

**2009 DRAFTING REQUEST**

**Bill**

Received: 11/25/2008

Received By: **mkunkel**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Dombrowski**

This file may be shown to any legislator: **NO**

Drafter: **mkunkel**

May Contact:

Addl. Drafters:

Subject: **Public Util. - energy**

Extra Copies:

Submit via email: **YES**

Requester's email:

Carbon copy (CC:) to:

---

**Pre Topic:**

DOA:.....Dombrowski, BB0231 -

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**Topic:**

Limitation on low-income energy assistance fees

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**Instructions:**

See attached

---

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?				_____			State
/P1	mkunkel 12/03/2008	jdye 12/04/2008	jfrantze 12/04/2008	_____	sbasford 12/04/2008		State
/P2	mkunkel 01/22/2009	chanaman 01/22/2009	mduchek 01/22/2009	_____	sbasford 01/23/2009		State
/P3	mkunkel 01/29/2009	jdye 01/29/2009	mduchek 01/29/2009	_____	lparisi 01/29/2009		

Vers.    Drafted    Reviewed    Typed    Proofed    Submitted    Jacketed    Required

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**<END>**

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*1/23 MD MD PH 1/29*

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MD MD CH  
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/?	mkunkel	1/12/4jld		J Bell 12/4			

FE Sent For:

<END>

- 0951

## 2009-11 Budget Bill Statutory Language Drafting Request

- Topic: Low Income Energy Assistance
- Tracking Code: BB0231
- SBO team: GGED
- SBO analyst: Cindy Dombrowski CD
  - Phone: 266-5878
  - Email: cynthia.dombrowski@wisconsin.gov
- Agency acronym: DOA
- Agency number: 505
- Priority (Low, Medium, High): Medium

### Intent.

Under current law, the amount of funds DOA may collect from utility companies into the Public Benefits Fund for low-income home energy assistance is 3% or \$750, which ever is less.

Modify the language to raise the cap to 5% or \$750, which ever is less.

This should not apply to Municipal Utilities and retail Electric Cooperatives.

16.957(4) (c) 3.



State of Wisconsin  
2009 - 2010 LEGISLATURE

LRB-0951/P1

MDK:.....

JLD

DOA:.....Dombrowski, BB0231 - Limitation on low-income energy assistance fees

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

X do not gen  
1 AN ACT ...; relating to: the budget.

*Analysis by the Legislative Reference Bureau*

**STATE GOVERNMENT**

**PUBLIC UTILITY REGULATION**

\* Under current law, DOA must promulgate rules that establish the amount of a monthly low-income assistance fee that certain electric utilities must charge to their customers. The requirement to charge such a fee applies to an electric utility, other than a municipally owned utility, that owns or operates a retail electric distribution system. The fees are used to fund programs administered by DOA for providing assistance to low-income households for weatherization and other energy conservation services, payment of energy bills, or early identification or prevention of energy crises. In establishing the amount of the fee, DOA must satisfy certain requirements, including a prohibition that, in any month, the fee paid by a customer may not exceed the lesser of \$750 or 3% of the total of every other charge that an electric utility bills the customer for that month. Under this bill, the fee may not exceed the lesser of \$750 or 5%, rather than 3%, of such total charges.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

1           **SECTION 1.** 16.957 (4) (c) 3. of the statutes is amended to read:

2           16.957 (4) (c) 3. 'Limitation on low-income assistance fees.' In any month, the

3           low-income assistance fee may not exceed ~~3%~~ <sup>5% percent</sup> of the total of every other charge

4           for which the customer is billed for that month or \$750, whichever is less.

5           **History:** 1999 a. 9; 2001 a. 16, 30; 2003 a. 33; 2005 a. 141; 2007 a. 20.

**(END)**

**Kunkel, Mark**

---

**From:** Dombrowski, Cynthia A - DOA [cynthia.dombrowski@wisconsin.gov]  
**Sent:** Wednesday, January 21, 2009 1:03 PM  
**To:** Kunkel, Mark  
**Subject:** RE: LRB Draft: 09-0951/P1 Limitation on low-income energy assistance fees

Hi Mark -

Rather than do the % change, can we allow DOA to collect the formula plus the amount in the schedule under 20.437 (2)(s) ?

Thanks!

