



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-3583/2
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2019 ASSEMBLY BILL 866

February 7, 2020 - Introduced by Representatives POPE, HEBL, SHANKLAND, ANDERSON, BILLINGS, BROSTOFF, EMERSON, FIELDS, NEUBAUER, C. TAYLOR, ZAMARRIPA, SARGENT, SUBECK, GRUSZYNSKI, STUBBS, CABRERA, MILROY, SINICKI, HESSELBEIN, OHNSTAD, CONSIDINE, VRUWINK, SPREITZER and DOYLE, cosponsored by Senators MILLER, SMITH, RISSER, ERPENBACH, LARSON, SCHACHTNER, CARPENTER, WIRCH and RINGHAND. Referred to Committee on Energy and Utilities.

1 **AN ACT** *to repeal* 281.75 (7) (b) and 281.75 (9); *to amend* 20.866 (1) (u), 20.866
2 (2) (td), 20.866 (2) (ti), 281.75 (1) (b) (intro.), 1. and 2., 281.75 (4m) (a), 281.75
3 (5) (b) 1., 281.75 (5) (f), 281.75 (6) (a) and 281.75 (7) (a); and *to create* 13.48
4 (26m), 20.370 (7) (cu), 20.866 (2) (tj), 281.54, 281.61 (8) (b), 281.75 (1) (b) 4.,
5 281.75 (5) (g) and 281.75 (7) (am) of the statutes; **relating to:** well
6 compensation grants, lead service line replacements, funding for soil and water
7 programs, and making an appropriation.

Analysis by the Legislative Reference Bureau

Well compensation grant program

Under current law, an individual owner or renter of a contaminated private well may apply for a grant from DNR to cover a portion of the costs to treat the water, reconstruct the well, construct a new well, connect to a public water supply, or fill and seal the well. To be eligible for a grant the well owner's or renter's annual family income may not exceed \$65,000. A grant awarded under the program may not pay more than 75 percent of a project's eligible costs and may not pay any portion of eligible costs in excess of \$16,000. In addition, if the well owner's or renter's annual family income exceeds \$45,000, the amount of the award is reduced by 30 percent of the amount by which the annual family income exceeds \$45,000.

The bill increases the family income limit to \$100,000. In addition, under the bill, a well owner or renter whose family income is below the state's median income

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may receive a grant of up to 100 percent of a project's eligible costs, not to exceed \$16,000. The bill also eliminates the requirement to reduce an award by 30 percent if the well owner's or renter's family income exceeds \$45,000. The bill increases the amount appropriated to DNR for payments under this program by \$1,600,000.

The bill also appropriates to DNR \$173,000 to fund a position to administer the program.

Replacement of lead service lines

Under current law, the state may contract up to \$74,950,000 in public debt for the safe drinking water loan program. This bill increases the bonding authority for the program by \$40,000,000 and requires DOA to allocate up to \$40,000,000 of the authorized public debt to projects involving forgivable loans to private users of public water systems to cover not more than 50 percent of the cost to replace lead service lines.

Contaminated sediment removal

Under current law, the state may contract up to \$36,000,000 in public debt to pay a portion of the costs of a project to remove contaminated sediment from Lake Michigan or Lake Superior, or a tributary of Lake Michigan or Lake Superior, if DNR has identified the body of water as being impaired by the sediment. This bill increases the bonding authority for sediment removal projects by \$21,000,000.

Lake and river protection

Under current law, DNR administers a financial assistance program to provide lake management planning grants and to award contracts for certain lake projects. The bill increases the amount appropriated to DNR for this program by \$1,494,800. Under current law, DNR administers a financial assistance program to provide grants for river planning and management projects and contracts for lake monitoring and protection. The bill increases the amount appropriated to DNR for this program by \$1,421,000.

Local pollution control grants in TMDL watersheds

This bill requires DNR to award grants to municipalities and counties for water pollution control infrastructure projects within watersheds that have a total maximum daily load (TMDL) in effect. A TMDL is the maximum amount of pollutants that an impaired water body can assimilate while still meeting water quality standards. The bill provides for \$4,000,000 in general obligation bonding authority for this purpose.

Nonpoint source water pollution abatement

Under current law, DNR administers a financial assistance program for the abatement of nonpoint source water pollution. The bill increases the amount appropriated to DNR for this program by \$600,000. Under current law, DNR may contract for services relating to the nonpoint source water pollution abatement program. The bill increases the amount appropriated to DNR for these contracts by \$460,000.

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Under current law, DATCP administers a program to award soil and water resource management grants to counties. The bill increases the amount appropriated to DATCP for this program by \$1,126,000.

