



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #557

Great Lakes Shore Water Monitoring (DNR -- Water Quality)

[LFB 2005-07 Budget Summary: Page 376, #14]

CURRENT LAW

DNR is responsible for protecting, maintaining and improving the quality and management of the waters of the state, including the areas of Lake Michigan and Lake Superior adjacent to Wisconsin. DNR created an Office of Great Lakes in the spring of 2004 in the Division of Water to put a greater focus on Great Lakes management needs and to coordinate DNR's involvement in multi-state, federal and international efforts to protect the Great Lakes.

GOVERNOR

Provide \$110,000 annually from the environmental management account of the environmental fund to monitor the quality and condition of the waters of Lake Michigan and Lake Superior that are near the shore. Funds would include \$26,100 for limited-term employees (LTEs) and \$83,900 for supplies.

DISCUSSION POINTS

1. The funds in AB 100 would be used to begin a basic water chemistry monitoring program to gather data about the near shore waters of Lake Michigan and Lake Superior. "Near shore" would include the area within about one to two miles from shore, where most of the fishing, boating, recreational use and water-intake and discharges occur.

2. The goals of the monitoring would be to assess the current quality and condition of the water, develop baseline data about the existing conditions, and determine the source and extent of problems with the near shore waters of the Great Lakes. DNR would test water for bacteria, phosphorus, nitrogen, heavy metals, antibiotics, atrazine and other substances. The Department

would probably focus on areas where there are large amounts of cladophora weeds (a grasslike lake weed) that can accumulate on beaches and cause odor problems, beach closings due to fecal coliform contamination or other bacteria, and increased presence of zebra mussels or other invasive species. DNR officials indicate that the collected data would be used to begin addressing questions such as why beaches are being closed, why cladophora weed growth is increasing, what the relationship is between the presence of cladophora and zebra mussels, whether phosphorus is increasing or decreasing, and whether or where atrazine is a problem.

3. DNR's Office of Great Lakes would coordinate the monitoring efforts. The Office is coordinating the Department's work on Great Lakes issues such as water diversions, exotic species introduction, contaminated sediment sites, nonpoint source impacts, beach safety, and habitat and species restoration. The Office works with other state agencies, interstate bodies such as the Council of Great Lakes Governors, and federal agencies.

4. DNR would use LTE water resource specialists to collect samples in the Great Lakes waters during the 2006 and 2007 summer seasons. The Department would use supplies funding to contract with the Lab of Hygiene to test samples, and to pay for the sample collection done by the LTEs. The LTEs would compile the water sampling data into a baseline database.

5. The U.S. Environmental Protection Agency (EPA) has provided federal Beaches Environmental Assessment and Coastal Health (BEACH) Act grants to DNR totaling \$708,784 from 2001 through the present for certain activities related to beach monitoring. Approximately 90% of the funds were redistributed to local health departments adjacent to Lake Michigan and Lake Superior to monitor the water near beaches where people swim. The state used BEACH Act funding in 2001 and 2002 to develop plans for beach monitoring and to develop programs to notify the public of potential exposure to disease-causing microorganisms at beaches or of beach closings. BEACH Act grants paid for beach monitoring in the 2003 and 2004 beach seasons, and a recently awarded grant will pay for beach monitoring in the 2005 beach season. DNR officials anticipate that there will be one more year of BEACH Act grant funding for monitoring in the 2006 beach season. It is unknown whether there will be BEACH Act funding for monitoring after 2006.

6. The BEACH Act monitoring focuses on the beach land and in the shallow water at the water's edge. Most samples are collected by a person on foot. In addition, the monitoring is focused on determining when beaches are unsafe and need to be closed to swimming. In comparison, the monitoring recommended under the bill would be done in the water up to a mile or two from shore, and most samples would be collected from a boat. In addition, the purpose is to develop baseline data on existing conditions for a longer-term monitoring of the overall health of the Great Lakes.

7. The Governor's recommended funding source for the shore water monitoring is the environmental management account of the segregated environmental fund (as requested by DNR). The environmental management account is used for contaminated land and brownfields cleanup programs, including administration of remediation and redevelopment, groundwater management and solid waste management activities, brownfields grant programs in DNR and Commerce, debt

service costs for general obligation bonds issued for state-funded cleanup of contaminated land and sediment, and state-funded cleanup of contaminated properties where there is no responsible party able or willing to pay for the cleanup. Over half of the revenue to the environmental management account comes from the vehicle environmental impact fee (a \$9 per vehicle title transfer fee). The fee currently ends on December 31, 2005, and the Governor's recommendation to make the fee permanent is discussed in a separate budget issue paper. The account also receives revenues from three solid waste tipping fees totaling 64¢ per ton of non- high-volume industrial solid waste. Other fees to the account include petroleum inspection fees, pesticide and fertilizer fees, hazardous waste generator fees and sanitary permit surcharges.

8. Under the bill, it is expected there will be sufficient funds in the environmental management account for the near shore water monitoring. It could be argued that the environmental management account is an appropriate funding source because it funds activities related to contaminants in land and groundwater that could eventually end up in the Great Lakes. However, it could also be argued that the environmental management account is not an appropriate funding source for surface water quality monitoring programs and that another funding source would be more appropriate. DNR and administration officials indicate that nonpoint account SEG and water resources SEG were also considered as potential funding sources, but rejected due to concerns over the available balances in these accounts.

9. If the vehicle environmental impact fee is not continued through the 2005-07 biennium, it is likely that there will not be sufficient revenues to fund all of the appropriations from the environmental management account. Under this scenario, the Committee may wish to consider not approving the use of the environmental management account to fund the Governor's recommendation for Great Lakes monitoring.

10. The Committee could also consider providing a smaller amount of funds for a smaller scale monitoring program. For example, DNR could be provided with \$55,000 annually from the environmental management account for more limited monitoring in higher-priority areas of concern.

11. If the recommendation is not approved, DNR would need to reallocate funds from other activities if the agency chose to place a higher priority on performing Great Lakes monitoring than on other current activities.

ALTERNATIVES

1. Approve the Governor's recommendation to provide \$110,000 SEG annually from the environmental management account of the environmental fund to monitor the quality of the water near the shores of Lake Michigan and Lake Superior.

2. Modify the Governor's recommendation to provide \$55,000 SEG annually from the environmental management account for Great Lakes shore water monitoring.

<u>Alternative 2</u>	<u>SEG</u>
2005-07 FUNDING (Change to Bill)	- \$110,000

3. Maintain current law.

<u>Alternative 3</u>	<u>SEG</u>
2005-07 FUNDING (Change to Bill)	- \$220,000

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