

1 ***b0935/3.3* 1322.** Page 1144, line 1: delete lines 1 and 2.

~~2 ***b0935/3.4* 1323.** Page 1144, line 6: delete lines 6 to 9 and substitute "tax
3 imposed under s. 139.76 (1)".~~

4 ***b1178/1.1* 1324.** Page 1144, line 9: delete "70%" and substitute "50%".

5 ***b1839/3.21* 1325.** Page 1155, line 13: after that line insert:

6 ***b1839/3.21* SECTION 2249m.** 146.40 (4d) (a) of the statutes is amended to
7 read:

8 146.40 (4d) (a) The Except as provided in par. (am), the department shall
9 require each applicant to provide the department with his or her social security
10 number, if the applicant is an individual, or the applicant's federal employer
11 identification number, if the applicant is not an individual, as a condition of issuing
12 a certification under sub. (3) or an approval under sub. (3m).

13 ***b1839/3.21* SECTION 2249mi.** 146.40 (4d) (am) of the statutes is created to
14 read:

15 146.40 (4d) (am) If an individual who applies for a certification or approval
16 under par. (a) does not have a social security number, the individual, as a condition
17 of obtaining certification or approval, shall submit a statement made or subscribed
18 under oath or affirmation to the department that the applicant does not have a social
19 security number. The form of the statement shall be prescribed by the department
20 of workforce development. A certification or approval issued in reliance upon a false
21 statement submitted under this paragraph is invalid.

22 ***b1839/3.21* SECTION 2249n.** 146.40 (4d) (c) of the statutes is amended to
23 read:

1 146.40 (4d) (c) The Except as provided in par. (am), the department shall deny
2 an application for the issuance of a certification or approval specified in par. (a) if the
3 applicant does not provide the information specified in par. (a).

4 ***b1839/3.21* SECTION 2249p.** 146.51 (1) (intro.) of the statutes is amended to
5 read:

6 146.51 (1) (intro.) The Except as provided in sub. (1m), the department shall
7 require each applicant to provide the department with the applicant's social security
8 number, if the applicant is an individual, as a condition of issuing or renewing any
9 of the following:

10 ***b1839/3.21* SECTION 2249q.** 146.51 (1m) of the statutes is created to read:

11 146.51 (1m) If an individual who applies for or to renew a license, training
12 permit or certification under sub. (1) does not have a social security number, the
13 individual, as a condition of obtaining the license, training permit or certification,
14 shall submit a statement made or subscribed under oath or affirmation to the
15 department that the applicant does not have a social security number. The form of
16 the statement shall be prescribed by the department of workforce development. A
17 license, training permit or certification issued or renewed in reliance upon a false
18 statement submitted under this subsection is invalid.

19 ***b1839/3.21* SECTION 2249r.** 146.52 (1) (intro.) of the statutes is amended to
20 read:

21 146.52 (1) (intro.) The Except as provided in sub. (1m), the department shall
22 require each applicant to provide the department with his or her social security
23 number, if the applicant is an individual, or the applicant's federal employer
24 identification number, if the applicant is not an individual, as a condition of issuing
25 or renewing any of the following:

1 ***b1839/3.21* SECTION 2249s.** 146.52 (1m) of the statutes is created to read:
2 146.52 (1m) If an individual who applies for or to renew a license, training
3 permit or certificate under sub. (1) does not have a social security number, the
4 individual, as a condition of obtaining the license, training permit or certificate, shall
5 submit a statement made or subscribed under oath or affirmation to the department
6 that the applicant does not have a social security number. The form of the statement
7 shall be prescribed by the department of workforce development. A license, training
8 permit or certificate issued or renewed in reliance upon a false statement submitted
9 under this subsection is invalid.

10 ***b1839/3.21* SECTION 2249t.** 146.52 (3) of the statutes is amended to read:
11 146.52 (3) The Except as provided in sub. (1m), the department shall deny an
12 application for the issuance or renewal of a license, certificate or permit specified in
13 sub. (1) if the applicant does not provide the information specified in sub. (1).”.

14 ***b1161/1.1* 1326.** Page 1156, line 10: after “(b)” insert “1. to 7.”.

15 ***b1161/1.2* 1327.** Page 1156, line 21: delete lines 21 and 22.

16 ***b1161/1.3* 1328.** Page 1158, line 3: after that line insert:

17 “8. A person who is designated as a poison information provider, annually
18 receives at least 16 documented hours of job–relevant continuing education and has
19 an appropriate health–oriented background.”.

20 ***b1161/1.4* 1329.** Page 1158, line 4: delete lines 4 to 11.

21 ***b0828/2.12* 1330.** Page 1158, line 11: after that line insert:

22 ***b0828/2.12* “SECTION 2252gm.** 146.819 (4) (e) of the statutes is repealed.”.

23 ***b1701/2.2* 1331.** Page 1158, line 11: after that line insert:

24 ***b1701/2.2* “SECTION 2251r.** 146.84 (3) of the statutes is amended to read:

1 146.84 (3) DISCIPLINE OF EMPLOYEES. Any person employed by the state, or any
2 political subdivision of the state who violates s. 146.82 or 146.83, except a health care
3 provider that negligently violates s. 153.50 (6) (c), may be discharged or suspended
4 without pay.”.

5 ***b1867/2.2* 1332.** Page 1158, line 11: after that line insert:

6 ***b1867/2.2*** “SECTION 2252m. 146.81 (1) (eq) of the statutes is created to read:
7 146.81 (1) (eq) An athletic trainer licensed under subch. VI of ch. 448.”.

8 ***b1764/2.3* 1333.** Page 1158, line 19: delete lines 19 to 21 and substitute
9 “commencement of each fiscal year, ~~estimate the total amount of expenditures and~~
10 ~~the department shall assess the estimated total amount under s. 20.435 (1) (gp) to~~
11 hospitals, as defined in s. 50.33 (2), a total of \$1,500,000, in proportion to each
12 hospital’s respective gross”.

13 ***b1702/1.1* 1334.** Page 1169, line 20: after that line insert:

14 ***b1702/1.1*** “SECTION 2277m. 149.165 (2) (intro.) of the statutes is amended
15 to read:

16 149.165 (2) (intro.) ~~If~~ Subject to sub. (3m), if the household income, as defined
17 in s. 71.52 (5) and as determined under sub. (3), of an eligible person is equal to or
18 greater than the first amount and less than the 2nd amount listed in any of the
19 following, the department shall reduce the premium for the eligible person to the rate
20 shown after the amounts:

21 ***b1702/1.1* SECTION 2277p.** 149.165 (2) (e) of the statutes is created to read:

22 149.165 (2) (e) If equal to or greater than \$20,000 and less than \$25,000, to
23 130% of the rate that a standard risk would be charged under an individual policy

1 providing substantially the same coverage and deductibles as provided under the
2 plan.

3 ***b1702/1.1* SECTION 2277t.** 149.165 (3m) of the statutes is created to read:

4 149.165 (3m) Upon request of the board, the joint committee on finance may
5 approve or disapprove adjustment, by the board or the department, of the household
6 income dollar amounts listed in sub. (2) (a) to (e), except for the first dollar amount
7 listed in sub. (2) (a), to reflect changes in the consumer price index for all urban
8 consumers, U.S. city average, as determined by the U.S. department of labor. With
9 any request for approval of adjustment under this subsection, the board shall submit
10 to the joint committee on finance the proposed adjusted amounts.”.

11 ***b0828/2.13* 1335.** Page 1170, line 11: after that line insert:

12 ***b0828/2.13* “SECTION 2278rm.** 150.84 (2) of the statutes is amended to read:

13 150.84 (2) “Health care facility” means a facility, as defined in s. 647.01 (4), or
14 any hospital, nursing home, community-based residential facility, county home,
15 county infirmary, county hospital, county mental health center, ~~tuberculosis~~
16 ~~sanatorium~~ or other place licensed or approved by the department under s. 49.70,
17 49.71, 49.72, 50.02, 50.03, 50.35, 51.08, or 51.09, ~~58.06, 252.073 or 252.076~~ or a
18 facility under s. 45.365, 51.05, 51.06, 233.40, 233.41, 233.42 or 252.10.”.

19 ***b1701/2.3* 1336.** Page 1170, line 18: after that line insert:

20 ***b1701/2.3* “SECTION 2280b.** 153.45 (1) (b) of the statutes is renumbered

21 153.45 (1) (b) 1. and amended to read:

22 153.45 (1) (b) 1. Public For information that is submitted by hospitals or
23 ambulatory surgery centers, public use data files which that do not permit the
24 identification of specific patients, employers or health care providers, as defined by

1 rules promulgated by the department. The identification of ~~these groups~~ patients,
2 employers or health care providers shall be protected by all necessary means,
3 including the deletion of patient identifiers and the use of calculated variables and
4 aggregated variables.

5 *b1701/2.3* SECTION 2280c. 153.45 (1) (b) 2. of the statutes is created to read:

6 153.45 (1) (b) 2. For information that is submitted by health care providers
7 other than hospitals or ambulatory surgery centers, public use data files that do not
8 permit the identification of specific patients, employers or health care providers, as
9 defined by rules promulgated by the department. The identification of patients,
10 employers or health care providers shall be protected by all necessary means,
11 including the deletion of patient identifiers; the use of calculated variables and
12 aggregated variables; the specification of counties as to residence, rather than zip
13 codes; the use of 5-year categories for age, rather than exact age; not releasing
14 information concerning a patient's race or ethnicity or dates of admission, discharge,
15 procedures or visits; and masking sensitive diagnoses and procedures by use of
16 larger diagnostic and procedure categories. Public use data files under this
17 subdivision may include only the following:

- 18 a. The patient's county of residence.
- 19 b. The payment source, by type.
- 20 c. The patient's age category, by 5-year intervals up to age 80 and a category
21 of 80 years or older.
- 22 d. The patient's procedure code.
- 23 e. The patient's diagnosis code.
- 24 f. Charges assessed with respect to the procedure code.

1 g. The name and address of the facility in which the patient's services were
2 rendered.

3 h. The patient's sex.

4 i. Information that contains the name of a health care provider that is not a
5 hospital or ambulatory surgery center, if the independent review board first reviews
6 and approves the release or if the department promulgates rules that specify
7 circumstances under which the independent review board need not review and
8 approve the release.

9 j. Calendar quarters of service, except if the department specifies by rule that
10 the number of data elements included in the public use data file is too small to enable
11 protection of patient confidentiality.

12 k. Information other than patient-identifiable data, as defined in s. 153.50 (1)
13 (b), as approved by the independent review board.

14 *b1701/2.3* SECTION 2280e. 153.45 (1)(c) of the statutes is renumbered 153.45
15 (1) (c) (intro.) and amended to read:

16 153.45 (1) (c) (intro.) Custom-designed reports containing portions of the data
17 under par. (b). Of information submitted by health care providers that are not
18 hospitals or ambulatory surgery centers, requests under this paragraph for data
19 elements other than those available for public use data files under par. (b) 2.,
20 including the patient's month and year of birth, require review and approval by the
21 independent review board before the data elements may be released. Information
22 that contains the name of a health care provider that is not a hospital or ambulatory
23 surgery center may be released only if the independent review board first reviews
24 and approves the release or if the department promulgates rules that specify
25 circumstances under which the independent review board need not review and

1 approve the release. Reports under this paragraph may include the patient's zip code
2 only if at least one of the following applies:

3 ***b1701/2.3* SECTION 2280f.** 153.45 (1) (c) 1. to 4. of the statutes are created
4 to read:

5 153.45 (1) (c) 1. Other potentially identifying data elements are not released.

6 2. Population density is sufficient to mask patient identity.

7 3. Other potentially identifying data elements are grouped to provide
8 population density sufficient to protect identity.

9 4. Multiple years of data elements are added to protect identity.

10 ***b1701/2.3* SECTION 2280g.** 153.45 (6) of the statutes is created to read:

11 153.45 (6) The department may not sell or distribute data bases of information,
12 from health care providers who are not hospitals or ambulatory surgery centers, that
13 are able to be linked with public use data files, unless first approved by the
14 independent review board.

15 ***b1701/2.3* SECTION 2280ge.** 153.50 (1) (a) of the statutes is renumbered
16 153.01 (2m).

17 ***b1701/2.3* SECTION 2280gg.** 153.50 (1) (b) of the statutes is renumbered
18 153.50 (1) (b) 1., and 153.50 (1) (b) 1. (intro.), as renumbered, is amended to read:

19 153.50 (1) (b) 1. (intro.) "Patient-identifiable data", for information submitted
20 by hospitals and ambulatory surgery centers, means all of the following data
21 elements:

22 ***b1701/2.3* SECTION 2280gm.** 153.50 (1) (b) 2. of the statutes is created to
23 read:

1 153.50 (1) (b) 2. “Patient-identifiable data”, for information submitted by
2 health care providers who are not hospitals or ambulatory surgery centers, means
3 all of the following data elements:

4 a. Data elements specified in subd. 1. a. to g., L. and m.

5 b. Whether the patient’s condition is related to employment, and occurrence
6 and place of an auto accident or other accident.

7 c. Date of first symptom of current illness, of current injury or of current
8 pregnancy.

9 d. First date of patient’s same or similar illness, if any.

10 e. Dates that the patient has been unable to work in his or her current
11 occupation.

12 f. Dates of receipt by patient of medical service.

13 g. The patient’s city, town or village.

14 ***b1701/2.3* SECTION 2280h.** 153.50 (2) of the statutes is repealed.

15 ***b1701/2.3* SECTION 2280i.** 153.50 (3) (b) 7. of the statutes is created to read:

16 153.50 (3) (b) 7. The patient’s account number, after use only as verification of
17 data by the department.

18 ***b1701/2.3* SECTION 2280j.** 153.50 (3) (c) of the statutes is created to read:

19 153.50 (3) (c) Develop, for use by purchasers of data under this chapter, a data
20 use agreement that specifies data use restrictions, appropriate uses of data and
21 penalties for misuse of data, and notify prospective and current purchasers of data
22 of the appropriate uses.

23 ***b1701/2.3* SECTION 2280k.** 153.50 (3) (d) of the statutes is created to read:

24 153.50 (3) (d) Require that a purchaser of data under this chapter sign and have
25 notarized the data use agreement of the department specified in par. (c).

1 ***b1701/2.3* SECTION 2280km.** 153.50 (3m) of the statutes is created to read:

2 153.50 (3m) HEALTH CARE PROVIDER MEASURES TO ENSURE PATIENT IDENTITY
3 PROTECTION. A health care provider that is not a hospital or ambulatory surgery
4 center shall, before submitting information required by the department under this
5 chapter, convert to a payer category code as specified by the department any names
6 of an insured's payer or other insured's payer.

7 ***b1701/2.3* SECTION 2280kp.** 153.50 (4) (intro.) of the statutes is renumbered
8 153.50 (4) (a) (intro.) and amended to read:

9 153.50 (4) (a) (intro.) Under Except as specified in par. (b), under the
10 procedures specified in sub. (5), release of patient-identifiable data may be made
11 only to any of the following:

12 ***b1701/2.3* SECTION 2280kq.** 153.50 (4) (a) of the statutes is repealed.

13 ***b1701/2.3* SECTION 2280kr.** 153.50 (4) (b) to (e) of the statutes are
14 renumbered 153.50 (4) (a) 1. to 4.