For further information see the ***state and local*** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 13.48 (26m) of the statutes is created to read:

2 13.48 **(26m)** LEAD SERVICE LINE REPLACEMENT. The legislature finds and
3 determines that the prevalence of lead service lines in connections to public water
4 systems poses a public health hazard and that processes for reducing lead entering
5 drinking water from such pipes requires additional treatment of wastewater. It is
6 therefore in the public interest, and it is the public policy of this state, to assist
7 private users of public water systems in replacing lead service lines.

8 **SECTION 2.** 20.370 (7) (cu) of the statutes is created to read:

9 20.370 **(7)** (cu) *Principal repayment and interest — water pollution control*
10 *grants.* From the conservation fund, a sum sufficient to reimburse s. 20.866 (1) (u)
11 for the payment of principal and interest costs incurred in providing funds under s.
12 20.866 (2) (tj) for water pollution control infrastructure project grants under s.
13 281.54 and to make payments under an agreement or ancillary arrangement entered
14 into under s. 18.06 (8) (a).

15 **SECTION 3.** 20.866 (1) (u) of the statutes, as affected by 2019 Wisconsin Act 9,
16 is amended to read:

17 20.866 **(1)** (u) *Principal repayment and interest.* A sum sufficient from moneys
18 appropriated under sub. (2) (zp) and ss. 20.115 (2) (d) and (7) (b) and (s), 20.190 (1)

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1 (c), (d), (i), and (j), 20.225 (1) (c) and (i), 20.245 (1) (e) and (j), 20.250 (1) (c) and (e),
2 20.255 (1) (d), 20.285 (1) (d), (gj), and (je), 20.320 (1) (c) and (t) and (2) (c), 20.370 (7)
3 (aa), (ad), (ag), (aq), (ar), (at), (au), (bq), (br), (cb), (cc), (cd), (cg), (cq), (cr), (cs), (ct), (cu),
4 (ea), (eq), and (er), 20.395 (6) (af), (aq), (ar), and (au), 20.410 (1) (e), (ec), and (ko) and
5 (3) (e) and (fm), 20.435 (2) (ee), 20.465 (1) (d), 20.485 (1) (f) and (go) and (4) (qm),
6 20.505 (4) (es), (et), (ha), and (hb) and (5) (c), (g), and (kc), 20.855 (8) (a), and 20.867
7 (1) (a) and (b) and (3) (a), (b), (bb), (bc), (bd), (be), (bf), (bg), (bh), (bj), (bL), (bm), (bn),
8 (bq), (br), (bt), (bu), (bv), (bw), (bx), (cb), (cd), (cf), (ch), (cj), (cq), (cr), (cs), (cw), (cx),
9 (g), (h), (i), (kd), and (q) for the payment of principal, interest, premium due, if any,
10 and payment due, if any, under an agreement or ancillary arrangement entered into
11 under s. 18.06 (8) (a) relating to any public debt contracted under subchs. I and IV
12 of ch. 18.

13 **SECTION 4.** 20.866 (2) (td) of the statutes, as affected by 2019 Wisconsin Act 9,
14 is amended to read:

15 20.866 (2) (td) *Safe drinking water loan program.* From the capital
16 improvement fund, a sum sufficient to be transferred to the environmental
17 improvement fund for the safe drinking water loan program under s. 281.61. The
18 state may contract public debt in an amount not to exceed \$71,400,000 for this
19 purpose. ~~The state may contract additional public debt in an amount up to~~
20 ~~\$3,550,000~~ \$114,950,000 for this purpose.

21 **SECTION 5.** 20.866 (2) (ti) of the statutes, as affected by 2019 Wisconsin Act 9,
22 is amended to read:

23 20.866 (2) (ti) *Natural resources; contaminated sediment removal.* From the
24 capital improvement fund, a sum sufficient for the department of natural resources
25 to fund removal of contaminated sediment under s. 281.87. The state may contract

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1 public debt in an amount not to exceed ~~\$32,000,000 for this purpose.~~ The state may
2 contract additional public debt in an amount up to ~~\$4,000,000~~ \$57,000,000 for this
3 purpose.

4 **SECTION 6.** 20.866 (2) (tj) of the statutes is created to read:

5 20.866 (2) (tj) *Natural resources; total maximum daily load grants.* From the
6 capital improvement fund, a sum sufficient for the department of natural resources
7 to provide funds for water pollution control infrastructure project grants under s.
8 281.54. The state may contract public debt in an amount not to exceed \$4,000,000
9 for this purpose.

10 **SECTION 7.** 281.54 of the statutes is created to read:

11 **281.54 Local pollution control grants in TMDL watersheds.** The
12 department shall award grants from the appropriation under s. 20.866 (2) (tj) to
13 municipalities and counties for water pollution control infrastructure projects
14 within watersheds for which a federally approved total maximum daily load under
15 33 USC 1313 (d) (1) (C) is in effect. The department shall promulgate rules for the
16 administration of the program under this section.

