and Consumer Protection (DATCP) to collect and store or dispose of fire fighting foams that contain perfluoroalkyl or polyfluoroalkyl substances (PFAS) and that are voluntarily surrendered. The bill allows DATCP to contract with a third party to conduct the collection and storage or disposal. The bill requires DATCP or the third party administering the collection program to prioritize collecting from the state and from cities, villages, towns, and counties. Under the bill, any PFAS foams that are collected under the program must be stored in an environmentally safe manner until properly disposed of or treated, according to DNR's administrative rules.

The bill also allocates \$500,000 in fiscal year 2022, from the environmental fund to DATCP, to fund fire fighting foam collection efforts.

### Background Information

In 2020, DNR analyzed results of a survey of local and state emergency responders to determine the level of use of PFAS-containing firefighting foam. Of the approximately 825 fire departments in Wisconsin, 596 fire departments responded to the survey. Based on survey results, it is estimated that the total amount of fluorinated firefighting foam held by some of 825 fire departments is at least 63,200 gallons and may be as high as 96,300 gallons. Of that, the total amount of expired foam in need of disposal using Clean Sweep across the state is estimated to be at least 23,700 gallons and may be as high as 44,700 gallons.

### State Fiscal Effect

The current Clean Sweep program is operated by DATCP. DNR currently has no direct involvement in the program, but would incur an indeterminate amount of expenses for staff time to coordinate with DATCP on program development that is consistent with treatment and disposal rules for firefighting foams that contain PFAS.

### Local Fiscal Effect

The overall local fiscal effect of the bill is indeterminate. Local governments would benefit from reduced or avoided expenses if a state-funded Clean Sweep effort is provided for PFAS-containing fire fighting foam disposal. However, local governments would still incur the expense of replacing their fire fighting foam with fluorine-free alternatives.

It is unclear if there would be a cost-share requirement for local governments under this bill. The existing Clean Sweep program requires a 25% local match, which can be in-kind.

### Long-Range Fiscal Implications