Cindy

*Per Cindy, 1-21-09:  
Replace 09-0951 with 07-4176/1  
- MDR*

---

**From:** Frantzen, Jean [mailto:Jean.Frantzen@legis.wisconsin.gov]  
**Sent:** Thursday, December 04, 2008 9:09 AM  
**To:** Dombrowski, Cynthia A - DOA  
**Cc:** Pawasarat, Jane - DOA; Hanaman, Cathlene - LEGIS; Beadles, Kathleen - DOA  
**Subject:** LRB Draft: 09-0951/P1 Limitation on low-income energy assistance fees

*Following is the PDF version of draft 09-0951/P1.*

*09-0951/P1  
Limitation on low-income energy assistance fees*



State of Wisconsin  
2009 - 2010 LEGISLATURE

LRB-0951/P1

MDK:jld:jf

1-22-09

RM has been run

DOA:.....Dombrowski, BB0231 - Limitation on low-income energy assistance fees

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

don't

INSERT 1A

1 AN ACT ...; relating to: the budget.

*Analysis by the Legislative Reference Bureau*

**STATE GOVERNMENT**

**PUBLIC UTILITY REGULATION**

Under current law, DOA must promulgate rules that establish the amount of a monthly low-income assistance fee that certain electric utilities must charge to their customers. The requirement to charge such a fee applies to an electric utility, other than a municipally owned utility, that owns or operates a retail electric distribution system. The fees are used to fund programs administered by DOA for providing assistance to low-income households for weatherization and other energy conservation services, payment of energy bills, or early identification or prevention of energy crises. In establishing the amount of the fee, DOA must satisfy certain requirements, including a prohibition that, in any month, the fee paid by a customer may not exceed the lesser of \$750 or 3 percent of the total of every other charge that an electric utility bills the customer for that month. Under this bill, the fee may not exceed the lesser of \$750 or 5 percent, rather than 3 percent, of such total charges.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

INSERT 1-1

1           **SECTION 1.** 16.957 (4) (c) 3. of the statutes is amended to read:  
2           16.957 (4) (c) 3. 'Limitation on low-income assistance fees.' In any month, the  
3           low-income assistance fee may not exceed ~~3%~~ 5 percent of the total of every other  
4           charge for which the customer is billed for that month or \$750, whichever is less.

5

(END)

INSERT 1-A:

DOA:.....Dombrowski, BAB025 - Public benefits low income heating assistance funding

FOR 2007-09 BUDGET -- NOT READY FOR INTRODUCTION

1 AN ACT ... relating to: the budget adjustment bill.

*Analysis by the Legislative Reference Bureau*  
**STATE GOVERNMENT**  
**PUBLIC UTILITY REGULATION**

Under current law, DOA must determine the amount of a monthly low-income assistance fee that electric utilities are required to charge customers. The fees are used to fund various low-income energy assistance programs. Some of the fees are also used to help fund the Wisconsin Works program, which provides work experience and benefits for low-income custodial parents. Current law imposes certain requirements on DOA's determination of the amount of the fee, including a requirement that the monthly fee may not exceed the lesser of \$750 or 3 percent of the customer's total charges for the month. This bill changes the foregoing requirement so that the monthly fee may not exceed the lesser of \$750 or the sum of the foregoing 3 percent and a percentage of the customer's total charges for the month that, as determined by DOA, is sufficient to generate the amounts used to help fund the Wisconsin Works program.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

END OF  
INSERT 1A

INSERT 1-1:

PWP

1 SECTION 1. 16.957 (4) (c) 3. of the statutes, as affected by 2005 Wisconsin Act  
2 ~~141~~ is renumbered 16.957 (4) (c) 3. (intro.) and amended to read:

3 16.957 (4) (c) 3. 'Limitation on low-income assistance fees.' (intro.) In any  
4 month, the low-income assistance fee may not exceed 3% of the total of every other  
5 charge for which the customer is billed for that month or \$750 or the sum of the  
6 following, whichever is less.:

7 SECTION 2. 16.957 (4) (c) 3. a. of the statutes is created to read:

8 16.957 (4) (c) 3. a. Three percent of the total of every other charge for which the  
9 customer is billed for that month.

