

1999 ASSEMBLY BILL 718

February 8, 2000 – Introduced by Representatives HUEBSCH, MEYER, HAHN, GRONEMUS, OTT, SCHOOFF, M. LEHMAN, AINSWORTH, SYKORA, FREESE, SPILLNER, SKINDRUD, PETTIS, MUSSER, BOYLE and GOETSCH, cosponsored by Senators CLAUSING and RUDE. Referred to Committee on Agriculture.

1 **AN ACT to create** 20.115 (3) (d) and 93.75 of the statutes; **relating to:** payments
 2 to ethanol producers, granting rule-making authority and making an
 3 appropriation.

Analysis by the Legislative Reference Bureau

This bill requires the department of agriculture, trade and consumer protection (DATCP) to administer a program under which DATCP makes payments to certain ethanol producers. To be eligible for the payments, an ethanol producer must produce a specified amount of ethanol and must purchase the substances from which the ethanol is produced from a local source, as defined by DATCP. An ethanol producer is only eligible for payments during the first 60 months of ethanol production. The payments are 20 cents per gallon for not more than 15,000,000 gallons produced within 12 months. The bill ends the ethanol payment program on June 30, 2005.

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:

4 **SECTION 1.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert
 5 the following amounts for the purposes indicated:

1999-00 2000-01

20.115 Agriculture, trade and consumer protection, department of

(3) MARKETING SERVICES.

(d) Payments to ethanol producers GPR A -0- 3,000,000

SECTION 2. 20.115 (3) (d) of the statutes is created to read:

20.115 (3) (d) *Payments to ethanol producers.* The amounts in the schedule for payments to ethanol producers under s. 93.75. No funds may be encumbered under this paragraph after June 30, 2005.

SECTION 3. 93.75 of the statutes is created to read:

93.75 Payments to ethanol producers. (1) ELIGIBILITY. Beginning on July 1, 2000, the department shall administer a program under which the department makes payments to a person who produces ethanol and who satisfies all of the following criteria:

(a) The person produces in this state, within 12 months, over 10,000,000 gallons of ethanol or, during the first 12 months that the person produces ethanol in this state, a lesser amount of ethanol that is established by the department by rule.

(b) The person has been producing ethanol in this state for fewer than 60 months.

(c) The person purchases the substances from which the person produces ethanol from a local source, as defined by the department by rule.

(2) PAYMENTS. The department shall pay a person who is eligible under sub. (1) at the rate of 20 cents per gallon for not more than 15,000,000 gallons of ethanol produced in this state within 12 months, except that if there are insufficient funds

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1 to make payments at this rate to all eligible persons the department shall prorate the
2 payments.

3 **(3) RULES.** The department shall promulgate rules for the program under this
4 section. The department shall include all of the following in the rules:

5 (a) The amount of ethanol that a person must produce within the first 12
6 months that the person produces ethanol in this state to be eligible for payments
7 under this section.

8 (b) A definition of “local source” for the purposes of sub. (1) (c).

9 (c) A method for prorating payments under sub. (2).

10 **(4) SUNSET.** The department may not make a payment under this section after
11 June 30, 2005.

12 **(END)**