



2011 SENATE BILL 557

1 **AN ACT** *to repeal* 283.84 (1m) (c), 283.84 (2) and (3) and 283.84 (5); *to amend*
2 20.370 (4) (ag), 20.370 (4) (as), 283.84 (1), 283.84 (1m) (intro.), (a) and (b), 283.84
3 (3m) and 283.84 (4); and *to create* 283.84 (1) (d), 283.84 (1) (e), 283.84 (1m) (d),
4 283.84 (3r) and 283.84 (6) of the statutes; **relating to:** trading of water
5 pollution credits, granting rule-making authority, and making an
6 appropriation.

Analysis by the Legislative Reference Bureau

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

7 **SECTION 1.** 20.370 (4) (ag) of the statutes is amended to read:
8 20.370 (4) (ag) *Water resources — pollution credits.* From the general fund, all
9 moneys received under s. 283.84 (1) (c) for activities to reduce water pollution in pilot
10 project areas, as provided in agreements under s. 283.84 (1) (c).

SENATE BILL 557**SECTION 2**

1 **SECTION 2.** 20.370 (4) (as) of the statutes is amended to read:

2 20.370 (4) (as) *Water resources — trading water pollution credits.* As a
3 continuing appropriation, from the environmental fund, the amounts in the schedule
4 for the water pollution credit trading pilot projects program under s. 283.84.

5 **SECTION 3.** 283.84 (1) of the statutes is amended to read:

6 283.84 (1) The department shall administer ~~at least one pilot project to~~
7 evaluate a program for the trading of water pollution credits. ~~The department may~~
8 ~~only administer a pilot project if the pilot project that~~ is consistent with the federal
9 Water Pollution Control Act, 33 USC 1251 to 1387. Subject to sub. (1m), ~~a pilot project~~
10 under the program the department may authorize a person required to obtain a
11 permit to increase the discharge of pollutants above levels that would otherwise be
12 authorized in the permit if the person does one of the following:

13 (a) Reaches ~~an~~ a binding, written agreement with another person who is
14 required to obtain a permit under which the other person agrees to reduce the
15 discharge of pollutants ~~in the project area~~ below the levels that would otherwise be
16 authorized in the other person's permit.

17 (b) Reaches ~~an~~ a binding, written agreement with another person who is not
18 required to obtain a permit under which the other person agrees to reduce the
19 amount of water pollution that it causes ~~in the project area~~ below the levels of water
20 pollution that it causes ~~in the project area~~ when the agreement is reached.

21 (c) Reaches ~~an~~ a binding, written agreement with the department or a local
22 governmental unit, as defined in s. 16.97 (7), under which the person pays money to
23 the department or local governmental unit and the department or local
24 governmental unit uses the money to reduce water pollution ~~in the project area~~ or

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1 to provide cost-sharing, for the purposes of s. 281.16 (3) (e) or (4), for projects to
2 reduce water pollution.

3 **SECTION 4.** 283.84 (1) (d) of the statutes is created to read:

4 283.84 (1) (d) Reaches a binding, written agreement with the department
5 under which the person reduces the discharge of pollutants under another permit
6 that the person holds below the levels that would otherwise be authorized in the
7 other permit.

8 **SECTION 5.** 283.84 (1) (e) of the statutes is created to read:

9 283.84 (1) (e) Reaches a binding, written agreement with the department
10 under which the person constructs a project or implements a plan that results in
11 reducing the amount of water pollution from sources other than the source covered
12 by the permit.

13 **SECTION 6.** 283.84 (1m) (intro.), (a) and (b) of the statutes are amended to read:

14 283.84 (1m) (intro.) ~~A pilot project~~ Under the program, the department may
15 authorize a person to increase a discharge of pollutants above levels that would
16 otherwise be authorized in the permit only if all of the following apply:

17 (a) The agreement under sub. (1) ~~(a), (b) or (c)~~ results in an improvement in
18 water quality.

19 (b) The ~~authorized~~ increase in pollutants and the reduction in ~~pollution~~
20 pollutants provided for in the agreement under sub. (1) ~~(a), (b) or (c)~~ involve the same
21 pollutant or the same water quality standard.

22 **SECTION 7.** 283.84 (1m) (c) of the statutes is repealed.

23 **SECTION 8.** 283.84 (1m) (d) of the statutes is created to read:

24 283.84 (1m) (d) The increase in pollutants and the reduction in pollutants
25 occur within the same basin or portion of a basin, as determined by the department.