15 ***b1701/2.3* SECTION 2280ks.** 153.50 (4) (b) of the statutes is created to read:

16 153.50 (4) (b) Of information submitted by health care providers that are not
17 hospitals or ambulatory surgery centers, patient-identifiable data that contain a
18 patient's date of birth may be released under par. (a) only under circumstances as
19 specified by rule by the department.

20 ***b1701/2.3* SECTION 2280ku.** 153.50 (5) (a) (intro.) of the statutes is amended
21 to read:

22 153.50 (5) (a) (intro.) The department may not release or provide access to
23 patient-identifiable data to a person authorized under sub. (4) (a), ~~(e), (d) or (e)~~
24 unless the authorized person requests the department, in writing, to release the
25 patient-identifiable data. The request shall include all of the following:

1 ***b1701/2.3* SECTION 2280kv.** 153.50 (5) (a) 3. of the statutes is amended to
2 read:

3 153.50 (5) (a) 3. For a person who is authorized under sub. (4) (a), ~~(e)~~ or ~~(d)~~ to
4 receive or have access to patient-identifiable data, evidence, in writing, that
5 indicates that authorization.

6 ***b1701/2.3* SECTION 2280kw.** 153.50 (5) (a) 4. (intro.) of the statutes is
7 amended to read:

8 153.50 (5) (a) 4. (intro.) For an entity that is authorized under sub. (4) ~~(e)~~ (a)
9 4. to receive or have access to patient-identifiable data, evidence, in writing, of all
10 of the following:

11 ***b1701/2.3* SECTION 2280kx.** 153.50 (5) (b) 3. of the statutes is amended to
12 read:

13 153.50 (5) (b) 3. For a person who believes that he or she is authorized under
14 sub. (4) (a), the action provided under s. 19.37.”.

15 ***b1701/2.4* 1337.** Page 1170, line 22: after that line insert:

16 ***b1701/2.4* “SECTION 2280p.** 153.50 (6) of the statutes is renumbered 153.50
17 (6) (a).

18 ***b1701/2.4* SECTION 2280q.** 153.50 (6) (b), (c), (d) and (e) of the statutes are
19 created to read:

20 153.50 (6) (b) The department may not require under this chapter a health care
21 provider that is not a hospital or ambulatory surgery center to submit uniform
22 patient billing forms.

1 (c) A health care provider that is not a hospital or ambulatory surgery center
2 may not submit any of the following to the department under the requirements of
3 this chapter:

- 4 1. The data elements specified under sub. (3) (b).
- 5 2. The patient's telephone number.
- 6 3. The insured's employer's name or school name.
- 7 4. Data regarding insureds other than the patient, other than the payer
8 category code under sub. (3m).
- 9 5. The patient's employer's name or school name.
- 10 6. The patient's relationship to the insured.
- 11 7. The insured's identification number.
- 12 8. The insured's policy or group number.
- 13 9. The insured's date of birth or sex.
- 14 10. The patient's marital, employment or student status.

15 (d) If a health care provider that is not a hospital or ambulatory surgery center
16 submits a data element that is specified in par. (c) 1. to 10., the department shall
17 immediately return this information to the health care provider or, if discovered
18 later, shall remove and destroy the information.

19 (e) A health care provider may not submit information that uses any of the
20 following as a patient account number:

- 21 1. The patient's social security number or any substantial portion of the
22 patient's social security number.
- 23 2. A number that is related to another patient identifying number.

24 *b1701/2.4* SECTION 2280r. 153.55 of the statutes is amended to read:

1 **153.55 Protection of health care provider confidentiality.** ~~Health care~~
2 ~~provider identifiable data~~ Data obtained under this chapter is not subject to
3 inspection, copying or receipt under s. 19.35 (1).”

4 ***b1701/2.5* 1338.** Page 1172, line 14: after that line insert:

5 ***b1701/2.5* SECTION 2283g.** 153.67 of the statutes is created to read:

6 **153.67 Independent review board.** The independent review board shall
7 review any request under s. 153.45 (1) (c) for data elements other than those
8 available for public use data files under s. 153.45 (1) (b). Unless the independent
9 review board approves such a request or unless independent review board approval
10 is not required under rules of the department promulgated under s. 153.45 (1) (c)
11 (intro.), the data elements requested may not be released.

12 ***b1701/2.5* SECTION 2283h.** 153.76 of the statutes is created to read:

13 **153.76 Rule-making by the independent review board.**
14 Notwithstanding s. 15.01 (1r), the independent review board may promulgate only
15 those rules that are first reviewed and approved by the board on health care
16 information.

17 ***b1701/2.5* SECTION 2283i.** 153.85 of the statutes is amended to read:

18 **153.85 Civil liability.** ~~Any~~ Except as provided in s. 153.86, any person
19 violating s. 153.50 or rules promulgated under s. 153.75 (1) (a) is liable to the patient
20 for actual damages and costs, plus exemplary damages of up to \$1,000 for a negligent
21 violation and up to \$5,000 for an intentional violation.

22 ***b1701/2.5* SECTION 2283j.** 153.86 of the statutes is created to read:

1 **153.86 Immunity from liability.** (1) A health care provider that submits
2 information to the department under this chapter is immune from civil liability for
3 all of the following:

4 (a) Any act or omission of an employe, official or agent of the health care
5 provider that results in the release of a prohibited data element while submitting
6 data to the department.

7 (b) Any act or omission of the department that results in the release of data.

8 **(2)** The immunity provided under this section does not apply to intentional,
9 wilful or reckless acts or omissions by health care providers.

10 ***b1701/2.5* SECTION 2283k.** 153.90 (1) of the statutes is amended to read:

11 153.90 (1) Whoever intentionally violates s. 153.45 (5) or 153.50 or rules
12 promulgated under s. 153.75 (1) (a) may be fined not more than ~~\$10,000~~ \$15,000 or
13 imprisoned for not more than ~~9 months~~ one year in the county jail or both.”

14 ***b0828/2.14* 1339.** Page 1174, line 2: after that line insert:

15 ***b0828/2.14* “SECTION 2283rm.** 155.01 (6) of the statutes is amended to read:

16 155.01 (6) “Health care facility” means a facility, as defined in s. 647.01 (4), or
17 any hospital, nursing home, community-based residential facility, county home,
18 county infirmary, county hospital, county mental health center, ~~tuberculosis~~
19 ~~sanatorium~~ or other place licensed or approved by the department under s. 49.70,
20 49.71, 49.72, 50.02, 50.03, 50.35, 51.08, or 51.09, ~~58.06, 252.073 or 252.076~~ or a
21 facility under s. 45.365, 51.05, 51.06, 233.40, 233.41, 233.42 or 252.10.”

22 ***b1661/1.1* 1340.** Page 1174, line 2: after that line insert:

23 ***b1661/1.1* “SECTION 2283t.** 157.065 (3) of the statutes is renumbered
24 157.065 (3) (a).

1 ***b1661/1.1* SECTION 2283u.** 157.065 (3) (b) of the statutes is created to read:

2 157.065 (3) (b) Any private military academy that provides an educational
3 program for grades 7 to 12 in a 4th class city may establish a private cemetery within
4 the city on land that the military academy owns, if the common council consents. No
5 mausoleum within a cemetery established under this paragraph may exceed 3,500
6 square feet in area.”.

7 ***b1654/3.14* 1341.** Page 1174, line 14: after that line insert:

8 ***b1654/3.14* “SECTION 2288g.** 165.76 (1) (a) of the statutes, as affected by 1999
9 Wisconsin Act ... (this act), is amended to read:

10 165.76 (1) (a) Is in a secured correctional facility, as defined in s. 938.02 (15m),
11 or a secured child caring institution, as defined in s. 938.02 (15g), or a secured group
12 home, as defined in s. 938.02 (15p), or on probation, extended supervision, parole,
13 supervision or aftercare supervision on or after August 12, 1993, for any violation of
14 s. 940.225 (1) or (2), 948.02 (1) or (2) or 948.025.”.

15 ***b1127/1.1* 1342.** Page 1175, line 9: after that line insert:

16 ***b1127/1.1* “SECTION 2289t.** 165.842 of the statutes is created to read:

17 **165.842 Motor vehicle stops; collection of information; annual report.**

18 **(1) DEFINITIONS.** In this section:

19 (a) “Department” means the department of justice.

20 (b) “Law enforcement agency” has the meaning given in s. 165.77 (1) (b).

21 (c) “Law enforcement officer” means a person who is employed by a law
22 enforcement agency for the purpose of detecting and preventing crime and enforcing
23 laws or ordinances and who is authorized to make arrests for violations of the laws

1 or ordinances the person is employed to enforce, whether that enforcement authority
2 extends to all laws or ordinances or is limited to specific laws or ordinances.

3 (d) “Motor vehicle stop” means the stop of a motor vehicle that is traveling in
4 any public or private place, or the detention of an occupied motor vehicle that is
5 already stopped in any public or private place, for the purpose of investigating any
6 alleged or suspected violation of a state or federal law or city, village, town or county
7 ordinance.

8 (2) INFORMATION COLLECTION REQUIRED. All persons in charge of law
9 enforcement agencies shall obtain, or cause to be obtained, all of the following
10 information with respect to each motor vehicle stop made on or after January 1, 2001,
11 by a law enforcement officer employed by the law enforcement agency:

12 (a) The reason the law enforcement officer stopped the motor vehicle.

13 (b) The age, gender and race or ethnicity of the driver of the motor vehicle.

14 (c) The number of persons in the motor vehicle.

15 (d) Whether a search was conducted of the motor vehicle, the driver of the motor
16 vehicle or any passenger in the motor vehicle, and for each search conducted all of
17 the following information:

18 1. Whether the search was based on probable cause or reasonable suspicion,
19 on the consent of the person searched or, for a motor vehicle search, on the consent
20 of the driver or other authorized person.

21 2. If the search was of a passenger in the motor vehicle, the age, gender and race
22 or ethnicity of the passenger.

23 3. What, if anything, was seized as a result of the search.

24 (e) Whether a person was asked to give consent to a search of the motor vehicle
25 or of his or her person but refused to give consent.

1 (f) Whether the motor vehicle stop or a search conducted during the stop
2 resulted in the driver or any passenger being given a written warning of or a citation
3 for a violation of any law or ordinance and, if so, a listing of each warning or citation
4 given and the alleged violation for which the warning or citation was given.

5 (g) Whether the motor vehicle stop or a search conducted during the stop
6 resulted in the arrest of the driver or any passenger and, if so, a listing of each arrest
7 made and the reason for the arrest.

8 (h) Any other information required to be collected under the rules promulgated
9 by the department under sub. (5).

10 **(3) SUBMISSION OF INFORMATION COLLECTED.** The information obtained by a law
11 enforcement agency under sub. (2) shall be forwarded to the department using the
12 form prescribed by the rules promulgated under sub. (5) and in accordance with the
13 reporting schedule established under the rules promulgated under sub. (5).

14 **(4) ANALYSIS AND REPORT BY DEPARTMENT.** (a) The department shall compile the
15 information submitted to it by law enforcement agencies under sub. (3) and shall
16 analyze the information, along with any other relevant information, to determine
17 whether law enforcement officers target racial minorities when making motor
18 vehicle stops to investigate alleged or suspected violations of federal, state or local
19 laws or ordinances.

20 (b) For each calendar year, the department shall prepare an annual report that
21 summarizes the information submitted to it by law enforcement agencies concerning
22 motor vehicle stops made during the calendar year and that describes the methods
23 and conclusions of its analysis of the information. On or before March 31, 2002, and
24 on or before each March 31 thereafter, the department shall submit the annual

1 report required under this paragraph to the legislature under s. 13.172 (2), to the
2 governor and to the director of state courts.

3 (5) RULES. (a) The department shall promulgate rules to implement the
4 requirements of this section, including rules prescribing a form for use in obtaining
5 information under sub. (2) and establishing a schedule for forwarding the
6 information obtained to the department. The department shall make the form
7 prescribed by its rules available to law enforcement agencies.

8 (b) The department may by rule require the collection of information in
9 addition to that specified in sub. (2) (a) to (g) if the department determines that the
10 information will help to determine whether law enforcement officers target racial
11 minorities when making motor vehicle stops to investigate alleged or suspected
12 violations of federal, state or local laws or ordinances.”.

13 *b1654/3.15* **1343.** Page 1175, line 9: after that line insert:

14 *b1654/3.15* “SECTION 2289d. 165.76 (2) (b) 2. of the statutes is amended to
15 read:

16 165.76 (2) (b) 2. If the person has been sentenced to prison or placed in a secured
17 correctional facility ~~or~~, a secured child caring institution or a secured group home,
18 he or she shall provide the specimen under par. (a) at the office of a county sheriff as
19 soon as practicable after release on parole, extended supervision or aftercare
20 supervision, as directed by his or her probation, extended supervision and parole
21 agent or aftercare agent, except that the department of corrections or the county
22 department under s. 46.215, 46.22 or 46.23 operating the secured group home in
23 which the person is placed may require the person to provide the specimen while he

1 or she is in prison or in a the secured correctional facility ~~or a~~ secured child caring
2 institution or secured group home.”

3 *b1839/3.22* **1344**. Page 1175, line 9: after that line insert:

4 *b1839/3.22* “SECTION 2289d. 165.85 (3m) (b) of the statutes is renumbered
5 165.85 (3m) (b) 1. and amended to read:

6 165.85 (3m) (b) 1. Request that an individual provide the board with his or her
7 social security number when he or she applies for certification or recertification
8 under this section. If Except as provided in subd. 2., if an individual who is requested
9 by the board to provide his or her social security number under this paragraph does
10 not comply with the board’s request, the board shall deny the individual’s application
11 for certification or recertification. The board may disclose a social security number
12 provided by an individual under this paragraph only to the department of workforce
13 development as provided in a memorandum of understanding entered into with the
14 department of workforce development under s. 49.857.

15 *b1839/3.22* SECTION 2289e. 165.85 (3m) (b) 2. of the statutes is created to
16 read:

17 165.85 (3m) (b) 2. As a condition of applying for certification or recertification,
18 an individual who does not have a social security number shall submit a statement
19 made or subscribed under oath or affirmation to the board that he or she does not
20 have a social security number. The form of the statement shall be prescribed by the
21 department of workforce development. A certification or recertification issued in
22 reliance on a false statement submitted under this subdivision is invalid.”.

23 *b0749/1.2* **1345**. Page 1176, line 24: after that line insert:

24 *b0749/1.2* “SECTION 2301m. 166.03 (2) (a) 6. of the statutes is created to read:

1 166.03 (2) (a) 6. Purchase from the appropriation under s. 20.465 (3) (a), at a
2 cost not to exceed \$110,000, infrared optical equipment to be located and maintained
3 by the Chippewa County emergency management agency and used by the civil air
4 patrol to search for lost individuals.”.

5 ***b0750/1.1* 1346.** Page 1177, line 13: after that line insert:

6 ***b0750/1.1* “SECTION 2303b.** 166.215 (1) of the statutes is amended to read:

7 166.215 (1) The Beginning July 1, 2001, the division shall contract with ~~no~~
8 ~~fewer than 7 and no more than 9~~ regional emergency response teams, ~~each of which~~
9 ~~will one of which shall be located in La Crosse County. Each regional emergency~~
10 response team shall assist in the emergency response to level A releases in a region
11 of this state designated by the division. The division shall contract with at least one
12 regional emergency response team in each area designated under s. 166.03 (2) (b) 1.
13 The division may only contract with a local agency, as defined in s. 166.22 (1) (c),
14 under this subsection. A member of a regional emergency response team shall meet
15 the standards for a hazardous materials specialist in 29 CFR 1910.120 (q) (6) (iv) and
16 national fire protection association standards NFPA 471 and 472. Payments to
17 regional emergency response teams under this subsection shall be made from the
18 appropriation account under s. 20.465 (3) (dd).”.