10 SECTION 3. 16.957 (4) (c) 3. b. of the statutes is created to read:

11 16.957 (4) (c) 3. b. As determined the department, the percentage of the total  
12 of every other charge for which the customer is billed for that month that is sufficient  
13 to generate, over the course of the fiscal year within which the month falls, the  
14 amount shown in the schedule under s. 20.445 (3) (s) for that fiscal year.

Please change component

15 SECTION 4. 16.957 (4) (c) 3. b. of the statutes, as created by 2007 Wisconsin Act  
16 ... (this act), is repealed and recreated to read: created

17 16.957 (4) (c) 3. b. As determined the department, the percentage of the total  
18 of every other charge for which the customer is billed for that month that is sufficient  
19 to generate, over the course of the fiscal year within which the month falls, the  
20 amount shown in the schedule under s. 20.437 (2) (s) for that fiscal year.

21 SECTION 9401. Effective dates; Administration.

22 (1) LOW-INCOME ASSISTANCE FEE DETERMINATION. The repeal and recreation of  
23 section 16.957 (4) (c) 3. b. of the statutes takes effect on July 1, 2008.

24

(END)

END OF INSERT 1-1

## Kunkel, Mark

---

**From:** Dombrowski, Cynthia A - DOA [cynthia.dombrowski@wisconsin.gov]  
**Sent:** Wednesday, January 28, 2009 5:15 PM  
**To:** Kunkel, Mark  
**Subject:** RE: Economic stimulus language for 09-0951

I think this sounds good, Mark. Please move forward with this.

Also, the weatherization draft, can you change the \$65,000,000 to \$75,000,000 and add that this provision sunsets on June 30, 2012?

Thanks!!  
Cindy

---

**From:** Kunkel, Mark [mailto:Mark.Kunkel@legis.wisconsin.gov]  
**Sent:** Wednesday, January 28, 2009 1:44 PM  
**To:** Dombrowski, Cynthia A - DOA  
**Subject:** Economic stimulus language for 09-0951

Cindy:

We can take the approach you suggested earlier today. I can draft a nonstat that does the following:

-- Define "federal economic stimulus funds" to mean federal moneys received by the state, pursuant to federal legislation enacted during the 111th Congress for the purpose of reviving the economy of the United States. (We've been using this definition in other budget drafts.)

-- Require that, in determining the amount of the low-income assistance fee for fiscal years 2009-10 and 2010-11, subtract from the sum of the amounts specified in s. 16.957 (4) (c) 1. a. to c. for the relevant fiscal year the portion of the amount specified in s. 16.957 (4) (c) 1. b. that is attributable to, as determined by the secretary of administration, federal economic stimulus funds received in that fiscal year.

-- Require DOA to promulgate emergency rules that implement the above requirement. (I think you need rules because the fee is established in rules.)

I haven't figured out the exact language yet. Let me know whether you think the above is okay.

---

Mark D. Kunkel  
Senior Legislative Attorney  
Legislative Reference Bureau  
(608) 266-0131

P3

1-29-09

RM Has been run

DOA:.....Dombrowski, BB0231 - Limitation on low-income energy assistance fees

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

LPS-CHECK auto refs please

INSERT 1A

X

1

AN ACT ...; relating to: the budget. ✓

*Analysis by the Legislative Reference Bureau*

**STATE GOVERNMENT**

**PUBLIC UTILITY REGULATION**

Under current law, DOA must determine the amount of a monthly low-income assistance fee that electric utilities are required to charge customers. The fees are used to fund various low-income energy assistance programs. Some of the fees are also used to help fund the Wisconsin Works program, which provides work experience and benefits for low-income custodial parents. Current law imposes certain requirements on DOA's determination of the amount of the fee, including a requirement that the monthly fee may not exceed the lesser of \$750 or 3 percent of the customer's total charges for the month. This bill changes the foregoing requirement so that the monthly fee may not exceed the lesser of \$750 or the sum of the foregoing 3 percent and a percentage of the customer's total charges for the month that, as determined by DOA, is sufficient to generate the amounts used to help fund the Wisconsin Works program.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*



1

INSERT 1A:

Current law also requires DOA to promulgate rules establishing the amount of the fee. For a fiscal year, the rules must establish the fee in the amount resulting from subtracting a specified sum from the amount needed for assisting low-income customers as determined under a formula under current law. One component of the specified sum is the amount of funding received by the state under federal programs that provide energy assistance to low-income customers. Under this bill, for fiscal years 2009-10 and 2010-11, the amount of funding received under the federal programs that is attributable to federal economic stimulus funds must be deducted from the sum. The bill requires DOA to promulgate emergency rule for making the required deduction.

