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State Representative • 3rd Assembly District

**Assembly Bill 327
Residential and Fire Protection Well Fees
Assembly Committee on Environment and Forestry
November 17, 2015**

Thank you for the opportunity to testify on behalf of Assembly Bill 327 (AB 327), which clarifies existing law relating to fees and reporting requirements for certain residential and fire protection wells.

Under current law, there are circumstances in which the owner of a single-family residential well can find themselves subject to requirements related to high-capacity well fees and annual reporting. This could mean the difference between a one-time \$50 permit fee, or a \$500 permit fee, yearly reports, and additional annual fees.

Owners of a “high-capacity property” – a property with a pumping capacity greater than 70 gallons per minute (gpm) – are required to pay a \$500 permit fee for the installation of a well. They are also required to complete yearly pumping reports and pay an annual fee of \$125.

Low-capacity wells, which would be a typical residential well, are subject to a \$50 permit fee. There is no yearly reporting requirement or annual fee associated with these wells.

Under current law, a property owner wanting to construct a 15 gpm residential well would pay \$500 for a well permit if that residential well, together with all other wells on the property, would have a pumping capacity of more than 70 gpm in total. They would also have to report annually on their water usage from that well and pay a \$125 yearly fee. That same permit for a residential well would cost just \$50 if the well was drilled on an adjacent parcel that was not defined as a high-capacity property.

The \$500 permit fee and annual reporting fee were created as a means to fund reviews of high-capacity wells in our state. Applying those fees to residential wells is an unnecessary burden on property owners.

AB 327 specifies that a residential well would not be subject to the substantial high-capacity well fees and burdensome annual reporting requirements – even if that well is located on a high-capacity property.

You will note that I have introduced Assembly Amendment 1 to AB 327. This amendment ensures that the bill keeps its focus, as intended, on low-capacity residential wells. A drafting error in the original bill would have applied the provisions of this legislation to residential wells of any capacity.

Further, under current law, the owner of a fire protection well (many of which are located on private property) is subject to a \$500 permit fee for constructing the well, in addition to the annual reporting and \$125 fee requirement. AB 327 would exempt fire protection wells, regardless of capacity, from the high-capacity fees and reporting requirements.

Because of the volume of water needed in as little time as possible, most fire protection wells are high-capacity wells. These wells, however, are seldom used and have a negligible effect on our groundwater supply. Fire protection wells are installed for an important public safety purpose, and AB 327 eliminates the financial and regulatory barriers to their construction and continued operation.



Assembly Bill 327
Fees For Certain Wells
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My name is Jeff Beiriger and I serve as the Government Relations Advisor for the Wisconsin Water Well Association. On behalf of the WWSA, I want to thank you for your consideration of Assembly Bill 327 as amended.

First, I'd like to be clear about what AB 327 will not do. AB 327 will not affect groundwater policy in the State of Wisconsin. AB 327 is, quite simply, about fees. This bill provides two very narrow remedies.

The first deals with low-capacity wells on high capacity properties. By way of definition, a low capacity well is a well that has the capacity to pump less than 100,000 gallons of water per day. A high capacity property is any property where a single well or combination of wells have the capacity to pump more than 100,000 gallons per day. With those definitions in mind, let me explain the issue that AB 327 resolves.

Under current law, any well that is drilled on a high capacity property is considered a high capacity well. That is, regardless of the capacity of the well being drilled, it is subject to the \$500.00 permit fee for high capacity wells as well as annual reporting and additional annual fees. AB 327 creates an exception to the law.

Under AB 327, a low capacity well (less than 100,000 gallons per day) on a high capacity property, used primarily for residential purposes, would be treated the same as any other low capacity residential well in the State. That is, a permit would still be required and the well would be constructed to standards promulgated and enforced by the DNR, but the fee paid for the permit would be \$51.50 and no annual reporting or fees would be required.

By way of example, picture a farm with a high capacity well. If a residence is built on that farm, the property owner would be required, under current law, to pay a permit fee of \$500.00, pay an annual fee, and file annual reports. Under AB 327, the property owner would pay \$51.50 – the same fee paid for a low capacity well on anything but a high capacity property – and no additional reporting would be required.

Keep in mind that we are talking about a low capacity well used for residential purposes. The amount of water used is only a small fraction of the water used on the property. The high capacity well legislation that gave rise to the higher fees and reporting was developed to address additional high capacity wells, not low capacity wells, but by definition, low capacity wells were caught up in the fee and reporting requirements. The only way to remedy this is by a change in the statutes and, despite a small loss in revenue, the DNR has told us in

conversations that the amount is small enough to be absorbed and that the loss of revenue would be offset by the corresponding reduction in workload.