19 ***b1120/1.1* 1347.** Page 1179, line 5: after that line insert:

20 ***b1120/1.1* “SECTION 2304c.** 180.0103 (6) of the statutes is repealed and
21 recreated to read:

22 180.0103 (6) “Deliver” or “delivery” means any method of delivery used in
23 conventional commercial practice, including delivery by hand, mail, commercial
24 delivery and electronic transmission.

1 ***b1120/1.1* SECTION 2304cm.** 180.0103 (7m) of the statutes is created to read:

2 180.0103 (7m) “Electronic transmission” or “electronically transmitted”
3 means internet transmission, telephonic transmission, electronic mail
4 transmission, transmission of a telegram, cablegram or datagram or any other form
5 or process of communication that does not directly involve the physical transfer of
6 paper and that is suitable for the retention, retrieval and reproduction of information
7 by the recipient.

8 ***b1120/1.1* SECTION 2304dm.** 180.0103 (16) of the statutes is amended to
9 read:

10 180.0103 (16) “Signed” or “signature” includes any manual, facsimile,
11 conformed or electronic signature or any symbol executed or adopted by a party with
12 present intention to authenticate a writing or electronic transmission.

13 ***b1120/1.1* SECTION 2304ed.** 180.0141 (2) (a) of the statutes is amended to
14 read:

15 180.0141 (2) (a) A person shall give notice in writing, except as provided in par.
16 (b). For purposes of this section, notice by electronic transmission is written notice.

17 ***b1120/1.1* SECTION 2304fb.** 180.0141 (3) of the statutes is amended to read:

18 180.0141 (3) Except as provided in s. 180.0721 (4) or unless otherwise provided
19 in the articles of incorporation or bylaws, notice may be communicated in person, ;
20 by ~~telephone, telegraph, teletype, facsimile or other form of wire or wireless~~
21 ~~communication, or by mail or private carrier, and, if~~ mail or other method of delivery;
22 by telephone, including voice mail, answering machine or answering service; or by
23 any other electronic means. If these forms of personal notice are impracticable,
24 notice may be communicated by a newspaper of general circulation in the area where
25 published, or by radio, television or other form of public broadcast communication.

1 ***b1120/1.1* SECTION 2304fh.** 180.0141 (5) (b) of the statutes is renumbered
2 180.0141 (5) (b) (intro.) and amended to read:

3 180.0141 (5) (b) (intro.) Written notice by a domestic corporation or foreign
4 corporation to its shareholder is effective ~~when~~ under any of the following conditions:

5 1. When mailed and may be, but only if mailed postpaid and addressed to the
6 shareholder's address shown in the domestic corporation's or foreign corporation's
7 current record of shareholders.

8 ***b1120/1.1* SECTION 2304gb.** 180.0141 (5) (b) 2. of the statutes is created to
9 read:

10 180.0141 (5) (b) 2. When electronically transmitted to the shareholder in a
11 manner authorized by the shareholder.

12 ***b1120/1.1* SECTION 2304gm.** 180.0722 (2) of the statutes is repealed and
13 recreated to read:

14 180.0722 (2) (a) A shareholder entitled to vote at a meeting of shareholders, or
15 to express consent or dissent in writing to any corporate action without a meeting of
16 shareholders, may authorize another person to act for the shareholder by appointing
17 the person as proxy. An appointment of a proxy may be in durable form as provided
18 in s. 243.07.

19 (b) Without limiting the manner in which a shareholder may appoint a proxy
20 under par. (a), a shareholder or the shareholder's authorized officer, director,
21 employe, agent or attorney-in-fact may use any of the following as a valid means to
22 make such an appointment:

23 1. Appointment of a proxy in writing by signing or causing the shareholder's
24 signature to be affixed to an appointment form by any reasonable means, including,
25 but not limited to, by facsimile signature.

1 2. Appointment of a proxy by transmitting or authorizing the transmission of
2 an electronic transmission of the appointment to the person who will be appointed
3 as proxy or to a proxy solicitation firm, proxy support service organization or like
4 agent authorized to receive the transmission by the person who will be appointed as
5 proxy. Every electronic transmission shall contain, or be accompanied by,
6 information that can be used to reasonably determine that the shareholder
7 transmitted or authorized the transmission of the electronic transmission. Any
8 person charged with determining whether a shareholder transmitted or authorized
9 the transmission of the electronic transmission shall specify the information upon
10 which the determination is made.

11 (c) Any copy, facsimile telecommunication or other reliable reproduction of the
12 information in the appointment form under par. (b) 1. or the electronic transmission
13 under par. (b) 2. may be substituted or used in lieu of the original appointment form
14 or electronic transmission for any purpose for which the original appointment form
15 or electronic transmission could be used, but only if the copy, facsimile
16 telecommunication or other reliable reproduction is a complete reproduction of the
17 information in the original appointment form or electronic transmission.

18 ***b1120/1.1* SECTION 2304gz.** 180.0722 (3) of the statutes is amended to read:

19 180.0722 (3) An appointment of a proxy is effective when a signed appointment
20 form or an electronic transmission of the appointment is received by the secretary
21 or other inspector of election or the officer or agent of the corporation authorized to
22 tabulate votes. An appointment is valid for 11 months from the date of its signing
23 unless a different period is expressly provided in the appointment form.

24 ***b1120/1.1* SECTION 2304hd.** 180.0722 (4) (a) (intro.) of the statutes is
25 amended to read:

1 180.0722 (4) (a) (intro.) An appointment of a proxy is revocable by the
2 ~~shareholder~~ unless the appointment form ~~conspicuously~~ or electronic transmission
3 states that it is irrevocable and the appointment is coupled with an interest.
4 Appointments coupled with an interest include, but are not limited to, the
5 appointment of any of the following:

6 ***b1120/1.1* SECTION 2304hL.** 180.0722 (7) of the statutes is amended to read:

7 180.0722 (7) Subject to s. 180.0724 and to any express limitation on the proxy's
8 authority ~~appearing on the face of~~ stated in the appointment form or electronic
9 transmission, a corporation may accept the proxy's vote or other action as that of the
10 shareholder making the appointment.

11 ***b1120/1.1* SECTION 2304ho.** 180.0722 (8) (a) of the statutes is amended to
12 read:

13 180.0722 (8) (a) Notwithstanding sub. (4), may be revoked at any time by
14 openly stating the revocation at a shareholder meeting or appointing a new proxy in
15 writing the manner provided under sub. (2) (b).

16 ***b1120/1.1* SECTION 2304jb.** 180.0724 (4) of the statutes is amended to read:

17 180.0724 (4) The corporation and its officer or agent who accepts or rejects a
18 vote, consent, waiver or proxy appointment in good faith and in accordance with this
19 section or s. 180.0722 (2) are not liable in damages to the shareholder for the
20 consequences of the acceptance or rejection.

21 ***b1120/1.1* SECTION 2304jm.** 180.0724 (5) of the statutes is amended to read:

22 180.0724 (5) Corporate action based on the acceptance or rejection of a vote,
23 consent, waiver or proxy appointment under this section or s. 180.0722 (2) is valid
24 unless a court of competent jurisdiction determines otherwise.”.

1 ***b1192/2.1* 1348.** Page 1179, line 5: after that line insert:

2 ***b1192/2.1* SECTION 2307a.** 177.01 (10) of the statutes is renumbered 177.01
3 (10) (a).

4 ***b1192/2.1* SECTION 2307d.** 177.01 (10) (b) of the statutes is created to read:

5 177.01 (10) (b) “Intangible property” does not include a credit balance issued
6 to a commercial customer account by a business association in the ordinary course
7 of business, unless the credit balance is property described in s. 177.06 (1) or (2) held
8 by a banking organization or financial organization.”.

9 ***b1839/3.23* 1349.** Page 1179, line 5: after that line insert:

10 ***b1839/3.23* SECTION 2305p.** 170.12 (3m) (a) 1. of the statutes is amended
11 to read:

12 170.12 (3m) (a) 1. If the applicant is an individual and has a social security
13 number, the applicant’s social security number.

14 ***b1839/3.23* SECTION 2305r.** 170.12 (3m) (a) 1m. of the statutes is created to
15 read:

16 170.12 (3m) (a) 1m. If the applicant is an individual and does not have a social
17 security number, a statement made or subscribed under oath or affirmation that the
18 applicant does not have a social security number. The form of the statement shall
19 be prescribed by the department of workforce development. A permit issued in
20 reliance upon a false statement submitted under this subdivision is invalid.

21 ***b1839/3.23* SECTION 2305s.** 170.12 (3m) (b) of the statutes is amended to
22 read:

23 170.12 (3m) (b) The board may not disclose any information received under par.
24 (a) 1. or 2. to any person except as follows:

1 1. The board may disclose information under par. (a) 1. or 2. to the department
2 of revenue for the sole purpose of requesting certifications under s. 73.0301.

3 2. The board may disclose information under par. (a) 1. or 2. to the department
4 of workforce development in accordance with a memorandum of understanding
5 under s. 49.857.”.

6 ***b1867/2.3* 1350.** Page 1179, line 5: after that line insert:

7 ***b1867/2.3* “SECTION 2305m.** 180.1901 (1m) (bs) of the statutes is created to
8 read:

9 180.1901 (1m) (bs) Athletic trainers affiliated credentialing board under
10 subch. VI of ch. 448.”.

11 ***b1060/1.2* 1351.** Page 1179, line 19: after that line insert:

12 ***b1060/1.2* “SECTION 2308dm.** 189.02 (7) of the statutes is created to read:
13 189.02 (7) At least 14 days before submitting to the public service commission
14 any personnel or budget request that affects any appropriation to the department of
15 transportation, the office shall notify the secretary of the request.”.

16 ***b1671/1.7* 1352.** Page 1179, line 19: after that line insert:

17 ***b1671/1.7* “SECTION 2308r.** 186.098 (12) of the statutes is amended to read:
18 186.098 (12) LOANS TO MEMBERS. A credit union may make loans to members
19 secured by assignment or transfer of stock certificates or other evidence of the
20 borrower’s ownership interest in a corporation formed for the cooperative ownership
21 of real estate. Sections 846.10 and 846.101, as they apply to a foreclosure of a
22 mortgage involving a one-family residence, apply to a proceeding to enforce the
23 lender’s rights in security given for a loan under this subsection. The office of credit
24 unions shall promulgate joint rules with the ~~divisions of savings and loan~~ division

1 of savings institutions and the division of banking that establish procedures for
2 enforcing a lender's rights in security given for a loan under this subsection.”.

3 *b0764/1.1* **1353**. Page 1179, line 21: after that line insert:

4 *b0764/1.1* “SECTION 2309q. 196.19 (1m) (b) of the statutes is amended to
5 read:

6 196.19 (1m) (b) A telecommunications utility may not offer a new
7 telecommunications service to the public without first filing a tariff for that offering
8 with the commission. A proposed tariff offering a new telecommunications service
9 shall be effective on the date specified in the tariff ~~but not earlier than 10 days after~~
10 ~~the date on which the tariff is filed with the commission~~, unless the commission,
11 either upon complaint or upon its own motion, suspends the operation of the new
12 tariff by serving written notice of the suspension on the telecommunications utility
13 within 10 days after the date of filing. The notice shall include a statement of the
14 reason under par. (c) upon which the commission believes the tariff may be modified.

15 *b0764/1.1* SECTION 2309r. 196.19 (1m) (e) of the statutes is repealed.”.

16 *b1257/1.1* **1354**. Page 1179, line 21: after that line insert:

17 *b1257/1.1* “SECTION 2309q. 196.04 (4) of the statutes is renumbered 196.04
18 (4) (b) and amended to read:

19 196.04 (4) (b) If the parties cannot agree and the commission finds that public
20 convenience and necessity or the rendition of reasonably adequate service to the
21 public requires that a public utility, telecommunications provider, sewerage system
22 operator or cable operator, ~~as defined in s. 66.082 (2) (b)~~, be permitted to extend its
23 lines on, over or under the right-of-way of any railroad, or requires that the tracks
24 of any railroad be extended on, over or under the right-of-way of any public utility,

1 telecommunications provider, sewerage system operator or cable operator, the
2 commission may order the extension by the public utility, telecommunications
3 provider, sewerage system operator, cable operator or railroad on, over or under the
4 right-of-way of the other if it will not materially impair the ability of the railroad,
5 telecommunications provider, sewerage system operator, cable operator or public
6 utility, on, over or under whose right-of-way the extension would be made, to serve
7 the public. The commission shall prescribe lawful conditions and compensation
8 which the commission deems equitable and reasonable in light of all the
9 circumstances.

10 *b1257/1.1* SECTION 2309s. 196.04 (4) (a) of the statutes is created to read:

11 196.04 (4) (a) In this subsection:

12 1. "Cable operator" has the meaning given in s. 66.082 (2) (b).

13 2. "Sewerage system operator" means any of the following:

14 a. A municipality that operates a sewerage system under s. 66.076.

15 b. A town sanitary district commission that operates a sewerage system under

16 60.77 (4).

17 c. A city or village that obtains a sewerage system under s. 60.79.

18 d. A metropolitan sewerage district commission that operates a sewerage
19 system under s. 66.24 (2) or 66.89 (1).

20 e. A public inland lake protection and rehabilitation district that exercises the
21 powers of a town sanitary district under s. 33.22 (3) and that operates a sewerage
22 system under s. 60.77 (4)."

23 *b1744/3.2* 1355. Page 1179, line 21: after that line insert:

24 *b1744/3.2* "SECTION 2313m. 196.208 (5p) of the statutes is created to read:

1 196.208 (5p) TOLL-FREE CALLS ANSWERED BY PRISONERS. (a) In this subsection:

2 1. "Charitable organization" has the meaning given in s. 440.41 (1).

3 2. "Prisoner" means a prisoner of any correctional or detention facility located
4 in this state.

5 (b) If a prisoner is employed directly or indirectly by a charitable organization
6 or toll-free service vendor to answer calls made to the charitable organization or
7 toll-free service vendor, the prisoner shall do all of the following immediately upon
8 answering a call:

9 1. Identify himself or herself by name.

10 2. State that he or she is a prisoner.

11 3. Inform the calling party of the name of the correctional or detention facility
12 in which he or she is a prisoner and the city in which the facility is located.

13 (c) A charitable organization or toll-free service vendor that directly or
14 indirectly employs a prisoner shall provide reasonable supervision of the prisoner to
15 assure the prisoner's compliance with par. (b).

16 ***b1744/3.2* SECTION 2313u.** 196.208 (11) (d) of the statutes is renumbered
17 196.208 (11) (d) 1. and amended to read:

18 196.208 (11) (d) 1. Any Except as provided in subd. 2., any person who violates
19 subs. (2) to (9) shall be required to forfeit not less than \$25 nor more than \$5,000 for
20 each offense.

21 3. Forfeitures under this paragraph subds. 1. and 2. shall be enforced by action
22 on behalf of the state by the department of justice or, upon informing the department
23 of justice, by the district attorney of the county where the violation occurs.

24 ***b1744/3.2* SECTION 2313y.** 196.208 (11) (d) 2. of the statutes is created to
25 read:

1 196.208 (11) (d) 2. a. A prisoner who violates sub. (5p) (b) may be required to
2 forfeit not more than \$500.

