



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #533

PFAS Model and Study (Natural Resources -- Environmental Quality)

[LFB 2019-21 Budget Summary: Page 308, #13]

CURRENT LAW

The Department of Natural Resources (DNR) remediation and redevelopment program oversees the investigation and cleanup of contaminated properties. DNR is responsible for establishing environmental cleanup standards for the allowable amounts of contaminants in groundwater and soil.

GOVERNOR

Provide \$200,000 GPR in 2019-20 to the remediation and redevelopment program in the Division of Environmental Management for the following activities related to per- and polyfluoroalkyl substances (PFAS): (a) \$150,000 to develop a departmentwide model to identify and prioritize sites with likely PFAS; and (b) \$50,000 to conduct a survey of local and state emergency responders to determine the level of use of PFAS-containing firefighting foam.

DISCUSSION POINTS

1. PFAS are a large group of human-made chemicals that have been used to manufacture firefighting foam and various consumer products. They do not break down easily in the environment. The potential adverse health effects from PFAS in humans are not well understood but some studies suggest that exposure to PFAS may harm human health in several ways. The U.S. Environmental Protection Agency (EPA) has established cumulative-lifetime health advisories for two types of PFAS: (a) perfluorooctanoic acid (PFOA), which was often used in nonstick cookware; and (b) perfluorooctane sulfonate (PFOS), which was often used in fabric protector and stain repellents. EPA is studying the development of other regulatory actions related to PFAS. The Department of Health

Services (DHS) is studying whether to recommend a groundwater quality standard for PFOA and PFOS, which could potentially be used in future state regulatory actions related to cleanup of concentrations of PFAS that exceed those standards.

2. The administration's rationale for including the requested funding is that the model is needed to help DNR identify areas with likely PFAS contamination, and the survey is needed to help DNR identify fire departments that are using, or have stockpiles of, PFAS-containing firefighting foam. The rationale for the requested amounts is that these were the estimates of the amounts needed for the model and survey. The administration indicates that it is appropriate to use GPR to study the issue because the exact sources of PFAS contamination are not known and PFAS contamination is potentially a statewide concern.

3. DNR indicates that Department staff would develop a model that would include several types of information about known or probable sources of PFAS. The Environmental Management Division would be responsible for developing the model, including the waste and materials management, water quality, remediation and redevelopment, air management, and drinking water and groundwater programs. DNR would spend approximately \$25,000 of the recommended \$150,000 to hire a consultant to advise on the accuracy of the model and conduct sampling at sites identified by the model as having been impacted by PFAS. DNR anticipates the initial version of the model could be completed within six months after the budget is signed. DNR would spend the remaining \$125,000 to sample conditions at approximately six sites with PFAS.

4. DNR convened a PFAS technical advisory group that began to meet in February, 2019, to discuss PFAS-related concerns specific to the assessment and cleanup of environmental contamination. The Department intends to brief the advisory group and offer members the opportunity to provide feedback on the development of the model.

5. DNR indicates it would use the recommended \$50,000 to contract with an outside vendor to survey some or all of over 800 fire departments in the state to learn whether they use or possess PFAS-containing firefighting foam. In addition, the Department might try to sample and perform lab analysis at sites with known PFAS-containing firefighting foam, such as a site that manufactures it, a testing site, military sites, and landfills. DNR anticipates it would likely contract with a vendor that has implemented a similar survey in other states.

6. DNR anticipates that if none of the recommended \$150,000 is provided for development of the PFAS model, the Department would have to compare the priority of this work with other work being performed by DNR and paid from a state-funded spills and toxics response appropriation in the environmental management account of the segregated (SEG) environmental fund. Other work could include DNR-paid costs of investigation and cleanup at sites where there is no responsible party able to perform the cleanup or the state is the responsible party. Examples of these other sites are contaminated landfills, dry cleaner sites, and contaminated sediment sites where there may be long-term costs such as pumping contaminated groundwater, excavating sediment, or extracting methane gas from landfills.

7. DNR anticipates that if none of the recommended \$50,000 is provided for a survey of users of firefighting foam, it would likely reallocate funds from other activities, likely paid from the

state-funded spills response appropriation, to perform the survey, but it would probably take more than a year to complete. In addition, it might not sample sites with known PFAS-containing firefighting foam.

8. Funding could be approved from the recommended GPR funding source because the study of PFAS could be considered to have statewide concern. The full recommendation of \$200,000 GPR could be approved to fund both the model and survey [Alternative 1], or \$150,000 GPR could be provided for the model but not the survey [Alternative 3a], and DNR could reallocate funds from other activities to pay for the survey. Alternatively, the Committee could choose to provide funding as SEG from the environmental management account of the environmental fund because the SEG account provides funding for several other activities related to cleanup of contaminated land and groundwater. A separate budget paper provides an overview of the environmental management account of the environmental fund. The account is expected to have a sufficient balance to fund the PFAS model and survey. The Committee could provide \$200,000 SEG to fund both the model and survey [Alternative 2] or \$150,000 SEG to fund the model but not the survey [Alternative 3b].

9. If no action is taken to provide funding [Alternative 4], DNR would likely not develop the model until a future uncertain date. The Department would potentially accomplish the survey by reallocating funding from other activities.

ALTERNATIVES

1. Approve the Governor's recommendation to provide \$200,000 GPR in 2019-20, including \$150,000 for a departmentwide PFAS model and \$50,000 for a survey to determine the level of use of PFAS-containing firefighting foam.

ALT 1	Change to	
	Base	Bill
GPR	\$200,000	\$0

2. Modify the Governor's recommendation to provide SEG funding from the environmental management account of the environmental fund, instead of GPR.

ALT 2	Change to	
	Base	Bill
GPR	\$0	- \$200,000
SEG	<u>200,000</u>	<u>200,000</u>
Total	\$200,000	\$0

3. Provide \$150,000 instead of \$200,000, from one of the following funding sources:

a. GPR

ALT 3a	Change to	
	Base	Bill
GPR	\$150,000	- \$50,000

b. SEG

ALT 3b	Change to	
	Base	Bill
GPR	\$0	- \$200,000
SEG	<u>150,000</u>	<u>150,000</u>
Total	\$150,000	- \$50,000

4. Take no action.

ALT 4	Change to	
	Base	Bill
GPR	\$0	- \$200,000

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