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# Budget Briefs

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## NONPOINT SOURCE POLLUTION

The biennial state budget act (1999 Wisconsin Act 9), passed by the legislature and signed by Governor Tommy Thompson on October 27, 1999, creates new programs for the abatement of urban nonpoint source pollution and municipal flood control, funded in part by \$13 million in new general obligation bonding authority, which is backed by the full faith and credit of the state. It also revises criteria for awarding grants under the existing nonpoint source pollution abatement program.

### BACKGROUND

Nonpoint sources of water pollution involve pollution that has no single, well-defined origin, such as runoff, seepage, or percolation. Since 1979, the state has attempted to alleviate nonpoint source pollution by awarding grants to landowners and local governmental agencies, including sewerage, sanitary and drainage districts, to implement corrective solutions. Early grants were awarded to projects based primarily on their location within a priority watershed, but 1997 Act 27 required the Department of Natural Resources (DNR) and the Department of Agriculture, Trade and Consumer Protection (DATCP) to propose for adoption by the state's Land and Water Conservation Board a system for selecting new grant projects not based on location within a priority watershed. 1997 Act 27 further specified that, unless cost-sharing grants were available, agricultural facilities (including animal feeding operations) in existence before October 14, 1997, could not be required to comply with nonpoint source performance standards and prohibitions required by that act.

### NEW QUALIFICATIONS FOR ABATEMENT PROJECTS

Act 9 creates additional requirements for nonpoint source abatement projects by stipulating that the DNR may select a project for funding under the existing grant program only if all of the following conditions are met:

1) The project will implement pollution control in one of the areas targeted, including those where DNR nonpoint source performance standards are violated; impaired water bodies have been identified to the U.S. Environmental Protection Agency; DNR has designated the water bodies as outstanding or exceptional resource waters; a threat exists to public health; an animal feeding operation has received (or is likely to receive) a notice of discharge from DNR; or other water quality concerns of statewide or national importance exist.

2) The project is not eligible to receive funds under the DATCP soil and water resource management program.

3) The project must be consistent with DNR geographic priorities and approved county land and water resource management plans.

4) The project application must specify the site or watershed it will serve.

Act 9 requires DNR to adopt a system for ranking applicants and provides that funded projects may be conducted over a 1- to 3-year period with the possibility of a 1-year extension. The act repeals the requirement that 70% of cost-sharing funds be used for implementing best management practices in priority watersheds.

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## **URBAN NONPOINT SOURCE POLLUTION ABATEMENT**

Act 9 creates a DNR-administered program of grants for abatement of nonpoint source pollution and storm water runoff in urban areas that consist of industrial or commercial land uses or that serve a population density of 1,000 or more per square mile. Areas surrounded by such conditions are also eligible.

*Local assistance grants* are provided to governmental units to cover up to 70% of the costs for technical staff and administration of the nonpoint source abatement program. Activities eligible for funding include planning and implementation of storm water management, informational and educational activities, ordinance development, or other activities identified by DNR.

*Cost sharing grants* are awarded by DNR to governmental units for up to 50% of the costs of abatement practices and structures, including land acquisition, storm sewer rerouting, removal of structures and associated flood management, and streambank or shoreline stabilization.

DNR must rank grant applications on: 1) the use of cost-effective and appropriate practices; 2) existence of an impaired water body in the project area; 3) the extent to which the project will aid in the attainment of water quality objectives; 4) local interest in and commitment to the project; 5) inclusion of a strategy to evaluate progress toward reaching project goals; and 6) use of federal funds in the project.

## **MUNICIPAL FLOOD CONTROL AND RIPARIAN RESTORATION PROGRAM**

Act 9 creates a program, administered by DNR, to assist governmental units experiencing problems with flood control. The funds are to be used for construction of facilities and structures to collect and transmit flood waters, the purchase of easement rights in floodways, and flood-proofing structures within the 100-year flood plain. No project may receive a grant for more than 70% of eligible project costs, and no single applicant may receive more than 20% of the total funds allocation for the program in any fiscal year. DNR must develop eligibility criteria, giving preference to projects that: 1) minimize harm to water bodies and wetlands; 2) maintain aquatic and riparian environments; 3) use storm water retention and detention structures and natural storage; and 4) provide adequate opportunity for public access. Projects that would accelerate upstream runoff or transfer flooding downstream or that would line a stream or floodway with concrete ("channelization") may not be funded.

## **FOR MORE INFORMATION**

For more information on nonpoint source pollution programs, contact John Pfender of the Department of Natural Resources' Bureau of Watershed Management, (608) 266-9266. For copies of the provisions affecting nonpoint source pollution, contact the Legislative Reference Bureau at (608) 266-0342. 1999 Wisconsin Act 9 can be found on the Internet at <http://www.legis.state.wi.us/billtext/acts/99acts.html>.