

1999 DRAFTING REQUEST

Senate Substitute Amendment (SSA-SB86)

Received: **05/18/99**

Received By: **traderc**

Wanted: **Soon**

Identical to LRB:

For: **Legislative Fiscal Bureau**

By/Representing: **Kendra Ronderud**

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

Drafter: **traderc**

May Contact:

Alt. Drafters: **hubliks**

Subject: **Environment - env. cleanup**

Extra Copies:

Pre Topic:

No specific pre topic given

Topic:

Joint finance PECFA changes

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>
/?	traderc 05/20/99	chanaman 05/20/99		_____			
/P1			haugeca 05/21/99	_____	lrb_docadmin 05/21/99		
/1	traderc 05/24/99	chanaman 05/24/99	jfrantze 05/25/99	_____	lrb_docadmin 05/25/99	lrb_docadmin 05/25/99	

FE Sent For:

<END>

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/?	traderc 05/20/99	chanaman 05/20/99		_____			
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FE Sent For:		1	26 5/24	25 5/25			

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FE Sent For:

<END>

Representative Duff
Senator Burke
Representative Gard

COMMERCE -- BUILDING AND ENVIRONMENTAL REGULATION

PECFA Program Changes [LFB Papers #300 to #308]

Motion:

Move to make the following changes in the PECFA program. Each paragraph is numbered the same as in the attachment to Legislative Fiscal Bureau Budget Paper #300, which compares current law, the recommendations of the Governor's 1999-01 biennial budget bill and the recommendations of the Joint Legislative Audit Committee. Each paragraph references any appropriate alternative in LFB Budget Papers, or summarizes any separate proposals.

1. *Revenue Bonding.* [LFB Paper #308] Authorize \$270 million in bonding. In addition, direct that no more than \$170 million in authority may be released upon enactment of the bill. Direct that before the Building Commission issues the remaining \$100 million in revenue obligations, DQA, Commerce and DNR submit a report to the Joint Committee on Finance for approval of the Committee at a regularly scheduled meeting under s. 13.10. Direct that the report include information about: (a) the proposed bonding issuance; (b) the amount of PECFA claims received during the prior six months; (c) the number and dollar amount of claims that have been received but not paid; and (d) the progress made by the agencies in implementing cost control strategies to reduce the costs of cleanups at PECFA sites. In addition, direct that no revenue obligation authority may be released beyond the initial \$170 million until Commerce and DNR promulgate final permanent administrative rule changes as provided in items #5 and #14.

2. *PECFA Staff and Fees.* Approve the Governor's recommendation to provide Commerce with \$152,200 SEG in 1999-00 and \$174,800 SEG in 2000-01 with 3.0 SEG hydrogeologist positions.

Further, provide Commerce with \$84,200 SEG in 1999-00 and 2.0 SEG two-year project claim review positions. Convert the 2.0 SEG positions to PR and provide \$112,200 PR in 2000-01. Authorize Commerce to promulgate rules to assess and collect fees to recover its costs of approving requests by owners or operators for case closure and providing other assistance requested by claimants at petroleum sites. Direct that Commerce deposit fees in a new program revenue annual appropriation that would fund the 2.0 PR positions beginning in 2000-01. Direct that Commerce submit any permanent rules for assessment and collection of fees to the Legislature under s. 227.19 no later than June 1, 2000. Further, direct that any fees charged by Commerce and DNR for the approval of case closures and other requested assistance not be reimbursable expenses under the PECFA program.

In addition, direct the Secretary of DOA to determine how federal leaking underground storage tank (LUST) funding should be allocated to DNR and Commerce, and to submit a report of its determination to the Joint Committee on Finance for approval at its December, 1999, s. 13.10 meeting.

3. *Petroleum Inspection Fee.* [LFB Paper #301] Adopt Alternative 3 to maintain current law.

4. *Site Priority Categorization.* [LFB Paper #302] Classify a petroleum site as high risk if it has a groundwater enforcement standard exceedence in soil that has a hydraulic conductivity greater than 1×10^{-5} centimeters per second or meets one or more of the following criteria: (a) two or more tests show that the discharge has resulted in a concentration of contaminants in a private or public potable well that exceeds the preventive action limits established under s. 160.15; (b) there is a groundwater enforcement standard exceedence within 100 feet of a private well or 1,000 feet of a public well; (c) petroleum product that is not in dissolved phase is present with a thickness of 0.01 feet or more, as shown by repeated measurements; or (d) there is a groundwater enforcement standard exceedence in bedrock. Specify that DNR would have jurisdiction for administering the cleanup at high risk sites, including all sites with contamination from non-petroleum hazardous substances. All other petroleum sites, excluding unranked sites, would be medium or low risk under the jurisdiction of Commerce. Specify that a site with contamination solely from petroleum products and additives to petroleum products (such as lead or oxygenates) would be categorized as a site with contamination solely from petroleum products.

In addition, specify that the transfer of sites from DNR to Commerce based on the new classification of sites be accomplished by no later than December 1, 1999. Also, specify that if the definition of high risk sites results in classifying more than 35% of sites as high risk by December 1, 1999 (when sites would be transferred from DNR to Commerce), Commerce would be directed to: (a) promulgate emergency rules that establish the standards for categorizing sites of petroleum product discharges that does not provide that all sites at which a groundwater enforcement standard is exceeded be classified as high risk, classifies no more than 35% of petroleum sites as high risk, excluding unranked sites and sites with contamination from non-petroleum hazardous substances, and incorporates any agreements with DNR; (b) promulgate the emergency rules by December 31, 1999; and (c) revise the rules if more than 35% of sites are classified as high risk six months after the rules are in effect.

5. *Risk-Based Analysis.* [LFB Paper #302] Require Commerce and DNR to jointly promulgate rules specifying a method for determining the risk to public health, safety and welfare and to the environment posed by discharges of petroleum products. The method must include consideration of the routes for migration of petroleum product contamination. Direct DNR and Commerce to apply the method to determine the risk posed by a discharge for which the Departments receive notification. Require Commerce and DNR to attempt to agree on the rules. If DNR and Commerce are unable to reach an agreement, require the Secretary of DOA to resolve the matter. Direct that DNR and Commerce promulgate emergency rules without a finding of emergency. Direct Commerce and DNR to submit permanent rules to the Legislature under s. 227.19 no later than June 1, 2000.

6. *Award Prioritization.* [LFB Paper #303] Provide that Commerce shall review claims related to eligible farm tanks, in addition to home oil tanks currently, as soon as the claims are received, and shall issue a PECFA award for eligible farm tank cleanups as soon as it completes review of the claim.

7. *Remedial Action Plan.* [LFB Paper #302 and #303] For purposes of claim reimbursement, require claimants to submit the remedial action plan prepared under current law to Commerce for approval. Commerce would be required to either approve or disapprove the submitted plan for low and medium risk sites, and DNR would be required to approve or disapprove the remedial action plan for high risk sites. Delete the current law requirement that, at the request of the claimant, DNR or Commerce shall review the site investigation and remedial action plan and advise the claimant on the adequacy of the proposed remedial activities. Commerce would be required to review the remedial action plan for a low or medium risk site, and DNR and Commerce would be required to jointly review the remedial action plan for a high risk site, and to determine the least costly method of completing the remedial action activities and complying with groundwater enforcement standards. Commerce would be required to determine whether natural attenuation will complete the remedial action activities at a low or medium risk site in compliance with groundwater enforcement standards. Natural attenuation for petroleum sites would mean the reduction in the concentration and mass of a substance, and the products into which the substance breaks down, due to naturally occurring physical, chemical and biological processes.

8. *Maximum Award.* [LFB Paper #302] Require Commerce to notify the owner or operator of a low or medium risk site of its determination of the least costly method of completing the remedial action activities and complying with groundwater enforcement standards and that reimbursement for remedial action is limited to the amount necessary to implement that method. While the general maximum award would not change from current law, the maximum reimbursement for individual medium or low risk sites could be limited under the motion. (The maximum reimbursement for high risk sites would not be affected.) Commerce would be required to conduct an annual review for low or medium risk sites, and Commerce and DNR would be required to jointly conduct an annual review for high risk sites and make the same determinations of the least costly method and use of natural attenuation. In addition, Commerce would be required to annually review the limit on maximum reimbursement for low or medium risk sites. Provide that reimbursable eligible costs under Commerce administrative rules shall include the least costly method to achieve any remedial action activities ordered by DNR or Commerce, whichever has jurisdiction for the cleanup at the site. The effective date of the maximum award provisions would be November 1, 1999, for remedial action activities that begin on or after that date.

9. *Deductible Amount.* [LFB Paper #304] Change the deductible for underground petroleum product storage tank systems for marketers or non-marketers that handle an average of more than 10,000 gallons of petroleum per month to be \$5,000 for eligible costs up to \$100,000 plus 4% of eligible costs exceeding \$100,000. Change the deductible for eligible farm tanks to \$5,000. In addition, increase the deductible for aboveground storage tanks located at terminals to \$15,000 plus 10% of the amount by which eligible costs exceed \$200,000. Specify that the changes in deductible, for affected underground and aboveground storage tanks, would first apply to remedial action plans that are submitted on or after November 1, 1999. Maintain current

law deductibles for claimants who submit remedial action plans in a form acceptable to Commerce and DNR prior to November 1, 1999. Further, authorize Commerce to promulgate rules that would exempt: (a) a municipality from the change in deductibles in excess of the current law maximum deductible if the municipality is conducting the PECFA cleanup as part of a brownfields redevelopment project; and (b) an owner or operator who meets financial hardship criteria.

10. *Interest Cost Reimbursement.* [LFB Paper #305] Limit PECFA reimbursement for interest costs incurred by a PECFA claimant, for loans originating on or after November 1, 1999, based on the applicant's gross revenues in the prior tax year as follows: (a) if gross revenues are over \$5 million to \$15 million in the prior tax year, interest reimbursement would be limited to the prime rate; (b) if gross revenues are over \$15 million to \$25 million, interest reimbursement would be limited to the prime rate minus 1%; (c) if gross revenues are over \$25 million to \$35 million, interest reimbursement would be limited to the prime rate minus 2%; (d) if gross revenues are over \$35 million to \$45 million, interest reimbursement would be limited to the prime rate minus 3%; and (e) if gross revenues are over \$45 million, interest reimbursement would be limited to the prime rate minus 4%. Interest reimbursement for applicants with gross revenues of up to \$5 million in the prior tax year would remain at the current 1% over the prime rate.

11. *Bidding Process.* [LFB Paper #306] Adopt Alternative A.1 to approve the Governor's recommendation to authorize Commerce to promulgate rules that require a person to pay a specified fee as a condition of submitting a bid to provide a service for a cleanup under the PECFA program. Any fees collected under the provision would be deposited in the petroleum inspection fund. If Commerce imposes a fee, the Department would be authorized to use the PECFA awards appropriation to purchase, or provide funding for the purchase of, insurance to cover the amount by which the costs of conducting the cleanup service exceed the amount bid to conduct the cleanup service.

Further, make the following changes related to site bidding:

a. Require DNR or Commerce, whichever agency has jurisdiction over the site, to estimate the cost to complete a site investigation, remedial action plan and remedial action for an occurrence. If that estimate exceeds \$80,000, Commerce would be directed to implement a competitive public bidding process to assist in determining the least costly method of remedial action. Commerce would not be permitted to implement the bidding process if: (a) DNR or Commerce waives the requirement on the grounds that the waiver is necessary in an emergency to prevent or mitigate an imminent hazard to public health, safety or welfare or to the environment; or (b) one agency waives the requirement after providing notice to the other agency. In addition; (a) make the use of the bidding process optional at sites where an enforcement standard is exceeded in groundwater within 1,000 feet of a well operated by a public utility or within 100 feet of any other well used to provide water for human consumption; and (b) allow Commerce to waive bidding requirements if the Department determines that the remedial action plan identifies the most cost efficient cleanup option for the site.

b. Authorize Commerce to disqualify a public bid for remedial action activities at a PECFA site if, based on information available to the Department and experience with other

PECFA projects, the bid is unlikely to establish a maximum reimbursement amount that will sufficiently fund a cleanup necessary to meet applicable site closure requirements.

c. Authorize Commerce to disqualify a public bidder from submitting a bid for remedial action activities at a PECFA site if, based on past performance of the bidder, the bidder has demonstrated an inability to finish remedial actions within previously established cost limits.

d. Authorize Commerce to review and modify established maximum reimbursement amounts for remedial action activities if the Department determines that new circumstances, including newly discovered contamination at a site, warrant the review.

12. *Joint Agency Report.* [LFB Paper #307] Adopt Alternative A.4 (as modified to refer to high risk instead of high priority) to approve the recommendations of the Governor and the Joint Audit Committee related to reporting requirements and require submission of the report every January 1 and July 1 to the Governor, Joint Audit Committee, Joint Committee on Finance and appropriate standing committees. This would require Commerce and DNR to submit a report that includes the following information: (a) the date on which the record of the site investigation was received; (b) the environmental risk factors, as defined by Commerce rule, identified at the site; (c) the year in which DNR or Commerce expects to issue a case closure letter or written approval of the remedial action activities for the site; (d) the number of notifications of petroleum discharges received by the departments and the number of written approvals of remedial action activities provided by the departments; (e) the percentage of sites classified as high risk; (f) the name of each person providing engineering consulting services to a claimant and the number of claimants to whom the person has provided those services; (g) the charges for engineering consulting services for sites for which remedial action activities are approved by the departments and for other sites; (h) the charges by service providers other than engineering consultants for services for which reimbursement is provided, including excavating, hauling, laboratory testing and landfill disposal; and (i) strategies for recording and monitoring complaints of fraud in the program and for the use of Commerce employees who conduct audits to identify questionable claims and investigate complaints.

In addition, require DNR and Commerce to also report on whether disputes arose regarding the annual determination of least costly method and use of natural attenuation under joint annual review for high risk sites and how those disputes were resolved.

Further, direct Commerce to submit a report to the Joint Committee on Finance and the Joint Committee for Review of Administrative Rules, by March 1, 2000, that includes recommendations related to actions Commerce could take to reduce interest costs incurred by claimants including a review of the schedule for progress payments for claims submitted under the program.

13. *Usual and Customary Costs.* [LFB Paper #307] Adopt Alternative B.1. to approve the Joint Legislative Audit Committee recommendations to require Commerce to establish a schedule of usual and customary costs for items that are commonly associated with PECFA claims. Commerce would be required to use the schedule to determine the amount of eligible costs for an occurrence for which a competitive bidding process is not used, except in circumstances under which higher costs must be incurred to complete the remedial action

activities and comply with groundwater enforcement standards. Commerce would not be allowed to use the schedule for an occurrence for which a competitive bidding process is used. The schedule would be required to include the maximum number of reimbursable hours for particular tasks and the maximum reimbursable hourly rates for those tasks. Commerce would be required to use methods of data collection and analysis that enable the schedule of usual and customary costs to be revised to reflect changes in actual costs. This provision would not apply after June 30, 2001. After June 30, 2001, the current law authorization (instead of requirement) for Commerce to establish a schedule of usual and customary costs would be effective again. Commerce would also be required to evaluate the operation of the usual and customary cost schedule and report on the results of the evaluation to the Joint Audit Committee, the Joint Committee on Finance and the appropriate standing committees of the Legislature no later than the first day of the 14th month beginning after the effective date of the bill.

In addition: (a) specify that the cost control provisions in administrative rule COMM 47 relating to ineligible costs would apply for an occurrence for which a competitive bidding process is used; and, (b) direct Commerce to promulgate emergency rules to establish the schedule of usual and customary costs by no later than November 1, 1999, and provide that the rules may be promulgated without a finding of emergency under Chapter 227.

14. Administrative Rules. [LFB Paper #307] Require Commerce and DNR to promulgate joint emergency rules within 30 days of the effective date of the bill related to procedures, cost-effective administration and inter-agency training practices. Require Commerce and DNR to attempt to agree on the rules. If DNR and Commerce are unable to reach an agreement, require the Secretary of DOA to resolve the matter. Direct that DNR and Commerce promulgate emergency rules without a finding of emergency. Direct Commerce and DNR to submit permanent rules to the Legislature under s. 227.19 no later than June 1, 2000. The rule changes would be:

a. Commerce and DNR would be required to promulgate joint rules specifying procedures to be used by Commerce and DNR while remedial actions are being conducted, including: (1) annual reviews that include the use of risk-based analysis; (2) annual reports by consultants estimating the additional costs that must be incurred to complete the remedial action activities in compliance with the groundwater enforcement standard; (3) a definition of "reasonable period of time" to complete remedial action by use of natural attenuation in compliance with the groundwater enforcement standards; and (4) procedures to be used in measuring contaminant concentrations for purposes of directing remedial action activities and site closure decisions in compliance with the groundwater enforcement standards.

b. Commerce and DNR would be required to promulgate joint rules to facilitate effective and cost-efficient administration of the program that specify: (1) information that must be submitted under the section, including quarterly summaries of costs incurred with respect to a discharge for which a claim is intended to be submitted but for which a final claim has not been submitted; (2) formats for submitting the information required under (1); and (3) review procedures that must be followed by DNR and Commerce staff when reviewing the information submitted under (1).

c. Commerce and DNR would be required to promulgate joint rules specifying: (1) the conditions under which Commerce and DNR employees must issue approvals of remedial

action activities; and (2) training and management procedures to ensure that employees comply with the requirements under (1).

d. DNR would be required to submit any changes required in its administrative rules necessary to implement the joint DNR and Commerce rules promulgated under (a), (b) and (c) to the Legislature under s. 227.19 no later than June 1, 2000.

15. *Financial Management.* [LFB Paper #307] Adopt Alternative D.1 to approve the Joint Audit Committee recommendations to require Commerce to make improvements to its financial management of the PECFA program. Commerce would be required, no later than the first day of the sixth month beginning after the effective date of the bill, to: (a) update its financial data base for the PECFA program to ensure that complete cost information related to each occurrence and to the annual payment to each owner or operator is readily available; (b) investigate any variances between the amount of total payments indicated by the financial data base for the PECFA program and the amount of total payments indicated by the accounts maintained by DOA to identify when the variances occurred and the reasons for the variances; and (c) make any changes in the Department's financial data base needed to ensure that the data base is consistent with the accounts maintained by DOA.

16. *Emergency Situation.* [LFB Paper #303] Require that in order to submit a PECFA claim for an emergency situation, the owner or operator must have notified DNR and Commerce of the emergency before conducting the remedial action and DNR and Commerce must have jointly authorized emergency action. Repeal the portion of the current law definition of emergency as a situation where the owner or operator acted in good faith in conducting the remedial action activities and did not willfully avoid conducting the investigation or preparing the remedial action plan.

[Change to Base: \$270 million BR, \$411,200 SEG and 3.0 SEG positions, \$112,200 PR and 2.0 PR positions]

[Change to Bill: -\$180 million BR, \$84,200 SEG, \$112,200 PR and 2.0 PR positions]

5/19 Per Kendra - Point 4, par. 2 - the procedure for Commerce rule-making should be like in Budget - 101.144(3g) - getting DOT secy. involved if necessary. Also for points 19a. to c.

W.P.O.
create
auto references

1999 - 2000 LEGISLATURE
Friday morning (5/21)

50074/P1
LRBs00281
RCT&KSH:cmh:km

SENATE SUBSTITUTE AMENDMENT #,
TO 1999 SENATE BILL 86

Note

WPOp-
Please e-mail
this to
Kendra Bondarud
at LFB

~~March 25, 1999 - Offered by JOINT COMMITTEE ON AUDIT.~~

regenerate
↓

1 **AN ACT to repeal** 101.143 (3) (g) 2.; **to renumber** 18.52 (5) (c) and 18.56 (7) and
2 (8); **to renumber and amend** 18.52 (5) (intro.), 18.52 (5) (a), 18.52 (5) (b), 18.53
3 (3), 18.56 (1), 18.56 (2) to (6), 18.56 (9) (intro.), 18.56 (9) (a) to (j), 18.56 (10),
4 18.57 (4), 18.60 (5), 25.47 and 101.143 (4) (cm); **to consolidate, renumber and**
5 **amend** 101.143 (3) (g) (intro.) and 1.; **to amend** 13.485 (2), 18.51, 18.57 (1),
6 18.58 (1), 18.60 (1), 18.60 (2), 18.61 (2), 18.61 (3) (a), 18.61 (3) (b) (intro.), 18.61
7 (3) (b) 1., 18.61 (3) (b) 3., 18.61 (3) (b) 4., 18.61 (3) (c), 18.61 (4), 20.143 (3) (v),
8 45.79 (9) (a), 84.59 (2), 85.52 (5) (c), 101.143 (3) (c) 2., 101.143 (3) (cm), 101.143
9 (3) (d), 101.143 (4) (b) (intro.), 101.143 (4) (d) 2. (intro.) and 281.59 (4) (b); **to**
10 **repeal and recreate** 18.57 (title); and **to create** 18.52 (2m) (intro.), 18.52 (7),
11 18.52 (8), 18.53 (3) (a) and (b), 18.561 (title), 18.561 (1), 18.561 (7) (title), 18.561
12 (8) (title), 18.561 (9) (k), 18.562, 18.60 (5) (a) to (c), 20.143 (3) (s), 20.143 (3) (t),
13 20.143 (3) (u), 20.143 (3) (vb), 25.47 (5), 101.143 (1) (bm), 101.143 (1) (cq),

1 101.143 (2) (h), 101.143 (2) (i), 101.143 (2) (j), 101.143 (2e), 101.143 (3) (cg),
 2 101.143 (3) (cp), 101.143 (3) (cs), 101.143 (3) (cw), 101.143 (4) (c) 10., 101.143
 3 (4) (c) 11., 101.143 (4) (c) 12., 101.143 (4) (cm) 2., 101.143 (9m) and 101.143 (11)
 4 of the statutes; **relating to:** the petroleum storage remedial action program;
 5 *authority over discharges of petroleum products;* authorizing revenue obligations to fund payment of claims under the petroleum
 6 storage remedial action program; authorizing a new type of revenue obligation;
 7 *granting an exemption from emergency rule.* granting revenue bonding authority; *procedures;* granting rule-making authority; and
 8 making appropriations.

