



To: Members, Joint Finance Committee
From: League of Wisconsin Municipalities, MEG – Wastewater Division, MEG – Water Division, Wisconsin Rural Water Association
Date: May 17, 2023
RE: Support for PFAS Municipal Grant Program Funding (Budget Paper #601)

Collectively, our organizations represent Wisconsin municipalities, including water and wastewater systems in Wisconsin. Communities across the state are facing numerous challenges regarding ongoing testing, management, removal, and disposal of PFAS compounds in different media. Our organizations support the creation of a state PFAS municipal grant program for the testing, management, and if necessary, removal and disposal of PFAS compounds. The collective costs for communities, including water and wastewater utilities, associated with PFAS actions continue to be a moving target and depend on several factors, including the water/wastewater system's size and requirements regarding PFAS compounds. However, based on the information collected from our respective members, **we believe an investment of at least \$100-\$150 million in the municipal grant program is necessary to ensure funding for PFAS actions is sufficient.**

The ubiquity of PFAS compounds can result in wide-ranging impacts across a community – from drinking water to wastewater, surface water, groundwater, construction sites, to brownfields, and road and utility projects, affecting health and safety, economic development, municipal budgets, and property values. Costs associated with the PFAS impacts on a municipality can range significantly depending on actions that municipality must take to address PFAS. PFAS testing for a municipal drinking water system can range from \$400-\$1000 per sample. Treatment costs for water utilities can easily reach millions of dollars. For example, in Eau Claire, the city estimates the project cost of \$24 million for the PFAS removal facility. With respect to wastewater utilities, monitoring requirements will likely cost POTWs tens of thousands of additional dollars over a permit term relating to costs for sampling and analysis. For those POTWs that must implement a PFAS Pollutant Minimization Plan (“PMP”), the costs will be significantly higher, likely in the many tens to hundreds of thousands of dollars per system.

We know the need is prolific - according to information from the annual Intent to Apply period for the State Revolving Loan Fund programs, which closed at the end of October 2022:

- 14 municipalities submitted requests for PFAS, PFOA, or emerging contaminants.
- More than 500 submissions to the Safe Drinking Water Loan Program –including 30+ projects for PFAS/emerging contaminants (across those initial 14 municipalities), in addition to lead service line replacements and traditional drinking water projects.
- There are more than 600 submissions to the Clean Water Fund Program –including things like wastewater, stormwater, and non-point projects.

SDWLP and CWFPP will be maximized to meet these needs.

To avoid shifting the burden to Wisconsin ratepayers, we respectfully request that the state also commit funding as articulated above. As many may recall, in the 2000s, the state began implementing restrictive and costly phosphorus standards without providing dedicated funding to municipalities to assist in meeting these standards. The resulting costs incurred by municipalities associated with the restrictive phosphorus standards were crippling and communities are still dealing with those costs today. The current budgetary climate allows the state the opportunity to be proactive in establishing a program to help municipalities cover the significant costs of responding to PFAS concerns.