3 b. A person who employs a prisoner to answer calls made to a toll-free
4 telephone number may be required to forfeit not more than \$10,000 if the person
5 violates sub. (5p) (c), aids and abets a prisoner's violation of sub. (5p) (b), is a party
6 to a conspiracy with a prisoner to commit a violation of sub. (5p) (b) or advises, hires
7 or counsels or otherwise procures a prisoner to commit a violation of sub. (5p) (b).".

8 ***b1931/1.16* 1356.** Page 1179, line 21: after that line insert:

9 ***b1931/1.16* "SECTION 2315c.** 196.025 of the statutes is renumbered 196.025
10 (1).

11 ***b1931/1.16* SECTION 2315g.** 196.025 (2) of the statutes is created to read:

12 196.025 (2) The commission shall promulgate rules establishing requirements
13 and procedures for the commission to carry out the duties under s. 1.11. Rules
14 promulgated under this subsection shall include requirements and procedures for
15 each of the following:

16 (a) Standards for determining the necessity of preparing an environmental
17 impact statement.

18 (b) Adequate opportunities for interested persons to be heard on environmental
19 impact statements, including adequate time for the preparation and submission of
20 comments.

21 (c) Deadlines that allow thorough review of environmental issues without
22 imposing unnecessary delays in addressing the need for additional electric
23 transmission capacity in this state.

24 ***b1931/1.16* SECTION 2315L.** 196.025 (3) of the statutes is created to read:

1 196.025 (3) The commission shall promulgate rules establishing requirements
2 and procedures for electric utilities, as defined under s. 196.491 (1) (d), to file reports
3 with the commission, on a frequency that the commission determines is reasonably
4 necessary, on their current reliability status, including the status of operating and
5 planning reserves, available transmission capacity and outages of major operational
6 units and transmission lines. A report filed under the rules promulgated under this
7 subsection is subject to inspection and copying under s. 19.35 (1), except that the
8 commission may withhold the report from inspection and copying for a period of time
9 that the commission determines is reasonably necessary to prevent an adverse
10 impact on the supply or price of energy in this state.

11 ***b1931/1.16* SECTION 2315p.** 196.025 (4) of the statutes is created to read:

12 196.025 (4) (a) In consultation with the department of administration and the
13 department of revenue, the commission shall study the establishment of a program
14 for providing incentives for the development of high-efficiency, small-scale electric
15 generating facilities in this state that do either of the following:

16 1. Provide benefits in the form of support for electric distribution or
17 transmission systems, power quality or environmental performance.

18 2. Employ technologies such as combined heat and power systems, fuel cells,
19 microturbines or photovoltaic systems that may be situated in, on or next to
20 buildings or other electric load centers.

21 (b) No later than January 1, 2001, the commission shall submit a report of its
22 findings and recommendations under par. (a) to the chief clerk of each house of the
23 legislature for distribution to the appropriate standing committees under s. 13.172
24 (3).

25 ***b1931/1.16* SECTION 2315t.** 196.025 (5) of the statutes is created to read:

1 196.025 (5) (ag) In this subsection, “electric cooperative” means a cooperative
2 association organized under ch. 185 for the purpose of generating, distributing or
3 furnishing electric energy at retail or wholesale to its members only.

4 (ar) The commission shall contract with an expert consultant in economics to
5 conduct a study on the potential for horizontal market power, including the
6 horizontal market power of electric generators, to frustrate the creation of an
7 effectively competitive retail electricity market in this state and to make
8 recommendations on measures to eliminate such market power on a sustainable
9 basis. The study shall include each of the following:

10 1. An assessment of the effect of each recommendation on public utility workers
11 and shareholders and electric cooperative workers and members.

12 1m. An assessment of the effect of each recommendation on rates for each class
13 of public utility customers and electric cooperative members.

14 2. An evaluation of the impact of transmission constraints on the market power
15 of electric generators in local areas.

16 (b) No later than January 1, 2001, the commission shall submit a report of the
17 results of the study under par. (ar) to the chief clerk of each house of the legislature
18 for distribution to the appropriate standing committees under s. 13.172 (3).

19 ***b1931/1.16* SECTION 2315x.** 196.192 of the statutes is created to read:

20 **196.192 Market-based compensation, rates and contracts.** (1) In this
21 section, “electric public utility” means a public utility whose purpose is the
22 generation, distribution and sale of electric energy.

23 (2) No later than March 1, 2000, each investor-owned electric public utility
24 shall do each of the following:

1 (a) File with the commission rates that result in customers receiving
2 market-based compensation for voluntary interruptions of firm load during peak
3 periods of electric use.

4 (b) File with the commission market-based pricing options and options for
5 individual contracts that allow a retail customer, through service from its existing
6 public utility, to receive market benefits and take market risks for the customer's
7 purchases of capacity or energy.

8 (3) (a) The commission shall approve market-based rates that are consistent
9 with the options specified in sub. (2), except that the commission may not approve
10 a market-based rate unless the commission determines that the rate will not harm
11 shareholders of the investor-owned electric public utility or customers who are not
12 subject to the rate.

13 (b) Nothing in s. 196.20, 196.21, 196.22, 196.37, 196.60 or 196.604 prohibits the
14 commission from approving a filing under sub. (2) or approving market-based rates
15 under par. (a).

16 (4) Subject to any approval of the commission that is necessary, an electric
17 public utility that is not an investor-owned electric public utility may implement
18 market-based rates approved under sub. (3) (a) or implement the options in filings
19 under sub. (2) that are approved by the commission.”.

20 *b0761/1.1* **1357.** Page 1180, line 15: delete “The commission” and
21 substitute “~~The commission~~ Except as provided in s. 196.218 (4t), the”.

22 *b0761/1.2* **1358.** Page 1183, line 20: after that line insert:

23 *b0761/1.2* “SECTION 2329g. 196.218 (4t) of the statutes is created to read:

1 196.218 (4t) EDUCATIONAL TELECOMMUNICATIONS ACCESS PROGRAM RULES. The
2 commission, in consultation with the department of administration and the
3 technology for educational achievement in Wisconsin board, shall promulgate rules
4 specifying the telecommunications services eligible for funding through the
5 educational telecommunications access program under s. 44.73.”.

6 ***b0862/1.4* 1359.** Page 1184, line 18: after that line insert:

7 ***b0862/1.4* SECTION 2332n.** 196.218 (5) (a) 10. of the statutes is created to
8 read:

9 196.218 (5) (a) 10. To provide administrative services under the rehabilitation
10 teaching program for blind and visually impaired persons under s. 46.293.”.

11 ***b1931/1.17* 1360.** Page 1185, line 19: after that line insert:

12 ***b1931/1.17* SECTION 2334d.** 196.31 (1) (intro.) of the statutes is amended
13 to read:

14 196.31 (1) (intro.) In any proceeding before the commission, the commission
15 ~~may~~ shall compensate any participant in the proceeding who is not a public utility,
16 for some or all of the reasonable costs of participation in the proceeding if the
17 commission finds that:

18 ***b1931/1.17* SECTION 2334h.** 196.31 (1)(a) of the statutes is amended to read:

19 196.31 (1) (a) The participation is necessary to provide for the record an
20 adequate presentation of a significant position in which the participant has a
21 substantial interest, and that an adequate presentation would not be possible occur
22 without a grant of compensation; or

23 ***b1931/1.17* SECTION 2334p.** 196.374 of the statutes is repealed and
24 recreated to read:

1 **196.374 Low-income assistance, energy efficiency and other**
2 **programs. (1)** In this section:

3 (a) “Department” means the department of administration.

4 (b) “Fund” means the utility public benefits fund.

5 (c) “Utility” means a Class A gas or electric utility, as defined by the
6 commission, but does not include a municipal utility, as defined in s. 16.957 (1) (q),
7 a municipal electric company, as defined in s. 66.073 (3) (d), or a cooperative
8 association organized under ch. 185.

9 **(2)** The commission shall determine the amount that each utility spent in 1998
10 on programs for each of the following:

11 (a) Low-income assistance, including low-income weatherization and writing
12 off uncollectibles and arrearages.

13 (b) Energy conservation and efficiency.

14 (c) Environmental research and development.

15 (d) Renewable resources.

16 **(3)** In 2000, 2001 and 2002, the commission shall require each utility to spend
17 a decreasing portion of the amount determined under sub. (2) on programs specified
18 in sub. (2) and contribute the remaining portion of the amount to the commission for
19 deposit in the fund. In each year after 2002, each utility shall contribute the entire
20 amount determined under sub. (2) to the commission for deposit in the fund. The
21 commission shall ensure in rate-making orders that a utility recovers from its
22 ratepayers the amounts spent on programs or contributed to the fund under this
23 subsection. The commission shall allow each utility the option of continuing to use,
24 until January 1, 2002, the moneys that it has recovered under s. 196.374 (3), 1997
25 stats., to administer the programs that it has funded under s. 196.374 (1), 1997 stats.

1 The commission may allow each utility to spend additional moneys on the programs
2 specified in sub. (2) if the utility otherwise complies with the requirements of this
3 section and s. 16.957 (4).

4 (4) If the department notifies the commission under s. 16.957 (2) (b) 2. that the
5 department has reduced funding for energy conservation and efficiency and
6 renewable resource programs by an amount that is greater than the portion of the
7 public benefits fee specified in s. 16.957 (4) (c) 2., the commission shall reduce the
8 amount that utilities are required to spend on programs or contribute to the fund
9 under sub. (3) by the portion of the reduction that exceeds the amount of public
10 benefits fees specified in s. 16.957 (4) (c) 2.

11 *b1931/1.17* SECTION 2334t. 196.378 of the statutes is created to read:

12 **196.378 Renewable resources. (1) DEFINITIONS.** In this section:

13 (a) “Biomass” means a resource that derives energy from wood or plant
14 material or residue, biological waste, crops grown for use as a resource or landfill
15 gases. “Biomass” does not include garbage, as defined in s. 289.01 (9), or
16 nonvegetation-based industrial, commercial or household waste, except that
17 “biomass” includes refuse-derived fuel used for a renewable facility that was in
18 service in this state before January 1, 1998.

19 (am) “Biomass cofired facility” means a renewable facility in which biomass
20 and conventional resources are fired together.

21 (b) “Conventional resource” means a resource that derives energy from coal, oil,
22 nuclear power or natural gas, except for natural gas used in a fuel cell.

23 (bm) “Department” means the department of administration.

24 (c) “Electric provider” means an electric utility or retail electric cooperative.

1 (d) "Electric utility" means a public utility that sells electricity at retail. For
2 purposes of this paragraph, a public utility is not considered to sell electricity at
3 retail solely on the basis of its ownership or operation of a retail electric distribution
4 system.

5 (e) "Excludable renewable energy" means the portion of an electric provider's
6 total renewable energy that is supplied from renewable facilities that were placed
7 in service before January 1, 1998, and that, before January 1, 1998, derived
8 electricity from hydroelectric power, even if the output of the renewable facilities is
9 used to satisfy requirements under federal law.

10 (f) "Nonsystem renewable energy" means the amount of electricity that an
11 electric provider sells to its retail customers or members and that is supplied or
12 allocated under executed wholesale purchase contracts from renewable facilities
13 that are not owned or operated by the electric provider. "Nonsystem renewable
14 energy" does not include any electricity that is not used to satisfy the electric
15 provider's retail load obligations.

16 (g) "Renewable facility" means an installed and operational electric generating
17 facility in which electricity is derived from a renewable resource. "Renewable
18 facility" includes a facility the installation or operation of which is required under
19 federal law, but does not include a facility the installation or operation of which is
20 required under the laws of another state even if the installation or operation of the
21 facility is also required under federal law.

22 (h) "Renewable resource" means any of the following:

23 1. A resource that derives electricity from any of the following:

24 a. A fuel cell that uses, as determined by the commission, a renewable fuel.

25 b. Tidal or wave action.

1 c. Solar thermal electric or photovoltaic energy.

2 d. Wind power.

3 e. Geothermal technology.

4 g. Biomass.

5 1m. A resource with a capacity of less than 60 megawatts that derives
6 electricity from hydroelectric power.

7 2. Any other resource, except a conventional resource, that the commission
8 designates as a renewable resource in rules promulgated under sub. (4).

9 (i) “Renewable resource credit” means a credit calculated in accordance with
10 rules promulgated under sub. (3) (a).

11 (j) “Resource” means a source of energy used to generate electric power.

12 (k) “Retail electric cooperative” means a cooperative association organized
13 under ch. 185 that sells electricity at retail to its members only. For purposes of this
14 paragraph, a cooperative association is not considered to sell electricity at retail
15 solely on the basis of its ownership or operation of a retail electric distribution
16 system.

17 (n) “System renewable energy” means the amount of electricity that an electric
18 provider sells to its retail customers or members and that is supplied by renewable
19 facilities owned or operated by the electric provider.

20 (o) “Total renewable energy” means the sum of an electric provider’s system and
21 nonsystem renewable energy.

22 (2) RENEWABLE RESOURCE ENERGY. (a) Each electric provider shall provide to its
23 retail electric customers or members total renewable energy in at least the following
24 percentages of its total retail electric sales, either directly or through renewable
25 resource credits from another electric provider:

1 1. By December 31, 2001, 0.5%.

2 2. By December 31, 2003, 0.85%.

3 3. By December 31, 2005, 1.2%.

4 4. By December 31, 2007, 1.55%.

5 5. By December 31, 2009, 1.9%.

6 6. By December 31, 2011, 2.2%.

7 (b) For purposes of determining compliance with par. (a):

8 1. Total retail electric sales shall be calculated on the basis of an average of an
9 electric provider's retail electric sales in this state during the prior 3 years.

10 2. The amount of electricity supplied by a biomass cofired facility that may be
11 counted toward satisfying the requirements of par. (a) shall be an amount equal to
12 the product of the maximum amount of electricity that the facility is capable of
13 generating and the ratio of the energy content of the biomass fuels to the energy
14 content of both the biomass and conventional resources.

15 3. Any excludable renewable energy that exceeds 0.6% of an electric provider's
16 total retail electric sales shall be excluded from the electric provider's total
17 renewable energy.

18 4. The members of a municipal electric company, as defined in s. 66.073 (3) (d),
19 may aggregate and allocate renewable energy among themselves.

20 (c) No later than April 15 annually, an electric provider shall submit a report
21 to the department that describes the electric provider's compliance with par. (a).
22 Reports under this paragraph may include certifications from wholesale suppliers
23 regarding the sources and amounts of energy supplied to an electric provider. The
24 department may specify the documentation that is required to be included with
25 reports submitted under this paragraph.

1 (d) The commission shall allow an electric utility to recover from ratepayers the
2 cost of providing total renewable energy to its retail customers in amounts that equal
3 or exceed the percentages specified in par. (a). Subject to any approval of the
4 commission that is necessary, an electric utility may recover costs under this
5 paragraph by any of the following methods:

6 1. Allocating the costs equally to all customers on a kilowatt-hour basis.

7 2. Establishing alternative price structures, including price structures under
8 which customers pay a premium for renewable energy.

9 3. Any combination of the methods specified in subs. 1. and 2.

10 (e) 1. This subsection does not apply to any of the following:

11 a. An electric provider that provides more than 10% of its summer peak demand
12 in this state from renewable facilities.

13 b. An electric provider that provides more than 10% of its summer peak demand
14 from renewable resources.