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

9 **SECTION 1.** 13.485 (2) of the statutes is amended to read:

10 13.485 (2) The building commission may, under s. ~~18.56~~ 18.561 (5) and (9) (j)
 11 or 18.562 (3) and (5) (e), deposit in a separate and distinct fund, outside the state
 12 treasury, in an account maintained by a trustee, fees and charges derived from the
 13 facilities or from agreements entered into under sub. (4). The fees and charges
 14 deposited are the trustee's moneys in accordance with the agreement between this
 15 state and the trustee or in accordance with the resolution pledging the fees and
 16 charges to the repayment of revenue obligations issued under this section.

17 **SECTION 2.** 18.51 of the statutes is amended to read:

18 **18.51 Provisions applicable.** The following sections apply to this
 19 subchapter, except that all references to "public debt" or "debt" are deemed shall be
 20 read to refer to a "revenue obligation" and all references to "evidences of
 21 indebtedness" shall be read to refer to "evidences of revenue obligations": ss. 18.02,
 22 18.03, 18.06 (8), 18.07, 18.10 (1), (2), (4) to (9) and (11) and 18.17.

23 **SECTION 3.** 18.52 (2m) (intro.) of the statutes is created to read:

1 18.52 (2m) (intro.) “Enterprise obligation” means every undertaking by the
2 state to repay a certain amount of borrowed money that is all of the following:

3 **SECTION 4.** 18.52 (5) (intro.) of the statutes is renumbered 18.52 (5) and
4 amended to read:

5 18.52 (5) “Revenue obligation” means ~~every undertaking by the state to repay~~
6 ~~a certain amount of borrowed money which is:~~ an enterprise obligation or a special
7 fund obligation. A revenue obligation may be both an enterprise obligation and a
8 special fund obligation.

9 **SECTION 5.** 18.52 (5) (a) of the statutes is renumbered 18.52 (2m) (a) and
10 amended to read:

11 18.52 (2m) (a) Created for the purpose of purchasing, acquiring, leasing,
12 constructing, extending, expanding, adding to, improving, conducting, controlling,
13 operating or managing a revenue-producing enterprise or program;

14 **SECTION 6.** 18.52 (5) (b) of the statutes is renumbered 18.52 (2m) (b) and
15 amended to read:

16 18.52 (2m) (b) Payable solely from and secured solely by the property or income
17 or both of the enterprise or program; and,

18 **SECTION 7.** 18.52 (5) (c) of the statutes is renumbered 18.52 (2m) (c).

19 **SECTION 8.** 18.52 (7) of the statutes is created to read:

20 18.52 (7) “Special fund obligation” means every undertaking by the state to
21 repay a certain amount of borrowed money that is all of the following:

22 (a) Payable from a special fund consisting of fees, penalties or excise taxes.

23 (b) Not public debt under s. 18.01 (4).

24 **SECTION 9.** 18.52 (8) of the statutes is created to read:

1 18.52 (8) “Special fund program” means a state program or purpose with
2 respect to which the legislature has determined that financing with special fund
3 obligations is appropriate and will serve a public purpose.

4 **SECTION 10.** 18.53 (3) of the statutes is renumbered 18.53 (3) (intro.) and
5 amended to read:

6 18.53 (3) (intro.) The commission shall authorize money to be borrowed and
7 evidences of revenue obligation to be issued ~~therefor up to the amounts specified by~~
8 ~~the legislature to purchase, acquire, lease, construct, extend, expand, add to,~~
9 ~~improve, conduct, control, operate or manage such revenue-producing enterprises~~
10 ~~or programs as are specified by the legislature as the funds are required.~~ The
11 requirements for funds shall be established by the state department or agency head
12 carrying out program responsibilities for which the revenue obligations have been
13 authorized by the legislature, but shall not exceed the following:

14 **SECTION 11.** 18.53 (3) (a) and (b) of the statutes are created to read:

15 18.53 (3) (a) In the case of enterprise obligations, the amounts specified by the
16 legislature to purchase, acquire, lease, construct, extend, expand, add to, improve,
17 conduct, control, operate or manage such revenue-producing enterprises or
18 programs as are specified by the legislature.

19 (b) In the case of special fund obligations, the amount specified by the
20 legislature for such expenditures to be paid from special fund obligations.

21 **SECTION 12.** 18.56 (1) of the statutes is renumbered 18.56 and amended to read:

22 **18.56 Revenue ~~bonds~~ obligations.** The commission may authorize, for any
23 of the purposes described in s. 18.53 (3), the issuance of ~~revenue-obligation bonds~~
24 revenue obligations. The ~~bonds~~ revenue obligations shall mature at any time not
25 exceeding 50 years from the date thereof as the commission shall determine. The

1 ~~bonds~~ revenue obligations shall be payable only out of the redemption fund provided
2 under ~~sub. s. 18.561 (5) or 18.562 (3)~~ and each ~~bond~~ revenue obligation shall contain
3 on its face a statement to that effect. ~~Any such bonds~~ A revenue obligation may
4 contain a provision authorizing redemption, in whole or in part, at stipulated prices,
5 at the option of the commission and shall provide the method of redeeming the ~~bonds~~.
6 ~~The state and a contracting party may provide in any contract for purchasing or~~
7 ~~acquiring a revenue-producing enterprise or program, that payment shall be made~~
8 ~~in such bonds~~ revenue obligations.

9 SECTION 13. 18.56 (2) to (6) of the statutes are renumbered 18.561 (2) to (6) and
10 amended to read:

11 18.561 (2) SECURITY INTERESTS OF OWNERS OF ENTERPRISE OBLIGATIONS. There
12 ~~shall be~~ is a mortgage lien upon or security interest in the income and property of
13 each revenue-producing enterprise or program ~~to~~ for the benefit of the holders
14 owners of the related bonds and ~~to the holders of the coupons of the bonds~~. ~~The note~~
15 ~~or other instrument evidencing the security interest of a bondholder in a loan made~~
16 ~~or purchased with revenue obligation bonds shall constitute a statutory lien on the~~
17 revenue enterprise obligations. No physical delivery, recordation or other action is
18 required to perfect the security interest. ~~The~~ income and property of the
19 revenue-producing enterprise or program shall remain subject to the lien until
20 provision for payment in full of the principal and interest of the bonds enterprise
21 obligations has been made, as provided in the authorizing resolution. Any holder
22 owner of such ~~bonds or attached coupons~~ enterprise obligations may either at law or
23 in equity protect and enforce the lien and compel performance of all duties required
24 by this section. If there is any default in the payment of the principal or interest of
25 any of such ~~bonds~~ enterprise obligations, any court having jurisdiction of the action

1 may appoint a receiver to administer the revenue-producing enterprise or program
2 on behalf of the state and the ~~bondholders~~ owners of the enterprise obligations, with
3 power to charge and collect rates sufficient to provide for the payment of the
4 operating expenses and also to pay any ~~bonds or~~ enterprise obligations outstanding
5 against the revenue-producing enterprise or program, and to apply the income and
6 revenues thereof in conformity with this subchapter and the authorizing resolution,
7 or the court may declare the whole amount of the ~~bonds~~ enterprise obligations due
8 and payable, if such relief is requested, and may order and direct the sale of the
9 revenue-producing enterprise or program. Under any sale so ordered, the purchaser
10 shall be vested with an indeterminate permit to maintain and operate the
11 revenue-producing enterprise or program. The legislature may provide for
12 additions, extensions and improvements to a revenue-producing enterprise or
13 program to be financed by additional issues of ~~bonds~~ enterprise obligations as
14 provided by this section. Such additional issues of ~~bonds~~ enterprise obligations shall
15 be subordinate to all prior related issues of ~~bonds~~ enterprise obligations which may
16 have been made under this section, unless the legislature, in the statute authorizing
17 the initial issue of ~~bonds~~ enterprise obligations, permits the issue of additional ~~bonds~~
18 enterprise obligations on a parity therewith.

19 (3) DEDICATION OF REVENUES. As accurately as possible in advance, the
20 commission and the state department or agency carrying out program
21 responsibilities for which ~~bonds~~ enterprise obligations are to be issued shall
22 determine, and the commission shall fix in the authorizing resolution for such bonds
23 enterprise obligations: the proportion of the revenues of the revenue-producing
24 enterprise or program which shall be necessary for the reasonable and proper
25 operation and maintenance thereof; the proportion of the revenues which shall be set

1 aside as a proper and adequate replacement and reserve fund; and the proportion of
2 the revenues which shall be set aside and applied to the payment of the principal and
3 interest of the ~~bonds~~ enterprise obligations, and shall provide that the revenues be
4 set aside in separate funds. At any time after one year's operation, the state
5 department or agency and the commission may recompute the proportion of the
6 revenues which shall be assignable under this subsection based upon the experience
7 of operation or upon the basis of further financing.

8 (4) REPLACEMENT AND RESERVE FUND. The proportion set aside to the
9 replacement and reserve fund shall be available and shall be used, whenever
10 necessary, to restore any deficiency in the redemption fund for the payment of the
11 principal and interest due on ~~bonds~~ enterprise obligations and for the creation and
12 maintenance of any reserves established by the authorizing resolution to secure such
13 payments. At any time when the redemption fund is sufficient for said purposes,
14 moneys in the replacement and reserve fund may, subject to available
15 appropriations, be expended either in the revenue-producing enterprise or program
16 or in new acquisitions, constructions, extensions ~~or~~, additions, expansions or
17 improvements. Any accumulations of the replacement and reserve fund may be
18 invested as provided in this subchapter, and if invested, the income from the
19 investment shall be carried in the replacement and reserve fund.

20 (5) REDEMPTION FUND. The proportion which shall be set aside for the payment
21 of the principal and interest ~~of such bonds~~ on the enterprise obligations shall from
22 month to month as they accrue and are received, be set apart and paid into a separate
23 fund in the treasury or in an account maintained by a trustee under sub. (9) (j) to be
24 identified as "the ... redemption fund". Each redemption fund shall be expended, and
25 all moneys from time to time on hand therein are irrevocably appropriated, in sums

1 sufficient, only for the payment of principal and interest on the ~~revenue~~ enterprise
2 obligations giving rise to it and premium, if any, due upon ~~refunding~~ redemption of
3 any such obligations. Moneys in the redemption funds may be commingled only for
4 the purpose of investment with other public funds, but they shall be invested only
5 in investment instruments permitted in s. 25.17 (3) (dr). All such investments shall
6 be the exclusive property of the fund and all earnings on or income from such
7 investments shall be credited to the fund.

8 (6) REDEMPTION FUND SURPLUS. If any surplus is accumulated in any of the
9 redemption funds, subject to any contract rights vested in ~~holders~~ owners of revenue
10 enterprise obligations secured thereby, it shall be paid over to the treasury.

11 SECTION 14. 18.56 (7) and (8) of the statutes are renumbered 18.561 (7) and (8).

12 SECTION 15. 18.56 (9) (intro.) of the statutes is renumbered 18.561 (9) (intro.)
13 and amended to read:

14 18.561 (9) AUTHORIZING RESOLUTION. (intro.) The commission may provide in
15 the authorizing resolution for ~~bonds~~ enterprise obligations or by subsequent action
16 all things necessary to carry into effect this section. Any authorizing resolution shall
17 constitute a contract with the ~~holder~~ owners of any ~~bonds~~ enterprise obligations
18 issued pursuant to ~~such~~ the resolution. Any authorizing resolution may contain such
19 provisions or covenants, without limiting the generality of the power to adopt the
20 resolution, as ~~is~~ are deemed necessary or desirable for the security of ~~bondholders~~
21 the owners of enterprise obligations or the marketability of the ~~bonds~~ enterprise
22 obligations, including ~~but not limited to~~ provisions as to:

23 SECTION 16. 18.56 (9) (a) to (j) of the statutes are renumbered 18.561 (9) (a) to
24 (j), and 18.561 (9) (i) and (j), as renumbered, are amended to read:

25 18.561 (9) (i) Issuance of additional ~~bonds~~ enterprise obligations.

1 (j) Deposit of the proceeds of the sale of the bonds enterprise obligations or
2 revenues of the revenue-producing enterprise or program in trust, including the
3 appointment of depositories or trustees.

4 SECTION 17. 18.56 (10) of the statutes is renumbered 18.561 (10) and amended
5 to read:

6 18.561 (10) SINKING FUND. The authorizing resolution may set apart bonds
7 enterprise obligations the par value of which are equal to the principal amount of any
8 secured obligation or charge subject to which a revenue-producing enterprise or
9 program is to be purchased or acquired, and shall set aside in a sinking fund from
10 the income of the revenue-producing enterprise or program, a sum sufficient to
11 comply with the requirements of the instrument creating the security, ~~or if interest.~~
12 If the instrument does not make any provision ~~therefor~~ for a sinking fund, the
13 resolution shall fix and determine the amount ~~which~~ that shall be set aside into ~~such~~
14 the sinking fund from month to month for interest on the secured obligation or
15 charge, and a fixed amount or proportion not exceeding a stated sum, which shall be
16 not less than one percent of the principal, to be set aside into the fund to pay the
17 principal of the secured obligation or charge. Any balance in the fund after satisfying
18 the secured obligations or charge, shall be transferred to the redemption fund. ~~Bonds~~
19 Enterprise obligations set aside for the secured obligation or charge may, from time
20 to time, be issued to an amount sufficient with the amount then in the sinking fund,
21 to pay and retire the secured obligation or charge or any portion thereof. The bonds
22 enterprise obligation may be issued in exchange for or satisfaction of the secured
23 obligation or charge, or may be sold in the manner provided in this subchapter, and
24 the proceeds applied in payment of the same at maturity or before maturity by
25 agreement with the ~~holder~~ owner of the secured obligation or charge. The

1 commission and the owners of any revenue-producing enterprise or program
2 acquired or purchased may, upon such terms and conditions as are satisfactory,
3 contract that ~~bonds~~ enterprise obligations to provide for the discharge of the secured
4 obligation or charge, or for the whole purchase price shall be deposited with a trustee
5 or depository and released from the deposit from time to time on such terms and
6 conditions as are necessary to secure the payment of the secured obligation or charge.

7 **SECTION 18.** 18.561 (title) of the statutes is created to read:

8 **18.561 (title) Enterprise obligations.**

9 **SECTION 19.** 18.561 (1) of the statutes is created to read:

10 **18.561 (1) PAYMENT WITH REVENUE OBLIGATIONS.** The state and a contracting
11 party may provide, in any contract for purchasing or acquiring a revenue-producing
12 enterprise or program, that payment shall be made in revenue obligations.

13 **SECTION 20.** 18.561 (7) (title) of the statutes is created to read:

14 **18.561 (7) (title) PAYMENT FOR SERVICES.**

15 **SECTION 21.** 18.561 (8) (title) of the statutes is created to read:

16 **18.561 (8) (title) RATES FOR SERVICES.**

17 **SECTION 22.** 18.561 (9) (k) of the statutes is created to read:

18 **18.561 (9) (k) Defeasance of the obligations.**

19 **SECTION 23.** 18.562 of the statutes is created to read:

20 **18.562 Special fund obligations. (1) SECURITY INTEREST IN SPECIAL FUND.**

21 There is a security interest, for the benefit of the owners of the special fund
22 obligations, in the amounts that arise after the creation of the special fund program
23 in the special fund related to the special fund obligations. For this purpose, amounts
24 in the special fund shall be accounted for on a first-in, first-out basis. No physical
25 delivery, recordation or other action is required to perfect the security interest. The

1 special fund shall remain subject to the security interest until provision for payment
2 in full of the principal and interest of the special fund obligations has been made, as
3 provided in the authorizing resolution. An owner of special fund obligations may
4 either at law or in equity protect and enforce the security interest and compel
5 performance of all duties required by this section.

6 (2) USE OF SPECIAL FUND MONEYS. The commission and the state agency carrying
7 out the special fund program responsibilities shall jointly determine, and the
8 commission shall fix in the authorizing resolution for the obligations, the conditions
9 under which money in the special fund shall be set aside and applied to the payment
10 of the principal and interest of the obligations, deposited in funds established under
11 the authorizing resolution or made available for other purposes.

12 (3) REDEMPTION FUND. The special fund revenues that are to be set aside for the
13 payment of the principal and interest of the special fund obligations shall be paid into
14 a separate fund in the treasury or in an account maintained by a trustee under sub.
15 (5) (e) to be identified as “the ... redemption fund”. Each redemption fund shall be
16 expended, and all moneys from time to time on hand therein are irrevocably
17 appropriated, in sums sufficient, only for the payment of principal and interest on
18 the special fund obligations giving rise to it and premium, if any, due upon
19 redemption of any such obligations. Moneys in the redemption funds may be
20 commingled only for the purpose of investment with other public funds, but they
21 shall be invested only in investment instruments permitted in s. 25.17 (3) (dr). All
22 such investments shall be the exclusive property of the fund and all earnings on or
23 income from such investments shall be credited to the fund.

1 (4) SURPLUS. If any surplus is accumulated in any of the redemption funds,
2 subject to contract rights vested in the owners of special fund obligations secured
3 thereby, it shall be paid over to the treasury.

4 (5) AUTHORIZING RESOLUTION. The commission may provide in the authorizing
5 resolution for special fund obligations or by subsequent action all things necessary
6 to carry into effect this section. Any authorizing resolution shall constitute a
7 contract with the owners of any special fund obligations issued pursuant to the
8 resolution. An authorizing resolution may contain such provisions or covenants,
9 without limiting the generality of the power to adopt the resolution, as are deemed
10 necessary or desirable for the security of owners of the obligations or the
11 marketability of the obligations, including provisions as to:

12 (a) Employment of consultants.

13 (b) Records and accounts.

14 (c) Establishment of reserve or other funds.

15 (d) Issuance of additional obligations.

16 (e) Deposit of the proceeds of the sale of the obligations or revenues of the
17 special fund in trust, including the appointment of depositories or trustees.

18 (f) Defeasance of the obligations.

19 **SECTION 24.** 18.57 (title) of the statutes is repealed and recreated to read:

20 **18.57 (title) Funds established for revenue obligations.**

21 **SECTION 25.** 18.57 (1) of the statutes is amended to read:

22 18.57 (1) A separate and distinct fund shall be established in the state treasury
23 or in an account maintained by a trustee under s. ~~18.56~~ 18.561 (9) (j) with respect to
24 each revenue-producing enterprise or program the income from which is to be
25 applied to the payment of any revenue enterprise obligation. A separate and distinct

1 fund shall be established in the state treasury or in an account maintained by a
2 trustee under s. 18.562 (5) (e) with respect to any special fund that is created by the
3 imposition of fees, penalties or excise taxes and is applied to the payment of special
4 fund obligations. All moneys resulting from the issuance of evidences of revenue
5 obligation shall be credited to the appropriate fund or applied for refunding or note
6 renewal purposes, except that moneys which represent premium or accrued interest
7 received on the issuance of evidences shall be credited to the appropriate redemption
8 fund.

9 **SECTION 26.** 18.57 (4) of the statutes is renumbered 18.57 (4) (intro.) and
10 amended to read:

11 18.57 (4) (intro.) If, after all outstanding related revenue obligations have been
12 paid or payment provided for, moneys remain in ~~any such a fund, they created under~~
13 sub. (1), all of the following shall occur:

14 (a) If the fund created under sub. (1) is in an account maintained by a trustee
15 under s. 18.561 (9) (j) or 18.562 (5) (e), the moneys shall be paid over to the treasury
16 and the.

17 (b) The fund created under sub. (1) shall be closed.

18 **SECTION 27.** 18.58 (1) of the statutes is amended to read:

19 18.58 (1) MANAGEMENT OF FUNDS AND RECORDS. All funds established under this
20 subchapter which are deposited in the state treasury shall be managed as provided
21 by law for other state funds, subject to any contract rights vested in ~~holders~~ owners
22 of evidences of revenue obligation secured by such fund. The department of
23 administration shall maintain full and correct records of each fund. The legislative
24 audit bureau shall audit each fund as of January 1 of each year reconciling all
25 transactions and showing the fair market value of all property on hand. All records

1 and audits shall be public documents. All funds established under this subchapter
2 which are deposited with a trustee under s. ~~18.56~~ 18.561 (9) (j) or 18.562 (5) (e) shall
3 be managed in accordance with resolutions authorizing the issuance of revenue
4 obligations, agreements between the commission and the trustee and any contract
5 rights vested in ~~holders of evidence~~ owners of revenue obligations secured by such
6 fund.

7 **SECTION 28.** 18.60 (1) of the statutes is amended to read:

8 18.60 (1) The commission may authorize, for any one or more of the purposes
9 described in s. 18.53 (1), the issuance of revenue–obligation refunding bonds.
10 Refunding bonds may be issued, subject to any contract rights vested in ~~holders~~
11 owners of bonds or notes being refinanced, to refinance more than one issue of bonds
12 or notes notwithstanding that the bonds or notes may have been issued at different
13 times for different purposes and may be secured by the property or income of more
14 than one enterprise or program or may be public debt or building–corporation
15 indebtedness. The principal amount of refunding bonds shall not exceed the sum of:
16 the principal amount of the bonds or notes being refinanced; applicable redemption
17 premiums; unpaid interest on the bonds or notes to the date of delivery or exchange
18 of the refunding bonds; in the event the proceeds are to be deposited in trust as
19 provided in sub. (3), interest to accrue on the bonds or notes from the date of delivery
20 to the date of maturity or to the redemption date selected by the commission,
21 whichever is earlier; and the expenses incurred in the issuance of the refunding
22 bonds and the payment of the bonds or notes. A determination by the commission
23 that a refinancing is advantageous or that any of the amounts provided in the
24 preceding sentence should be included in the refinancing shall be conclusive.