2

INSERT 2-14:

3

SECTION 9101. Nonstatutory provisions; Administration.

4

(1) LOW-INCOME ASSISTANCE FEE.

5

(a) *Definitions.* In this subsection:

6

1. "Federal economic stimulus funds" means federal moneys received by the state, pursuant to federal legislation enacted during the 111th Congress for the purpose of reviving the economy of the United States.

7

8

9

2. "Low-income assistance fee" means the fee that an electric utility, as defined in section 16.957 (1) (g) of the statutes, is required to charge customers under section 16.957 (4) (a) of the statutes.

10

11

12

3. "Stimulus portion" means the portion of moneys received under 42 USC 6861 to 6873 and 42 USC 8621 to 8629 in a fiscal year that is attributable to, as determined by the secretary of administration, the federal economic stimulus funds received in that fiscal year.

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(b) *Fee calculation.* Notwithstanding section 16.957 (4) (c) 1. of the statutes, in determining the amount of the low-income assistance fee for fiscal years 2009-10 and 2010-11, the stimulus portion received in the fiscal year shall be deducted from



1 the sum of the amounts specified in <sup>section</sup> s. 16.957 (4) (c) 1. a. to c. of the statutes for that  
2 fiscal year.

3 (c) *Emergency rules.* Using the procedure under section 227.24 of the statutes,  
4 the department of administration shall promulgate rules establishing the amount  
5 of the low-income assistance fee for fiscal years 2009-10 and 2010-11.  
6 Notwithstanding section 227.24 (1) (c) and (2) of the statutes, these emergency rules  
7 may remain in effect until the effective date of any permanent rules promulgated by  
8 the department to implement the requirements of paragraph (b). Notwithstanding  
9 section 227.24 (1) (a) and (3) of the statutes, the department is not required to provide  
10 evidence that promulgating a rule under this paragraph as an emergency rule is  
11 necessary for the preservation of the public peace, health, safety, or welfare and is  
12 not required to provide a finding of emergency for a rule promulgated under this  
13 paragraph.

(end ins 2-14)



State of Wisconsin  
2009 - 2010 LEGISLATURE

LRB-0951/P3

MDK:jld:md

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Current law also requires DOA to promulgate rules establishing the amount of the fee. For a fiscal year, the rules must establish the fee in the amount resulting from subtracting a specified sum from the amount needed for assisting low-income customers as determined under a formula under current law. One component of the

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13 to generate, over the course of the fiscal year within which the month falls, the  
14 amount shown in the schedule under s. 20.437 (2) (s) for that fiscal year.

15          **SECTION 9101. Nonstatutory provisions; Administration.**

16          (1) **LOW-INCOME ASSISTANCE FEE.**

17          (a) *Definitions.* In this subsection:

1           1. “Federal economic stimulus funds” means federal moneys received by the  
2 state, pursuant to federal legislation enacted during the 111th Congress for the  
3 purpose of reviving the economy of the United States.

4           2. “Low-income assistance fee” means the fee that an electric utility, as defined  
5 in section 16.957 (1) (g) of the statutes, is required to charge customers under section  
6 16.957 (4) (a) of the statutes.

7           3. “Stimulus portion” means the portion of moneys received under 42 USC 6861  
8 to 6873 and 42 USC 8621 to 8629 in a fiscal year that is attributable to, as determined  
9 by the secretary of administration, the federal economic stimulus funds received in  
10 that fiscal year.

11           (b) *Fee calculation.* Notwithstanding section 16.957 (4) (c) 1. of the statutes,  
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13 and 2010-11, the stimulus portion received in the fiscal year shall be deducted from  
14 the sum of the amounts specified in section 16.957 (4) (c) 1. a. to c. of the statutes for  
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16           (c) *Emergency rules.* Using the procedure under section 227.24 of the statutes,  
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24 necessary for the preservation of the public peace, health, safety, or welfare and is

1 not required to provide a finding of emergency for a rule promulgated under this  
2 paragraph.

3 (END)