15 2. For purposes of calculating the percentages under subd. 1., an electric
16 provider may include renewable facilities located in this or another state and
17 renewable facilities located on its or another electric provider's system.

18 3. Notwithstanding subd. 1., this subsection applies to an electric provider
19 unless the electric provider provides documentation to the commission that
20 establishes, to the satisfaction of the commission, that the electric provider satisfies
21 the requirements under subd. 1. a. or b.

22 (3) RENEWABLE RESOURCE CREDITS. (a) An electric provider that provides total
23 renewable energy to its retail electric customers or members in excess of the
24 percentages specified in sub. (2) (a) 1. to 6. may, in the applicable year, sell to any
25 other electric provider a renewable resource credit or a portion of a renewable

1 resource credit at any negotiated price. Alternatively, an electric provider may use
2 a renewable resource credit or portion of a renewable resource credit in a subsequent
3 year to establish compliance with sub. (2) (a). The commission shall promulgate
4 rules that establish requirements for the use of a renewable resource credit,
5 including calculating the amount of a renewable resource credit.

6 (b) The commission may promulgate rules that establish requirements and
7 procedures for a sale under par. (a).

8 (4) RULES. The commission may promulgate rules that designate a resource,
9 except for a conventional resource, as a renewable resource in addition to the
10 resources specified in sub. (1) (h) 1. and 1m.

11 (5) PENALTY. Any person who violates sub. (2) or any wholesale supplier who
12 provides an electric provider with a false or misleading certification regarding the
13 sources or amounts of energy supplied to the electric provider shall forfeit not less
14 than \$5,000 nor more than \$500,000. Forfeitures under this subsection shall be
15 enforced by action on behalf of the state by the attorney general. A court imposing
16 a forfeiture under this subsection shall consider all of the following in determining
17 the amount of the forfeiture:

18 (a) The appropriateness of the forfeiture to the person's or wholesale supplier's
19 volume of business.

20 (b) The gravity of the violation.

21 (c) Whether a violation of sub. (2) is due to circumstances beyond the violator's
22 control.”.

23 *b0764/1.2* **1361.** Page 1186, line 2: after that line insert:

24 *b0764/1.2* “SECTION 2336g. 196.77 of the statutes is amended to read:

1 **196.77 Promotional rates.** Except as provided in this section, nothing in this
2 chapter prohibits a telecommunications utility from filing a tariff to make a limited
3 offering of promotional rates. A promotional rate under this section shall take effect
4 automatically at the time specified in the tariff ~~but not earlier than 10 days after the~~
5 ~~date the tariff is filed with the commission~~ unless the commission authorizes an
6 ~~earlier effective date or~~ suspends the tariff within 10 days after the date on which
7 it is filed. The commission may suspend a tariff if it believes that the tariff violates
8 s. 196.204, 196.209 or 196.219. If the commission suspends a tariff, it shall
9 investigate and resolve the matter within 60 days after the date on which the tariff
10 is suspended or the tariff shall be effective as filed.”.

11 ***b1931/1.18* 1362.** Page 1186, line 2: after that line insert:

12 ***b1931/1.18* “SECTION 2335ta.** 196.485 (title) of the statutes is repealed and
13 recreated to read:

14 **196.485 (title) Transmission system requirements.**

15 ***b1931/1.18* SECTION 2335tb.** 196.485 (1) (am) of the statutes is created to
16 read:

17 196.485 (1) (am) “Contribute a transmission facility” means to divest a person’s
18 interest in the transmission facility and to transfer ownership of the transmission
19 facility, and associated deferred tax reserves and deferred investment tax credits to
20 the extent permitted by law, to another person.

21 ***b1931/1.18* SECTION 2335tc.** 196.485 (1) (be) of the statutes is created to
22 read:

1 196.485 (1) (be) "Director" means, with respect to a transmission company
2 organized as a corporation under ch. 180, a member of the board of directors of the
3 transmission company.

4 ***b1931/1.18* SECTION 2335td.** 196.485 (1) (bs) of the statutes is created to
5 read:

6 196.485 (1) (bs) "Electric utility" means any of the following:

7 1. A public utility that is involved in the generation, transmission, distribution
8 or sale of electric energy.

9 2. A retail or wholesale electric cooperative.

10 ***b1931/1.18* SECTION 2335te.** 196.485 (1) (dm) (intro.) of the statutes is
11 amended to read:

12 196.485 (1) (dm) (intro.) "Independent transmission owner" ~~means~~:

13 1m. Means a person that satisfies each of the following:

14 ***b1931/1.18* SECTION 2335tf.** 196.485 (1) (dm) 1. of the statutes is
15 renumbered 196.485 (1) (dm) 1m. a.

16 ***b1931/1.18* SECTION 2335tg.** 196.485 (1) (dm) 2. of the statutes is created to
17 read:

18 196.485 (1) (dm) 2. Does not include the transmission company.

19 ***b1931/1.18* SECTION 2335th.** 196.485 (1) (dm) 3. of the statutes is
20 renumbered 196.485 (1) (dm) 1m. b. and amended to read:

21 196.485 (1) (dm) 1m. b. The person is not an affiliated interest of a person
22 specified in subd. ~~1.~~ 1m. a.

23 ***b1931/1.18* SECTION 2335ti.** 196.485 (1) (do) of the statutes is created to
24 read:

1 196.485 (1) (do) “Land right” means any right in real property, including fee
2 simple ownership or a right-of-way or easement, that has been acquired for a
3 transmission facility that is located or intended to be located on the real property.

4 ***b1931/1.18* SECTION 2335tk.** 196.485 (1) (dq) of the statutes is created to
5 read:

6 196.485 (1) (dq) “Manager” means, with respect to a transmission company
7 organized as a limited liability company under ch. 183, the representatives of the
8 security holders that are elected or appointed under sub. (3m) (c).

9 ***b1931/1.18* SECTION 2335tL.** 196.485 (1) (dr) of the statutes is created to
10 read:

11 196.485 (1) (dr) “Merger enforcement policy” means the enforcement policy of
12 the federal department of justice and the federal trade commission regarding
13 horizontal acquisitions and mergers that are subject to 15 USC 1, 18 or 45.

14 ***b1931/1.18* SECTION 2335tm.** 196.485 (1) (ds) of the statutes is created to
15 read:

16 196.485 (1) (ds) “Midwest independent system operator” means the
17 independent system operator the establishment of which the federal energy
18 regulatory commission has conditionally authorized in an order issued on September
19 16, 1998, or the successor to such independent system operator.

20 ***b1931/1.18* SECTION 2335tn.** 196.485 (1) (dt) of the statutes is created to
21 read:

22 196.485 (1) (dt) “Nontransmission utility security holder” means a security
23 holder that is not a transmission utility security holder.

24 ***b1931/1.18* SECTION 2335to.** 196.485 (1) (dv) of the statutes is created to
25 read:

1 196.485 (1) (dv) “Organizational start-up date” means, with respect to a
2 transmission company that is organized as a limited liability company under ch. 183,
3 the date on which the articles of organization become effective under s. 183.0111 or,
4 with respect to a transmission company that is organized as a corporation under ch.
5 180, the date on which the articles of incorporation become effective under s.
6 180.0123.

7 ***b1931/1.18* SECTION 2335tp.** 196.485 (1) (em) of the statutes is created to
8 read:

9 196.485 (1) (em) “Retail electric cooperative” means a cooperative that provides
10 retail electric service to its members.

11 ***b1931/1.18* SECTION 2335tq.** 196.485 (1) (fe) of the statutes is created to
12 read:

13 196.485 (1) (fe) “Security” means, with respect to a transmission company
14 organized as a corporation under ch. 180, a share, as defined in s. 180.0103 (15), and,
15 with respect to a transmission company organized as a limited liability company
16 under ch. 183, a limited liability company interest, as defined in s. 183.0102 (11).

17 ***b1931/1.18* SECTION 2335tr.** 196.485 (1) (ge) of the statutes is created to
18 read:

19 196.485 (1) (ge) “Transmission company” means a corporation organized under
20 ch. 180 or a limited liability company organized under ch. 183 that has as its sole
21 purpose the planning, constructing, operating, maintaining and expanding of
22 transmission facilities that it owns to provide for an adequate and reliable
23 transmission system that meets the needs of all users that are dependent on the
24 transmission system and that supports effective competition in energy markets
25 without favoring any market participant.

1 ***b1931/1.18* SECTION 2335ts.** 196.485 (1) (gm) of the statutes is created to
2 read:

3 196.485 (1) (gm) “Transmission dependent utility” means an electric utility
4 that is not a transmission utility and that is dependent on the transmission system
5 of another person for delivering electricity to the electric utility’s customers.

6 ***b1931/1.18* SECTION 2335tt.** 196.485 (1) (j) of the statutes is created to read:

7 196.485 (1) (j) “Transmission utility security holder” means a person that is a
8 security holder of a transmission company, is an investor–owned transmission utility
9 in the transmission area and has contributed its transmission facilities to the
10 transmission company.

11 ***b1931/1.18* SECTION 2335ttm.** 196.485 (1) (k) of the statutes is created to
12 read:

13 196.485 (1) (k) “Wholesale electric cooperative” means a cooperative that
14 provides wholesale electric service to its members.

15 ***b1931/1.18* SECTION 2335tu.** 196.485 (1m) of the statutes is created to read:

16 196.485 (1m) DUTY TO PROVIDE TRANSMISSION SERVICE. (a) The duty of any
17 electric utility that has contributed its transmission facilities to the transmission
18 company to finance, construct, maintain or operate a transmission facility shall
19 terminate on the date, as determined by the commission under sub. (2) (d), that the
20 transmission company begins operations.

21 (b) After beginning operations, the transmission company shall, except for
22 transmission service provided by an electric utility that has not transferred its
23 transmission facilities to the the transmission company, have the exclusive duty to
24 provide transmission service in those areas in which transmission facilities have
25 been contributed. The duty under this paragraph shall terminate on the date, as

1 determined by the commission under sub. (2) (d), that the Midwest independent
2 system operator begins operations.

3 (c) After beginning operations, the Midwest independent system operator
4 shall, except for transmission service provided by an electric utility that has not
5 transferred control over its transmission facilities to the Midwest independent
6 system operator, have the exclusive duty to provide transmission service in the
7 transmission area and shall ensure that each transmission facility in the
8 transmission area that is under its operational control is planned, constructed,
9 operated, maintained and controlled as part of a single transmission system.

10 ***b1931/1.18* SECTION 2335tv.** 196.485 (2) (a) (intro.) of the statutes is
11 amended to read:

12 196.485 (2) (a) (intro.) By June 30, 2000, if a transmission utility has not
13 transferred control over its transmission facilities to an independent system
14 operator that is approved by the applicable federal agency or divested, with approval
15 of the applicable federal agency and, for a public utility, the commission, its interest
16 in its transmission facilities to an independent transmission owner, the commission
17 shall, subject to ~~par.~~ pars. (am) and (ar), order the transmission utility to apply to the
18 applicable federal agency to do one of the following:

19 ***b1931/1.18* SECTION 2335tw.** 196.485 (2) (ar) of the statutes is created to
20 read:

21 196.485 (2) (ar) The commission shall waive the requirement to issue an order
22 against a transmission utility under par. (a) if the transmission utility shows, to the
23 satisfaction of the commission, that a transfer of its transmission facilities to the
24 Midwest independent system operator may have the effect of jeopardizing the
25 tax-exempt status of the transmission utility or its securities under the Internal

1 Revenue Code. A waiver under this paragraph shall be in effect until the commission
2 determines that the proposed transfer does not have the effect described in this
3 paragraph.

4 ***b1931/1.18* SECTION 2335tx.** 196.485 (2) (bx) of the statutes is created to
5 read:

6 196.485 (2) (bx) If the Midwest system operator fails to commence operations
7 or ceases operations, the requirements of this section that apply to the Midwest
8 independent system operator shall apply to any other independent system operator
9 or regional transmission organization that is authorized under federal law to operate
10 in this state. The commission shall require that any transfer of transmission
11 facilities to such independent system operator or regional transmission organization
12 satisfies the requirements of this section.

13 ***b1931/1.18* SECTION 2335ty.** 196.485 (2) (d) of the statutes is created to read:

14 196.485 (2) (d) The commission shall determine each of the following:

15 1. The date on which the transmission company begins operations.

16 2. Whether the Midwest independent system operator has begun operations
17 and the date on which such operations have begun.

18 ***b1931/1.18* SECTION 2335tz.** 196.485 (3) (bm) of the statutes is repealed.

19 ***b1931/1.18* SECTION 2335ub.** 196.485 (3m) of the statutes is created to read:

20 196.485 (3m) TRANSMISSION COMPANY. (a) *Duties.* 1. The transmission company
21 shall do each of the following:

22 a. Apply for any approval under state or federal law that is necessary for the
23 transmission company to begin operations no later than November 1, 2000.

24 b. Subject to any approval required under state or federal law, contract with
25 each transmission utility that has transferred transmission facilities to the

1 transmission company for the transmission utility to provide reasonable and
2 cost-effective operation and maintenance services to the transmission company
3 during the 3-year period after the transmission company first begins operations.
4 The transmission company and a transmission utility may, subject to any approval
5 required under federal or state law, agree to an extension of such 3-year period.

6 c. Assume the obligations of a transmission utility that has transferred
7 ownership of its transmission facilities to the transmission company under any
8 agreement by the transmission utility to provide transmission service over its
9 transmission facilities or credits for the use of transmission facilities, except that the
10 transmission company may modify such an agreement to the extent allowed under
11 the agreement and to the extent allowed under state or federal law.

12 d. Apply for membership in the Midwest independent system operator as a
13 single zone for pricing purposes that includes the transmission area and, upon a
14 determination by the commission under sub. (2) (d) that the Midwest independent
15 system operator has begun operations, transfer operational control of the
16 transmission company's transmission facilities to the Midwest independent system
17 operator.

18 e. Remain a member of the Midwest independent system operator, or any
19 independent system operator or regional transmission organization that has been
20 approved under federal law to succeed the Midwest independent system operator, for
21 at least the 6-year transition period that is specified in the agreement conditionally
22 approved by the federal energy regulatory commission that establishes the Midwest
23 independent system operator.

24 f. Subject to subd. 4., elect to be included in a single zone for the purpose of any
25 tariff administered by the Midwest independent system operator.

1 2. The transmission company may not do any of the following:

2 a. Sell or transfer its assets to, or merge its assets with, another person, unless
3 the assets are sold, transferred or merged on an integrated basis and in a manner
4 that ensures that the transmission facilities in the transmission area are planned,
5 constructed, operated, maintained and controlled as a single transmission system.

6 b. Bypass the distribution facilities of an electric utility or provide service
7 directly to a retail customer or member.

8 c. Own electric generation facilities or sell, market or broker electric capacity
9 or energy in a relevant wholesale or retail market as determined by the commission,
10 except that, if authorized or required by the federal energy regulatory commission,
11 the transmission company may procure or resell ancillary services obtained from 3rd
12 parties, engage in redispatch activities that are necessary to relieve transmission
13 constraints or operate a control area.

14 3. Notwithstanding subd. 1. a., the transmission company may not begin
15 operations until it provides an opinion to the commission from a nationally
16 recognized investment banking firm that the transmission company is able to
17 finance, at a reasonable cost, its start-up costs, working capital and operating
18 expenses and the cost of any new facilities that are planned.

