



## 1995 SENATE BILL 455

December 13, 1995 - Introduced by Senators BURKE, MOEN and CLAUSING, cosponsored by Representatives TURNER, BALDWIN, BAUMGART, BOYLE, GRONEMUS, KREUSER, NOTESTEIN, PLACHE, RILEY, SPRINGER, WIRCH and R. YOUNG. Referred to Committee on Environment and Energy.

1     **AN ACT to amend** 16.847 (1) (b) and (c), 16.847 (5) (a) and (b) (intro.), 16.847 (6)  
2           (intro.), 16.847 (6) (b) and 16.847 (8) (a); and **to create** 16.847 (1) (am) and  
3           16.847 (8) (bm) of the statutes; **relating to:** energy efficiency loans to local units  
4           of government.

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### *Analysis by the Legislative Reference Bureau*

Under current law, the department of administration (DOA) may award a loan to a state agency to fund an energy efficiency project. Under this bill, DOA may also award a loan to a local governmental unit to fund an energy efficiency project. Under the bill, local governmental units are generally treated as state agencies for purposes of the loan program, subject to one exception. Under current law, as a condition of receiving a loan, a state agency is required to agree that for 6 years after the loan is repaid utility expenses saved by the energy efficiency project shall be allocated in the following manner: 1) one-third to the state's general fund; 2) one-third to the state's energy efficiency fund; and 3) subject to an approval requirement, one-third may be retained for the state agency's general program operations. Under the bill, as a condition of receiving a loan, a local governmental unit is required to agree that, for 6 years after the loan is repaid, one-third of the utility expenses saved by the energy efficiency project shall be paid to the state's energy efficiency fund; and the local governmental unit may retain the remaining two-thirds.

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

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

5           **SECTION 1.** 16.847 (1) (am) of the statutes is created to read:

1           16.847 (1) (am) “Local governmental unit” has the meaning given in s. 19.42  
2 (7u).

3           **SECTION 2.** 16.847 (1) (b) and (c) of the statutes are amended to read:

4           16.847 (1) (b) “State or local facilities” means all property owned and operated  
5 by the state or by a local governmental unit for the purpose of carrying out usual state  
6 functions of the state or local governmental unit, including each center and  
7 institution within the university of Wisconsin system.

8           (c) “Utility expenses” means expenses incurred to provide heating, cooling and  
9 electricity to a state or local facility.

10          **SECTION 3.** 16.847 (5) (a) and (b) (intro.) of the statutes are amended to read:

11          16.847 (5) (a) The department shall establish an energy efficiency program to  
12 assist agencies and local governmental units in energy conservation. The  
13 department shall seek out energy saving opportunities, review and rank energy  
14 efficiency projects, award loans under sub. (6) to agencies and to local governmental  
15 units for energy efficiency projects and verify energy savings achieved by an energy  
16 efficiency project.

17          (b) (intro.) The department may award a loan under sub. (6) to an agency or  
18 local governmental unit for any of the following energy efficiency projects:

19          **SECTION 4.** 16.847 (6) (intro.) of the statutes is amended to read:

20          16.847 (6) LOANS. (intro.) From the appropriation under s. 20.505 (5) (q), the  
21 department may award a loan to an agency or a local governmental unit to fund an  
22 energy efficiency project. The department may not award a loan under this  
23 subsection unless all of the following conditions are satisfied:

24          **SECTION 5.** 16.847 (6) (b) of the statutes is amended to read:

1           16.847 (6) (b) The loan funds an energy efficiency project in an existing state  
2 or local facility.

3           **SECTION 6.** 16.847 (8) (a) of the statutes is amended to read:

4           16.847 (8) (a) As a condition of receiving a loan under sub. (6), an agency or local  
5 governmental unit shall enter into an agreement to repay the loan from utility  
6 expenses saved by the energy efficiency project. The agreement shall specify the  
7 annual repayment amount and the appropriation to which the loan shall be repaid.  
8 Annually, the department may transfer the specified repayment amount from an  
9 appropriation described in the agreement to the same account in the energy  
10 efficiency fund from which the loan was made. The department shall determine the  
11 amount of utility expenses saved by an energy efficiency project.

12           **SECTION 7.** 16.847 (8) (bm) of the statutes is created to read:

13           16.847 (8) (bm) As a condition of receiving a loan under sub. (6), a local  
14 governmental unit shall agree that, for 6 years after the loan is repaid, an amount  
15 equal to one-third of the utility expenses saved by the energy efficiency project shall  
16 be paid to the energy efficiency fund. The local governmental unit may retain the  
17 remaining two-thirds of the utility expenses saved by the energy efficiency project.

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(END)