25 **SECTION 29.** 18.60 (2) of the statutes is amended to read:

1 18.60 (2) If the commission determines to exchange refunding bonds, they may
2 be exchanged privately for and in payment and discharge of any of the outstanding
3 bonds or notes being refinanced. Refunding bonds may be exchanged for a like or
4 greater principal amount of the bonds or notes being exchanged therefor except that
5 the principal amount of the refunding bonds may exceed the principal amount of the
6 bonds or notes being exchanged therefor only to the extent determined by the
7 commission to be necessary or advisable to pay redemption premiums and unpaid
8 interest to the date of exchange not otherwise provided for. The holders ~~owners~~ of
9 the bonds or notes being refunded who elect to exchange need not pay accrued
10 interest on the refunding bonds if and to the extent that interest is accrued and
11 unpaid on the bonds or notes being refunded and to be surrendered. If any of the
12 bonds or notes to be refinanced are to be called for redemption, the commission shall
13 determine which redemption dates shall be used, if more than one date is applicable
14 and shall, prior to the issuance of the refunding bonds, provide for notice of
15 redemption to be given in the manner and at the times required by the proceedings
16 authorizing the outstanding bonds or notes.

17 **SECTION 30.** 18.60 (5) of the statutes is renumbered 18.60 (5) (intro.) and
18 amended to read:

19 18.60 (5) (intro.) All of the following provisions of s. 18.56 that are not
20 inconsistent with the express provisions of this section shall apply to refunding
21 bonds, except that the maximum permissible term shall be 50 years from the date
22 of original issue of the oldest note or bond issue being refunded.:

23 **SECTION 31.** 18.60 (5) (a) to (c) of the statutes are created to read:

24 18.60 (5) (a) Section 18.56.

25 (b) In the case of enterprise obligations, s. 18.561.

1 (c) In the case of special fund obligations, s. 18.562.

2 SECTION 32. 18.61 (2) of the statutes is amended to read:

3 18.61 (2) The state pledges and agrees with the holders owners of any evidences
4 of revenue ~~obligation~~ obligations that the state will not limit or alter its powers to
5 fulfill the terms of any agreements made with the holders owners or in any way
6 impair the rights and remedies of the holders owners until the revenue obligations,
7 together with interest including interest on any unpaid instalments of interest, and
8 all costs and expenses in connection with any action or proceeding by or on behalf of
9 the holders owners, are fully met and discharged. The commission may include this
10 pledge and agreement of the state in any agreement with the holders ~~of notes or~~
11 ~~bonds and in any evidence~~ owners of revenue obligation.

12 SECTION 33. 18.61 (3) (a) of the statutes is amended to read:

13 18.61 (3) (a) If the state fails to pay any revenue obligation in accordance with
14 its terms, and default continues for a period of 30 days or if the state fails or refuses
15 to comply with this subchapter or defaults in any agreement made with the holders
16 owners of any issue of revenue obligations, the holders owners of 25% in aggregate
17 principal amount of the revenue obligations of the issue then outstanding by
18 instrument recorded in the office of the register of deeds of Dane county and approved
19 or acknowledged in the same manner as a deed to be recorded may appoint a trustee
20 to represent the holders owners of the ~~notes or bonds~~ revenue obligations for the
21 purposes specifically provided in the instrument.

22 SECTION 34. 18.61 (3) (b) (intro.) of the statutes is amended to read:

23 18.61 (3) (b) (intro.) The trustee may, and upon written request of the holders
24 owners of 25% in aggregate principal amount of the revenue obligations of the issue
25 then outstanding shall, in the trustee's own name:

1 **SECTION 35.** 18.61 (3) (b) 1. of the statutes is amended to read:

2 18.61 (3) (b) 1. By action or proceeding, enforce all rights of all ~~holders~~ owners
3 of the issue of revenue obligations, including the right to require the state to collect
4 enterprise or program income adequate to carry out any agreement as to, or pledge
5 of, such income and to require the state to carry out any other agreements with the
6 ~~holders~~ owners of the revenue obligations and to perform its duties under this
7 subchapter;

8 **SECTION 36.** 18.61 (3) (b) 3. of the statutes is amended to read:

9 18.61 (3) (b) 3. By action, require the state to account as if it were the trustee
10 of an express trust for the ~~holders~~ owners of the revenue obligations;

11 **SECTION 37.** 18.61 (3) (b) 4. of the statutes is amended to read:

12 18.61 (3) (b) 4. By action, enjoin any acts or things which may be unlawful or
13 in violation of the rights of the ~~holders~~ owners of the revenue obligations; and

14 **SECTION 38.** 18.61 (3) (c) of the statutes is amended to read:

15 18.61 (3) (c) The trustee shall have all of the powers necessary or appropriate
16 for the exercise of any functions specifically set forth in this subchapter or incident
17 to the general representation of the ~~holders~~ owners of revenue obligations in the
18 enforcement and protection of their rights.

19 **SECTION 39.** 18.61 (4) of the statutes is amended to read:

20 18.61 (4) Any public officer or public employe, as defined in s. 939.22 (30), and
21 the surety on the person's official bond, or any other person participating in any
22 direct or indirect impairment of any fund established under this subchapter, shall
23 be liable in any action brought by the attorney general in the name of the state, or
24 by any taxpayer of the state, or by the ~~holder of any evidence~~ owner of revenue

INSERT 18-2

91 Section # CR; 20.143 (3) (Lm)

91 20.143 (3) (Lm) ^(B) ^(E) Petroleum storage remedial action fees.

All moneys received under s. 101.143^v(2) (L) for
the administration of ss. 101.143 and 101.144.

(END OF INSERT)

1 obligation payable in whole or in part, directly or indirectly, out of such fund, to
2 restore to the fund all diversions from the fund.

✓
Insert
18-2

3 SECTION 40. 20.143 (3) (s) of the statutes is created to read:

4 20.143 (3) (s) *Petroleum inspection fund — revenue obligation proceeds.* As a
5 continuing appropriation, all proceeds from revenue obligations that are issued
6 under subch. II or IV of ch. 18, authorized under s. 101.143 (9m) and deposited in a
7 fund in the state treasury created under s. 18.57 (1), to provide for reserves and for
8 expenses of issuance and management of the revenue obligations, and the remainder
9 to be transferred to the petroleum inspection fund for the purposes of the petroleum
10 storage remedial action program under s. 101.143. Estimated disbursements under
11 this paragraph shall not be included in the schedule under s. 20.005.

12 SECTION 41. 20.143 (3) (t) of the statutes is created to read:

13 20.143 (3) (t) *Petroleum inspection fund — revenue obligation repayment.* From
14 the petroleum inspection fund, a sum sufficient to repay the fund in the state
15 treasury created under s. 18.57 (1) the amount needed to retire revenue obligations
16 issued under subch. II or IV of ch. 18, as authorized under s. 101.143 (9m).

17 SECTION 42. 20.143 (3) (u) of the statutes is created to read:

Insert
18-15

18 20.143 (3) (u) *Revenue obligation debt service — petroleum inspection fund.*

19 From the fund in the state treasury created under s. 18.57 (1), all moneys received
20 by the fund for the purpose of the retirement of revenue obligations, providing for
21 reserves and for operations relating to the management and retirement of revenue
22 obligations issued under subch. II or IV of ch. 18, as authorized under s. 101.143 (9m).
23 All moneys received by the fund are irrevocably appropriated in accordance with
24 subch. II of ch. 18 and further established in resolutions authorizing the issuance of
25 the revenue obligations and setting forth the distribution of funds to be received

1 thereafter. Estimated disbursements under this paragraph shall not be included in
2 the schedule under s. 20.005.

3 SECTION 43. 20.143 (3) (v) of the statutes is amended to read:

4 20.143 (3) (v) *Petroleum storage environmental remedial action; awards.*

5 Biennially, from the petroleum inspection fund, the amounts in the schedule to pay

6 awards under s. 101.143 and, legal costs incurred under s. 101.143 (7m), amounts

7 to reduce principal of outstanding revenue obligations issued pursuant to s. 101.143

8 (9m) and, if the department promulgates rules under s. 101.143 (2) ^(em) 1. to purchase,

9 or provide funding to purchase, insurance described in s. 101.143 (2) ^(em) 2.

10 SECTION 44. 20.143 (3) (vb) of the statutes is created to read:

11 20.143 (3) (vb) *Petroleum storage environmental remedial action revenue*

12 *bonding; awards.* From the petroleum inspection fund, a sum sufficient not to exceed

13 the net proceeds of special fund obligations issued pursuant to s. 101.143 (9m) to pay

14 awards under s. 101.143 (4) and legal costs incurred under s. 101.143 (7m).

15 Estimated disbursements under this paragraph shall not be included in the schedule

16 under s. 20.005.

17 SECTION 45. 25.47 of the statutes is renumbered 25.47 (intro.) and amended

18 to read:

19 **25.47 Petroleum inspection fund.** (intro.) There is established a separate

20 nonlapsible trust fund designated as the petroleum inspection fund, to consist of the:

21 (1) The fees imposed under s. 168.12 (1), the,

22 (2) The payments under s. 101.143 (4) (h) 1m., the

23 (3) The payments under s. 101.143 (5) (a) and the,

24 (4) The net recoveries under s. 101.143 (5) (c).

25 SECTION 46. 25.47 (5) of the statutes is created to read:

(9) Section #. (R; 25.47 (1m)
25.47 (1m) Any fees imposed under s. 101.143 (2) (em) 1

LFB:..... Banderud - Minor PECFA Bonding Changes
FOR 1999-01 BUDGET -- NOT READY FOR INTRODUCTION
LFB AMENDMENT
TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45

1

At the locations indicated, amend the bill as follows:

Insert 2
18-15
3

1. Page 382, line 15: after "(1)" insert "or the separate and distinct fund outside the state treasury under s. 18.562 (3) and (5) (e)".

no 9

Insert 4
20-2
5

2. Page 501, line 2: after that line insert:

SECTION 25.47 (6) of the statutes is created to read:

6

25.47 (6) The net proceeds of revenue obligations issued under s. 101.143 (9m)

7

that are transferred from a separate and distinct fund outside the state treasury, in

8

an account maintained by a trustee, under s. 18.562 (3) and (5) (e).

9

(END) of insert 20-2

#

1 25.47 (5) The moneys transferred from the appropriation account under s.
2 20.143 (3) (s). *insert 20-2*

3 **SECTION 47.** 45.79 (9) (a) of the statutes is amended to read:

4 45.79 (9) (a) All moneys received from any source for repayment of loans,
5 mortgages or mortgage loan notes funded with proceeds of revenue obligations
6 issued under sub. (6) (c) shall be deposited into one or more separate nonlapsible
7 trust funds in the state treasury or with a trustee as provided in s. ~~18.56~~ 18.561 (9)
8 (j) or 18.562 (5) (e). The board may pledge revenues received by the funds to secure
9 revenue obligations issued under sub. (6) (c) and shall have all other powers
10 necessary and convenient to distribute the proceeds of the revenue obligations and
11 loan repayments in accordance with subch. II of ch. 18. Unrestricted balances in the
12 funds may be used to fund additional loans issued under sub. (6) (c) and pay the
13 balances owing on loans after the assumptions of the loans or the closings of the sales
14 of residences under sub. (10) (c).

15 **SECTION 48.** 84.59 (2) of the statutes is amended to read:

16 84.59 (2) The department may, under s. ~~18.56~~ 18.561 (5) and (9) (j) or 18.562
17 (3) and (5) (e), deposit in a separate and distinct fund outside the state treasury, in
18 an account maintained by a trustee, revenues derived under s. 341.25. The revenues
19 deposited are the trustee's revenues in accordance with the agreement between this
20 state and the trustee or in accordance with the resolution pledging the revenues to
21 the repayment of revenue obligations issued under this section.

22 **SECTION 49.** 85.52 (5) (c) of the statutes is amended to read:

23 85.52 (5) (c) The department of administration may, under s. ~~18.56~~ 18.561 (5)
24 and (9) (j) or 18.562 (3) and (5) (e), deposit in a separate and distinct fund in the state
25 treasury or in an account maintained by a trustee outside the state treasury, any

Insert 21-12

1 ~~25.47 (1m) Any fees imposed under s. 101.143 (2) (i).~~

~~****NOTE: This is reconciled s. 25.47 (1m). This SECTION has been affected by drafts with the following LRB numbers: LRB-1668 and LRB-1432.~~

2 SECTION 2. 101.143 (2) ^(em) of the statutes is created to read:

3 101.143 (2) ^(em) 1. The department may promulgate rules that specify a fee that
4 must be paid by a service provider as a condition of submitting a bid to conduct an
5 activity under sub. (3) (c) for which a claim for reimbursement under this section will
6 be submitted. Any fees collected under the rules shall be deposited ^{to} in the petroleum
7 inspection fund.

8 2. If the department promulgates rules under subd. 1., the department may
9 purchase, or provide funding for the purchase of, insurance to cover the amount by
10 which the costs of conducting activities under sub. (3) (c) exceed the amount bid to
11 conduct those activities.

12 (END) *f mce A*

1 portion of the revenues derived under s. 25.405 (2). The revenues deposited with a
2 trustee outside the state treasury are the trustee's revenues in accordance with the
3 agreement between this state and the trustee or in accordance with the resolution
4 pledging the revenues to the repayment of revenue obligations issued under this
5 subsection.

6 **SECTION 50.** 101.143 (1) (bm) of the statutes is created to read:

7 101.143 (1) (bm) "Enforcement standard" has the meaning given in s. 160.01
8 (2).

9 **SECTION 51.** 101.143 (1) (cq) of the statutes is created to read:

10 101.143 (1) (cq) "Natural attenuation" means the reduction in the
11 concentration and mass of a substance, and the products into which the substance
12 breaks down, due to naturally occurring physical, chemical and biological processes.

13 **SECTION 52.** 101.143 (2) (h) of the statutes is created to read:

14 101.143 (2) (h) The department of commerce, ~~in consultation with~~ ^{and} the
15 department of natural resources, ^{jointly,} shall promulgate rules designed to facilitate
16 effective and cost-efficient administration of the program under this section that
17 specify all of the following:

18 1. Information that must be submitted under this section, including quarterly
19 summaries of costs incurred with respect to a discharge for which a claim is intended
20 to be submitted under sub. (3) but for which a final claim has not been submitted.

21 2. Formats for submitting the information under subd. 1.

22 3. Review procedures that must be followed by employees of the department of
23 natural resources and the department of commerce in reviewing the information
24 ^{submitted} under subd. 1.

25 **SECTION 53.** 101.143 (2) (i) of the statutes is created to read:

1 101.143 (2) (i) The department of commerce, ~~in consultation with~~ ^{and} the
 2 department of natural resources, ^{jointly} shall promulgate rules specifying procedures for
 3 evaluating remedial action ~~under sub. (3) (c) 3.~~ ^{plans and procedures} to be used by employes of the
 4 department of commerce and the department of natural resources while remedial

5 actions are being conducted. The department ~~of commerce~~ shall specify procedures
 6 that include all of the following ~~for ongoing remedial actions:~~ ^{in the rules promulgated}

7 1. Annual reviews that include application of the method ⁽⁶⁾ under sub. (2e) ⁽⁶⁾ to
 8 determine the risk posed by discharges that are the subject of the remedial actions.

9 2. Annual reports by consultants estimating the additional costs that must be
 10 incurred to comply with sub. (3) (c) 3. and with enforcement standards.

✓
Insert
22-10

11 SECTION 54. 101.143 (2) (j) of the statutes is created to read:

12 101.143 (2) (j) The department of commerce, ~~in consultation with~~ ^{and} the
 13 department of natural resources, ^{jointly} shall promulgate rules specifying all of the
 14 following:

15 1. The conditions under which employes of the department of commerce and
 16 the department of natural resources must issue approvals under sub. (3) (c) 4.

17 2. Training and management procedures to ensure that employes comply with
 18 the requirements under subd. 1.

✓
Insert
22-18

19 SECTION 55. 101.143 (2e) of the statutes is created to read:

20 101.143 (2e) RISK-BASED ANALYSIS. (a) The department of commerce ~~in~~

21 ~~consultation with~~ ^{and} the department of natural resources, shall ~~promulgate rules~~

22 ~~specifying~~ ^{attempt to agree on a} a method, which shall include consideration of the routes for migration of
 23 petroleum product contamination, for determining the risk to public health, safety
 24 and welfare and to the environment posed by discharges for which the department
 of commerce receives notification under sub. (3) (a) 3.

✓
Insert
22-25

1 (e) ~~the~~ The department of natural resources or, if the discharge is covered under
 2 s. 101.144 (2) (b), the department of commerce shall apply the method ^{in the rules promulgated} under par. ~~(e)~~ (b)
 3 to determine the risk posed by a discharge for which the department of commerce
 4 receives notification under sub. (3) (a) 3.

5 SECTION 56. 101.143 (3) (c) 2. of the statutes is amended to read:

6 101.143 (3) (c) 2. Prepare a remedial action plan that identifies specific
 7 remedial action activities proposed to be conducted under subd. 3. and submit the
 8 remedial action plan to the department.

9 SECTION 57. 101.143 (3) (cg) of the statutes is created to read:

10 101.143 (3) (cg) *Approval to begin remedial action.* 1. Except as provided in
 11 subds. 2. and 3., to be eligible for an award under sub. (4) an owner or operator may
 12 not begin remedial action under par. (c) 3. with respect to a discharge without the
 13 approval of the department of commerce and the department of natural resources.
 14 The department of commerce and the department of natural resources shall jointly
 15 determine when it is appropriate to begin remedial action with respect to a discharge
 16 based on the determination of risk under sub. (2e) (b) for the discharge and the
 17 availability of funds to pay awards under sub. (4).

18 2. Subdivision 1. does not apply if the discharge is from a home oil tank system,
 19 a petroleum product storage system that is described in sub. (4)(ei) 1. or a petroleum
 20 product storage system that is owned by a school district and that is used for storing
 21 heating oil for consumptive use on the premises where stored.

22 3. Subdivision 1. does not apply to remedial action in response to an emergency
 23 if par. (g) applies.

1 4. Notwithstanding s. 292.11 (3) and (7) (c), an owner or operator to whom subd.
 2 1. applies is not required to begin remedial action under par. (c) 3, until the owner
 3 or operator receives approval under subd. 1.

4 SECTION 58. 101.143 (3) (cm) of the statutes is amended to read:

5 101.143 (3) (cm) *Monitoring as remedial action.* An owner or operator or person
 6 owning a home oil tank system may, with the approval of the department of natural
 7 resources or, if the discharge is covered under s. 101.144 (2) (b), the department of
 8 commerce, satisfy the requirements of par. (c) 2. and 3. by proposing and
 9 implementing monitoring to ensure the effectiveness of the natural process of
 10 degradation attenuation of petroleum product contamination.

11 SECTION 59. 101.143 (3) (cp) of the statutes is created to read:

12 101.143 (3) (cp) *Bidding process.* 1. Except as provided in subds. 2. to ^{5.} if the
 13 department of natural resources or, if the site is covered under s. 101.144 (2) (b), the
 14 department of commerce estimates that the cost to complete a site investigation,
 15 remedial action plan and remedial action for an occurrence exceeds ^{\$80,000} \$60,000 the
 16 department of commerce shall implement a competitive public bidding process to
 17 obtain information to assist in making the determination under par. (cs). *requirement*

18 2. The department of commerce ^{or the department of natural resources} may ~~not implement~~ *waive* the ~~process~~ *requirement* under subd.

19 1. if an enforcement standard is exceeded in groundwater within 1,000 feet of a well
 20 operated by a public utility, as defined in s. 196.01 (5), or within 100 feet of any other
 21 well used to provide water for human consumption.

22 4. ~~The~~ ^{or the department of natural resources may} department of commerce may ~~not implement~~ *waive the requirement* the process under subd.

23 1. ~~if the department of natural resources waives the requirement~~ on the grounds that
 24 waiver is necessary in an emergency to prevent or mitigate an imminent hazard to
 25 public health, safety or welfare or to the environment.

✓
Insert
24-10

✓
Insert
24-21

or the department of natural resources

① ~~5.~~ The department of commerce may ^{*waive*} ~~not implement~~ the ^{*requirement*} ~~process~~ under subd.

② 1. ~~the secretary of natural resources waives the requirement~~ after providing notice

③ to the ~~secretary of commerce~~ ^{*other department*}

Insert
25-3 →

SECTION 60. 101.143 (3) (cs) of the statutes is created to read:

5 101.143 (3) (cs) *Determination of least costly method of remedial action.* 1. The

6 department of commerce shall review the remedial action plan for a site that is

⑦ classified as low or medium ~~priority~~ ^{*risk*} under s. 101.144 ~~and~~ and shall determine the

8 least costly method of complying with par. (c) 3. and with enforcement standards.

9 The department shall notify the owner or operator of its determination of the least

10 costly method and shall notify the owner or operator that reimbursement for

11 remedial action under this section is limited to the amount necessary to implement

12 that method.

⑬ 2. The department of natural resources and the department of commerce shall

⑭ review the remedial action plan for a site that is classified as high ~~priority~~ ^{*risk*} under s.

⑮ 101.144 ~~and~~ and shall jointly determine the least costly method of complying with

16 par. (c) 3. and with enforcement standards. The departments shall notify the owner

⑰ or operator of their determination of the least costly method and shall notify the

⑱ owner or operator that reimbursement for remedial action under this section is

⑲ limited to the amount necessary to implement that method.

⑳ 3. In making determinations under subd. 1. ~~and 2.~~ ^{*1.*} the department of natural

㉑ resources ~~and~~ and the department of commerce shall determine whether natural

22 attenuation will achieve compliance with par. (c) 3. and with enforcement standards.

Insert
25-22 →

SECTION 61. 101.143 (3) (cw) of the statutes is created to read:

24 101.143 (3) (cw) *Annual reviews.* 1. The department of commerce shall conduct

25 the annual review required under sub. (2) (i) 1. for a site that is classified as low or

1 medium ~~priority~~^{✓ risk} under s. 101.144 ~~(c)(4)~~ and shall determine the least costly method
 2 of completing remedial action at the site in order to comply with par. (c) 3. and with
 3 enforcement standards. The department shall notify the owner or operator of its
 4 determination of the least costly method and shall notify the owner or operator that
 5 reimbursement under this section for any remedial action conducted after the date
 6 of the notice is limited to the amount necessary to implement that method.