19 4. If the transmission charges or rates of any transmission utility in the
20 transmission area are 10% or more below the average transmission charges or rates
21 of the transmission utilities in the transmission area on the date, as determined by
22 the commission, that the last public utility affiliate files a commitment with the
23 commission under sub. (5) (a) 2., the transmission company shall, after consulting
24 with each public utility affiliate that has filed a commitment under sub. (5) (a) 2.,
25 prepare a plan for phasing in a combined single zone rate for the purpose of pricing

1 network use by users of the transmission system operated by the Midwest
2 independent system operator and shall seek plan approval by the federal energy
3 regulatory commission and the Midwest independent system operator. A plan under
4 this subdivision shall phase in an average-cost price for the combined single zone in
5 equal increments over a 5-year period, except that, under the plan, transmission
6 service shall be provided to all users of the transmission system on a single-zone
7 basis during the phase-in period.

8 (b) *Powers.* The transmission company may do any of the following:

9 1. Subject to the approval of the commission under s. 196.491 (3), construct and
10 own transmission facilities, including high-voltage transmission lines, as defined in
11 s. 196.491 (1) (f), in the transmission area or in any other area of the state in which
12 transmission facilities that have been contributed to the transmission company are
13 located. This subdivision does not affect the right or duty of an electric utility that
14 is not located in the transmission area or that has not contributed its transmission
15 facilities to the transmission company to construct or own transmission facilities.

16 2. Subject to any approval required under state or federal law, purchase or
17 acquire transmission facilities in addition to the transmission facilities contributed
18 under sub. (5) (b).

19 (c) *Organization.* The operating agreement, as defined in s. 183.0102 (16), of
20 a transmission company that is organized as a limited liability company under ch.
21 183 or the bylaws of a transmission company that is organized as a corporation under
22 ch. 180 shall provide for each of the following:

23 1. That the transmission company has no less than 5 nor more than 14
24 managers or directors, except that the operating agreement or bylaws may allow the
25 requirements of this subdivision to be modified upon a unanimous vote of the

1 managers or directors during the 10-year period after the organizational start-up
2 date or upon a two-thirds vote of the board of directors or managers after such
3 10-year period.

4 2. That at least 4 managers or directors of the transmission company have
5 staggered 4-year terms, are elected by a majority vote of the voting security holders
6 and are not directors, employees or independent contractors of a person engaged in
7 the production, sale, marketing, transmission or distribution of electricity or natural
8 gas or of an affiliate of such a person.

9 3. That, during the 10-year period after the organizational start-up date, each
10 of the following is satisfied, subject to the limitation on the number of managers or
11 directors under subd. 1.:

12 a. Each nontransmission utility security holder that owns 10% or more of the
13 outstanding voting securities of the transmission company may appoint one
14 manager or director of the transmission company for a one-year term, except that
15 the requirements of this subd. 3. a. may be modified upon a unanimous vote of the
16 managers or directors.

17 b. Each group of nontransmission utility security holders that, as a group, owns
18 10% or more of the outstanding voting securities of the transmission company may
19 appoint one manager or director of the transmission company for a one-year term
20 if the group has entered into a written agreement regarding the appointment and the
21 group files the agreement with the transmission company, except that the
22 requirements of this subd. 3. b. may be modified upon a unanimous vote of the
23 managers or directors.

1 bg. Each nontransmission utility security holder that makes an appointment
2 under subd. 3. a. is not allowed to make an appointment under subd. 3. b. as a
3 member of a group of nontransmission utility security holders.

4 br. Each nontransmission utility security holder that makes an appointment
5 as a member of a group under subd. 3. b. is not allowed to make an appointment
6 under subd. 3. a.

7 c. Each person that receives at least 5% of the voting securities of the
8 transmission company under sub. (6)(a) 1. or 3. may appoint one manager or director
9 of the transmission company for a one-year term if the person continues to hold at
10 least a 5% equity interest in the transmission company during the one-year term
11 and if the person does not make an appointment under subd. 3. a., b. or d.

12 d. Each transmission utility security holder may appoint one manager or
13 director of the transmission company for a one-year term.

14 4. That, during the 5-year period after the organizational start-up date, no
15 public utility affiliate that contributes transmission facility assets to the
16 transmission company under sub. (5) (b) and no affiliate of such a public utility
17 affiliate may increase its percentage share of the outstanding securities of the
18 transmission company prior to any initial issuance of securities by the transmission
19 company to any 3rd party other than a 3rd party exercising its right to purchase
20 securities under sub. (6) (a) 3., except that this subdivision does not apply to
21 securities that are issued by the transmission company in exchange for transmission
22 facilities that are contributed in addition to the transmission facilities that are
23 contributed under sub. (5) (b) and except that the requirements of this subdivision
24 may be modified upon a unanimous vote of the managers or directors.

1 5. That, beginning 3 years after the organizational start-up date, any holder
2 of 10% or more of the securities of the transmission company may require the
3 transmission company to comply with any state or federal law that is necessary for
4 the security holder to sell or transfer its shares.

5 (d) *Commission jurisdiction.* The transmission company is subject to the
6 jurisdiction of the commission except to the extent that it is subject to the exclusive
7 jurisdiction of the federal energy regulatory commission.

8 ***b1931/1.18* SECTION 2335ud.** 196.485 (4) (a) (intro.) of the statutes is
9 amended to read:

10 196.485 (4) (a) (intro.) ~~A Except as provided in par. (am), a transmission utility~~
11 may not transfer control over, or divest its interest in, its transmission facilities to
12 an independent system operator or independent transmission owner unless, to the
13 satisfaction of the commission, each of the following requirements is satisfied:

14 ***b1931/1.18* SECTION 2335uf.** 196.485 (4) (am) of the statutes is created to
15 read:

16 196.485 (4) (am) Each transmission utility in the transmission area that is a
17 public utility shall become a member of the Midwest independent system operator
18 no later than June 30, 2000, and shall transfer operational control over its
19 transmission facilities to the Midwest independent system operator. Each such
20 transmission utility that has not contributed its transmission facilities to the
21 transmission company shall elect to become part of the single zone for pricing
22 purposes within the Midwest independent system operator and any phase-in plan
23 prepared under sub. (3m) (a) 4.

24 ***b1931/1.18* SECTION 2335uh.** 196.485 (5) of the statutes is created to read:

1 196.485 (5) PUBLIC UTILITY AFFILIATES. (a) *Asset cap exception.* Section 196.795
2 (6m) (e) does not apply to the eligible assets of a nonutility affiliate in a holding
3 company system unless each public utility affiliate in the holding company system
4 does each of the following:

5 1. Petitions the commission and the federal energy regulatory commission to
6 approve the transfer of operational control of all the public utility affiliate's
7 transmission facilities in this state and in Iowa, Michigan, Minnesota and Illinois to
8 the Midwest independent system operator.

9 2. Files with the commission an unconditional, irrevocable and binding
10 commitment to contribute, no later than September 30, 2000, all of the transmission
11 facilities that the public utility affiliate owns or operates in this state on the effective
12 date of this subdivision [revisor inserts date], and land rights, to the transmission
13 company. A filing under this subdivision shall specify a date no later than September
14 30, 2000, on which the public utility affiliate will complete the contribution of
15 transmission facilities.

16 3. Files with the commission an unconditional, irrevocable and binding
17 commitment to contribute, and to cause each entity into which it merges or
18 consolidates or to which it transfers substantially all of its assets to contribute, any
19 transmission facility in this state the ownership or control of which it acquires after
20 the effective date of this subdivision [revisor inserts date], and land rights, to the
21 transmission company.

22 4. Notifies the commission in writing that the public utility affiliate has become
23 a member of the Midwest independent system operator, has agreed to transfer its
24 transmission facilities to the Midwest independent system operator and has
25 committed not to withdraw its membership prior to the date on which the public

1 utility affiliate contributes transmission facilities to the transmission company
2 under par. (b).

3 5. Petitions the commission and the federal energy regulatory commission to
4 approve the contributions specified in subds. 2. and 3. and agrees in such a petition
5 not to withdraw the petition in the event that the commission or the federal energy
6 regulatory commission conditions its approval on changes that are consistent with
7 state and federal law.

8 (b) *Contribution of transmission facilities.* 1. A public utility affiliate may not
9 contribute a transmission facility to the transmission company until the commission
10 has reviewed the terms and conditions of the transfer to determine whether the
11 transfer satisfies the requirements of this subsection and has issued an order
12 approving the terms and conditions of the transfer. The commission may modify the
13 terms and conditions of the transfer and take any other action necessary to satisfy
14 the requirements of this subsection. An order under this subdivision that approves
15 or modifies the terms and conditions of a transfer may allow a public utility affiliate
16 to recover in retail rates any adverse tax consequences of the transfer as a transition
17 cost.

18 2. The transmission company and a public utility affiliate that files a
19 commitment to contribute transmission facilities under par. (a) 2. shall structure the
20 transfer of the transmission facilities in a manner that satisfies each of the following:

21 a. The structure of the transfer avoids or minimizes material adverse tax
22 consequences to the public utility affiliate from the transfer and avoids or minimizes
23 material adverse consequences on public utility rates that do not arise out of
24 combining the transmission company's facilities into a single zone in the Midwest
25 independent system operator.

1 b. To the extent practicable, the structure of the transfer satisfies the
2 requirements of the Internal Revenue Service for a tax-free transfer.

3 3. The requirements under subd. 2. b. shall, if practicable, be satisfied by the
4 transmission company's issuance of a preferred class of securities that provides the
5 fixed-cost portion of the resulting capital structure of the transmission company.
6 The transmission company shall issue preferred securities under this subdivision on
7 a basis that does not dilute the voting rights of the initial security holders relative
8 to the value of their initial contributions.

9 4. If the transfer of transmission assets under this paragraph results in a
10 capital structure of the transmission company in which the percentage of common
11 equity is materially higher than that of the public utility affiliates who made the
12 transfer, or if the cost of the fixed-cost portion of the capital structure of the
13 transmission company is materially higher than that of the public utility affiliates
14 who made the transfer, the public utility affiliates shall enter into a contract with the
15 transmission company under which the public utility affiliates agree to accept from
16 the transmission company a return on common equity based upon the equity rate of
17 return approved by the federal energy regulatory commission and upon an imputed
18 capital structure that assigns to a portion of the public utility affiliates' common
19 equity holdings an imputed debt return that is consistent with the requirements of
20 this subdivision. A contract under this subdivision shall specify that the public
21 utility affiliates shall be required to accept the return on common equity described
22 in this subdivision only until such time that the federal energy regulatory
23 commission determines that the actual capital structure and capital costs of the
24 transmission company are appropriate and consistent with industry practice for a

1 regulated public utility that provides electric transmission service in interstate
2 commerce.

3 5. If, at the time that a public utility affiliate files a commitment under par. (a)
4 2., the public utility affiliate has applied for or obtained a certificate of public
5 convenience and necessity under s. 196.491 (3) or a certificate under s. 196.49 for the
6 construction of transmission facilities, the public utility affiliate shall do each of the
7 following:

8 a. Proceed with diligence with respect to obtaining the certificate and, except
9 as provided in subd. 6., constructing the transmission facilities.

10 b. If the commission determines that the cost of the transmission facilities is
11 reasonable and prudent, transfer the transmission facilities to the transmission
12 company at net book value when construction is completed in exchange for additional
13 securities of the transmission company on a basis that is consistent with the
14 securities that were initially issued to the public utility affiliate.

15 6. If the construction of a transmission facility specified in subd. 5. a. is not
16 completed within 3 years after a certificate is issued for the transmission facility
17 under s. 196.49 or 196.491 (3), the transmission company may assume responsibility
18 for completing construction of the transmission facility. If the transmission company
19 assumes responsibility for completing construction under this subdivision, the
20 transmission company shall carry out any obligation under any contract entered into
21 by the public utility with respect to the construction until the contract is modified or
22 rescinded by the transmission company to the extent allowed under the contract.

23 7. Any transmission facilities that are contributed to the transmission
24 company shall be valued at net book value determined on the basis of the regulated
25 books of account at the time of the transfer.

1 (bm) *Lease of transmission facilities.* If a public utility affiliate is not able to
2 contribute its transmission facilities to the transmission company as required under
3 par. (b) due to merger–related accounting requirements, the public utility affiliate
4 shall transfer the transmission facilities to the transmission company under a lease
5 for the period of time during which the accounting requirements are in effect and,
6 after such requirements are no longer in effect, contribute the transmission facilities
7 to the transmission company under par. (b). A public utility affiliate that transfers
8 transmission facilities under a lease under this paragraph does not qualify for the
9 asset cap exception under par. (a) unless, during the term of the lease, the public
10 utility affiliate does not receive any voting interest in the transmission company.

11 (c) *Contribution of land rights.* 1. A public utility affiliate that commits to
12 contributing land rights to the transmission company under par. (a) 2. shall do each
13 of the following:

14 a. Except as provided in subd. 2., if the land right is assigned to a transmission
15 account for rate–making purposes and is not jointly used for electric and gas
16 distribution facilities by the public utility affiliate, the public utility affiliate shall
17 convey or assign at book value all of its interest in the land right to the transmission
18 company, except that any conveyance or assignment under this subd. 1. a. shall be
19 subject to the rights of any joint user of the land right and to the right of the public
20 utility affiliate to nondiscriminatory access to the real estate that is subject to the
21 land right.

22 b. If the land right is jointly used, or is intended to be jointly used, for electric
23 and gas distribution facilities by the public utility affiliate, the public utility affiliate
24 shall enter into a contract with the transmission company that grants the
25 transmission company a right to place, maintain, modify or replace the transmission

1 company's transmission facilities on the real property that is subject to the land right
2 during the life of the transmission facilities and the life of any replacements of the
3 transmission facilities. A right granted in a contract under this subd. 1. b. shall be
4 paramount to the right of any other user of the land right, except that a right granted
5 in such a contract shall be on par with the right of the public utility affiliate to use
6 the land right for electric or gas distribution facilities.

7 2. If a public utility affiliate is prohibited from making a conveyance or
8 assignment described in subd. 1. a., the public utility affiliate shall enter into a
9 contract with the transmission company that grants the transmission company
10 substantially the same rights as under such a conveyance or assignment. For
11 purposes of a contract under this subdivision, a land right shall be valued at book
12 value, not at market value.

13 3. The commission shall resolve any dispute over the contribution of a land
14 right under subd. 1. or 2., including a dispute over the valuation of such a land right,
15 unless a federal agency exercises jurisdiction over the dispute. During the pendency
16 of any dispute that is before the commission or a federal agency, the transmission
17 company shall be entitled to use the land right that is the subject to the dispute and
18 shall be required to pay any compensation that is in dispute into an escrow account.

19 (d) *Applicability.* Notwithstanding sub. (1) (h), and subject to any approval
20 required under federal law, for purposes of this subsection, a facility of a public utility
21 affiliate is a transmission facility if any of the following applies:

22 1. The facility is not a radial facility and the facility is designed for operation
23 at a nominal voltage of more than 130 kilovolts.

24 2. The facility is not a radial facility and the facility is designed for operation
25 at a nominal voltage of more than 50 kilovolts but not more than 130 kilovolts, unless

1 a person has demonstrated to the commission that the facility is not a transmission
2 facility on the basis of factors for identifying a transmission facility that are specified
3 in the orders of the federal energy regulatory commission under 16 USC 824d and
4 824e.

5 3. The facility is a radial facility or is designed for operation at a nominal
6 voltage of 50 kilovolts or less, and a person has demonstrated to the commission that
7 the facility is a transmission facility on the basis of factors for identifying a
8 transmission facility that are specified in the orders of the federal energy regulatory
9 commission under 16 USC 824d and 824e.

