Priority Water Quality Improvement Recommendations for Speaker’s Task Force on Water Quality

Note: This document is in response to the request made of WI Land+Water at the April 3, 2019 Speaker’s Task Force on Water Quality hearing to prioritize water quality goals identified in the “Food, Land, and Water: Moving Forward” (FLW) report, and to provide associated fiscal estimates for each. In this document, specific FLW chapter references are found under each water quality improvement recommendation.

1) Target landowner cost-sharing toward implementing existing agricultural nonpoint pollution performance standards (NR 151), with a goal of statewide compliance by 2035. [Reference: Food, Land, and Water Report, Surface Water Quality Chapter, Objective 1]

Rationale: Current state law (s. 92.10 Wis. Stats.) requires every county in the state, through its Land and Water Resource Management (LWRM) Plan, to document how it will implement the state’s agricultural nonpoint performance standards – baseline conservation expectations, originally adopted in 2002, that all farms are required to meet. State law also requires 70% (public) cost-sharing to be made available to landowners for implementation of standards on cropland or livestock facilities in existence since 2002; post-2002 or “new” facilities must meet standards without cost-sharing. This program is administered by counties, which must track progress toward implementation of the performance standards, which is evaluated and verified by DATCP through annual reports, and by the State Land and Water Conservation Board through LWRM plan updates and reports every 5-10 years.

How this addresses water quality: The agricultural performance standards include practices such as tillage setbacks from waterways, limitations on soil erosion rates, manure management, and nutrient management planning. Implementation of these practices builds soil health and productivity, which limits polluted runoff into surface waters, and provides a buffer against groundwater contamination.

Fiscal estimate: An accurate estimate of costs to fully implement the agricultural performance standards is difficult to provide. A 2000 DATCP and DNR analysis estimated annual implementation costs to be $39.5 million on the low end and $63.5 million on the high end for a 10-year period. In 2019 dollars, that’s between $52.7 and $84.7 million per year. Since this time, additional performance standards have been added, the costs of which were not incorporated in this outdated estimate.
As such, we encourage the Task Force to obtain a verified and itemized fiscal estimate from state agencies for full implementation of agricultural performance standards, based on present-day standards.

2) Provide sustained baseline funding for county land and water conservation staff to provide technical support to implement farm conservation practices.
[Reference: Food, Land, and Water Report, Strategy from Surface Water Quality Chapter, Objective 2]

Rationale: County land and water conservation departments are Wisconsin’s primary delivery system for professional, technical assistance to private landowners, helping them achieve conservation goals such as the agricultural performance standards. A critical component of this work is developing relationships, and building trust with landowners, which requires a sustained effort.

How this addresses water quality: Baseline funding for staff in county land and water conservation departments allows them to continue to build landowner relationships, implement agricultural performance standards, and get actual conservation practices on the landscape, all toward achieving clean water goals.

Fiscal estimate: In 2019, the state is $3.4 million short of meeting even the baseline funding ($12.4 million), to support an average of three staff per county at cost sharing rates of 100/70/50% per s. 92.14 Wis. Stats. (DATCP Soil & Water Resources Management grant program). Full implementation of the agricultural nonpoint performance standards will require a separate and more substantial investment, beyond this base level of funding for county land and water conservation services. [See Recommendation #5]

3) Improve groundwater monitoring and expand assistance to well owners affected by groundwater contamination.
[Reference: Food, Land, and Water Report, Groundwater Quality Chapter, Objectives 1 and 5]

a. Expand nitrate and pathogen monitoring/testing programs; identify and map areas highly susceptible to nitrate and pathogen contamination.
[Reference: Food, Land, and Water Report, Strategy from Groundwater Quality Chapter, Objectives 1 and 3]

b. Support research on nutrient management, including key challenges, best practices, implementation, and effectiveness in reducing groundwater contamination; In areas where existing standards are insufficient to protect against groundwater contamination, enact more stringent targeted performance standards.
[Reference: Strategy from Groundwater Quality Chapter, Objective 2]
c. **Expand well compensation program eligibility requirements by eliminating livestock requirements, aligning with state and federal drinking water standard for nitrate of 10mg/L, and removing household income limits.**

*Reference: Food, Land, and Water Report, Strategy from Groundwater Quality Chapter, Objective 5*

**Rationale:** One third of all Wisconsin families get their drinking water from private wells that draw from groundwater. Many private well owners have never tested their well, or do not do it often enough, and could be unknowingly exposed to contaminated drinking water. More assistance for well testing, and education on results is necessary to better protect public health and identify at-risk areas, particularly for nitrate and pathogens.

Performance standard compliance on all farm fields may help prevent nitrate and pathogen loss, however we need to better understand how effective particular standards and practices are in reducing drinking water contamination risk. In susceptible areas (such as the Silurian bedrock areas of eastern Wisconsin), targeted performance standards may be needed to better protect drinking water. More research and mapping are needed to appropriately identify vulnerable areas and provide validated land use practices to provide confidence and assurance to maintain economically viable productions.

Once contaminated, families face difficult and costly choices. The Well Compensation Program exists to assist homeowners in these situations, but eligibility is restricted to those who own livestock, have drinking water concentrations over four times the drinking water standard, and make less than $65,000 in household income. These restrictions create hardships for homeowners struggling to provide safe drinking water for their families.