7 2. The department of natural resources and the department of commerce shall
 8 conduct the annual review required under sub. (2) [✓](i) 1. for a site that is classified as
 9 high ~~priority~~^{risk} under s. 101.144 ~~(c)(4)~~ and shall jointly determine the least costly
 10 method of completing remedial action at the site in order to comply with par. (c) 3.
 11 and with enforcement standards. The departments shall notify the owner or
 12 operator of their determination of the least costly method and shall notify the owner
 13 or operator that reimbursement under this section for remedial action conducted
 14 after the date of the notice is limited to the amount necessary to implement that
 15 method.

16 3. In making determinations under subs. 1. and 2., the department of natural
 17 resources and the department of commerce shall determine whether natural
 18 attenuation will achieve compliance with par. (c) 3. and with enforcement standards.

✓
Insert
26-18 →

SECTION 62. 101.143 (3) (d) of the statutes is amended to read:

20 101.143 (3) (d) *Review of site investigations, remedial action plans and Final*
 21 *review of remedial action activities.* ~~The department of natural resources or, if the~~
 22 ~~discharge is covered under s. 101.144 (2) (b), the department of commerce shall, at~~
 23 ~~the request of the claimant, review the site investigation and the remedial action~~
 24 ~~plan and advise the claimant on the adequacy of proposed remedial action activities~~
 25 ~~in meeting the requirements of s. 292.11. The advice is not an approval of the~~

1 remedial action activities. The department of natural resources or, if the discharge
2 is covered under s. 101.144 (2) (b), the department of commerce shall complete a final
3 review of the remedial action activities within 60 days after the claimant notifies the
4 appropriate department that the remedial action activities are completed.

5 SECTION 63. 101.143 (3) (g) (intro.) and 1. of the statutes are consolidated,
6 renumbered 101.143 (3) (g) and amended to read:

7 101.143 (3) (g) *Emergency situations.* Notwithstanding pars. (a) 3. and (c) 1.
8 and 2., an owner or operator or the person may submit a claim for an award under
9 sub. (4) after notifying the department under par. (a) 3., without completing an
10 investigation under par. (c) 1. and without preparing a remedial action plan under
11 par. (c) 2. if any of the following apply: 1. ~~An an~~ emergency existed which made the
12 investigation under par. (c) 1. and the remedial action plan under par. (c) 2.
13 inappropriate and, before conducting remedial action, the owner or operator or
14 person notified ^{the department of commerce and} the department of natural resources of the emergency and the
15 ~~department of commerce and the~~ department of natural resources authorized emergency action.

16 SECTION 64. 101.143 (3) (g) 2. of the statutes is repealed.

17 SECTION 65. 101.143 (4) (b) (intro.) of the statutes is amended to read:

18 101.143 (4) (b) *Eligible costs.* (intro.) ~~Eligible~~ Except as provided in par. (c),
19 eligible costs for an award under par. (a) include actual costs or, if the department
20 establishes a schedule usual and customary cost under par. (cm) for an item, usual
21 and customary costs for the following items only:

✓
Insert
27.21

22 ~~SECTION 66. 101.143 (4) (c) 10. of the statutes is created to read:~~
23 ~~101.143 (4) (c) 10. Costs incurred with respect to a discharge if sub. (3) (cg) 1.~~
24 ~~applies and remedial action is begun before approval is given under sub. (3) (cg) 1.~~

25 SECTION 67. 101.143 (4) (c) 11. of the statutes is created to read:

For a site that is classified as low or medium risk under s. 101.143,

1 101.143 (4) (c) 11. ~~Costs~~ *Costs* that exceed the amount necessary to comply with sub.

2 (3) (c) 3. and with enforcement standards using the least costly method *subject to par. (b) 16*

3 SECTION 68. 101.143 (4) (c) 12. of the statutes is created to read:

4 101.143 (4) (c) 12. Costs that are incurred after the date of a notice under sub.

5 (3) (cw) 1. ~~Costs~~ and that exceed the amount necessary to comply with sub. (3) (c) 3.

6 and with enforcement standards using the method specified in the notice *subject to par. (b) 16*

7 SECTION 69. 101.143 (4) (cm) of the statutes is renumbered 101.143 (4) (cm) 1.

8 and amended to read:

9 101.143 (4) (cm) 1. The department ~~may~~ shall establish a schedule of usual and
10 customary costs for ~~any~~ items under par. (b) ~~and may~~ that are commonly associated
11 with claims under this section. The department shall use that schedule to determine
12 the amount of a claimant's eligible costs for an occurrence for which a competitive
13 bidding process is not used, except in circumstances under which higher costs must
14 be incurred to comply with sub. (3) (c) 3. and with enforcement standards. For an
15 occurrence for which a competitive bidding process is used, the department may not
16 use the schedule. In the schedule, the department shall specify the maximum
17 number of reimbursable hours for particular tasks and the maximum reimbursable
18 hourly rates for those tasks. The department shall use methods of data collection and
19 analysis that enable the schedule to be revised to reflect changes in actual costs. This
20 subdivision does not apply after June 30, 2001.

21 SECTION 70. 101.143 (4) (cm) 2. of the statutes is created to read:

22 101.143 (4) (cm) 2. The department may establish a schedule of usual and
23 customary costs for any items under par. (b) and may use that schedule to determine
24 the amount of a claimant's eligible costs. This subdivision applies after June 30,
25 2001.

1 **SECTION 71.** 101.143 (4) (d) 2. (intro.) of the statutes is amended to read:
 2 101.143 (4) (d) 2. (intro.) The department shall issue the award under this
 3 paragraph without regard to fault in an amount equal to the amount of the eligible
 4 costs that exceeds a deductible amount of ~~\$2,500 plus 5% of the eligible costs~~ 100%
 5 of the amount by which eligible costs exceed \$18,750 but do not exceed \$21,250, plus
 6 10% of the amount by which eligible costs exceed \$21,250 but do not exceed \$40,000,
 7 plus 5% of the amount by which eligible costs exceed \$40,000, but not more than
 8 \$7,500 per occurrence, except that the deductible amount for a petroleum product
 9 storage system that is owned by a school district or a technical college district and
 10 that is used for storing heating oil for consumptive use on the premises is 25% of
 11 eligible costs. An award issued under this paragraph may not exceed the following
 12 for each occurrence:

✓
INST
2412

13 **SECTION 72.** 101.143 (9m) of the statutes is created to read:
 14 101.143 (9m) REVENUE OBLIGATIONS. (a) For purposes of subch. II of ch. 18, the
 15 petroleum storage remedial action program is a special fund program, and the
 16 petroleum inspection fund is a special fund. The petroleum inspection fund is a
 17 segregated fund created by the imposition of fees, penalties or excise taxes. The
 18 legislature finds and determines that a nexus exists between the petroleum storage
 19 remedial action program and the petroleum inspection fund in that fees imposed on
 20 users of petroleum are used to remedy environmental damage caused by petroleum
 21 storage.
 22 (b) Deposits, appropriations or transfers to the petroleum inspection fund for
 23 the purposes of the petroleum storage remedial action program may be funded with
 24 the proceeds of revenue obligations issued subject to and in accordance with subch.

1 II of ch. 18 and, if designated a higher education bond, in accordance with subch. IV
2 of ch. 18.

3 (e) The department shall have all other powers necessary and convenient to
4 distribute the special fund revenues and to distribute the proceeds of the revenue
5 obligations in accordance with subch. II of ch. 18 and, if designated a higher
6 education bond, in accordance with subch. IV of ch. 18.

7 (f) The department may enter into agreements with the federal government or
8 its agencies, political subdivisions of this state, individuals or private entities to
9 insure or in any other manner provide additional security for the revenue obligations
10 issued under this subsection.

11 (g) Revenue obligations may be contracted by the building commission when
12 it reasonably appears to the building commission that all obligations incurred under
13 this subsection can be fully paid on a timely basis from moneys received or
14 anticipated to be received. Revenue obligations issued under this subsection may not
15 exceed \$~~50~~,000,000 in principal amount. In addition to this limit on principal
16 amount, the building commission may contract revenue obligations under this
17 subsection as the building commission determines is desirable to fund or refund
18 outstanding revenue obligations, to pay issuance or administrative expenses, to
19 make deposits to reserve funds or to pay accrued or capitalized interest.

20 (h) Unless otherwise expressly provided in resolutions authorizing the
21 issuance of revenue obligations or in other agreements with the owners of revenue
22 obligations, each issue of revenue obligations under this subsection shall be on a
23 parity with every other revenue obligation issued under this subsection and in
24 accordance with subch. II of ch. 18 and, if designated a higher education bond, in
25 accordance with subch. IV of ch. 18.

270

Insert 30-19

1 (i) Recognizing its moral obligation to do so, the legislature expresses its
 2 expectation and aspiration that, if the legislature reduces the rate of the petroleum
 3 inspection fee and if the funds in the petroleum inspection fund are insufficient to
 4 pay the principal and interest on the revenue obligations issued under subch. II or
 5 IV of ch. 18 pursuant to this subsection, the legislature shall make an appropriation
 6 from the general fund sufficient to pay the principal and interest on the obligations.

7 SECTION 73. 101.143 (11) of the statutes is created to read:

8 101.143 (11) ~~ANNUAL~~ ^{each January 1 and July 1} REPORT. No later than ~~October 1~~ ^{annually}, the department
 9 of commerce and the department of natural resources shall submit ^{to the governor,} to the joint
 10 legislative audit committee, to the joint committee on finance and to the appropriate
 11 standing committees of the legislature, under s. 13.172 (3), a report on the program
 12 under this section ~~for the fiscal year ending on June 30 of the year in which the report~~
 13 ~~is submitted.~~ The departments shall include all of the following information in the

14 report:

Insert
 31-14
 (am)

15 ^(am) The number of notices received under sub. (3) (a) 3. and the number of
 16 ^(am) approvals given under sub. (3) (c) 4.

17 (b) The percentage of sites classified as high ^{risk} ~~and low~~ under s. 101.144 ~~(3)(b)~~.

18 (c) The name of each person providing engineering consulting services to a
 19 claimant under this section and the number of claimants to whom the person has
 20 provided those services.

21 (d) The charges for engineering consulting services for sites for which
 22 approvals are given under sub. (3) (c) 4. and for other sites.

23 (e) The charges by service providers other than engineering consultants for
 24 services for which reimbursement is provided under this section, including
 25 excavating, hauling, laboratory testing and landfill disposal.

✓
Insert 32-1 →

1 (f) Strategies for recording and monitoring complaints of fraud in the program
2 under this section and for the use of employes of the department of commerce who
3 conduct audits to identify questionable claims and investigate complaints.

✓
Insert
32-3 →

SECTION 74. 281.59 (4) (b) of the statutes is amended to read:

5 281.59 (4) (b) The department of administration may, under s. ~~18.56~~ 18.561 (5)
6 and (9) (j) or 18.562 (3) and (5) (e), deposit in a separate and distinct fund in the state
7 treasury or in an account maintained by a trustee outside the state treasury, any
8 portion of the revenues derived under s. 25.43 (1). The revenues deposited with a
9 trustee outside the state treasury are the trustee's revenues in accordance with the
10 agreement between this state and the trustee or in accordance with the resolution
11 pledging the revenues to the repayment of revenue obligations issued under this
12 subsection.

SECTION 75. Nonstatutory provisions.

14 (1) FINANCIAL MANAGEMENT. No later than the first day of the 6th month
15 beginning after the effective date of this subsection, the department of commerce
16 shall do all of the following:

17 (a) Update its financial data base for the program under section 101.143 of the
18 statutes to ensure that complete cost information related to each occurrence and to
19 the annual payment to each owner or operator is readily available.

20 (b) Investigate any variances between the amount of total payments indicated
21 by the department's financial data base for the program under section 101.143 of the
22 statutes and the amount of total payments indicated by the accounts maintained by
23 the department of administration under section 16.52 of the statutes to identify
24 when the variances occurred and the reasons for the variances.

Insert 33-22, p.1

(c) Make any changes in the department's financial data base needed to ensure that the data base is consistent with the accounts maintained by the department of administration under section 16.52 of the statutes.

(2) RULE MAKING.

(a) The department of commerce shall submit in proposed form the rules required under section 101.143 (2) (h), (i) and (j) and (2e) (a) of the statutes, as created by this act, and the rules to implement section 101.143 (4) (cm) 1. of the statutes, as affected by this act, to the legislative council staff under section 227.15 (1) of the statutes no later than the first day of the 3rd month beginning after the effective date of this paragraph.

91

(b) Using the procedure under section 227.24 of the statutes, the department of commerce shall promulgate the rules required under section 101.143 (2) (h), (i) and (j) and (2e) (a) of the statutes, as created by this act, and shall promulgate rules to implement section 101.143 (4) (cm) 1. of the statutes, as affected by this act, for the period before the effective date of the ^{permanent} rules submitted under paragraph (a), but not to exceed the period authorized under section 227.24 (1) (c) and (2) of the statutes. Notwithstanding section 227.24 (1) (a), (2) (b) and (3) of the statutes, the department is not required to provide evidence that promulgating rules under this paragraph is necessary for the preservation of the public peace, health, safety or welfare and is not required to provide a finding of emergency for rules promulgated under this paragraph. The department shall promulgate rules under this paragraph no later than ^{November 1, 1999} the 30th day after the effective date of this paragraph.

(c) The department of natural resources shall submit in proposed form any changes in its rules necessary to implement this act to the legislative council staff



Nonstat File Sequence: **AAA**

NONSTAT SESSLAW

1. In the component bar:

For the action phrase, execute: create → action: → *NS: → nonstat

For the budget action phrase, execute: create → action: → *NS: → 91XX

For a subsection, execute: create → text: → *NS: → sub

For a paragraph, execute: create → text: → *NS: → par

For a subdivision, execute: create → text: → *NS: → subd

For a subdivision paragraph, execute: create → text: → *NS: → subpar

2. Nonstatutory subunits are numbered automatically if "(#1)", "(#a)", etc., is filled in. Below, for the budget, fill in the 9100 department code; and fill in "___" or "()" only if a "frozen" number is needed.

SECTION # [91]. Nonstatutory provisions; ...

(#1) ()

Port. (d) The department of commerce shall submit in proposed form any rules under section 101.143[✓](2)(k) of the statute, as created by this act, to the legislature under section 227.19[✓] of the statute no later than June 1, 2000.



1999

Nonstat File Sequence: **AAA**

LRB 50079 1

NONSTAT SESSLAW Insert 33-22p.3

1. In the component bar:

For the action phrase, execute: create → action: → *NS: → nonstat

For the budget action phrase, execute: create → action: → *NS: → 91XX

For a subsection, execute: create → text: → *NS: → sub

For a paragraph, execute: create → text: → *NS: → par

For a subdivision, execute: create → text: → *NS: → subd

For a subdivision paragraph, execute: create → text: → *NS: → subpar

2. Nonstatutory subunits are numbered automatically if "(#1)", "(#a)", etc., is filled in. Below, for the budget, fill in the 9100 department code; and fill in " " or "()" only if a "frozen" number is needed.

SECTION # [91] Nonstatutory provisions; ...

(#1) ()

par.

of the statutes, as created by this act

(e) IF the conditions under section 101.144 (3g) (a) apply on December 1, 1999, using the procedure under section 227.24 of the statute, the department of commerce shall promulgate the rules required under section 101.144 (3g) (a) as created by this act, for the period before the effective date of permanent rules, but not to exceed the period authorized under section 227.24(1)(c) and (2) of the statute.

no. 91

Notwithstanding section 227.24 (1) (a), (2) (b) and (3) of the statutes, the department is not required to provide a finding of emergency for rules promulgated under this paragraph. The department shall promulgate rules under this paragraph no later than December 31, 1999.

end of insert 33-22

1 (c) Make any changes in the department's financial data base needed to ensure
2 that the data base is consistent with the accounts maintained by the department of
3 administration under section 16.52 of the statutes.

4 (2) RULE MAKING.

5 (a) The department of commerce ^{and the department of natural resources} shall submit in proposed form the rules
6 required under section 101.143 (2) (h), (i) and (j) and (2e) ~~of~~ of the statutes, as created
7 by this act, ~~and the rules to implement section 101.143 (4) (cm) 1. of the statutes, as~~
8 ~~affected by this act,~~ ^{legislature} to the ~~legislative council staff~~ ^{legislature} under section ~~227.24~~ ^{227.19} of the
9 statutes no later than ~~the first day of the 3rd month beginning after the effective date~~
10 ~~of this paragraph.~~ ^{June 1, 2000}

11 (b) Using the procedure under section 227.24 of the statutes, the department
12 of commerce ^{and the department of natural resources} shall promulgate the rules required under section 101.143 (2) (h), (i) and
13 (j) and (2e) ~~of~~ of the statutes, as created by this act, ^{and shall promulgate rules to}
14 ~~implement section 101.143 (4) (cm) 1. of the statutes, as affected by this act,~~ ^{for the}
15 ~~period before the effective date of the rules submitted under paragraph (a), but not~~
16 ~~to exceed the period authorized under section 227.24 (1) (c) and (2) of the statutes.~~

17 ^{Notwithstanding section 227.24 (1) (c) and (2) of the statute, the emergency rules may remain}
18 ^{are} Notwithstanding section 227.24 (1) (a), (2) (b) and (3) of the statutes, the departments ^{are}
19 ~~is~~ not required to provide evidence that promulgating rules under this paragraph is
20 necessary for the preservation of the public peace, health, safety or welfare and is not
21 required to provide a finding of emergency for rules promulgated under this
22 paragraph. The department shall promulgate rules under this paragraph no later
23 than the 30th day after the effective date of this paragraph.

Insert
33-22
24

(f) The department of natural resources ^{section 101.143 (2) (h), (i) and (j) of the statutes, as created by this act,} shall submit in proposed form any
~~changes in its rules necessary to implement this act to the legislative council staff~~ ^{conform to the rules under legislature}

in effect until September 1, 2000, or the date on which rules under part (a) take effect, whichever is sooner.

1999

Nonstat File Sequence: **DDD**

LRB 50079 1

RT : : :

\$\$\$ CHANGE *Insert 34-9, p 1*

1. In the component bar:

For the action phrase, execute: create → action: → *NS: → \$change

For the budget action phrase, execute: create → action: → *NS: → 92XX

For the text, execute: create → text: → *NS: → \$change

2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in.. Below, for the budget, fill in the 9200 department code; and fill in "___" or "()" only if a "frozen" number is needed.

SECTION # ^{w.p.d. credit auto reference "6"} [92___]. Appropriation changes;

..... Commerce

(#1) () Hydrogeologist positions

..... In the schedule under section 20.005 (3) of the statutes for the appropriation to the department of Commerce

under section 20. 143.. (3) (W) of the statutes, as affected by the acts of 1999, the dollar amount is increased by \$, .. 152,200 . for fiscal year 1999-00 and the dollar amount is increased by \$, .. 174,800 . for fiscal year 2000-01 to

to

~~for the [purpose] [purposes] for which the appropriation is made [to~~

increase the authorized FTE positions for the department by 3.0 SEG hydrogeologist positions.

* Use the 2nd alternative if the purpose of the increase or decrease is more limited than the purpose or purposes of the appropriation as currently shown in the text of ch. 20, stats.

1999

Nonstat File Sequence: **DDD**

LRB 500791

\$\$\$ CHANGE

Insert 34-9, p 2

1. In the component bar:

For the action phrase, execute: create → action: → *NS: → \$change

For the budget action phrase, execute: create → action: → *NS: → 92XX

For the text, execute: create → text: → *NS: → \$change

2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in.. Below, for the budget, fill in the 9200 department code; and fill in "___" or "()" only if a "frozen" number is needed.

SECTION # [92]. **Appropriation changes;**

(#1) () Petroleum storage remedial action claims review.

..... In the schedule under section 20.005 (3) of the statutes for the appropriation to the department of Commerce.....

under section 20. 14.3. (3) (w) of the statutes, as affected by the acts of 1999, the dollar amount is increased by \$, . . . 84, . . . 200 . . . for fiscal year 1999-00 and the dollar amount is . . . creased by \$, . . . , for fiscal year 2000-01 [to . . . crease funding

for the [purpose] [purposes] for which the appropriation is made] [to . . . crease funding for . . . to increase the authorized F.T.E. positions for the department by 2.0 S.E. 6 project positions for the period ending on June 30, 2000, For the purpose of performing claims review under section 10A.143 of the statute.

* Use the 2nd alternative if the purpose of the increase or decrease is more limited than the purpose or purposes of the appropriation as currently shown in the text of ch. 20, stats.

end of insert 34-9

1 under section ^{227, 19} ~~101.1500~~ of the statutes no later than the first day of the 6th month
2 beginning after the effective date of this paragraph ^{June 1, 2000}

Insert
34-2

3 (3) EVALUATION OF USUAL AND CUSTOMARY COST SCHEDULE. The department of
4 commerce shall evaluate the operation of section 101.143 (4) (cm) 1. of the statutes,
5 as affected by this act, and shall report the results of the evaluation to the joint
6 legislative audit committee, to the joint committee on finance and to the appropriate
7 standing committees of the legislature, in the manner provided in s. 13.172 (3) of the
8 statutes, no later than the first day of the 14th month beginning after the effective
9 date of this subsection.

w.p.o. create auto-reference "a"

Insert
34-9

SECTION 76 Initial applicability.

(c) Risk based analysis and reimbursement charges

10 (1) The treatment of section 101.143 (2e) ~~(h)~~, (3) ~~(ag)~~, (cp), (cs) and (g) and (4)
11 (c) ~~101.143~~ 11. of the statutes first applies to a discharge with respect to which
12 activities under section 101.143 (3) (c) 3. or (g) of the statutes are begun on the
13 effective date of this subsection.
14

(cn)

Insert
34-14

(END)

Insert 22-10

(91)

3. A definition of "reasonable time" for the purpose of determining whether natural attenuation may be used to achieve enforcement standards.