10 ***b1931/1.18* SECTION 2335uj.** 196.485 (6) of the statutes is created to read:

11 196.485 (6) ELECTRIC UTILITIES, TRANSMISSION DEPENDENT UTILITIES AND RETAIL
12 ELECTRIC COOPERATIVES. (a) No later than the first day of the 12th month beginning
13 after the first public utility affiliate files a commitment under sub. (5) (a) 2.:

14 1. An electric utility, other than a public utility affiliate or an owner or operator
15 of a wholesale merchant plant, as defined in s. 196.491 (1) (w), may transfer all of its
16 transmission facilities that are specified in subd. 2. to the transmission company on
17 the same terms and conditions as a contribution of transmission facilities and land
18 rights by a public utility affiliate under sub. (5) (b) and (c).

19 2. An electric utility may transfer transmission facilities under subd. 1. if the
20 transmission facilities are located in the geographic area that is served by the
21 Mid–America Interconnected Network, Inc., or the Mid–Continent Area Power Pool
22 reliability council of the North American Electric Reliability Council.

23 3. A transmission–dependent utility or retail electric cooperative may
24 purchase equity interests in the transmission company at a price that is equivalent
25 to net book value and on terms and conditions that are comparable to those for public

1 utility affiliates that have contributed transmission facilities to the transmission
2 company. A purchaser under this subdivision may contribute funds to the
3 transmission company that are no more than the value of its prorated shares based
4 on firm electric usage in this state in 1999.

5 (b) Notwithstanding sub. (1) (h), and subject to any approval required under
6 federal law, for purposes of this subsection, a facility of an electric utility is a
7 transmission facility if the criteria specified in sub. (5) (d) 1., 2. or 3. are satisfied.

8 ***b1931/1.18* SECTION 2335uk.** 196.485 (6m) of the statutes is created to read:

9 196.485 (6m) DIVIDENDS, DISTRIBUTIONS, PROFITS AND GAINS. The commission
10 may not treat any dividend or distribution received by a transmission utility from
11 the transmission company or any gain or profit of a transmission utility from the sale
12 or other disposition of securities issued by the transmission company as a credit
13 against the retail revenue requirements of the transmission utility.

14 ***b1931/1.18* SECTION 2335um.** 196.485 (7) of the statutes is created to read:

15 196.485 (7) ENFORCEMENT. A wholesale or retail customer of a public utility
16 affiliate may petition the circuit court for Dane County for specific performance of
17 a commitment filed under sub. (5) (a) 2. or 3.

18 ***b1931/1.18* SECTION 2335uo.** 196.485 (8) of the statutes is created to read:

19 196.485 (8) PENALTIES. A public utility affiliate that fails to complete the
20 contribution of transmission facilities to the transmission company by the
21 completion date specified in the filing under sub. (5) (a) 2. shall forfeit \$25,000 for
22 each day that completion of the contribution is delayed if the transmission company
23 is legally able to accept the contribution.

24 ***b1931/1.18* SECTION 2335uq.** 196.487 of the statutes is created to read:

25 **196.487 Reliability of electric service. (1) DEFINITIONS.** In this section:

1 (a) “Public utility affiliate” has the meaning given in s. 196.795 (1) (L).

2 (b) “Transmission company” has the meaning given in s. 196.485 (1) (ge).

3 (2) COMMISSION ORDER. If the commission determines that a public utility
4 affiliate or the transmission company is not making investments in the facilities
5 under its control that are sufficient to ensure reliable electric service, the commission
6 shall order the public utility affiliate or transmission company to make adequate
7 investments in its facilities that are sufficient to ensure reliable electric service. An
8 order under this subsection shall require the public utility affiliate or transmission
9 company to provide security in an amount and form that, to the satisfaction of the
10 commission, is sufficient to ensure that the public utility affiliate or transmission
11 company expeditiously makes any investment that is ordered.

12 (3) COST RECOVERY. The commission shall allow a public utility affiliate that is
13 subject to an order under sub. (2) to recover in its retail electric rates the costs that
14 are prudently incurred in complying with the order.

15 *b1931/1.18* SECTION 2335wb. 196.491 (3) (d) 3r. of the statutes is created to
16 read:

17 196.491 (3) (d) 3r. For a high-voltage transmission line that is proposed to
18 increase the transmission import capability into this state, existing rights-of-way
19 are used to the extent practicable and the routing and design of the high-voltage
20 transmission line minimizes environmental impacts in a manner that is consistent
21 with achieving reasonable electric rates.

22 *b1931/1.18* SECTION 2335wd. 196.491 (3) (d) 3t. of the statutes is created to
23 read:

24 196.491 (3) (d) 3t. For a high-voltage transmission line that is designed for
25 operation at a nominal voltage of 345 kilovolts or more, the high-voltage

1 transmission line provides usage, service or increased regional reliability benefits to
2 the wholesale and retail customers or members in this state and the benefits of the
3 high-voltage transmission line are reasonable in relation to the cost of the
4 high-voltage transmission line.

5 *b1931/1.18* SECTION 2335wf. 196.491 (3) (gm) of the statutes is created to
6 read:

7 196.491 (3) (gm) The commission may not approve an application filed after the
8 effective date of this paragraph [revisor inserts date], under this section for a
9 certificate of public convenience and necessity for a high-voltage transmission line
10 that is designed for operation at a nominal voltage of 345 kilovolts or more unless the
11 approval includes the condition that the applicant shall pay the fees specified in sub.
12 (3g) (a). If the commission has approved an application under this section for a
13 certificate of public convenience and necessity for a high-voltage transmission line
14 that is designed for operation at a nominal voltage of 345 kilovolts or more that was
15 filed after April 1, 1999, and before the effective date of this paragraph [revisor
16 inserts date], the commission shall require the applicant to pay the fees specified in
17 sub. (3g) (a). For any application subject to this paragraph, the commission shall
18 determine the cost of the high-voltage transmission line, identify the counties,
19 towns, villages and cities through which the high-voltage transmission line is routed
20 and allocate the amount of investment associated with the high-voltage
21 transmission line to each such county, town, village and city.

22 *b1931/1.18* SECTION 2335wh. 196.491 (3g) of the statutes is created to read:

23 196.491 (3g) FEES FOR CERTAIN HIGH-VOLTAGE TRANSMISSION LINES. (a) A person
24 who receives a certificate of public convenience and necessity for a high-voltage
25 transmission line that is designed for operation at a nominal voltage of 345 kilovolts

1 or more under sub. (3) shall pay the department of administration an annual impact
2 fee as specified in the rules promulgated by the department of administration under
3 s. 16.969 (2) (a) and shall pay the department of administration a one-time
4 environmental impact fee as specified in the rules promulgated by the department
5 of administration under s. 16.969 (2) (b).

6 (b) A person that pays a fee under par. (a) may not use the payment to offset
7 any other mitigation measure that is required in an order by the commission under
8 sub. (3) regarding the certificate of public convenience and necessity specified in par.
9 (a).

10 ***b1931/1.18* SECTION 2335wj.** 196.491 (3m) (b) 2. of the statutes is amended
11 to read:

12 196.491 (3m) (b) 2. The analytical process specified in subd. 1. b. shall, to the
13 extent practicable, be consistent with the analytical process described in the merger
14 enforcement policy of the federal department of justice and the federal trade
15 commission regarding horizontal acquisitions and mergers that are subject to 15
16 USC 1, 18 or 45, as defined in s. 196.485 (1) (dr).

17 ***b1931/1.18* SECTION 2335wL.** 196.494 (3) of the statutes is amended to read:

18 196.494 (3) ~~No later than December 31, 2004, the~~ The commission may shall,
19 under this subsection, issue an order requiring the transmission company, as defined
20 in s. 196.485 (1) (ge), or an electric utility to construct or procure, on a competitive
21 basis, the construction of transmission facilities specified by the commission in its
22 order if the commission determines that, based on the results of the study under sub.
23 (2), such construction is necessary to relieve a constraint on a transmission system
24 and the construction will materially benefit the customers of the transmission
25 company or electric utility or other electric utilities or of an independent system

1 operator, as defined in s. 196.485 (1) (d), or independent transmission owner, as
2 defined in s. 196.485 (1) (dm).

3 ***b1931/1.18* SECTION 2335wn.** 196.494 (5) of the statutes is created to read:

4 196.494 (5) The governor may, on behalf of this state, enter into an interstate
5 compact that establishes a joint process for the states in the upper midwest region
6 of the United States to determine the need for and siting of regional electric
7 transmission facilities that may affect electric service in this state. The governor
8 may not enter into a compact under this subsection unless the compact includes
9 requirements and procedures for establishing each of the following:

10 (a) Compliance with each state's environmental and siting standards for
11 transmission facilities.

12 (b) A regional need determination for transmission facilities.

13 (c) A mechanism for resolving conflicts between the states regarding the siting
14 of transmission facilities.

15 ***b1931/1.18* SECTION 2335wp.** 196.52 (3) (a) of the statutes is amended to
16 read:

17 196.52 (3) (a) In this subsection, "contract or arrangement" means a contract
18 or arrangement providing for the furnishing of management, supervisory,
19 construction, engineering, accounting, legal, financial or similar services and any
20 contract or arrangement for the purchase, sale, lease or exchange of any property,
21 right, or thing, or for the furnishing of any service, property, right, or thing, other
22 than management, supervisory, construction, engineering, accounting, legal,
23 financial or similar services, but "contract or arrangement" does not include a
24 contract or arrangement under which a transmission utility, as defined in s. 196.485
25 (1) (i), sells or transfers securities, as defined in s. 196.485 (1) (fe), that have been

1 issued by a transmission company, as defined in s. 196.485 (1) (ge). Except as
2 provided under par. (b), unless and until the commission gives its written approval,
3 any contract or arrangement is not valid or effective if the contract or arrangement
4 is made between a public utility and an affiliated interest after June 7, 1931. Every
5 public utility shall file with the commission a verified copy of any contract or
6 arrangement, a verified summary of any unwritten contract or arrangement, and
7 any contract or arrangement, written or unwritten, which was in effect on June 7,
8 1931. The commission shall approve a contract or arrangement made or entered into
9 after June 7, 1931, only if it shall clearly appear and be established upon
10 investigation that it is reasonable and consistent with the public interest. The
11 commission may not approve any contract or arrangement unless satisfactory proof
12 is submitted to the commission of the cost to the affiliated interest of rendering the
13 services or of furnishing the property or service to each public utility or of the cost
14 to the public utility of rendering the services or of furnishing the property or service
15 to each affiliated interest. No proof is satisfactory under this paragraph unless it
16 includes the original (or verified copies) of the relevant cost records and other
17 relevant accounts of the affiliated interest, or an abstract of the records and accounts
18 or a summary taken from the records and accounts if the commission deems the
19 abstract or summary adequate. The accounts shall be properly identified and duly
20 authenticated. The commission, where reasonable, may approve or disapprove a
21 contract or arrangement without submission of the cost records or accounts.

22 ***b1931/1.18* SECTION 2335ya.** 196.795 (1) (g) 1. of the statutes is amended to
23 read:

1 196.795 (1) (g) 1. As a beneficial owner, to take, hold or acquire 5% or more of
2 the outstanding voting securities of a public utility, other than a transmission
3 company, with the unconditional power to vote those securities.

4 ***b1931/1.18* SECTION 2335yb.** 196.795 (1) (g) 2. of the statutes is amended to
5 read:

6 196.795 (1) (g) 2. To exchange or convert 50% or more of the outstanding voting
7 securities of a public utility, other than a municipality or other political subdivision
8 or a transmission company, for or into the voting securities of a company organized,
9 created, appointed or formed by or at the direction of the public utility or of a
10 subsidiary of such company.

11 ***b1931/1.18* SECTION 2335yc.** 196.795 (1) (h) 3. of the statutes is created to
12 read:

13 196.795 (1) (h) 3. “Holding company” does not include a transmission company.

14 ***b1931/1.18* SECTION 2335yd.** 196.795 (1) (p) of the statutes is created to
15 read:

16 196.795 (1) (p) “Transmission company” has the meaning given in s. 196.485
17 (1) (ge).

18 ***b1931/1.18* SECTION 2335ye.** 196.795 (5) (i) 1. of the statutes is amended to
19 read:

20 196.795 (5) (i) 1. Shall consider the public utility affiliate as a wholly
21 independent corporation and shall impute a capital structure to the public utility
22 affiliate and establish a cost of capital for the public utility affiliate on a stand-alone
23 basis;

24 ***b1931/1.18* SECTION 2335yf.** 196.795 (5) (p) 1., 2., 3. and 4. of the statutes
25 are renumbered 196.795 (6m) (b) 1., 2., 3. and 4.

1 ***b1931/1.18* SECTION 2335yg.** 196.795 (5) (pm) 1. (intro.) of the statutes is
2 repealed.

3 ***b1931/1.18* SECTION 2335yh.** 196.795 (5) (pm) 1. a. of the statutes is
4 renumbered 196.795 (6m) (a) 3.

5 ***b1931/1.18* SECTION 2335yi.** 196.795 (5) (pm) 1. b. of the statutes is
6 renumbered 196.795 (6m) (a) 5.

7 ***b1931/1.18* SECTION 2335yj.** 196.795 (5) (pm) 1. c. of the statutes is
8 renumbered 196.795 (6m) (a) 6.

9 ***b1931/1.18* SECTION 2335yk.** 196.795 (5) (pm) 2. of the statutes is
10 renumbered 196.795 (6m) (c) and amended to read:

11 196.795 (6m) (c) Wholesale merchant plants. The assets of a wholesale
12 merchant plant shall not be included in the sum of the assets of a public utility
13 affiliate under par. (p) (b) 1. a., b. or c. and shall not be included in a nonutility
14 affiliate's total assets under par. (p) (b) 2. a. if the requirements specified in s. 196.491
15 (3m) (a) 1. and 2. are satisfied or if the wholesale merchant plant qualifies for the
16 exemption under s. 196.491 (3m) (e).

17 ***b1931/1.18* SECTION 2335yL.** 196.795 (5) (pm) 3. of the statutes is
18 renumbered 196.795 (6m) (d) and amended to read:

19 196.795 (6m) (d) Foreign affiliates. The assets of a foreign affiliate shall be
20 included in the sum of the assets of a public utility affiliate under par. (p) (b) 1. a.,
21 b. or c. and shall not be included in a nonutility affiliate's total assets under par. (p)
22 (b) 2. a.

23 ***b1931/1.18* SECTION 2335ym.** 196.795 (6m) (title) of the statutes is created
24 to read:

25 196.795 (6m) (title) ASSET CAP.

1 ***b1931/1.18* SECTION 2335yn.** 196.795 (6m) (a) (intro.) of the statutes is
2 created to read:

3 196.795 (6m) (a) *Definitions.* (intro.) In this subsection:

4 ***b1931/1.18* SECTION 2335yo.** 196.795 (6m) (a) 1. of the statutes is created
5 to read:

6 196.795 (6m) (a) 1. “Contributor public utility affiliate” means a public utility
7 affiliate that has contributed its transmission facilities to the transmission company
8 under s. 196.485 (5) (b).

9 ***b1931/1.18* SECTION 2335yp.** 196.795 (6m) (a) 2. of the statutes is created
10 to read:

11 196.795 (6m) (a) 2. “Eligible asset” means an asset of a nonutility affiliate that
12 is used for any of the following:

13 a. Producing, generating, transmitting, delivering, selling or furnishing gas,
14 oil, electricity or steam energy.

