



February 27, 2024

Honorable Howard Marklein, Senate Chair  
Joint Committee on Finance  
Room 316 East, State Capitol  
Madison, WI 53703

Honorable Mark Born, Assembly Chair  
Joint Committee on Finance  
Room 308 East, State Capitol  
Madison, WI 53703

Dear Senator Marklein and Representative Born:

The Department of Natural Resources requests to withdraw its December 19, 2023, s. 13.10 request and replace it with a request for a supplement of \$125 million SEG in fiscal year 2023-24 from the Committee's segregated funds general program supplements appropriation under s. 20.865 (4)(u) to the department's PFAS general program operations appropriation under s. 20.370 (4)(mw), to address and prevent perfluoroalkyl and polyfluoroalkyl substances (PFAS) contamination in this state.

Over the past nine months, the department has worked in good faith with members of the State Legislature to craft legislation that would create a framework for administering the \$125 million approved in the 2023-2025 state budget and deposited into the new PFAS Trust Fund. While there remains language in 2023 Senate Bill 312, as amended, that the department cannot support, including those provisions that impose limitations on the department's actions relating to PFAS, we agree that getting the \$125 million in the hands of impacted communities and homeowners is a top priority.

As a result, we have structured this revised request to provide funding to municipalities, solid waste facilities, and eligible persons for the purposes identified in Senate Bill 312, as amended – specifically, in the Municipal PFAS grant program and the Innocent Landowner grant program. Because Senate Bill 312 as amended does not actually allocate any of the \$125 million from the PFAS Trust Fund, a supplemental s. 13.10 request is still needed to make use of the funds in the PFAS Trust Fund. This supplemental request seeks additional capacity and resources to provide the financial assistance authorized under current law, including Wis. Stat. chs. 66 and 281 and Wis. Stat. s. 292.31, and we hope that this request is considered an appropriate compromise to get resources out to impacted communities who urgently need our support now.

Spending Category	FY24 \$
Financial Assistance for purposes consistent with the Municipal PFAS grant program in Senate Bill 312, as amended	\$100,000,000
Financial Assistance for purposes consistent with the Innocent Landowner grant program in Senate Bill 312, as amended	\$25,000,000

As summarized in the table above, this request consists of two components:

- 1) \$100 million in financial assistance to carry out the following eligible activities consistent with the structure outlined in the Municipal PFAS grant program in Senate Bill 312, as amended:

- a. Provide financial assistance to municipalities for PFAS testing performed at properties owned, leased, managed, or contracted for by those municipalities based on the cost of testing and the amount of testing needed in each community;
  - b. Provide financial assistance to non-municipal public or community water systems for the entity to test its drinking water supply for PFAS;
  - c. Provide financial assistance to the owner or manager of, or the holder of a solid waste facility license issued by the department for, privately owned solid waste disposal facilities to test for the presence of PFAS in leachate.
  - d. Provide financial assistance to municipalities to test for PFAS levels at locations that are owned, leased, managed, or contracted for by a municipality and where PFAS may be present, including airports, water systems, wastewater treatment facilities, or contaminated lands, and to test for PFAS levels in leachate at solid waste disposal facilities that are owned, leased, managed, or contracted for by a municipality;
  - e. Provide financial assistance to municipalities and the owner or manager of, or the holder of a solid waste facility license issued by the department for, privately owned solid waste disposal facilities to dispose of PFAS-containing biosolids or leachate at facilities that accept such biosolids or leachate or to purchase and install on-site treatment systems to address PFAS contained in biosolids or leachate;
  - f. Provide financial assistance for capital costs or debt service, including for facility upgrades or new infrastructure, to municipalities that are small or disadvantaged or in which rates for water or wastewater utilities will increase by more than 20 percent as a direct result of steps taken to address PFAS contamination, and;
  - g. Provide financial assistance to municipalities for capital costs or other costs related to PFAS that are not otherwise paid from the environmental improvement fund. Assistance may be provided to municipalities for costs for addressing solid waste disposal facilities or other contaminated lands owned, leased, managed, or contracted for by the municipality; costs incurred by fire departments, including to replace PFAS-containing firefighting foam; costs for the preparation and implementation of pollutant minimization plans; and costs incurred by municipal public utilities or metropolitan sewerage districts created under ch. 200 for pretreatment or other PFAS source reduction measures for an interconnected customer or other regular customer if the costs incurred are less than the costs of the upgrades otherwise required at the endpoint treatment facility and if the costs are approved by the governing body of the municipality or the metropolitan sewerage district.
- 2) \$25 million in financial assistance to carry out the following eligible activities consistent with the financial assistance outlined in the Innocent Landowner grant program in Senate Bill 312, as amended:
- a. The department will provide financial assistance to landowners whose property is contaminated with PFAS such as is proposed for eligible persons in the Innocent landowner grant program in Senate Bill 312, as amended. Specifically, the department will provide financial assistance to landowners whose land was used for permitted biosolids or wastewater residuals landspreading; fire departments or municipalities that responded to emergencies that required the use of PFAS; solid waste disposal facilities that accepted PFAS; and landowners of property on which PFAS contamination did not originate. Financial assistance may cover costs associated with additional testing, environmental studies, engineering reports, clean drinking water supplies, including temporary potable water, filtration, well replacement, or interconnection to a municipal water supply, remediation costs, and any other cost resulting from landspreading of contaminated biosolids, detection of groundwater contamination, or other contamination events affecting the individual's property.

Thank you for your consideration of this request.

Sincerely,



Steven Little  
Deputy Secretary

cc:

Joe Malkasian, Committee Clerk

Brian Pahnke, DOA

Andrew Potts, DOA

Ryan Hutter, DOA

Paul Ferguson, LFB

Moriah Rapp, LFB

Mark Aquino

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Maggie Hutter

Jim Zellmer

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