(91)

4. Procedures to be used to measure concentrations of contaminants.

(END OF INSERT)

Insert 22-18, p. 1

1 101.143 (4) (d) 2. b. For an owner or operator other than an owner or operator
2 under subd. 2. a., c. or d., \$500,000, except that, if the site is classified as medium
3 priority or low priority under s. 101.144 (3g) (a), an award issued under this
4 paragraph may not exceed \$100,000 for each occurrence.

5 SECTION 6. 101.143 (4) (d) 2. d. of the [redacted] amended to read:

6 101.143 (4) (d) 2. d. For a school [redacted] cal college district with
7 respect to a discharge from a [redacted] tem that is used for
8 storing heating oil for consumptive [redacted] s where stored, \$190,000,
9 except that, if the site is classified as m [redacted] ty or low priority under s. 101.144
10 (3g) (a), an award issued under this paragraph may not exceed \$100,000 for each
11 occurrence.

20079/PI

12 SECTION 7. 101.144 (2) (b) 1. of the statutes is amended to read:

13 101.144 (2) (b) 1. The site of the discharge is classified, as provided in rules
14 promulgated under sub. (3m) (a) 3. (3g) (a), as medium priority or low priority, based
15 on the threat that the discharge poses to public health, safety and welfare and to the
16 environment, subject to sub. (3g) (b).

****NOTE: This is reconciled s. 101.144 (2) (b) 1. This SECTION has been affected by drafts with the following LRB numbers: LRB-1669 and LRB-1583.

17 SECTION 8. 101.14³ (3g) (2) (k) of the statutes is created to read:

18 101.14³ (3g) (a) The department of commerce and the department of natural
19 resources shall attempt to reach an agreement that is consistent with ^{those provisions} ~~part (b) and~~
20 ~~that specifies procedures and standards for determining whether the site of a~~
21 ~~discharge of a petroleum product from a petroleum storage tank is classified as high~~
22 ~~priority, medium priority or low priority.~~ If the department of commerce and the
23 department of natural resources are unable to reach an agreement, they shall refer

↓

Insert 22-18, p. 2

1 the matters on which they are unable to agree to the secretary of administration for
2 resolution. The secretary of administration shall resolve any matters on which the
3 departments disagree in a manner that is consistent with ^{par. (h) to (j)} ~~par. (h)~~. The department
4 of commerce ^{and the department of natural resources, jointly,} shall promulgate rules incorporating any agreement between the
5 department of commerce and the department of natural resources under this
6 paragraph and any resolution of disagreements between the departments by the
7 secretary of administration under this paragraph.

8 ~~(b) The department of commerce may not provide, in the rules under par. (a),
9 that all sites at which an enforcement standard, as defined in s. 160.01 (2), is
10 exceeded are classified as high priority. The department shall design the rules under
11 par. (a) to classify no more than 50% of sites as high priority. If 6 months after the
12 rules under par. (a) are in effect more than 50% of sites are classified as high priority,
13 the department shall revise the rules.~~

****NOTE: This is reconciled s. 101.144 (3g) (b). This SECTION has been affected by
drafts with the following LRB numbers: LRB-1669 and LRB-1583.

14 **SECTION 9.** 101.144 (3m) (a) 3. of the statutes is amended to read:

15 101.144 (3m) (a) 3. Establishes ~~procedures, standards and schedules~~ for
16 determining whether the site of a discharge of a petroleum product from a petroleum
17 storage tank is classified as high priority, medium priority or low priority.

18 **SECTION 9110. Nonstatutory provisions; commerce.**

19 (1) RULES FOR DETERMINING PRIORITY OF SITES OF PETROLEUM PRODUCT DISCHARGES.

20 Using the procedure under section 227.24 of the statutes, the department of
21 commerce shall promulgate the rules required under section 101.144 (3g) of the
22 statutes, as created by this act, for the period before the effective date of the
23 permanent rules under that provision, but not to exceed the period authorized under

Insert 22-18, p. 3

Section #, CR; 101.143(2)(L)

(a) 101.143(2)(L) ^(B) The department may promulgate rules for the assessment and collection of fees to recover its costs for providing approval under sub. (3)(c) 4. and for providing other assistance requested by applicants under this section. ^{Any moneys} collected under this paragraph shall be credited to the appropriation account under s. 20.143(3)(Lm).

end of insert 22-18

Insert 22-25, p. 1

1 101.143 (4) (d) 2. b. For an owner or operator other than an owner or operator
2 under subd. 2. a., c. or d., \$500,000, except that, if the site is classified as medium
3 priority or low priority under s. 101.144 (3g) (a), an award issued under this
4 paragraph may not exceed \$100,000 for each occurrence.

5 SECTION 6. 101.143 (4) (d) 2. d. of the statutes is amended to read:

6 101.143 (4) (d) 2. d. For a school district or a technical college district with
7 respect to a discharge from a petroleum product storage system that is used for
8 storing heating oil for consumptive use on the premises where stored, \$190,000,
9 except that, if the site is classified as medium priority or low priority under s. 101.144
10 (3g) (a), an award issued under this paragraph may not exceed \$100,000 for each
11 occurrence.

12 SECTION 7. 101.144 (2) (b) 1. of the statutes is amended to read:

13 101.144 (2) (b) 1. The site of the discharge is classified, as provided in rules
14 promulgated under sub. (3m) (a) 3. (3g) (a), as medium priority or low priority, based
15 on the threat that the discharge poses to public health, safety and welfare and to the
16 environment, subject to sub. (3g) (b).

****NOTE: This is reconciled s. 101.144 (2) (b) 1. This SECTION has been affected by
drafts with the following LRB numbers: LRB-1669 and LRB-1583.

17 SECTION 8. 101.144 (3g) of the statutes is created to read:

18 101.144 (3g) (a) The department of commerce and the department of natural
19 resources, shall attempt to reach an agreement that is consistent with par. (b) and
20 that specifies procedures and standards for determining whether the site of a
21 discharge of a petroleum product from a petroleum storage tank is classified as high
22 ~~priority, medium priority or low priority.~~ ^(b) If the department of commerce and the
23 department of natural resources are unable to reach an agreement, ^{under par. (a)} they shall refer



Insert 22-25, p. 2

1 the matters on which they are unable to agree to the secretary of administration for
 2 resolution. The secretary of administration shall resolve any matters on which the
 3 departments disagree in a manner that is consistent with par. (a). The department
 4 of commerce, *and the department of natural resources, jointly,* shall promulgate rules incorporating any agreement between the
 5 department of commerce and the department of natural resources under ~~this~~
 6 ~~paragraph~~ *par. (a)* and any resolution of disagreements between the departments by the
 7 secretary of administration under this paragraph.

end of insert 22-25

~~(b) The department of commerce may not provide, in the rules under par. (a),
 9 that all sites at which an enforcement standard, as defined in s. 160.01 (2), is
 10 exceeded are classified as high priority. The department shall design the rules under
 11 par. (a) to classify no more than 50% of sites as high priority. If 6 months after the
 12 rules under par. (a) are in effect more than 50% of sites are classified as high priority,
 13 the department shall revise the rules.~~

****NOTE: This is reconciled s. 101.144 (3g) (b). This SECTION has been affected by
 drafts with the following LRB numbers: LRB-1669 and LRB-1583.

SECTION 9. 101.144 (3m) (a) 3. of the statutes is amended to read:

101.144 (3m) (a) 3. Establishes ~~procedures, standards and~~ schedules for
 determining whether the site of a discharge of a petroleum product from a petroleum
 storage tank is classified as high priority, medium priority or low priority.

SECTION 9110. Nonstatutory provisions; commerce.

(1) RULES FOR DETERMINING PRIORITY OF SITES OF PETROLEUM PRODUCT DISCHARGES.

Using the procedure under section 227.24 of the statutes, the department of
 commerce shall promulgate the rules required under section 101.144 (3g) of the
 statutes, as created by this act, for the period before the effective date of the
 permanent rules under that provision, but not to exceed the period authorized under

Q Section #. CR; 101.143 (3) (cn)

Q 101.143 (3) (cn) ^(B) Review of remedial action plans.

The department of natural resources or, if the discharge is covered under s. 101.144(2) (b), the department of commerce shall review and approve or disapprove a remedial action plan submitted under par. (c) 2.

end of insert

Insert
24-21

(9) 3. The department of commerce may waive the requirement under subd. 7. if it determines that the remedial action plan identifies the least costly method of complying with par. (c) 3. and with enforcement standards.

4. ~~The department of commerce may waive the requirements under~~

(END OF INSERT)

Insert 25-3

(91) 6. The department^{of commerce} may disqualify a bid received under subd. 7. if, based on information available to the department and experience with remedial action at other sites, the bid is unlikely to establish an amount ⁼ to sufficiently fund remedial action that ^{will} comply with par. (c) 3. and ^{with} enforcement standards.

(91) 2. The department^{of commerce} may disqualify a person from submitting bids under subd. 1. if, based on past performance of the bidder, the department ~~is~~ determines that the person has demonstrated an inability to complete remedial action within established cost limits.

end of insert

Insert 25-22 +
Insert 26-18

(use twice)

4. The department ^{of commerce} ~~may~~ ^{review and} modify a an amount established under subd. 1. if the department determines that new circumstances, including newly discovered contamination at a site, warrant these actions.

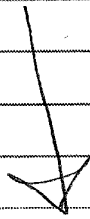
(END OF INSERT)

(9) Section #, CR; 101.143 (4) (b) 16.

(4) 101.143 (4) (b) 16. ^{Compliance} ~~is required to comply~~ with an

order of the department of commerce or the department

of natural resources to conduct remedial action activities
in response ^{to a} discharge from a petroleum product storage system or home oil tank system.
using the least costly methods.





Section #. 101.143 (4) (c) 8. of the statutes is renumbered 101.143 (4) (c) 8. (intro.) and amended to read:

101.143 (4) (c) 8. (intro.) Interest costs incurred by an applicant that exceed interest at ~~4%~~ over the prime rate, as determined under rules promulgated by the department. the following rate:

History: 1987 a. 399; 1989 a. 31, 254, 255; 1991 a. 39, 82, 269; 1993 a. 16, 301, 416, 491; 1995 a. 27 ss. 3665 to 3683m, 9116 (5); 1995 a. 227, 247, 378, 417; 1997 a. 27, 35, 237, 252, 283.

(a) Section #. CR; 101.143 (4) (c) 8. a. to f.

(a) 101.143 (4) (c) 8. a. IF the applicant has gross revenues of of not more than \$5,000,000 in the most recent tax year before the applicant submits a claim, 1% over the prime rate.

(a) b. IF the applicant has gross revenues of more than \$5,000,000 but not more than \$15,000,000 in the most recent tax year before the applicant submits a claim, ^{the} prime rate.

(a) c. IF the applicant has gross revenues ^{of more than \$15,000,000 but not more than \$25,000,000} in the most recent tax year before the applicant submits a claim, 1% under the prime rate.

(a) d. IF the applicant has gross revenues of more than \$25,000,000



but not more than \$35,000,000 in the most recent tax year before the applicant submits a claim, 2% under the prime rate.

(a) e. If the applicant has gross revenues of more than \$35,000,000 but not more than \$45,000,000 in the most recent tax year, 3% under the prime rate.

f. If the applicant has gross revenues of more than \$45,000,000 in the most recent tax year, 4% under ^{the} prime rate.



before the applicant submits a claim

① Section #: CR; 101.143 (4) (c) 10. ✓

② 101.143 (4) (c) 10. Fees charged under sub. (2) (L) ✓
or s. 292.55 (2).

end of next 27-28

Insert 29-12, p. 1

This bill also changes the PECFA deductible amount for aboveground storage tanks located at terminals from \$15,000 plus 5% of the amount by which eligible costs exceed \$200,000 to \$15,000 plus 15% of the amount by which eligible costs exceed \$200,000. A terminal is a facility that is connected to a petroleum pipeline.

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. 101.143 (4) (d) 2. (intro.) of the statutes is amended to read:

2 101.143 (4) (d) 2. (intro.) The department shall issue the award under this
3 paragraph without regard to fault in an amount equal to the amount of the eligible
4 costs that exceeds a the deductible amount of \$2,500 plus 5% of the eligible costs, but
5 not more than \$7,500 per occurrence, except that the deductible amount for a
6 petroleum product storage system that is owned by a school district or a technical
7 college district and that is used for storing heating oil for consumptive use on the
8 premises is 25% of eligible costs under par. (dg). An award issued under this
9 paragraph may not exceed the following for each occurrence:

10 SECTION 2. 101.143 (4) (dg) of the statutes is created to read:

11 101.143 (4) (dg) *Deductible; underground systems.* The amount of the
12 deductible for an award under par. (d) is as follows for each occurrence:

13 1. Except as provided under par. (di), for an owner or operator of an
14 underground petroleum product storage tank system that is located at a facility at
15 which petroleum is stored for resale or an owner or operator of an underground
16 petroleum product storage tank system that handles an annual average of more than
17 10,000 gallons of petroleum per month, ^{\$15,000} ~~\$10,000~~ plus \$2,500 if the eligible costs
18 exceed \$50,000, plus \$2,500 if the eligible costs exceed \$80,000, plus \$10,000 for each
19 whole \$100,000 by which eligible costs exceed \$150,000.

15% of the amount by which eligible costs exceed \$100,000



Insert 29-12, p. 2

1 2. For a school district or a technical college district with respect to a discharge
2 from an underground petroleum product storage tank system that is used for storing
3 heating oil for consumptive use on the premises, 25% of eligible costs.

4 4. ~~b.~~ For an owner or operator other than an owner or operator described in subd.
5 1, ~~or 2,~~ ^{or 3,} \$2,500, plus 5% of eligible costs, but not more than \$7,500.

6 SECTION 3. 101.143 (4) (di) of the statutes is created to read:

7 101.143 (4) (di) *Rules concerning deductible for underground systems.* The
8 department may promulgate rules describing a class of owners and operators of
9 underground petroleum product storage tank ^{systems} otherwise subject to par. (dg) 1. for
10 whom the deductible is the amount under par. (dg) ^{4.} rather than the amount under
11 par. (dg) 1. *if the class is based on financial hardship or consists of local*

12 *governmental units that are conducting remedial action as part of projects to*
SECTION 4. 101.143 (4) (dm) 2. a. of the statutes is amended to read:
redevelop brownfields, as defined in S. 234. 88(1)(a).

13 101.143 (4) (dm) 2. a. For the owner or operator of a terminal, \$15,000 plus ^{5%}
14 ~~25%~~ ^{10%} of the amount by which eligible costs exceed \$200,000.

15 ~~SECTION 9310. Initial applicability; commerce.~~

16 (1) PETROLEUM STORAGE REMEDIAL ACTION PROGRAM DEDUCTIBLES. The treatment
17 of section 101.143 (4) (d) 2. (intro.) and (dg) and (dm) 2. a. of the statutes first applies
18 to owners and operators who begin activities under section 101.143 (3) (c) 3. or (g) of
19 the statutes on the effective date of this subsection.

20 ~~END~~

9 3. For the owner or operator of a petroleum product storage system
that is described in par. (ei) 1., \$5000.

Insert 29-12, p. 3

Section #. 101.143 (4) (dm) 2. c. of the statutes is amended to read:

101.143 (4) (dm) 2. c. For the owner or operator of a petroleum product storage system that is described in par. (ei) 1., ~~\$2,500~~ plus 5% of eligible costs but not more than ~~\$7,500~~^{\$5,000} per occurrence.

History: 1987 a. 399; 1989 a. 31, 254, 255; 1991 a. 39, 82, 269; 1993 a. 16, 301, 416, 491; 1995 a. 27 ss. 3665 to 3683m, 9116 (5); 1995 a. 227, 247, 378, 417; 1997 a. 27, 35, 237, 252, 283.



Insert 29-12, p. 4

50079/1

section # RC; 101.143(4)(ei) 2.

Section # 101.143(4)(a) 5 of the statutes is amended to read:

from

(ei) 2.

farm

From farm tanks described in subd. 1.

101.143(4) ~~(a) 5~~ The department shall review claims related to ~~non-point~~ discharges as soon as the claims are received. The department shall issue an award for an eligible ~~non-point~~ discharge ^{from a farm tank described in subd. 1.} as soon as it completes the review of the claim.

History: 1987 a. 399; 1989 a. 31, 254, 255; 1991 a. 39, 82, 269; 1993 a. 16, 301, 416, 491; 1995 a. 27 ss. 3665 to 3683m, 9116 (5); 1995 a. 227, 247, 378, 417; 1997 a. 27, 35, 237, 252, 283.

end of insert 29-12

1999-2000 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBs0079/1insKSH
KSH:.....

INSERT 30-19:

(gm) Of the revenue obligations authorized under par. (g), no more than \$170,000,000 may be issued until all of the following conditions have been met:

1. The joint committee on finance has approved, at a regular quarterly meeting under s. 13.10, a report jointly submitted by the departments of administration, commerce and natural resources. The report shall include information regarding all of the following:

a. The proposed issuance of any revenue obligations in excess of \$170,000,000.

* b. The amount of ~~PERCA~~ claims ^{under sub. (3)} received during the 2 calendar quarters immediately preceding the date of the report.

c. The number and dollar amount of ~~PERCA~~ claims ^{under sub. (3) of commerce} that the department has received but not paid.

* d. The progress made by the departments of administration, commerce and natural resources in implementing cost control strategies to reduce the costs of cleanups at ~~PERCA~~ sites ^{for which claims are submitted under sub. (3)}

* 2. The departments of commerce and natural resources have ^{jointly} promulgated ~~rules~~ ^{permanent} rules under ~~sub. (2) (h) and (j)~~ ^{sub. (2) (h) to (j)}

(END OF INSERT)

Insert 31-14

1 and to the appropriate standing committees of the legislature, under s. 18.172 (3),
2 a report concerning petroleum product storage systems and home oil tank systems
3 from which ^adischarges ^{has} have occurred for which remedial action activities are being
4 conducted. ~~The departments shall provide~~ ^(P6) All of the following information for each
5 petroleum product storage system and home oil tank system:

6 1. ~~1.~~ The date on which the record of the site investigation was received.

7 2. ~~2.~~ The environmental risk factors, as defined by the department of commerce
8 by rule, identified at the site.

9 3. ~~3.~~ The year in which the approval under sub. (3) (c) 4. is expected to be issued.

10 (END) (insert)

Insert 32-1

9) (em) Whether disputes have arisen between the departments under sub. (3) (cw) 2. and, if so, how those disputes have been resolved.

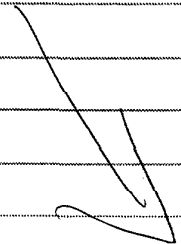
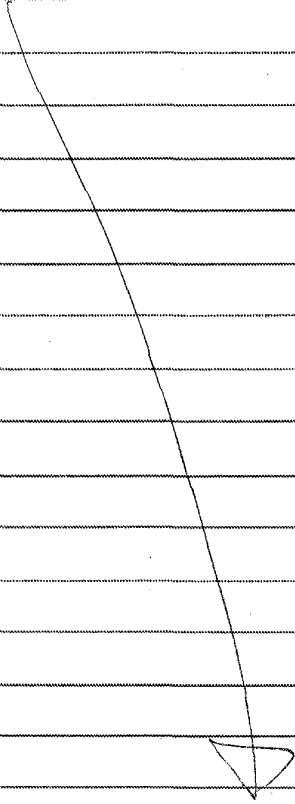
Inset 32-3, p. 1

ⓐ

Section #. CR) 101.144(1) (ae)

ⓐ

101.144(1) (ae) "Enforcement standard" has the meaning given in s. 160.01(2).



Insert 32-3, p. 2

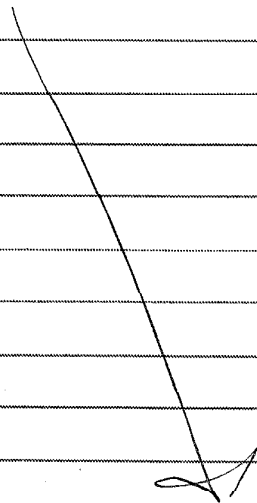
Section #, CR; 101.144 (1) (ag)

^{under}
Except as provided in sub. (3g),
101.144 (1) (ag) ^(b) "high risk site" means the site of

a discharge of a petroleum product from a petroleum storage tank if the discharge has resulted in a concentration of contaminants that exceeds an enforcement standard

~~is defined as~~ in soil that has a hydraulic conductivity of $1 \times 10^{(5)}$ ^{superscript} centimeters per second or if

at least
1 one of the following applies:



ASSEMBLY BILL 861 *Insert 32-3, p. 3.*

1 resources or, if the discharge is covered under s. 101.144 (2) (b), the department of
2 commerce, satisfy the requirements of par. (c) 2. and 3. by proposing and
3 implementing monitoring to ensure the effectiveness of the natural process of
4 ~~degradation~~ attenuation of petroleum product contamination.

5 SECTION 6. 101.143 (3) (cp) of the statutes is created to read:

6 101.143 (3) (cp) *Sites with high priority factors.* 1. This paragraph applies if
7 at least one of the following high priority factors exists in connection with a
8 petroleum product discharge:

9 a. ~~The site investigation documents that the contaminant mass is moving.~~

10 ⁹¹ 1. ~~Repeated tests show that the discharge has resulted in a concentration of~~
11 contaminants in a ~~private or public potable well~~ ^{used to provide water for human consumption} that exceeds the preventive action
12 limits ~~established under s. 160.15.~~ ^{as defined in s. 160.01 (6)}

13 ~~c. Soil contamination exists within one meter of bedrock.~~

14 ⁹¹ 2. ~~Petroleum product that is not in dissolved phase is present with a thickness~~
15 of 0.01 feet or more, as shown by repeated measurements ~~from quarterly or~~
16 ~~semiannual monitoring.~~

17 2. ~~Except as provided in par. (cw), if a site has a high priority factor, the owner~~
18 or operator or person owning a home oil tank system shall complete an analysis of
19 alternative remedial actions designed to eliminate the risk factor and address the
20 contamination caused by the discharge. The analysis shall include estimates of the
21 costs of implementing each alternative. The owner or operator or person owning a
22 home oil tank system shall submit the analysis to the department.