15 b. Providing an energy management, conservation or efficiency product or
16 service or a demand-side management product or service.

17 c. Providing an energy customer service, including metering or billing.

18 d. Recovering or producing energy from waste materials.

19 e. Processing waste materials.

20 f. Manufacturing, distributing or selling products for filtration, pumping water
21 or other fluids, processing or heating water, handling fluids or other related
22 activities.

23 g. Providing a telecommunications service, as defined in s. 196.01 (9m).

24 h. Providing an environmental engineering service.

1 ***b1931/1.18* SECTION 2335yq.** 196.795 (6m) (a) 4. of the statutes is created
2 to read:

3 196.795 (6m) (a) 4. “Generation assets” means assets that are classified as
4 electric generation assets on the books of account of a public utility, as determined
5 by the commission.

6 ***b1931/1.18* SECTION 2335yr.** 196.795 (6m) (b) (title) of the statutes is created
7 to read:

8 196.795 (6m) (b) *In general.*

9 ***b1931/1.18* SECTION 2335ys.** 196.795 (6m) (e) of the statutes is created to
10 read:

11 196.795 (6m) (e) *Contributor public utility affiliates.* 1. The eligible assets of
12 a nonutility affiliate in a holding company system that includes each of the
13 contributor public utility affiliates in the holding company system shall not be
14 included in the sum of the assets of the public utility affiliates under par. (b) 1. a.,
15 b. or c. and shall not be included in the nonutility affiliate’s total assets under par.
16 (b) 2. a.

17 2. For purposes of subd. 1., all of the assets of a nonutility affiliate shall be
18 considered eligible assets if each of the following is satisfied:

19 a. The bylaws of the nonutility affiliate or a resolution adopted by its board of
20 directors specifies that the business of the nonutility affiliate is limited to activities
21 involving eligible assets.

22 b. Substantially all of the assets of the nonutility affiliate are eligible assets.

23 3. The net book value of transmission facility assets that a contributor public
24 utility affiliate has contributed to a transmission company under s. 196.485 (5) (b)
25 shall be included in the sum of the assets of the public utility affiliate under par. (b)

1 1. a., b. and c. In determining net book value under this subdivision, accumulated
2 depreciation shall be calculated as if the contributor public utility affiliate had not
3 contributed the assets.

4 4. The net book value of generation assets that a contributor public utility
5 affiliate has transferred to a person that is not affiliated with the public utility
6 affiliate pursuant to the order of the commission, a court or a federal regulatory
7 agency shall be included in the sum of the assets of the public utility affiliate under
8 par. (b) 1. a., b. and c. In determining net book value under this subdivision,
9 accumulated depreciation shall be calculated as if the contributor public utility
10 affiliate had not transferred the assets.

11 ***b1931/1.18* SECTION 2335ysm.** 196.795 (7) (a) (intro.) of the statutes is
12 amended to read:

13 196.795 (7) (a) (intro.) No sooner than the first day of the 36th month after the
14 formation of a holding company and at least once every 3 years thereafter, the
15 commission shall investigate the impact of the operation of every holding company
16 system formed on or after November 28, 1985, on every public utility affiliate in the
17 holding company system and shall determine whether each nonutility affiliate,
18 except for the nonutility affiliates of a holding company that were affiliates of a
19 holding company that was formed before November 28, 1985, does, or can reasonably
20 be expected to do, at least one of the following:

21 ***b1931/1.18* SECTION 2335yt.** 196.795 (11) (b) of the statutes is amended to
22 read:

23 196.795 (11) (b) This section shall be deemed to legalize and confirm the
24 formation, prior to November 28, 1985, of any holding company, which is not itself
25 a public utility, and shall be deemed to legalize and confirm the operations and

1 issuances of securities of the holding company, except that nothing in this section
2 shall be deemed to prevent the commission from imposing reasonable terms,
3 limitations or conditions on any holding company which are consistent with the
4 requirements of sub. ~~(5) (pm)~~ (6m) (c) or (d) or which are consistent with and
5 necessary to satisfy the requirements of sub. (5) (b) to (o) and (q) to (s) or which relate
6 to future investments by the holding company unless the holding company owns,
7 operates, manages or controls a telecommunications utility and does not also own,
8 operate, manage or control a public utility which is not a telecommunications utility.

9 ***b1931/1.18* SECTION 2335yu.** 196.795 (11) (c) of the statutes is created to
10 read:

11 196.795 (11) (c) The commission may not impose upon a holding company the
12 formation of which is considered to be legalized and confirmed under par. (b) any
13 term, limitation or condition under par. (b) that establishes the sum of the holding
14 company's nonutility affiliate assets at less than 25% of the sum of the holding
15 company's utility affiliate assets. For purposes of this paragraph, any term,
16 limitation or condition on nonutility affiliate assets shall not apply to the ownership,
17 operation, management or control of any eligible asset, as defined under sub. (6m)
18 (a) 2.

19 ***b1931/1.18* SECTION 2335yum.** 196.796 of the statutes is created to read:

20 **196.796 Real estate activities. (1)** In this section:

21 (a) "Brownfields facility or site" means any abandoned, idle or underused
22 industrial or commercial facility or site, the use, expansion or redevelopment of
23 which is adversely affected by actual environmental contamination.

1 (b) 1. "Commercial construction" means the act of building any structure, or
2 that part of any structure, that is not used as a home, residence or sleeping place by
3 one or more persons maintaining a common household to the exclusion of all others.

4 2. "Commercial construction" does not include any of the following:

5 a. Any repair, maintenance, installation or construction of a structure owned
6 or used by or for a public utility, or for a customer of a public utility, if the repair,
7 maintenance, installation or construction is related to furnishing heat, light, water
8 or power to the customer.

9 b. Any construction related to the evaluation, control or remediation of
10 hazardous substances; solid, liquid or gaseous wastes; soils; air; or water.

11 c. Any construction performed in order to comply with federal, state or local
12 environmental laws, regulations, orders or rules.

13 (c) "Economic development" means development that is designed to promote
14 job growth or retention, expand the property tax base or improve the overall
15 economic vitality of a municipality, as defined in s. 30.01 (4), or region.

16 (d) "Engage" means to actively participate in the daily operations or daily
17 business decisions of an entity. "Engage" does not include taking an action necessary
18 to protect an ownership interest in an entity.

19 (dg) "Entity" has the meaning given in s. 180.0103 (8).

20 (dr) "Financial support" includes investments, loans and grants.

21 (e) "Holding company system" has the meaning given in s. 196.795 (1) (i).

22 (f) "Improvements" means any valuable addition made to land, including
23 excavations, gradings, foundations, structures, buildings, streets, parking lots,
24 sidewalks, sewers, septic systems and drainage facilities. "Improvements" does not
25 include any repair, maintenance, installation or construction of structures or

1 facilities owned or used by or for a public utility, or by or for a customer of a public
2 utility, if the repair, maintenance, installation or construction is related to furnishing
3 heat, light, water or power to the customer.

4 (g) "Nonutility affiliate" means a subsidiary of a public utility or a company in
5 a holding company system that is not a public utility. "Nonutility affiliate" does not
6 include a passively held company.

7 (gm) "Passively held company" means an entity that satisfies each of the
8 following:

9 1. Less than 50% of the ownership interest of the entity is directly or indirectly
10 owned in any chain of successive ownership by a public utility or nonutility affiliate.

11 2. The entity engages in property management for a 3rd party, real estate
12 practice, residential real estate development or residential or commercial
13 construction.

14 (h) "Property management" means any activity associated with the care or
15 maintenance of land or improvements, including business planning and budgeting,
16 accounting, lease administration, tenant relations and retention, security,
17 maintenance of common areas, rent collections, financial reporting, service contract
18 administration and inspections.

19 (hm) "Public utility" means every corporation, company, individual or
20 association and their lessees, trustees or receivers appointed by any court or state
21 or federal agency, that may own, operate, manage or control all or any part of a plant
22 or equipment, within the state, for the production, transmission, delivery or
23 furnishing of electricity directly to or for the public, except that "public utility" does
24 not include any municipal utility or municipal electric company, as defined in s.

1 66.073 (3) (d), or any cooperative association organized under ch. 185 for the purpose
2 of producing or furnishing heat, light, power or water to its members only.

3 (i) “Real estate practice” has the meaning given in s. 452.01 (6).

4 (j) “Residential construction” means the act of building any structure, or that
5 part of any structure that is used as a home, residence or sleeping place by one or
6 more persons maintaining a common household to the exclusion of all others.

7 (k) “Residential real estate development” means the act of dividing or
8 subdividing any parcel of land for residential construction or making improvements
9 to facilitate or allow residential construction.

10 (L) “Third party” means any person other than a public utility or nonutility
11 affiliate.

12 **(2) PROHIBITED ACTIVITIES.** Except as provided in sub. (4), a public utility or
13 nonutility affiliate may not do any of the following in this state:

14 (a) Engage in real estate practice.

15 (b) Engage in residential real estate development.

16 (c) Engage in property management for a 3rd party.

17 (d) Engage in residential or commercial construction.

18 **(3) PERMITTED ACTIVITIES.** (a) Subsection (2) does not prohibit a public utility
19 or nonutility affiliate from doing any of the following:

20 1. Repairing, maintaining, installing or constructing a structure that is owned
21 or used by or for a public utility or nonutility affiliate, or for a customer of a public
22 utility if the repair, maintenance, installation or construction is related to furnishing
23 heat, light, water or power to the customer.

1 2. Engaging in construction that is specifically related to the evaluation,
2 control or remediation of hazardous substances; solid, liquid or gaseous wastes; soils;
3 air; or water.

4 3. Engaging in construction that is performed in order to comply with federal,
5 state or local environmental laws, regulations, orders or rules.

6 4. Consulting or making other financial or business arrangements with one or
7 more 3rd parties who will engage in commercial construction.

8 5. Consulting or making other financial or business arrangements with one or
9 more 3rd parties who will engage in residential construction or residential real
10 estate development, except that if a public utility or nonutility affiliate contracts for
11 the development of more than one residential construction project or residential real
12 estate development, the public utility or nonutility affiliate may not enter into an
13 exclusive arrangement with a 3rd party for all such residential construction or
14 residential real estate development.

15 6. Acquiring or disposing of property or interests in property if the acquisition
16 or disposition is related to the operation of a public utility and the acquisition or
17 disposition satisfies one of the following:

18 a. The acquisition or disposition is conducted under a contract with a 3rd party
19 that is engaged in real estate practice.

20 b. The acquisition or disposition is conducted by an individual engaged in real
21 estate practice or employed by a public utility.

22 7. Owning a passively held company.

23 (b) Subsection (2) does not prohibit a public utility that is not subject to the
24 requirements of s. 196.795, or the nonutility subsidiary of such a public utility, from
25 doing any of the following:

1 1. Engaging in commercial or residential real estate development or
2 construction on property owned or acquired by the public utility or nonutility
3 subsidiary for a public utility purpose if the total annual revenues from the
4 development or construction do not exceed 3% of the total operating revenues of the
5 public utility in any year.

6 2. Providing financial support for the purpose of economic development to 3rd
7 parties that are engaged in an activity specified in sub. (2)(a) to (d). The public utility
8 or nonutility subsidiary may profit directly from that activity only through receipt
9 of profits that are incidental to the economic development project or interest earned
10 on a loan.

11 (4) EXCEPTIONS. (a) A nonutility affiliate that has engaged in residential
12 construction prior to, or is engaged in residential construction on, the effective date
13 of this paragraph [revisor inserts date], may directly or indirectly own in any
14 chain of successive ownership 50% or more of the ownership interest of an entity that
15 hires a 3rd party to engage in residential construction or commercial construction
16 that is incidental to residential construction, except that the nonutility affiliate may
17 not actively participate in the daily operations or daily business decisions of the
18 entity.

19 (b) A public utility or nonutility affiliate may engage in residential real estate
20 development at a brownfields facility or site.

21 (5) PRIVATE CAUSE OF ACTION. Any public utility or nonutility affiliate that does,
22 causes or permits to be done any action prohibited under this section or fails to
23 comply with any requirement specified in this section is liable to any person injured
24 thereby in the amount of damages sustained in consequence of the prohibited action
25 or failure to comply.

1 ***b1931/1.18* SECTION 2335z.** 196.807 of the statutes is created to read:

2 **196.807 Energy affiliate and utility employes. (1) DEFINITIONS.** In this
3 section:

4 (a) “Affiliate or utility” means a nonutility affiliate, holding company system,
5 public utility or cooperative association organized under ch. 185.

6 (b) “Energy unit” means a unit in this state that is engaged in activities related
7 to the production, generation, transmission or distribution of electricity, gas or steam
8 or the recovery of energy from waste materials.

9 (c) “Holding company system” has the meaning given in s. 196.795 (1) (i).

10 (d) “Nonutility affiliate” has the meaning given in s. 196.795 (1) (j).

11 (e) “Public utility affiliate” has the meaning given in s. 196.795 (1) (L).

12 (f) “Sell an energy unit” means to sell, offer by lease, or otherwise transfer
13 ownership or control of the energy unit.

14 (fg) “Transmission company” has the meaning given in s. 196.485 (1) (ge).

15 (fr) “Transmission utility” has the meaning given in s. 196.485 (1) (i).

16 (g) “Unit” means a division, department or other operational business unit of
17 an affiliate or utility.

18 **(2) OFFER OF EMPLOYMENT.** (a) Except as provided in par. (b), a person may not
19 sell an energy unit unless the terms of the transfer require the person to which the
20 energy unit is transferred to offer employment to the nonsupervisory employes who
21 are employed with the energy unit immediately prior to the transfer and who are
22 necessary for the operation and maintenance of the energy unit.

23 (b) 1. A public utility affiliate may not sell an energy unit to a nonutility affiliate
24 in the same holding company system unless the terms of the transfer require the

1 nonutility affiliate to offer employment to all of the nonsupervisory employes who are
2 employed with the energy unit immediately prior to the transfer.

3 2. A transmission company to which an energy unit is sold by a transmission
4 utility shall, beginning on the expiration of the 3–year period specified in s. 196.485
5 (3m) (a) 1. b. or, if applicable, the expiration of any extension of such 3–year period,
6 offer employment to the nonsupervisory employes who are employed with the energy
7 unit immediately prior to the transfer and who are necessary for the operation and
8 maintenance of the energy unit.

9 (3) EMPLOYMENT TERMS AND CONDITIONS. (a) Except as provided in par. (b), the
10 employment that is offered under sub. (2) shall satisfy each of the following during
11 the 30–month period beginning immediately after the transfer:

12 1. Wage rates shall be no less than the wage rates in effect immediately prior
13 to the transfer.

14 2. Fringe benefits shall be substantially equivalent to the fringe benefits in
15 effect immediately prior to the transfer.

16 3. Terms and conditions of employment, other than wage rates and fringe
17 benefits, shall be substantially equivalent to the terms and conditions in effect
18 immediately prior to the transfer.

19 (b) A collective bargaining agreement may modify or waive a requirement
20 specified in par. (a).

21 (4) COMMISSION APPROVAL. Except for a cooperative association, as defined in
22 s. 196.491 (1) (bm), or a transmission utility that sells an energy unit to a
23 transmission company, no person may sell an energy unit unless the commission
24 determines that the person has satisfied subs. (2) and (3).”