



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #471

Well Inspector Position (Natural Resources -- Water Quality)

[LFB 2021-23 Budget Summary: Page 444, #4]

CURRENT LAW

The Department of Natural Resources (DNR) is responsible for enforcing standards for the drilling and construction of wells for water for human consumption under Chapter 280 of the statutes, as well as under Chapter NR 812 and several related provisions of the administrative code. As part of these duties, DNR licenses well drillers, heat exchange drillers, and pump installers, and is authorized to inspect wells and well construction activities.

DISCUSSION POINTS

1. Currently, DNR is authorized 9.0 private water supply field inspectors, or well inspectors in the Department's drinking water and groundwater program. The primary position responsibilities include: (a) conducting field inspections of drillers, pump installers, and other contractors; (b) responding to well contamination complaints and monitoring groundwater contamination areas; (c) reviewing requests for variances from established specifications for well construction, and issuing decisions; and (d) enforcement of the well and pump code in NR 812 and related provisions.

2. DNR reports that approximately 8,000 private wells are newly-constructed each year. Not all wells are required to be inspected. The Department attempts well inspections for roughly 15% of these during and after construction, totaling 1,200 inspected wells. By inspecting 15% of new wells annually, DNR intends to provide sufficient oversight of drilling activity and further statewide compliance with NR 812 standards, while ensuring safety of water supplies and verifying that well drillers are complying with state regulations. DNR prefers to conduct inspections at the time of well construction.

3. Assembly Bill 68/Senate Bill 111 would reallocate 1.0 vacant position in the DNR air management program funded from operating permit fees for federally regulated (Title V) stationary air pollution sources to a well inspector in the DNR drinking water and groundwater program. The provision would provide \$56,100 in 2021-22 and \$74,700 in 2022-23 from the groundwater management appropriation for salary and fringe benefits for the position. Funding of \$74,700 annually would be deleted from the air management program, as would an additional \$35,600 annually for supplies and limited-term employees (LTEs) for groundwater management. In total, the provision would delete -\$89,800 PR.

4. DNR indicates that it intends to use the position to conduct 250 to 300 additional well inspections per year. DNR expects that this would increase the rate of inspections from around 12% to 15%, which is the Department's preferred rate of well inspections.

5. DNR reports that the appropriation from which the position would be funded under AB 68/SB 111, as well as two other groundwater research and local assistance appropriations funded from well notification fees and high-capacity well fees, typically has annual revenues insufficient to support authorized expenditures. Provisions under AB 68/SB 111 to establish a fee for variances in well construction standards and to increase fees for well notification were intended in part to provide additional revenues to support authorized expenditures. The provisions were removed from consideration under earlier Committee action. Without additional revenues for groundwater management, it may not be feasible to add the 1.0 well inspector position to the groundwater management PR appropriation.

6. The environmental management account of the environmental fund currently supports 20.54 SEG positions in the general operations of the drinking and groundwater program. (The account's condition under current law and Committee action to date is shown in a separate paper under Natural Resources -- Waste, Remediation, and Air entitled "Environmental Management Account Condition.") The account currently has ongoing revenues that exceed base expenditures.

7. Given that DNR intends to increase well inspections and that the 1.0 well inspector position would not add position authority or funding, the Committee could reallocate the position but transfer the position to environmental management SEG [Alternative 1]. The Committee could also take no action [Alternative 2].

ALTERNATIVES

1. Delete 1.0 PR position and \$74,700 annually in the Department of Natural Resources air management program. Delete \$20,400 in LTE salaries and \$15,200 in supplies and services annually from the DNR groundwater management appropriation. Provide 1.0 SEG well inspector in the DNR drinking water and groundwater program with \$56,100 SEG and \$74,700 SEG in 2022-23 from the environmental management account.

ALT 1	Change to Base	
	Funding	Positions
PR	- \$220,600	- 1.00
SEG	<u>130,800</u>	<u>1.00</u>
Total	- \$89,800	0.00

2. Take no action.

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