23 3. When the department receives an analysis under subd. 2., the department
24 may do one of the following:



- ③ 3. An enforcement standard ~~is~~ defined in s. 196.01(6) is exceeded in groundwater within 1,000 feet of a well operated by a public utility, as defined in s. 196.01(5), or within 100 feet of any other well used to provide water for human consumption.
4. An enforcement standard is exceeded in bedrock.



Section #. 101.144 (2) (b) 1. of the statutes is amended to read:

101.144 (2) (b) 1. The site of the discharge is classified, as provided under sub. (3m) (a) 3., as ~~medium-priority~~^{risk} or ~~low-priority~~^{risk} based on the threat that the discharge poses to public health, safety and welfare and to the environment.

History: 1995 a. 27 ss. 3685 and 9116 (5); 1995 a. 227.

strike

↓

Insert 32-3, p. 5m

50079

✓
Section #. 101.144 (2) (b) 2. of the statutes is amended to read:

101.144 (2) (b) 2. The site of the discharge is not contaminated by a hazardous substance other
* than the petroleum product ^{including any additive,} that was discharged from the petroleum storage tank.

History: 1995 a. 27 ss. 3685 and 9116 (5); 1995 a. 227.



Insert 32-3 p. 6

50079

1 101.143 (4) (d) 2. b. For an owner or operator other than an owner or operator
 2 under subd. 2. a., c. or d., \$500,000, except that, if the site is classified as medium
 3 priority or low priority under s. 101.144 (3g) (a), an award issued under this
 4 paragraph may not exceed \$100,000 for each occurrence.

5 **SECTION 6.** 101.143 (4) (d) 2. d. of the statutes is amended to read:

6 101.143 (4) (d) 2. d. For a school district or a technical college district with
 7 respect to a discharge from a petroleum product storage system that is used for
 8 storing heating oil for consumptive use on the premises where stored, \$190,000,
 9 except that, if the site is classified as medium priority or low priority under s. 101.144
 10 (3g) (a), an award issued under this paragraph may not exceed \$100,000 for each
 11 occurrence.

12 **SECTION 7.** 101.144 (2) (b) 1. of the statutes is amended to read:

13 101.144 (2) (b) 1. The site of the discharge is classified, as provided in rules
 14 promulgated under sub. (3m) (a) 3- (3g) (a), as medium priority or low priority, based
 15 on the threat that the discharge poses to public health, safety and welfare and to the
 16 environment, subject to sub. (3g) (b).

****NOTE: This is reconciled s. 101.144 (2) (b) 1. This SECTION has been affected by drafts with the following LRB numbers: LRB-1669 and LRB-1583.

17 **SECTION 8.** 101.144 (3g) of the statutes is created to read:

18 101.144 (3g) (a) *If, on December 1, 1999, more than 35% of sites classified under this section*
 19 resources, shall attempt to reach an agreement ~~that is consistent with par. (b) and~~
 20 that specifies ~~procedures and~~ standards for determining whether the site of a
 21 discharge of a petroleum product from a petroleum storage tank is classified as high *risk*
 22 ~~priority, medium priority or low priority.~~ *The standards shall be designed to classify no more than 35% of these sites as high risk sites.* If the department of commerce and the
 23 department of natural resources are unable to reach an agreement, they shall refer

excluding sites that are contaminated by a hazardous substance other than a petroleum product or an additive to a petroleum product, are classified as high risk sites.

Insert A

and may not classify all sites at which an enforcement standard is exceeded as high risk sites.

(END OF
INSERT
A)

Insert 32-3, p. 7

1 the matters on which they are unable to agree to the secretary of administration for
2 resolution. The secretary of administration shall resolve any matters on which the
3 departments disagree in a manner that is consistent with ~~par. (a)~~ ^{this paragraph}. The department
4 of commerce shall promulgate rules incorporating any agreement between the
5 department of commerce and the department of natural resources under this
6 paragraph and any resolution of disagreements between the departments by the
7 secretary of administration under this paragraph.

8 ~~(b) The department of commerce may not provide, in the rules under par. (a),
9 that all sites at which an enforcement standard, as defined in s. 160.01 (2), is
10 exceeded are classified as high priority. The department shall design the rules under
11 par. (a) to classify no more than 50% of sites as high priority. If 6 months after the
12 rules under par. (a) are in effect more than 50% of sites are classified as high priority,
13 the department shall revise the rules.~~

****NOTE: This is reconciled s. 101.144 (3g) (b). This SECTION has been affected by
drafts with the following LRB numbers: LRB-1669 and LRB-1583.

SECTION 9. 101.144 (3m) (a) 3. of the statutes is amended to read:

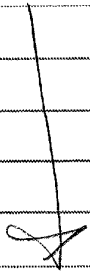
101.144 (3m) (a) 3. Establishes ~~procedures, standards and schedules~~ for
determining whether the site of a discharge of a petroleum product from a petroleum
storage tank is classified as high priority, medium priority or low priority.

SECTION 9110. Nonstatutory provisions; commerce.

(1) RULES FOR DETERMINING PRIORITY OF SITES OF PETROLEUM PRODUCT DISCHARGES.

Using the procedure under section 227.24 of the statutes, the department of
commerce shall promulgate the rules required under section 101.144 (3g) of the
statutes, as created by this act, for the period before the effective date of the
permanent rules under that provision, but not to exceed the period authorized under

(9) (b) IF, 6 months after rules under par. (a) are in effect, more than 35% of the sites classified under this section, excluding sites that are contaminated by a hazardous substance other than a petroleum product or an additive to a petroleum product, are classified as high risk sites, the department of commerce shall revise the rules ~~in a manner~~ ^{For promulgating the rules} ~~designed~~ using the procedure ~~in~~ in par. (a).



Section #. 101.144 (3m) (a) 3. of the statutes is amended to read:

* 101.144 (3m) (a) 3. Establishes ~~procedures, standards and schedules~~ ^{strike} for determining whether the site of a discharge of a petroleum product from a petroleum storage tank is classified as ~~high priority, medium priority~~ ^{risk} or ~~low priority~~ ^{risk} and establishes procedures and schedules

History: 1995 a. 27 ss. 3685 and 9116 (5); 1995 a. 227.

for classifying sites of
discharges of petroleum products
from petroleum storage tanks

✓
end of insert 32-3

1999

Inset 34-2 p.1

LRB 50079 1

Nonstat File Sequence: **AAA**

NONSTAT SESSLAW

1. In the component bar:

For the action phrase, execute: create → action: → *NS: → nonstat

For the budget action phrase, execute: create → action: → *NS: → 91XX

For a subsection, execute: create → text: → *NS: → sub

For a paragraph, execute: create → text: → *NS: → par

For a subdivision, execute: create → text: → *NS: → subd

For a subdivision paragraph, execute: create → text: → *NS: → subpar

2. Nonstatutory subunits are numbered automatically if "(#1)", "(#a)", etc., is filled in. Below, for the budget, fill in the 9100 department code; and fill in "___" or "()" only if a "frozen" number is needed.

SECTION # **[91** **]**. **Nonstatutory provisions; ...**

(³#1) () Claims review project positions.....

The authorized FTE positions for the department of commerce, funded by the appropriation under section 20.143(3) (Lm) of the statutes, as created by this act, are increased by 2.0 PR project positions for the period ending on June 30, 2001, for the purpose of performing claims review under section 101.143 of the statutes.



1999

34-2, p. 2

LRB 50079 1

Nonstat File Sequence: AAA

NONSTAT SESSLAW

1. In the component bar:

For the action phrase, execute: create → action: → *NS: → nonstat

For the budget action phrase, execute: create → action: → *NS: → 91XX

For a subsection, execute: create → text: → *NS: → sub

For a paragraph, execute: create → text: → *NS: → par

For a subdivision, execute: create → text: → *NS: → subd

For a subdivision paragraph, execute: create → text: → *NS: → subpar

2. Nonstatutory subunits are numbered automatically if "(#1)", "(#a)", etc., is filled in. Below, for the budget, fill in the 9100 department code; and fill in "___" or "()" only if a "frozen" number is needed.

SECTION # [91] Nonstatutory provisions; ...

(#1) () Report concerning federal funding.....

~~as late as the 4th regular meeting under Section 1210 of the Statutes~~
The secretary of administration shall report to the joint committee on finance on how federal funds related to leaking underground storage tanks should be allocated between the department of commerce and the department of natural resources. The secretary shall submit the report for review by the committee at its 4th quarterly meeting in 1999.

1999

Insert 34-2, p. 3.

LRB 50079 1

Nonstat File Sequence: **AAA**

NONSTAT SESSLAW

1. In the component bar:

For the action phrase, execute: create → action: → *NS: → nonstat

For the budget action phrase, execute: create → action: → *NS: → 91XX

For a subsection, execute: create → text: → *NS: → sub

For a paragraph, execute: create → text: → *NS: → par

For a subdivision, execute: create → text: → *NS: → subd

For a subdivision paragraph, execute: create → text: → *NS: → subpar

2. Nonstatutory subunits are numbered automatically if "(#1)", "(#a)", etc., is filled in. Below, for the budget, fill in the 9100 department code; and fill in "___" or "()" only if a "frozen" number is needed.

SECTION # [91] Nonstatutory provisions; ...

CS

(91) () Transfer of sites.

The department of natural resources and the department of commerce shall identify sites the classification of which is changed because of the changes ^{made by this act} in section 101.144 of the statutes and shall transfer authority over those sites no later than December 1, 1999.

1999

Insert 34-2, p. 4

Nonstat File Sequence: **AAA**

LRB 50079 1
_____:_____:_____

NONSTAT SESSLAW

1. In the component bar:

For the action phrase, execute: create → action: → *NS: → nonstat

For the budget action phrase, execute: create → action: → *NS: → 91XX

For a subsection, execute: create → text: → *NS: → sub

For a paragraph, execute: create → text: → *NS: → par

For a subdivision, execute: create → text: → *NS: → subd

For a subdivision paragraph, execute: create → text: → *NS: → subpar

2. Nonstatutory subunits are numbered automatically if "(#1)", "(#a)", etc., is filled in. Below, for the budget, fill in the 9100 department code; and fill in "___" or "()" only if a "frozen" number is needed.

SECTION # [91] . Nonstatutory provisions; ...

.....
.....
.....

(⁶#1) () Report concerning interest costs.

No later than March 7, 2000, the department of commerce shall submit a report to the joint committee on finance and the joint committee for ⁹¹(the) review of administrative rules containing recommendations for actions that the department could take to reduce interest costs incurred by claimants under the program under section 101.143 of the statute, including a review of schedules for making progress payments to claimants.

end of insert 34-2

1999

Insert 34-14, p. 1

Nonstat File Sequence: **EEE**

LRB 0079 / 1

INITIAL APPLICABILITY

- In the component bar:
 For the action phrase, execute: create → action: → *NS: → inappl
 For the budget action phrase, execute: create → action: → *NS: → 93XX
 For the text, execute: create → text: → *NS: → inappl
- Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, for the budget, fill in the 9300 department code; and fill in "___" or "()" only if a "frozen" number is needed.

SECTION # [93] . Initial applicability;

(#1) () ^{cs} Deductible

The treatment of sections ...
101.143 (4) (d) 2. (intro.), (dg.) and (dm) 2.a. and c. and
(ei) 2.

of the statutes
first applies to a person who submits a remedial action plan
that is acceptable to the department of commerce or the department
of natural resources on November 1, 1999.

- In the component bar:
 For the action phrase, execute: create → action: → *NS: → inappl
 For the text, execute: create → text: → *NS: → inapplA
- Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, fill in "___" or "()" only if a "frozen" number is needed.

SECTION # . Initial applicability;

(#1) () This act first applies to

1999

Insert 34-14, p. 2

LRB 50079 1

Nonstat File Sequence: **EEE**

INITIAL APPLICABILITY

- In the component bar:
 For the action phrase, execute: create → action: → *NS: → inappl
 For the budget action phrase, execute: create → action: → *NS: → 93XX
 For the text, execute: create → text: → *NS: → inappl
- Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, for the budget, fill in the 9300 department code; and fill in "___" or "()" only if a "frozen" number is needed.

SECTION # [93] . Initial applicability;

(#1) () Interest reimbursement

..... The treatment of section# ..

106.143 (4) (c) 8

..... of the statutes
first applies to .. an applicant whose loan is secured on
November 1, 1999.

- In the component bar:
 For the action phrase, execute: create → action: → *NS: → inappl
 For the text, execute: create → text: → *NS: → inapplA
- Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, fill in "___" or "()" only if a "frozen" number is needed.

SECTION # ____ . Initial applicability;

(#1) () This act first applies to

1999

Inset 34, 14, p. 3

LRB 50079 1

Nonstat File Sequence: **FFF**

EFFECTIVE DATE

1. In the component bar: For the action phrase, execute: ... **create** → **action:** → *NS: → **effdate**
For the text, execute: **create** → **text:** → *NS: → **effdateA**
2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, fill in "___" or "()" only if a "frozen" number is needed.

SECTION # ____ . **Effective date.**

(#1) () This act takes effect on

1. In the component bar: For the action phrase, execute: .. **create** → **action:** → *NS: → **effdateE**
For the text, execute: **create** → **text:** → *NS: → **effdate**
2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, fill in "___" or "()" only if a "frozen" number is needed.

SECTION # ____ . **Effective dates;** *of this act*

..... This act takes effect on the day after publication, except as follows:

(#1) (*cs*) *Appropriation increases* ~~the treatment of~~
and/or of appropriation change section - see inset 34-9
Section 94 ~~of the statutes~~ takes effect on *the second day after publication of the*
1999-2001 biennial budget act, whichever is later.

1. In the component bar: For the budget action phrase, execute: .. **create** → **action:** → *NS: → **94XX**
For the text, execute: **create** → **text:** → *NS: → **effdate**
2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, for the budget, fill in the 9400 department code; and fill in "()" only if a "frozen" number is needed.

SECTION 94 ____ . **Effective dates;**

(#1) () The treatment of sections of the statutes takes effect on

Nonstat File Sequence: **FFF**

EFFECTIVE DATE

- 1. In the component bar: For the action phrase, execute: ... create → action: → *NS: → effdate
For the text, execute: create → text: → *NS: → effdateA
- 2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, fill in "___" or "()" only if a "frozen" number is needed.

SECTION # ____ . **Effective date.**

(#1) () This act takes effect on

- 1. In the component bar: For the action phrase, execute: .. create → action: → *NS: → effdateE
For the text, execute: create → text: → *NS: → effdate
- 2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, fill in "___" or "()" only if a "frozen" number is needed.

SECTION # ____ . **Effective dates;**

~~This act takes effect on the day after publication, except as follows:~~

(#1) () (cs) and and The treatment of section (2e) (c), (3) (cm), (cp), (q), (4) (c) 11.

of the statutes take effect on November 1, 1999.
auto ref. initial app that is currently Section 76 (1) on p 34 use autonomy "a"

3) Risk based analysis and reimbursement changes.

- 1. In the component bar: For the budget action phrase, execute: create → action: → *NS: → 94XX
For the text, execute: create → text: → *NS: → effdate
- 2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, for the budget, fill in the 9400 department code; and fill in "()" only if a "frozen" number is needed.

SECTION 94 ____ . **Effective dates;**

(#1) () The treatment of sections of the statutes takes effect on

end of insert 34-14

SC079/P/dh

O Note

RT
cmH

Revised Bordered:

This is the preliminary draft of the PECFx substitute amendment. I was unsure of the intent of the sentence in point 13 of the motion that said to specify that certain cost control provisions in COMM 47 would apply to occurrences where bidding is used. I assume that those provisions will apply without statutory language. IF language is needed, we will need to talk about what this means.

(91) I was not certain which provisions to include in the November 1 initial applicability provision and effective date.

I included several provisions that seemed related.

RT

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBs0079/P1dn
RCT:cmh:ch

May 20, 1999

Kendra Bonderud:

This is the preliminary draft of the PECFA substitute amendment. I was unsure of the intent of the sentence in point 13 of the motion that said to specify that certain cost control provisions in COMM 47 would apply to occurrences where bidding is used. I assume that those provisions will apply without statutory language. If language is needed, we will need to talk about what this means.

I was not certain which provisions to include in the November 1 initial applicability provision and effective date. I included several provisions that seemed related.

Rebecca C. Tradewell
Managing Attorney
Phone: (608) 266-7290
E-mail: Becky.Tradewell@legis.state.wi.us

5/24 Per Kendra:

✓ 1. Page 2, line 5 - stray "5"

✓ 2. Page 18, lines 10 to 11 - should be an annual appropriation
9112,200 in 2nd year - need a schedule entry

✓ 3. Page 38, line 16 - should be "(6)" not "(b)".

4. About my d note - Commerce wants it to say that whether bidding is used or not, you can't get reimbursed for things that aren't reimbursable. Staying under the bid amount doesn't mean you get all of the \$

RET



State of Wisconsin
1999 - 2000 LEGISLATURE

Tuesday

LRBs0079/1
RCT&KSH:cmh:ch&mrc

redraft
maker
run

~~PRELIMINARY DRAFT NOT READY FOR INTRODUCTION~~

SENATE SUBSTITUTE AMENDMENT,

TO 1999 SENATE BILL 86

see pp 2, 18, 304
Note 38

regen
↓

1 AN ACT *to repeal* 101.143 (3) (g) 2.; *to renumber* 18.52 (5) (c) and 18.56 (7) and
2 (8); *to renumber and amend* 18.52 (5) (intro.), 18.52 (5) (a), 18.52 (5) (b), 18.53
3 (3), 18.56 (1), 18.56 (2) to (6), 18.56 (9) (intro.), 18.56 (9) (a) to (j), 18.56 (10),
4 18.57 (4), 18.60 (5), 25.47, 101.143 (4) (c) 8. and 101.143 (4) (cm); *to*
5 *consolidate, renumber and amend* 101.143 (3) (g) (intro.) and 1.; *to amend*
6 13.485 (2), 18.51, 18.57 (1), 18.58 (1), 18.60 (1), 18.60 (2), 18.61 (2), 18.61 (3) (a),
7 18.61 (3) (b) (intro.), 18.61 (3) (b) 1., 18.61 (3) (b) 3., 18.61 (3) (b) 4., 18.61 (3) (c),
8 18.61 (4), 20.143 (3) (v), 45.79 (9) (a), 84.59 (2), 85.52 (5) (c), 101.143 (3) (c) 2.,
9 101.143 (3) (cm), 101.143 (3) (d), 101.143 (4) (b) (intro.), 101.143 (4) (d) 2.
10 (intro.), 101.143 (4) (dm) 2. a., 101.143 (4) (dm) 2. c., 101.144 (2) (b) 1., 101.144
11 (2) (b) 2., 101.144 (3m) (a) 3. and 281.59 (4) (b); *to repeal and recreate* 18.57
12 (title) and 101.143 (4) (ei) 2.; and *to create* 18.52 (2m) (intro.), 18.52 (7), 18.52

1 (8), 18.53 (3) (a) and (b), 18.561 (title), 18.561 (1), 18.561 (7) (title), 18.561 (8)
2 (title), 18.561 (9) (k), 18.562, 18.60 (5) (a) to (c), 20.143 (3) (Lm), 20.143 (3) (s),
3 20.143 (3) (t), 20.143 (3) (u), 20.143 (3) (vb), 25.47 (1m), 25.47 (5), 25.47 (6),
4 101.143 (1) (bm), 101.143 (1) (cq), 101.143 (2) (em), 101.143 (2) (h), 101.143 (2)
5 (i), 101.143 (2) (j), 101.143 (2) (k), 101.143 (2) (L), 101.143 (2e), ~~101.143 (3) (cn),~~
6 101.143 (3) (cp), 101.143 (3) (cs), 101.143 (3) (cw), 101.143 (4) (b) 16., 101.143
7 (4) (c) 8. a. to f., 101.143 (4) (c) 10., 101.143 (4) (c) 11., 101.143 (4) (c) 12., 101.143
8 (4) (cm) 2., 101.143 (4) (dg), 101.143 (4) (di), 101.143 (9m), 101.143 (11), 101.144
9 (1) (ae), 101.144 (1) (aq) and 101.144 (3g) of the statutes; **relating to:** the
10 petroleum storage remedial action program; authority over discharges of
11 petroleum products; authorizing revenue obligations to fund payment of claims
12 under the petroleum storage remedial action program; authorizing a new type
13 of revenue obligation; granting revenue bonding authority; providing an
14 exemption from emergency rule procedures, granting rule-making authority;
15 and making appropriations.

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

16 **SECTION 1.** 13.485 (2) of the statutes is amended to read:

17 13.485 (2) The building commission may, under s. ~~18.56~~ 18.561 (5) and (9) (j)
18 or 18.562 (3) and (5) (e), deposit in a separate and distinct fund, outside the state
19 treasury, in an account maintained by a trustee, fees and charges derived from the
20 facilities or from agreements entered into under sub. (4). The fees and charges
21 deposited are the trustee's moneys in accordance with the agreement between this
22 state and the trustee or in accordance with the resolution pledging the fees and
23 charges to the repayment of revenue obligations issued under this section.

1 **SECTION 2.** 18.51 of the statutes is amended to read:

2 **18.51 Provisions applicable.** The following sections apply to this
3 subchapter, except that all references to “public debt” or “debt” ~~are deemed shall be~~
4 read to refer to a “revenue obligation” and all references to “evidences of
5 indebtedness” shall be read to refer to “evidences of revenue obligations”: ss. 18.02,
6 18.03, 18.06 (8), 18.07, 18.10 (1), (2), (4) to (9) and (11) and 18.17.

7 **SECTION 3.** 18.52 (2m) (intro.) of the statutes is created to read:

8 18.52 (2m) (intro.) “Enterprise obligation” means every undertaking by the
9 state to repay a certain amount of borrowed money that is all of the following:

10 **SECTION 4.** 18.52 (5) (intro.) of the statutes is renumbered 18.52 (5) and
11 amended to read:

12 18.52 (5) “Revenue obligation” means ~~every undertaking by the state to repay~~
13 ~~a certain amount of borrowed money which is:~~ an enterprise obligation or a special
14 fund obligation. A revenue obligation may be both an enterprise obligation and a
15 special fund obligation.