The second aspect of AB 327 deals with fire protection wells. All across Wisconsin, there are high capacity wells that are used for the purpose of filling tanker trucks used by local fire departments. Under current law, any high capacity well is subject to the \$500.00 fee as well as annual reporting. AB 327 would require that the lower fee of \$51.50 be paid for fire protection wells and it would also eliminate the annual reporting requirement.

Part of the reason for this change is to keep in place and expand the network of fire protection wells. Many of these wells are located on private property for the benefit of the local community. Those property owners are required to pay the permit fees and complete the annual reports. If the property owner chooses to no longer pay the fees or submit the annual reports, that well would no longer be available for fire protection. A drive of even a few more miles to use an alternate source for water could adversely affect the protection of public health and safety, of the property, and of neighboring properties.

Some of these wells are owned by local units of government, including rural fire districts. Paying a lesser fee to drill a new well provides the local unit of government with some financial relief and while the annual reporting fees may not seem like a big thing, these fire districts already find themselves holding fundraisers to pay for additional equipment. Truly, every dollar makes a difference.

Keep in mind, that while fire protection wells are high capacity wells that do have higher pumping capacities, they are not intended for continuous pumping. In a good year, these wells will not be used at all so they have little to no effect on the groundwater supply. What water they use, of course, is used to protect lives and property and, in that moment, should be considered a priority use of our groundwater resources.

We believe AB 327 is a common sense approach to reducing fees and paperwork and that it was carefully drafted to reflect that intent. We appreciate your consideration and support for AB 327.

Thank you, Mr. Chairman and members of the Committee and I am happy to answer any questions you may have.

Jeffrey J Beiriger
Wisconsin Water Well Association
jeff@assocmgtservices.com
414/331-2059



November 17, 2015

To: Members of the Assembly Committee on Environment & Forestry

Re: Assembly Bill 327

Good morning. My name is Terry Marshall and I am the owner of Marshall Well Drilling in Wisconsin Dells.

My company is just one of a couple of hundred well drillers around the state. We're small businesses and we're mostly family-owned and operated. Like me, most of the people in our industry have spent their whole lives drilling wells.

What makes the business satisfying is that we're there to provide good, clean water. When that's your business, you become an important part of the local business community. Being there, helping to provide something as important as water, gives everyone in our industry a tremendous amount of pride. I'm proud of the work my company does and proud to serve as President of the Wisconsin Water Well Association this year.

Let me start by thanking Representative Ott for introducing AB 327 and by thanking all of you for your consideration and support of this legislation.

What I want you to know about AB 327 is that there's really not much in it for the well drillers. With or without this change, we would be the ones drilling residential wells or fire protection wells. Sure, we might drill one or two more wells if fees were lower, but we're talking about a small number and a small amount of fees that would be affected by this legislation.

If someone benefits from the changes in AB 327, it's the property owner and the people served by a rural fire department. They're the ones paying the higher fees and having to complete the annual reports. They're the ones depending on access to water to fight fires. Reducing fees and eliminating the paperwork helps them.

The reason drillers like me are supportive of the changes is that we are the ones who have to explain the fees and reporting requirements to our customers. In some cases, we might quote a job only to discover that there is a high capacity well on the property. That's when we have to explain that the fee will now cost ten times as much and if I'm asked why, I can't really tell them except that it's the law. More than one has told me that someone should change that law and I agree.

Frankly, it's hard for me to explain how I can drill two wells, one across the road from the other, and one pays \$51.50 while the other pays \$500.00. Both wells have the same capacity it's just that one happens to be located on a property with a high capacity well and the other does not. It just seems more logical to me to look at the well and how it is used rather than looking at the property. If they're both low capacity, residential wells, the fees should be the same.

As for the fire protection wells, I should tell you that I have one on my property. I paid the higher permit fee and I send in the annual report and fees as required. I provided access to the well because it helps my local community. I pay the fees and complete the reports for the same reason. That's a choice I made and one that I hope to continue to make for many years.

Not everyone will make that same choice. Some people don't want to spend the money and some people don't want to complete the reports. They have every right to make that decision, but I'd like to make the choice easier for them. Eliminate the fees and reporting and I think more fire protection wells will remain in place around the State.

This is a simple, straight-forward bill addresses some needed relief on fees and reporting and that's why the WWA asked for this change. Again, thank you for your consideration and I ask for your support of AB 327.

Terry Marshall
Marshall Well Drilling
3774 WI-13
Wisconsin Dells, WI 53965
(608) 253-2751