**How this addresses water quality:** Families need short-term solutions to ensure safe drinking water in their homes, and expanding the Well Compensation Program will help alleviate some of the hardships associated with well contamination. Expanding the private well monitoring program will assist homeowners in better understanding whether or not their drinking water is safe, while collecting valuable data to be used by land managers in protection planning efforts.

In order to make important business and resource decisions, farmers, land managers, and county conservation staff require a complete picture of vulnerable landscapes, as well as information on practices that effectively reduce nitrogen and pathogen loss. This information will support adoption of land use practices that better protect water quality.

**Fiscal estimate:** The current annual base funding for the Well Compensation Program is $200,000, proposed to be increased by $800,000 in Governor Evers’ Executive Budget. However, the *Groundwater Coordinating Council Report to the Legislature* from 2018 estimates full replacement costs of 42,000 wells in Wisconsin that exceed the human health standard for nitrate to be $446 million.

Due to regional differences in groundwater levels and geology, a statewide estimate of comprehensive monitoring, mapping, and research costs is difficult to provide. However,
examples from Kewaunee and Rock counties may provide a starting point for estimating these costs.

4) **Improve delivery mechanism and compliance incentives for nutrient management (NM) planning on all Wisconsin farms, especially in highly susceptible areas.**

*Reference: Food, Land, and Water Report, Groundwater Quality Chapter, Objective 2*

**Rationale:** As one of the agricultural nonpoint performance standards, it is a baseline expectation that all farms should employ and follow NM plans, particularly in susceptible areas where groundwater contamination is a possibility. However, 16 years after adoption, only 37% of Wisconsin’s cropland is included in a nutrient management plan, and of that 37%, it is unknown what percent is in actual compliance with the plan. Fiscal estimates (see below) show that exploration of recurring tax credit incentives tied to conservation compliance (such as DATCP’s Farmland Preservation Program) should be considered as an alternative means to achieve better NM compliance.

**How this addresses water quality:** Nutrient management plans are *agronomic* standards, designed to efficiently yield a productive crop with minimal inputs like fertilizer. While they aren’t explicitly designed to meet water quality standards (such as with Total Maximum Daily Load), implementation of NM plans is an important step toward better protection of our water resources.

**Fiscal estimate:** Using the original 2000 estimate of 10 million acres of cropland in the state, and the current cost-share rate of $10/acre for 4 years, it would require $400 million in cost-sharing to implement this single performance standard statewide. If 37% of cropland is currently in compliance, it would take $268 million to obtain full compliance, or $26.8 million/year for 10 years. The 2019 allocation of SEG funds for nutrient management was $2.2 million. Clearly, a more sustainable funding model would help implement NM, and possibly other nonpoint performance standards.

5) **Generate new revenue sources to fund farm conservation practices.**

*Reference: Food, Land, and Water Report, Groundwater Quality Chapter, Objective 2*

**a. Create a new source of supplemental funding for counties to pursue a systematic implementation of agricultural nonpoint performance standards.**

**Rationale:** Simply put, if Wisconsin is to make a dent in meeting its clean water goals, we must invest in it. Minnesota has generated $860.1 million for water quality initiatives since 2010, with a 3/8 of a cent sales tax increase that is currently supported by 75% of taxpayers statewide. Other states have made bold investments in their conservation infrastructure, as well. It’s time Wisconsin followed suit.
A new revenue source is necessary to ramp up work on implementing the agricultural nonpoint performance standards. Targeted, supplemental funding, similar to the “designated local program” promoted by counties in 2000 would provide the accountability needed for a coordinated statewide effort. This accelerated funding would go to county conservation departments to do farm evaluations, design conservation practices, administer cost-sharing grants, and ensure compliance with the agricultural performance standards.

**How this addresses water quality:** Minnesota’s Clean Water funds have leveraged nearly $200 million in federal funds between 2010-2017, or 73 cents for every implementation dollar invested. It has also resulted in nearly 50 waterbodies being removed from the state’s Impaired Waters List. Water quality challenges are complex, long in the making, and require sustained effort to address. Bold conservation investments made by sister states provide us a road map.

A new source of supplemental water quality funding will allow counties to prioritize implementation of performance standards, which should be tracked and verified on a statewide basis. While this is a priority for most county conservation departments, limited resources mean it is weighed against multiple other priorities—implementation of ordinances, stormwater management, landowner education and outreach, invasive species management, addressing acute resource concerns, and much more. Incentivizing implementation of performance standards will result in increased adoption of conservation practices on the landscape and improved water quality across the board.

**Fiscal estimate:** The only fiscal estimate currently available is DATCP and DNR cost estimates from 2000. Adjusted to 2019 dollars, and compared to current nonpoint program funding levels, these estimates show that full implementation of the nonpoint performance standards would require an increased annual allocation of $41-73 million in landowner cost-sharing and $7-10 million in conservation staff funding over a 10-year period. Note that these estimates do not reflect additional nonpoint performance standards or cost-sharing requirements adopted since 2000, the conservation work that may be needed to meet TMDL planning targets, or the much higher level of staff funding involved in historical state nonpoint program efforts.