16 **SECTION 5.** 18.52 (5) (a) of the statutes is renumbered 18.52 (2m) (a) and
17 amended to read:

18 18.52 (2m) (a) Created for the purpose of purchasing, acquiring, leasing,
19 constructing, extending, expanding, adding to, improving, conducting, controlling,
20 operating or managing a revenue-producing enterprise or program;

21 **SECTION 6.** 18.52 (5) (b) of the statutes is renumbered 18.52 (2m) (b) and
22 amended to read:

23 18.52 (2m) (b) Payable ~~solely~~ from and secured ~~solely~~ by the property or income
24 or both of the enterprise or program; ~~and.~~

25 **SECTION 7.** 18.52 (5) (c) of the statutes is renumbered 18.52 (2m) (c).

1 **SECTION 8.** 18.52 (7) of the statutes is created to read:

2 18.52 (7) “Special fund obligation” means every undertaking by the state to
3 repay a certain amount of borrowed money that is all of the following:

4 (a) Payable from a special fund consisting of fees, penalties or excise taxes.

5 (b) Not public debt under s. 18.01 (4).

6 **SECTION 9.** 18.52 (8) of the statutes is created to read:

7 18.52 (8) “Special fund program” means a state program or purpose with
8 respect to which the legislature has determined that financing with special fund
9 obligations is appropriate and will serve a public purpose.

10 **SECTION 10.** 18.53 (3) of the statutes is renumbered 18.53 (3) (intro.) and
11 amended to read:

12 18.53 (3) (intro.) The commission shall authorize money to be borrowed and
13 evidences of revenue obligation to be issued therefor up to the amounts specified by
14 the legislature to purchase, acquire, lease, construct, extend, expand, add to,
15 improve, conduct, control, operate or manage such revenue-producing enterprises
16 or programs as are specified by the legislature as the funds are required. The
17 requirements for funds shall be established by the state department or agency head
18 carrying out program responsibilities for which the revenue obligations have been
19 authorized by the legislature, but shall not exceed the following:

20 **SECTION 11.** 18.53 (3) (a) and (b) of the statutes are created to read:

21 18.53 (3) (a) In the case of enterprise obligations, the amounts specified by the
22 legislature to purchase, acquire, lease, construct, extend, expand, add to, improve,
23 conduct, control, operate or manage such revenue-producing enterprises or
24 programs as are specified by the legislature.

1 (b) In the case of special fund obligations, the amount specified by the
2 legislature for such expenditures to be paid from special fund obligations.

3 **SECTION 12.** 18.56 (1) of the statutes is renumbered 18.56 and amended to read:

4 **18.56 Revenue bonds obligations.** The commission may authorize, for any
5 of the purposes described in s. 18.53 (3), the issuance of ~~revenue obligation bonds~~
6 revenue obligations. The ~~bonds~~ revenue obligations shall mature at any time not
7 exceeding 50 years from the date thereof as the commission shall determine. The
8 ~~bonds~~ revenue obligations shall be payable only out of the redemption fund provided
9 under ~~sub. s. 18.561 (5) or 18.562 (3)~~ and each ~~bond~~ revenue obligation shall contain
10 on its face a statement to that effect. ~~Any such bonds~~ A revenue obligation may
11 contain a provision authorizing redemption, in whole or in part, at stipulated prices,
12 at the option of the commission and shall provide the method of redeeming the ~~bonds~~.
13 ~~The state and a contracting party may provide in any contract for purchasing or~~
14 ~~acquiring a revenue producing enterprise or program, that payment shall be made~~
15 ~~in such bonds~~ revenue obligations.

16 **SECTION 13.** 18.56 (2) to (6) of the statutes are renumbered 18.561 (2) to (6) and
17 amended to read:

18 **18.561 (2) SECURITY INTERESTS OF OWNERS OF ENTERPRISE OBLIGATIONS.** There
19 ~~shall be is~~ a mortgage lien upon or security interest in the income and property of
20 each ~~revenue producing enterprise or program~~ for the benefit of the holders
21 owners of the related bonds and ~~to the holders of the coupons of the bonds~~. The note
22 ~~or other instrument evidencing the security interest of a bondholder in a loan made~~
23 ~~or purchased with revenue obligation bonds shall constitute a statutory lien on the~~
24 revenue enterprise obligations. No physical delivery, recordation or other action is
25 required to perfect the security interest. The income and property of the

1 revenue-producing enterprise or program shall remain subject to the lien until
2 provision for payment in full of the principal and interest of the ~~bonds~~ enterprise
3 obligations has been made, as provided in the authorizing resolution. Any holder
4 owner of such ~~bonds or attached coupons~~ enterprise obligations may either at law or
5 in equity protect and enforce the lien and compel performance of all duties required
6 by this section. If there is any default in the payment of the principal or interest of
7 any of such ~~bonds~~ enterprise obligations, any court having jurisdiction of the action
8 may appoint a receiver to administer the revenue-producing enterprise or program
9 on behalf of the state and the ~~bondholders~~ owners of the enterprise obligations, with
10 power to charge and collect rates sufficient to provide for the payment of the
11 operating expenses and also to pay any ~~bonds or~~ enterprise obligations outstanding
12 against the revenue-producing enterprise or program, and to apply the income and
13 revenues thereof in conformity with this subchapter and the authorizing resolution,
14 or the court may declare the whole amount of the ~~bonds~~ enterprise obligations due
15 and payable, if such relief is requested, and may order and direct the sale of the
16 revenue-producing enterprise or program. Under any sale so ordered, the purchaser
17 shall be vested with an indeterminate permit to maintain and operate the
18 revenue-producing enterprise or program. The legislature may provide for
19 additions, extensions and improvements to a revenue-producing enterprise or
20 program to be financed by additional issues of ~~bonds~~ enterprise obligations as
21 provided by this section. Such additional issues of ~~bonds~~ enterprise obligations shall
22 be subordinate to all prior related issues of ~~bonds~~ enterprise obligations which may
23 have been made under this section, unless the legislature, in the statute authorizing
24 the initial issue of ~~bonds~~ enterprise obligations, permits the issue of additional ~~bonds~~
25 enterprise obligations on a parity therewith.

1 (3) DEDICATION OF REVENUES. As accurately as possible in advance, the
2 commission and the state department or agency carrying out program
3 responsibilities for which ~~bonds~~ enterprise obligations are to be issued shall
4 determine, and the commission shall fix in the authorizing resolution for such ~~bonds~~
5 enterprise obligations: the proportion of the revenues of the revenue-producing
6 enterprise or program which shall be necessary for the reasonable and proper
7 operation and maintenance thereof; the proportion of the revenues which shall be set
8 aside as a proper and adequate replacement and reserve fund; and the proportion of
9 the revenues which shall be set aside and applied to the payment of the principal and
10 interest of the ~~bonds~~ enterprise obligations, and shall provide that the revenues be
11 set aside in separate funds. At any time after one year's operation, the state
12 department or agency and the commission may recompute the proportion of the
13 revenues which shall be assignable under this subsection based upon the experience
14 of operation or upon the basis of further financing.

15 (4) REPLACEMENT AND RESERVE FUND. The proportion set aside to the
16 replacement and reserve fund shall be available and shall be used, whenever
17 necessary, to restore any deficiency in the redemption fund for the payment of the
18 principal and interest due on ~~bonds~~ enterprise obligations and for the creation and
19 maintenance of any reserves established by the authorizing resolution to secure such
20 payments. At any time when the redemption fund is sufficient for said purposes,
21 moneys in the replacement and reserve fund may, subject to available
22 appropriations, be expended either in the revenue-producing enterprise or program
23 or in new acquisitions, constructions, extensions ~~or~~, additions, expansions or
24 improvements. Any accumulations of the replacement and reserve fund may be

1 invested as provided in this subchapter, and if invested, the income from the
2 investment shall be carried in the replacement and reserve fund.

3 (5) REDEMPTION FUND. The proportion which shall be set aside for the payment
4 of the principal and interest of such bonds on the enterprise obligations shall from
5 month to month as they accrue and are received, be set apart and paid into a separate
6 fund in the treasury or in an account maintained by a trustee under sub. (9) (j) to be
7 identified as “the ... redemption fund”. Each redemption fund shall be expended, and
8 all moneys from time to time on hand therein are irrevocably appropriated, in sums
9 sufficient, only for the payment of principal and interest on the revenue enterprise
10 obligations giving rise to it and premium, if any, due upon refunding redemption of
11 any such obligations. Moneys in the redemption funds may be commingled only for
12 the purpose of investment with other public funds, but they shall be invested only
13 in investment instruments permitted in s. 25.17 (3) (dr). All such investments shall
14 be the exclusive property of the fund and all earnings on or income from such
15 investments shall be credited to the fund.

16 (6) REDEMPTION FUND SURPLUS. If any surplus is accumulated in any of the
17 redemption funds, subject to any contract rights vested in holders owners of revenue
18 enterprise obligations secured thereby, it shall be paid over to the treasury.

19 **SECTION 14.** 18.56 (7) and (8) of the statutes are renumbered 18.561 (7) and (8).

20 **SECTION 15.** 18.56 (9) (intro.) of the statutes is renumbered 18.561 (9) (intro.)
21 and amended to read:

22 18.561 (9) AUTHORIZING RESOLUTION (intro.) The commission may provide in
23 the authorizing resolution for bonds enterprise obligations or by subsequent action
24 all things necessary to carry into effect this section. Any authorizing resolution shall
25 constitute a contract with the holder owners of any bonds enterprise obligations

1 issued pursuant to ~~such~~ the resolution. Any authorizing resolution may contain such
2 provisions or covenants, without limiting the generality of the power to adopt the
3 resolution, as is are deemed necessary or desirable for the security of ~~bondholders~~
4 the owners of enterprise obligations or the marketability of the ~~bonds~~ enterprise
5 obligations, including but not limited to provisions as to:

6 **SECTION 16.** 18.56 (9) (a) to (j) of the statutes are renumbered 18.561 (9) (a) to
7 (j), and 18.561 (9) (i) and (j), as renumbered, are amended to read:

8 18.561 (9) (i) Issuance of additional ~~bonds~~ enterprise obligations.

9 (j) Deposit of the proceeds of the sale of the ~~bonds~~ enterprise obligations or
10 revenues of the revenue-producing enterprise or program in trust, including the
11 appointment of depositories or trustees.

12 **SECTION 17.** 18.56 (10) of the statutes is renumbered 18.561 (10) and amended
13 to read:

14 18.561 (10) SINKING FUND. The authorizing resolution may set apart ~~bonds~~
15 enterprise obligations the par value of which are equal to the principal amount of any
16 secured obligation or charge subject to which a revenue-producing enterprise or
17 program is to be purchased or acquired, and shall set aside in a sinking fund from
18 the income of the revenue-producing enterprise or program, a sum sufficient to
19 comply with the requirements of the instrument creating the security, ~~or if interest.~~
20 If the instrument does not make any provision therefor for a sinking fund, the
21 resolution shall fix and determine the amount ~~which~~ that shall be set aside into ~~such~~
22 the sinking fund from month to month for interest on the secured obligation or
23 charge, and a fixed amount or proportion not exceeding a stated sum, which shall be
24 not less than one percent of the principal, to be set aside into the fund to pay the
25 principal of the secured obligation or charge. Any balance in the fund after satisfying

1 the secured obligations or charge, shall be transferred to the redemption fund. Bonds
2 Enterprise obligations set aside for the secured obligation or charge may, from time
3 to time, be issued to an amount sufficient with the amount then in the sinking fund,
4 to pay and retire the secured obligation or charge or any portion thereof. The bonds
5 enterprise obligation may be issued in exchange for or satisfaction of the secured
6 obligation or charge, or may be sold in the manner provided in this subchapter, and
7 the proceeds applied in payment of the same at maturity or before maturity by
8 agreement with the holder owner of the secured obligation or charge. The
9 commission and the owners of any revenue-producing enterprise or program
10 acquired or purchased may, upon such terms and conditions as are satisfactory,
11 contract that bonds enterprise obligations to provide for the discharge of the secured
12 obligation or charge, or for the whole purchase price shall be deposited with a trustee
13 or depository and released from the deposit from time to time on such terms and
14 conditions as are necessary to secure the payment of the secured obligation or charge.

15 **SECTION 18.** 18.561 (title) of the statutes is created to read:

16 **18.561 (title) Enterprise obligations.**

17 **SECTION 19.** 18.561 (1) of the statutes is created to read:

18 18.561 (1) PAYMENT WITH REVENUE OBLIGATIONS. The state and a contracting
19 party may provide, in any contract for purchasing or acquiring a revenue-producing
20 enterprise or program, that payment shall be made in revenue obligations.

21 **SECTION 20.** 18.561 (7) (title) of the statutes is created to read:

22 18.561 (7) (title) PAYMENT FOR SERVICES.

23 **SECTION 21.** 18.561 (8) (title) of the statutes is created to read:

24 18.561 (8) (title) RATES FOR SERVICES.

25 **SECTION 22.** 18.561 (9) (k) of the statutes is created to read:

1 18.561 (9) (k) Defeasance of the obligations.

2 **SECTION 23.** 18.562 of the statutes is created to read:

3 **18.562 Special fund obligations. (1) SECURITY INTEREST IN SPECIAL FUND.**

4 There is a security interest, for the benefit of the owners of the special fund
5 obligations, in the amounts that arise after the creation of the special fund program
6 in the special fund related to the special fund obligations. For this purpose, amounts
7 in the special fund shall be accounted for on a first-in, first-out basis. No physical
8 delivery, recordation or other action is required to perfect the security interest. The
9 special fund shall remain subject to the security interest until provision for payment
10 in full of the principal and interest of the special fund obligations has been made, as
11 provided in the authorizing resolution. An owner of special fund obligations may
12 either at law or in equity protect and enforce the security interest and compel
13 performance of all duties required by this section.

14 **(2) USE OF SPECIAL FUND MONEYS.** The commission and the state agency carrying
15 out the special fund program responsibilities shall jointly determine, and the
16 commission shall fix in the authorizing resolution for the obligations, the conditions
17 under which money in the special fund shall be set aside and applied to the payment
18 of the principal and interest of the obligations, deposited in funds established under
19 the authorizing resolution or made available for other purposes.

20 **(3) REDEMPTION FUND.** The special fund revenues that are to be set aside for the
21 payment of the principal and interest of the special fund obligations shall be paid into
22 a separate fund in the treasury or in an account maintained by a trustee under sub.
23 (5) (e) to be identified as “the ... redemption fund”. Each redemption fund shall be
24 expended, and all moneys from time to time on hand therein are irrevocably
25 appropriated, in sums sufficient, only for the payment of principal and interest on

1 the special fund obligations giving rise to it and premium, if any, due upon
2 redemption of any such obligations. Moneys in the redemption funds may be
3 commingled only for the purpose of investment with other public funds, but they
4 shall be invested only in investment instruments permitted in s. 25.17 (3) (dr). All
5 such investments shall be the exclusive property of the fund and all earnings on or
6 income from such investments shall be credited to the fund.

7 (4) SURPLUS. If any surplus is accumulated in any of the redemption funds,
8 subject to contract rights vested in the owners of special fund obligations secured
9 thereby, it shall be paid over to the treasury.

10 (5) AUTHORIZING RESOLUTION. The commission may provide in the authorizing
11 resolution for special fund obligations or by subsequent action all things necessary
12 to carry into effect this section. Any authorizing resolution shall constitute a
13 contract with the owners of any special fund obligations issued pursuant to the
14 resolution. An authorizing resolution may contain such provisions or covenants,
15 without limiting the generality of the power to adopt the resolution, as are deemed
16 necessary or desirable for the security of owners of the obligations or the
17 marketability of the obligations, including provisions as to:

18 (a) Employment of consultants.

19 (b) Records and accounts.

20 (c) Establishment of reserve or other funds.

21 (d) Issuance of additional obligations.

22 (e) Deposit of the proceeds of the sale of the obligations or revenues of the
23 special fund in trust, including the appointment of depositories or trustees.

24 (f) Defeasance of the obligations.

25 **SECTION 24.** 18.57 (title) of the statutes is repealed and recreated to read:

1 **18.57 (title) Funds established for revenue obligations.**

2 **SECTION 25.** 18.57 (1) of the statutes is amended to read:

3 18.57 (1) A separate and distinct fund shall be established in the state treasury
4 or in an account maintained by a trustee under s. ~~18.56~~ 18.561 (9) (j) with respect to
5 each revenue-producing enterprise or program the income from which is to be
6 applied to the payment of any ~~revenue enterprise~~ obligation. A separate and distinct
7 fund shall be established in the state treasury or in an account maintained by a
8 trustee under s. 18.562 (5) (e) with respect to any special fund that is created by the
9 imposition of fees, penalties or excise taxes and is applied to the payment of special
10 fund obligations. All moneys resulting from the issuance of evidences of revenue
11 obligation shall be credited to the appropriate fund or applied for refunding or note
12 renewal purposes, except that moneys which represent premium or accrued interest
13 received on the issuance of evidences shall be credited to the appropriate redemption
14 fund.

15 **SECTION 26.** 18.57 (4) of the statutes is renumbered 18.57 (4) (intro.) and
16 amended to read:

17 18.57 (4) (intro.) If, after all outstanding related revenue obligations have been
18 paid or payment provided for, moneys remain in ~~any such a fund, they~~ created under
19 sub. (1), all of the following shall occur:

20 (a) If the fund created under sub. (1) is in an account maintained by a trustee
21 under s. 18.561 (9) (j) or 18.562 (5) (e), the moneys shall be paid over to the treasury
22 and the

23 (b) The fund created under sub. (1) shall be closed.

24 **SECTION 27.** 18.58 (1) of the statutes is amended to read:

1 18.58 (1) MANAGEMENT OF FUNDS AND RECORDS. All funds established under this
2 subchapter which are deposited in the state treasury shall be managed as provided
3 by law for other state funds, subject to any contract rights vested in ~~holders~~ owners
4 of evidences of revenue obligation secured by such fund. The department of
5 administration shall maintain full and correct records of each fund. The legislative
6 audit bureau shall audit each fund as of January 1 of each year reconciling all
7 transactions and showing the fair market value of all property on hand. All records
8 and audits shall be public documents. All funds established under this subchapter
9 which are deposited with a trustee under s. ~~18.56~~ 18.561 (9) (j) or 18.562 (5) (e) shall
10 be managed in accordance with resolutions authorizing the issuance of revenue
11 obligations, agreements between the commission and the trustee and any contract
12 rights vested in ~~holders of evidence~~ owners of revenue obligations secured by such
13 fund.

14 **SECTION 28.** 18.60 (1) of the statutes is amended to read:

15 18.60 (1) The commission may authorize, for any one or more of the purposes
16 described in s. 18.53 (1), the issuance of revenue–obligation refunding bonds.
17 Refunding bonds may be issued, subject to any contract rights vested in ~~holders~~
18 owners of bonds or notes being refinanced, to refinance more than one issue of bonds
19 or notes notwithstanding that the bonds or notes may have been issued at different
20 times for different purposes and may be secured by the property or income of more
21 than one enterprise or program or may be public debt or building–corporation
22 indebtedness. The principal amount of refunding bonds shall not exceed the sum of:
23 the principal amount of the bonds or notes being refinanced; applicable redemption
24 premiums; unpaid interest on the bonds or notes to the date of delivery or exchange
25 of the refunding bonds; in the event the proceeds are to be deposited in trust as

1 provided in sub. (3), interest to accrue on the bonds or notes from the date of delivery
2 to the date of maturity or to the redemption date selected by the commission,
3 whichever is earlier; and the expenses incurred in the issuance of the refunding
4 bonds and the payment of the bonds or notes. A determination by the commission
5 that a refinancing is advantageous or that any of the amounts provided in the
6 preceding sentence should be included in the refinancing shall be conclusive.

7 **SECTION 29.** 18.60 (2) of the statutes is amended to read:

8 18.60 (2) If the commission determines to exchange refunding bonds, they may
9 be exchanged privately for and in payment and discharge of any of the outstanding
10 bonds or notes being refinanced. Refunding bonds may be exchanged for a like or
11 greater principal amount of the bonds or notes being exchanged therefor except that
12 the principal amount of the refunding bonds may exceed the principal amount of the
13 bonds or notes being exchanged therefor only to the extent determined by the
14 commission to be necessary or advisable to pay redemption premiums and unpaid
15 interest to the date of exchange not otherwise provided for. The ~~holders~~ owners of
16 the bonds or notes being refunded who elect to exchange need not pay accrued
17 interest on the refunding bonds if and to the extent that interest is accrued and
18 unpaid on the bonds or notes being refunded and to be surrendered. If any of the
19 bonds or notes to be refinanced are to be called for redemption, the commission shall
20 determine which redemption dates shall be used, if more than one date is applicable
21 and shall, prior to the issuance of the refunding bonds, provide for notice of
22 redemption to be given in the manner and at the times required by the proceedings
23 authorizing the outstanding bonds or notes.

24 **SECTION 30.** 18.60 (5) of the statutes is renumbered 18.60 (5) (intro.) and
25 amended to read:

1 18.60 (5) (intro.) All of the following provisions of ~~s. 18.56~~ that are not
2 inconsistent with the express provisions of this section shall apply to refunding
3 bonds, except that the maximum permissible term shall be 50 years from the date
4 of original issue of the oldest note or bond issue being refunded.:

5 **SECTION 31.** 18.60 (5) (a) to (c) of the statutes are created to read:

6 18.60 (5) (a) Section 18.56.

7 (b) In the case of enterprise obligations, s. 18.561.

8 (c) In the case of special fund obligations, s. 18.562.