17 **SECTION 8.** 281.61 (8) (b) of the statutes is created to read:

18 281.61 (8) (b) The department of administration shall allocate not more than
19 \$40,000,000 from proceeds of public debt authorized under s. 20.866 (2) (td) to
20 projects involving forgivable loans to private users of public water systems to cover
21 not more than 50 percent of the cost to replace lead service lines.

22 **SECTION 9.** 281.75 (1) (b) (intro.), 1. and 2. of the statutes are amended to read:

23 281.75 (1) (b) (intro.) “Contaminated well” or “contaminated private water
24 supply” means a well or private water supply which does any of the following:

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1 1. Produces water containing one or more substances of public health concern
2 in excess of a primary maximum contaminant level promulgated in the national
3 drinking water standards in 40 CFR 141 and 143;

4 2. Produces water containing one or more substances of public health concern
5 in excess of an enforcement standard under ch. 160;

6 **SECTION 10.** 281.75 (1) (b) 4. of the statutes is created to read:

7 281.75 (1) (b) 4. Produces water containing at least 10 parts per billion of
8 arsenic or at least 10 parts per million of nitrate nitrogen.

9 **SECTION 11.** 281.75 (4m) (a) of the statutes is amended to read:

10 281.75 (4m) (a) In order to be eligible for an award under this section, the
11 annual family income of the landowner or lessee of property on which is located a
12 contaminated water supply or a well subject to abandonment may not exceed \$65,000
13 \$100,000.

14 **SECTION 12.** 281.75 (5) (b) 1. of the statutes is amended to read:

15 281.75 (5) (b) 1. Test results which show that the private water supply is
16 contaminated, as defined under sub. (1) (b) 1. ~~or 2.~~ or 4., information to show that
17 the private water supply is contaminated as defined under sub. (1) (b) 3., or
18 information to show that the well is a well subject to abandonment;

19 **SECTION 13.** 281.75 (5) (f) of the statutes is amended to read:

20 281.75 (5) (f) ~~The~~ Except as provided in par. (g), the department shall allocate
21 money for the payment of claims according to the order in which completed claims
22 are received. The department may conditionally approve a completed claim even if
23 the appropriation under s. 20.370 (6) (cr) is insufficient to pay the claim. The
24 department shall allocate money for the payment of a claim which is conditionally
25 approved as soon as funds become available.

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1 **SECTION 14.** 281.75 (5) (g) of the statutes is created to read:

2 281.75 (5) (g) If the appropriation under s. 20.370 (6) (cr) is insufficient to pay
3 claims, the department may, for claims based on nitrate nitrogen levels, allocate
4 money for the payment of those claims in the following order of priority:

5 1. Claims based on water containing more than 40 parts per million of nitrate
6 nitrogen.

7 2. Claims based on water containing more than 30 but not more than 40 parts
8 per million of nitrate nitrogen.

9 3. Claims based on water containing more than 25 but not more than 30 parts
10 per million of nitrate nitrogen.

11 4. Claims based on water containing more than 20 but not more than 25 parts
12 per million of nitrate nitrogen.

13 5. Claims based on water containing more than 10 but not more than 20 parts
14 per million of nitrate nitrogen.

15 **SECTION 15.** 281.75 (6) (a) of the statutes is amended to read:

16 281.75 (6) (a) Contamination of a private water supply, as defined under sub.
17 (1) (b) 1. ~~or~~, 2., or 4., is required to be established by analysis of at least 2 samples of
18 water, taken at least 2 weeks apart, in a manner which assures the validity of the
19 test results. The samples shall be tested by a laboratory certified under s. 299.11.

20 **SECTION 16.** 281.75 (7) (a) of the statutes is amended to read:

21 281.75 (7) (a) If the department finds that the claimant meets all the
22 requirements of this section and rules promulgated under this section and that the
23 private water supply is contaminated or that the well is a well subject to
24 abandonment, the department shall issue an award. The Except as provided under

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1 par. (am), the award may not pay more than 75 percent of the eligible costs. The
2 award may not pay any portion of eligible costs in excess of \$16,000.

3 **SECTION 17.** 281.75 (7) (am) of the statutes is created to read:

4 281.75 (7) (am) An award under this subsection may pay up to 100 percent of
5 the eligible costs if the annual family income of the claimant is below the median
6 family income for the state, as determined by U.S. Bureau of the Census.

7 **SECTION 18.** 281.75 (7) (b) of the statutes is repealed.

