



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-1833/P6
MPG&JK:emw/kjf/jld

DOA:.....Wimmer, BB0339 - Volkswagen settlement distributions

FOR 2017-2019 BUDGET -- NOT READY FOR INTRODUCTION

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

Analysis by the Legislative Reference Bureau

STATE GOVERNMENT

OTHER STATE GOVERNMENT

This bill authorizes DOA to replace vehicles in the state fleet using certain settlement proceeds specified in the bill. DOA may expend no more than \$16,000,000 in the 2017-19 fiscal biennium for that purpose. The bill also requires, subject to certain conditions, DOA to transfer \$26,000,000 of the settlement proceeds to a county having a population of 750,000 or more as of the effective date of the bill for the replacement of vehicles owned by the county.

SHARED REVENUE

This bill reduces the annual county and municipal aid payment to a county receiving certain settlement proceeds from DOA by \$1,950,000 beginning with the payments in 2018 and ending with the payments in 2027. If in any year the amount of the county and municipal aid payment is less than \$1,950,000, DOA will reduce the county's county and municipal aid payment and its public utility aid payment by a total of \$1,950,000.

For further information see the *state and local* 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:

SECTION 1. 16.047 of the statutes is created to read:

16.047 Volkswagen settlement funds. (1) DEFINITIONS. In this section:

(a) "Settlement funds" means moneys received by the state from the trustee.

(b) "Settlement guidelines" means the eligible mitigation actions established under the partial consent decree specified in par. (d), as approved by the trustee.

(c) "State agency" has the meaning given in s. 20.001 (1).

(d) "Trustee" means the trustee of the environmental mitigation trust required to be established under the partial consent decree entered on October 25, 2016, by the United States District Court for the Northern District of California, San Francisco Division, Case No: MDL No. 2672 CRB (JSC).

(2) REPLACEMENT OF STATE VEHICLES. (a) From the appropriation under s. 20.855 (4) (h), the department may use settlement funds for the payment of all costs incurred in accordance with the settlement guidelines to replace vehicles in the state fleet.

(b) Any use of settlement funds under par. (a) shall take precedence over any distribution under sub. (4).

(c) The department may expend no more than \$16,000,000 under par. (a) during the 2017-19 fiscal biennium.

(3) STATE AGENCY LAPSES. If the department replaces a state agency's vehicle under sub. (2) (a), the secretary may calculate the general purpose revenue or program revenue savings for the state agency resulting from expenditures under s. 20.855 (4) (h) and may lapse to the general fund from the state agency's general purpose revenue or program revenue appropriations the amount calculated.

(4) DISTRIBUTION TO POPULOUS COUNTY. From the appropriation under s. 20.855 (4) (h), the department shall distribute \$26,000,000 in settlement funds to a county

that, on the effective date of this subsection [LRB inserts date], has a population of 750,000 or more. The county may use the settlement funds for the payment of all costs incurred by the county in accordance with the settlement guidelines to replace vehicles owned by the county. Any distribution under this subsection is subject to the approval of the trustee and is subject to the receipt by the department of sufficient settlement funds to make the distribution.

(5) SUNSET. This section does not apply after June 30, 2027.

SECTION 2. 20.855 (4) (h) of the statutes is created to read:

20.855 (4) (h) *Volkswagen settlement funds.* All moneys received from the trustee of the settlement funds, as defined in s. 16.047 (1) (a), for the replacement of vehicles in the state fleet under s. 16.047 (2) and for the distribution under s. 16.047 (4). No more than \$21,000,000 may be expended from this appropriation in fiscal year 2017-18. No moneys may be expended from this appropriation after June 30, 2027.

***NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 3. 79.035 (7) of the statutes is created to read:

79.035 (7) Beginning with the distributions in 2018 and ending with the distributions in 2027, the department of administration shall reduce the payment under this section to a county receiving a distribution under s. 16.047 (4) by \$1,950,000, except that if in any year the payment is less than \$1,950,000, the department shall reduce the county's payments for that year under this section and s. 79.04 so that the total amount of the reduction is \$1,950,000. This subsection does not apply after December 31, 2027.

(END)