8 **SECTION 19.** 281.75 (9) of the statutes is repealed.

9 **SECTION 20. Fiscal changes.**

10 (1) LAKE PROTECTION GRANTS. In the schedule under s. 20.005 (3) for the
11 appropriation to the department of natural resources under s. 20.370 (6) (ar), the
12 dollar amount for fiscal year 2019-20 is increased by \$747,400 for the purpose of
13 grants and contracts under ss. 281.68 and 281.69. In the schedule under s. 20.005
14 (3) for the appropriation to the department of natural resources under s. 20.370 (6)
15 (ar), the dollar amount for fiscal year 2020-21 is increased by \$747,400 for the
16 purpose of grants and contracts under ss. 281.68 and 281.69.

17 (2) RIVER PROTECTION GRANTS. In the schedule under s. 20.005 (3) for the
18 appropriation to the department of natural resources under s. 20.370 (6) (av), the
19 dollar amount for fiscal year 2019-20 is increased by \$710,500 for the purpose of
20 river protection grants and contracts under s. 281.70 and lake monitoring and
21 protection contracts under s. 281.68 (1t). In the schedule under s. 20.005 (3) for the
22 appropriation to the department of natural resources under s. 20.370 (6) (av), the
23 dollar amount for fiscal year 2020-21 is increased by \$710,500 for the purpose of
24 river protection grants and contracts under s. 281.70 and lake monitoring and
25 protection contracts under s. 281.68 (1t).

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1 (3) NONPOINT SOURCE WATER POLLUTION ABATEMENT. In the schedule under s.
2 20.005 (3) for the appropriation to the department of natural resources under s.
3 20.370 (6) (aq), the dollar amount for fiscal year 2019-20 is increased by \$300,000
4 for the purpose of grants and assistance under the nonpoint source water pollution
5 abatement program under s. 281.65. In the schedule under s. 20.005 (3) for the
6 appropriation to the department of natural resources under s. 20.370 (6) (aq), the
7 dollar amount for fiscal year 2020-21 is increased by \$300,000 for the purpose of
8 grants and assistance under the nonpoint source water pollution abatement
9 program under s. 281.65.

10 (4) NONPOINT SOURCE WATER POLLUTION ABATEMENT CONTRACTS. In the schedule
11 under s. 20.005 (3) for the appropriation to the department of natural resources
12 under s. 20.370 (9) (at), the dollar amount for fiscal year 2019-20 is increased by
13 \$230,000 for the purpose of nonpoint source water pollution abatement program
14 contracts under s. 281.65 (4g). In the schedule under s. 20.005 (3) for the
15 appropriation to the department of natural resources under s. 20.370 (9) (at), the
16 dollar amount for fiscal year 2020-21 is increased by \$230,000 for the purpose of
17 nonpoint source water pollution abatement program contracts under s. 281.65 (4g).

18 (5) WELL CONTAMINATION AND ABANDONMENT. In the schedule under s. 20.005 (3)
19 for the appropriation to the department of natural resources under s. 20.370 (6) (cr),
20 the dollar amount for fiscal year 2019-20 is increased by \$800,000 for the purpose
21 of paying compensation under s. 281.75. In the schedule under s. 20.005 (3) for the
22 appropriation to the department of natural resources under s. 20.370 (6) (cr), the
23 dollar amount for fiscal year 2020-21 is increased by \$800,000 for the purpose of
24 paying compensation under s. 281.75.

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1 (6) WELL CONTAMINATION AND ABANDONMENT POSITION. In the schedule under s.
2 20.005 (3) for the appropriation to the department of natural resources under s.
3 20.370 (9) (mv), the dollar amount for fiscal year 2019-20 is increased by \$74,200 to
4 increase the authorized FTE positions for the department by 1.0 SEG position to
5 administer the well compensation program under s. 281.75. In the schedule under
6 s. 20.005 (3) for the appropriation to the department of natural resources under s.
7 20.370 (9) (mv), the dollar amount for fiscal year 2020-21 is increased by \$98,800 to
8 provide funding for the position authorized under this subsection.

9 (7) SOIL AND WATER RESOURCE MANAGEMENT PROGRAM. In the schedule under s.
10 20.005 (3) for the appropriation to the department of agriculture, trade and
11 consumer protection under s. 20.115 (7) (c), the dollar amount for fiscal year 2019-20
12 is increased by \$563,000 for the soil and water resource management program under
13 s. 92.14. In the schedule under s. 20.005 (3) for the appropriation to the department
14 of agriculture, trade and consumer protection under s. 20.115 (7) (c), the dollar
15 amount for fiscal year 2020-21 is increased by \$563,000 for the soil and water
16 resource management program under s. 92.14.

17 **(END)**