9 **SECTION 32.** 18.61 (2) of the statutes is amended to read:

10 18.61 (2) The state pledges and agrees with the ~~holders~~ owners of ~~any evidences~~
11 of revenue ~~obligation~~ obligations that the state will not limit or alter its powers to
12 fulfill the terms of any agreements made with the ~~holders~~ owners or in any way
13 impair the rights and remedies of the ~~holders~~ owners until the revenue obligations,
14 together with interest including interest on any unpaid instalments of interest, and
15 all costs and expenses in connection with any action or proceeding by or on behalf of
16 the ~~holders~~ owners, are fully met and discharged. The commission may include this
17 pledge and agreement of the state in any agreement with the ~~holders of notes or~~
18 ~~bonds and in any evidence~~ owners of revenue obligation.

19 **SECTION 33.** 18.61 (3) (a) of the statutes is amended to read:

20 18.61 (3) (a) If the state fails to pay any revenue obligation in accordance with
21 its terms, and default continues for a period of 30 days or if the state fails or refuses
22 to comply with this subchapter or defaults in any agreement made with the ~~holders~~
23 owners of any issue of revenue obligations, the ~~holders~~ owners of 25% in aggregate
24 principal amount of the revenue obligations of the issue then outstanding by
25 instrument recorded in the office of the register of deeds of Dane county and approved

1 or acknowledged in the same manner as a deed to be recorded may appoint a trustee
2 to represent the ~~holders~~ owners of the ~~notes or bonds~~ revenue obligations for the
3 purposes specifically provided in the instrument.

4 **SECTION 34.** 18.61 (3) (b) (intro.) of the statutes is amended to read:

5 18.61 (3) (b) (intro.) The trustee may, and upon written request of the holders
6 owners of 25% in aggregate principal amount of the revenue obligations of the issue
7 then outstanding shall, in the trustee's own name:

8 **SECTION 35.** 18.61 (3) (b) 1. of the statutes is amended to read:

9 18.61 (3) (b) 1. By action or proceeding, enforce all rights of all ~~holders~~ owners
10 of the issue of revenue obligations, including the right to require the state to collect
11 enterprise or program income adequate to carry out any agreement as to, or pledge
12 of, such income and to require the state to carry out any other agreements with the
13 ~~holders~~ owners of the revenue obligations and to perform its duties under this
14 subchapter;

15 **SECTION 36.** 18.61 (3) (b) 3. of the statutes is amended to read:

16 18.61 (3) (b) 3. By action, require the state to account as if it were the trustee
17 of an express trust for the ~~holders~~ owners of the revenue obligations;

18 **SECTION 37.** 18.61 (3) (b) 4. of the statutes is amended to read:

19 18.61 (3) (b) 4. By action, enjoin any acts or things which may be unlawful or
20 in violation of the rights of the ~~holders~~ owners of the revenue obligations; and

21 **SECTION 38.** 18.61 (3) (c) of the statutes is amended to read:

22 18.61 (3) (c) The trustee shall have all of the powers necessary or appropriate
23 for the exercise of any functions specifically set forth in this subchapter or incident
24 to the general representation of the ~~holders~~ owners of revenue obligations in the
25 enforcement and protection of their rights.

1 **SECTION 39.** 18.61 (4) of the statutes is amended to read:

2 18.61 (4) Any public officer or public employe, as defined in s. 939.22 (30), and
3 the surety on the person's official bond, or any other person participating in any
4 direct or indirect impairment of any fund established under this subchapter, shall
5 be liable in any action brought by the attorney general in the name of the state, or
6 by any taxpayer of the state, or by the holder of any evidence owner of revenue
7 obligation payable in whole or in part, directly or indirectly, out of such fund, to
8 restore to the fund all diversions from the fund.

Insert
18-8

9 **SECTION 40.** 20.143 (3) (Lm) of the statutes is created to read:

10 20.143 (3) (Lm) *Petroleum storage remedial action fees.* All moneys received
11 under s. 101.143 (2) (L) ^{the amounts in the schedule} for the administration of ss. 101.143 and 101.144.

shall be
credited to
this appropriation
account.

12 **SECTION 41.** 20.143 (3) (s) of the statutes is created to read:

13 20.143 (3) (s) *Petroleum inspection fund — revenue obligation proceeds.* As a
14 continuing appropriation, all proceeds from revenue obligations that are issued
15 under subch. II or IV of ch. 18, authorized under s. 101.143 (9m) and deposited in a
16 fund in the state treasury created under s. 18.57 (1), to provide for reserves and for
17 expenses of issuance and management of the revenue obligations, and the remainder
18 to be transferred to the petroleum inspection fund for the purposes of the petroleum
19 storage remedial action program under s. 101.143. Estimated disbursements under
20 this paragraph shall not be included in the schedule under s. 20.005.

21 **SECTION 42.** 20.143 (3) (t) of the statutes is created to read:

22 20.143 (3) (t) *Petroleum inspection fund — revenue obligation repayment.* From
23 the petroleum inspection fund, a sum sufficient to repay the fund in the state
24 treasury created under s. 18.57 (1), or the separate and distinct fund outside the state

1 treasury under s. 18.562 (3) and (5) (e), the amount needed to retire revenue
2 obligations issued under subch. II or IV of ch. 18, as authorized under s. 101.143 (9m).

3 **SECTION 43.** 20.143 (3) (u) of the statutes is created to read:

4 20.143 (3) (u) *Revenue obligation debt service — petroleum inspection fund.*

5 From the fund in the state treasury created under s. 18.57 (1), all moneys received
6 by the fund for the purpose of the retirement of revenue obligations, providing for
7 reserves and for operations relating to the management and retirement of revenue
8 obligations issued under subch. II or IV of ch. 18, as authorized under s. 101.143 (9m).
9 All moneys received by the fund are irrevocably appropriated in accordance with
10 subch. II of ch. 18 and further established in resolutions authorizing the issuance of
11 the revenue obligations and setting forth the distribution of funds to be received
12 thereafter. Estimated disbursements under this paragraph shall not be included in
13 the schedule under s. 20.005.

14 **SECTION 44.** 20.143 (3) (v) of the statutes is amended to read:

15 20.143 (3) (v) *Petroleum storage environmental remedial action; awards.*

16 Biennially, from the petroleum inspection fund, the amounts in the schedule to pay
17 awards under s. 101.143 and, legal costs incurred under s. 101.143 (7m), amounts
18 to reduce principal of outstanding revenue obligations issued pursuant to s. 101.143
19 (9m) and, if the department promulgates rules under s. 101.143 (2) (em) 1., to
20 purchase, or provide funding to purchase, insurance described in s. 101.143 (2) (em)
21 2.

22 **SECTION 45.** 20.143 (3) (vb) of the statutes is created to read:

23 20.143 (3) (vb) *Petroleum storage environmental remedial action revenue*
24 *bonding; awards.* From the petroleum inspection fund, a sum sufficient not to exceed
25 the net proceeds of special fund obligations issued pursuant to s. 101.143 (9m) to pay

1 awards under s. 101.143 (4) and legal costs incurred under s. 101.143 (7m).
2 Estimated disbursements under this paragraph shall not be included in the schedule
3 under s. 20.005.

4 **SECTION 46.** 25.47 of the statutes is renumbered 25.47 (intro.) and amended
5 to read:

6 **25.47 Petroleum inspection fund.** (intro.) There is established a separate
7 nonlapsible trust fund designated as the petroleum inspection fund, to consist of the:

8 (1) The fees imposed under s. 168.12 (1), the

9 (2) The payments under s. 101.143 (4) (h) 1m., the

10 (3) The payments under s. 101.143 (5) (a) and the

11 (4) The net recoveries under s. 101.143 (5) (c).

12 **SECTION 47.** 25.47 (1m) of the statutes is created to read:

13 25.47 (1m) Any fees imposed under s. 101.143 (2) (em) 1.

14 **SECTION 48.** 25.47 (5) of the statutes is created to read:

15 25.47 (5) The moneys transferred from the appropriation account under s.
16 20.143 (3) (s).

17 **SECTION 49.** 25.47 (6) of the statutes is created to read:

18 25.47 (6) The net proceeds of revenue obligations issued under s. 101.143 (9m)
19 that are transferred from a separate and distinct fund outside the state treasury, in
20 an account maintained by a trustee, under s. 18.562 (3) and (5) (e).

21 **SECTION 50.** 45.79 (9) (a) of the statutes is amended to read:

22 45.79 (9) (a) All moneys received from any source for repayment of loans,
23 mortgages or mortgage loan notes funded with proceeds of revenue obligations
24 issued under sub. (6) (c) shall be deposited into one or more separate nonlapsible
25 trust funds in the state treasury or with a trustee as provided in s. ~~18.56~~ 18.561 (9)

1 (j) or 18.562 (5) (e). The board may pledge revenues received by the funds to secure
2 revenue obligations issued under sub. (6) (c) and shall have all other powers
3 necessary and convenient to distribute the proceeds of the revenue obligations and
4 loan repayments in accordance with subch. II of ch. 18. Unrestricted balances in the
5 funds may be used to fund additional loans issued under sub. (6) (c) and pay the
6 balances owing on loans after the assumptions of the loans or the closings of the sales
7 of residences under sub. (10) (c).

8 **SECTION 51.** 84.59 (2) of the statutes is amended to read:

9 84.59 (2) The department may, under s. ~~18.56~~ 18.561 (5) and (9) (j) or 18.562
10 (3) and (5) (e), deposit in a separate and distinct fund outside the state treasury, in
11 an account maintained by a trustee, revenues derived under s. 341.25. The revenues
12 deposited are the trustee's revenues in accordance with the agreement between this
13 state and the trustee or in accordance with the resolution pledging the revenues to
14 the repayment of revenue obligations issued under this section.

15 **SECTION 52.** 85.52 (5) (c) of the statutes is amended to read:

16 85.52 (5) (c) The department of administration may, under s. ~~18.56~~ 18.561 (5)
17 and (9) (j) or 18.562 (3) and (5) (e), deposit in a separate and distinct fund in the state
18 treasury or in an account maintained by a trustee outside the state treasury, any
19 portion of the revenues derived under s. 25.405 (2). The revenues deposited with a
20 trustee outside the state treasury are the trustee's revenues in accordance with the
21 agreement between this state and the trustee or in accordance with the resolution
22 pledging the revenues to the repayment of revenue obligations issued under this
23 subsection.

24 **SECTION 53.** 101.143 (1) (bm) of the statutes is created to read:

1 101.143 (1) (bm) “Enforcement standard” has the meaning given in s. 160.01
2 (2).

3 **SECTION 54.** 101.143 (1) (cq) of the statutes is created to read:

4 101.143 (1) (cq) “Natural attenuation” means the reduction in the
5 concentration and mass of a substance, and the products into which the substance
6 breaks down, due to naturally occurring physical, chemical and biological processes.

7 **SECTION 55.** 101.143 (2) (em) of the statutes is created to read:

8 101.143 (2) (em) 1. The department may promulgate rules that specify a fee
9 that must be paid by a service provider as a condition of submitting a bid to conduct
10 an activity under sub. (3) (c) for which a claim for reimbursement under this section
11 will be submitted. Any fees collected under the rules shall be deposited into the
12 petroleum inspection fund.

13 2. If the department promulgates rules under subd. 1., the department may
14 purchase, or provide funding for the purchase of, insurance to cover the amount by
15 which the costs of conducting activities under sub. (3) (c) exceed the amount bid to
16 conduct those activities.

17 **SECTION 56.** 101.143 (2) (h) of the statutes is created to read:

18 101.143 (2) (h) The department of commerce and the department of natural
19 resources, jointly, shall promulgate rules designed to facilitate effective and
20 cost-efficient administration of the program under this section that specify all of the
21 following:

22 1. Information that must be submitted under this section, including quarterly
23 summaries of costs incurred with respect to a discharge for which a claim is intended
24 to be submitted under sub. (3) but for which a final claim has not been submitted.

25 2. Formats for submitting the information under subd. 1.

1 3. Review procedures that must be followed by employes of the department of
2 *natural resources and the department of commerce in reviewing the information*
3 submitted under subd. 1.

4 **SECTION 57.** 101.143 (2) (i) of the statutes is created to read:

5 101.143 (2) (i) The department of commerce and the department of natural
6 resources, jointly, shall promulgate rules specifying procedures for evaluating
7 remedial action plans and procedures to be used by employes of the department of
8 commerce and the department of natural resources while remedial actions are being
9 conducted. The departments shall specify procedures that include all of the
10 following:

11 1. Annual reviews that include application of the method in the rules
12 promulgated under sub. (2e) (b) to determine the risk posed by discharges that are
13 the subject of the remedial actions.

14 2. Annual reports by consultants estimating the additional costs that must be
15 incurred to comply with sub. (3) (c) 3. and with enforcement standards.

16 3. A definition of “reasonable time” for the purpose of determining whether
17 natural attenuation may be used to achieve enforcement standards.

18 4. Procedures to be used to measure concentrations of contaminants.

19 **SECTION 58.** 101.143 (2) (j) of the statutes is created to read:

20 101.143 (2) (j) The department of commerce and the department of natural
21 resources, jointly, shall promulgate rules specifying all of the following:

22 1. The conditions under which employes of the department of commerce and
23 the department of natural resources must issue approvals under sub. (3) (c) 4.

24 2. Training and management procedures to ensure that employes comply with
25 the requirements under subd. 1.

1 **SECTION 59.** 101.143 (2) (k) of the statutes is created to read:

2 101.143 (2) (k) In promulgating rules under pars. (h) to (j), the department of
3 commerce and the department of natural resources shall attempt to reach an
4 agreement that is consistent with those provisions. If the department of commerce
5 and the department of natural resources are unable to reach an agreement, they
6 shall refer the matters on which they are unable to agree to the secretary of
7 administration for resolution. The secretary of administration shall resolve any
8 matters on which the departments disagree in a manner that is consistent with pars.
9 (h) to (j). The department of commerce and the department of natural resources,
10 jointly, shall promulgate rules incorporating any agreement between the
11 department of commerce and the department of natural resources under this
12 paragraph and any resolution of disagreements between the departments by the
13 secretary of administration under this paragraph.

14 **SECTION 60.** 101.143 (2) (L) of the statutes is created to read:

15 101.143 (2) (L) The department may promulgate rules for the assessment
16 and collection of fees to recover its costs for providing approval under sub. (3) (c)
17 4. and for providing other assistance requested by applicants under this section.
18 Any moneys collected under this paragraph shall be credited to the appropriation
19 account under s. 20.143 (3) (Lm).

20 **SECTION 61.** 101.143 (2e) of the statutes is created to read:

21 101.143 (2e) RISK-BASED ANALYSIS. (a) The department of commerce and the
22 department of natural resources, shall attempt to agree on a method, which shall
23 include consideration of the routes for migration of petroleum product
24 contamination, for determining the risk to public health, safety and welfare and to

1 the environment posed by discharges for which the department of commerce receives
2 notification under sub. (3) (a) 3.

3 (b) If the department of commerce and the department of natural resources are
4 unable to reach an agreement under par. (a), they shall refer the matters on which
5 they are unable to agree to the secretary of administration for resolution. The
6 secretary of administration shall resolve any matters on which the departments
7 disagree in a manner that is consistent with par. (a). The department of commerce
8 and the department of natural resources, jointly, shall promulgate rules
9 incorporating any agreement between the department of commerce and the
10 department of natural resources under par. (a) and any resolution of disagreements
11 between the departments by the secretary of administration under this paragraph.

12 (c) The department of natural resources or, if the discharge is covered under
13 s. 101.144 (2) (b), the department of commerce shall apply the method in the rules
14 promulgated under par. (b) to determine the risk posed by a discharge for which the
15 department of commerce receives notification under sub. (3) (a) 3.

16 **SECTION 62.** 101.143 (3) (c) 2. of the statutes is amended to read:

17 101.143 (3) (c) 2. Prepare a remedial action plan that identifies specific
18 remedial action activities proposed to be conducted under subd. 3. and submit the
19 remedial action plan to the department.

20 **SECTION 63.** 101.143 (3) (cm) of the statutes is amended to read:

21 101.143 (3) (cm) *Monitoring as remedial action.* An owner or operator or person
22 owning a home oil tank system may, with the approval of the department of natural
23 resources or, if the discharge is covered under s. 101.144 (2) (b), the department of
24 commerce, satisfy the requirements of par. (c) 2. and 3. by proposing and

1 implementing monitoring to ensure the effectiveness of the natural process of
2 degradation attenuation of petroleum product contamination.

3 **SECTION 64.** 101.143 (3) (cn) of the statutes is created to read:

4 101.143 (3) (cn) *Review of remedial action plans.* The department of natural
5 resources or, if the discharge is covered under s. 101.144 (2) (b), the department of
6 commerce shall review and approve or disapprove a remedial action plan submitted
7 under par. (c) 2.

8 **SECTION 65.** 101.143 (3) (cp) of the statutes is created to read:

9 101.143 (3) (cp) *Bidding process.* 1. Except as provided in subds. 2. to 5., if the
10 department of natural resources or, if the site is covered under s. 101.144 (2) (b), the
11 department of commerce estimates that the cost to complete a site investigation,
12 remedial action plan and remedial action for an occurrence exceeds \$80,000, the
13 department of commerce shall implement a competitive public bidding process to
14 obtain information to assist in making the determination under par. (cs).

15 2. The department of commerce or the department of natural resources may
16 waive the requirement under subd. 1. if an enforcement standard is exceeded in
17 groundwater within 1,000 feet of a well operated by a public utility, as defined in s.
18 196.01 (5), or within 100 feet of any other well used to provide water for human
19 consumption.

20 3. The department of commerce may waive the requirement under subd. 1. if
21 it determines that the remedial action plan identifies the least costly method of
22 complying with par. (c) 3. and with enforcement standards.

23 4. The department of commerce or the department of natural resources may
24 waive the requirement under subd. 1. on the grounds that waiver is necessary in an

1 emergency to prevent or mitigate an imminent hazard to public health, safety or
2 welfare or to the environment.

3 5. The department of commerce or the department of natural resources may
4 waive the requirement under subd. 1. after providing notice to the other department.

5 6. The department of commerce may disqualify a bid received under subd. 1.
6 if, based on information available to the department and experience with remedial
7 action at other sites, the bid is unlikely to establish an amount to sufficiently fund
8 remedial action that will comply with par. (c) 3. and with enforcement standards.

9 7. The department of commerce may disqualify a person from submitting bids
10 under subd. 1. if, based on past performance of the bidder, the department
11 determines that the person has demonstrated an inability to complete remedial
12 action within established cost limits.

13 **SECTION 66.** 101.143 (3) (cs) of the statutes is created to read:

14 101.143 (3) (cs) *Determination of least costly method of remedial action.* 1. The
15 department of commerce shall review the remedial action plan for a site that is
16 classified as low or medium risk under s. 101.144 and shall determine the least costly
17 method of complying with par. (c) 3. and with enforcement standards. The
18 department shall notify the owner or operator of its determination of the least costly
19 method and shall notify the owner or operator that reimbursement for remedial
20 action under this section is limited to the amount necessary to implement that
21 method.

22 2. The department of natural resources and the department of commerce shall
23 review the remedial action plan for a site that is classified as high risk under s.
24 101.144 and shall jointly determine the least costly method of complying with par.

1 (c) 3. and with enforcement standards. The departments shall notify the owner or
2 operator of their determination of the least costly method.

3 3. In making determinations under subd. 1., the department of commerce shall
4 determine whether natural attenuation will achieve compliance with par. (c) 3. and
5 with enforcement standards.

6 4. The department of commerce may review and modify an amount established
7 under subd. 1. if the department determines that new circumstances, including
8 newly discovered contamination at a site, warrant those actions.

9 **SECTION 67.** 101.143 (3) (cw) of the statutes is created to read:

10 101.143 (3) (cw) *Annual reviews.* 1. The department of commerce shall conduct
11 the annual review required under sub. (2) (i) 1. for a site that is classified as low or
12 medium risk under s. 101.144 and shall determine the least costly method of
13 completing remedial action at the site in order to comply with par. (c) 3. and with
14 enforcement standards. The department shall notify the owner or operator of its
15 determination of the least costly method and shall notify the owner or operator that
16 reimbursement under this section for any remedial action conducted after the date
17 of the notice is limited to the amount necessary to implement that method.

18 2. The department of natural resources and the department of commerce shall
19 conduct the annual review required under sub. (2) (i) 1. for a site that is classified as
20 high risk under s. 101.144 and shall jointly determine the least costly method of
21 completing remedial action at the site in order to comply with par. (c) 3. and with
22 enforcement standards. The departments shall notify the owner or operator of their
23 determination of the least costly method.

1 3. In making determinations under subds. 1. and 2., the department of natural
2 resources and the department of commerce shall determine whether natural
3 attenuation will achieve compliance with par. (c) 3. and with enforcement standards.

4 4. The department of commerce may review and modify an amount established
5 under subd. 1. if the department determines that new circumstances, including
6 newly discovered contamination at a site, warrant those actions.

7 **SECTION 68.** 101.143 (3) (d) of the statutes is amended to read:

8 101.143 (3) (d) ~~*Review of site investigations, remedial action plans and Final*~~
9 ~~*review of remedial action activities.*~~ The department of natural resources or, if the
10 discharge is covered under s. 101.144 (2) (b), the department of commerce shall, at
11 the request of the claimant, review the site investigation and the remedial action
12 plan and advise the claimant on the adequacy of proposed remedial action activities
13 in meeting the requirements of s. 292.11. ~~The advice is not an approval of the~~
14 ~~remedial action activities.~~ The department of natural resources or, if the discharge
15 is covered under s. 101.144 (2) (b), the department of commerce shall complete a final
16 review of the remedial action activities within 60 days after the claimant notifies the
17 appropriate department that the remedial action activities are completed.

18 **SECTION 69.** 101.143 (3) (g) (intro.) and 1. of the statutes are consolidated,
19 renumbered 101.143 (3) (g) and amended to read:

20 101.143 (3) (g) *Emergency situations.* Notwithstanding pars. (a) 3. and (c) 1.
21 and 2., an owner or operator or the person may submit a claim for an award under
22 sub. (4) after notifying the department under par. (a) 3., without completing an
23 investigation under par. (c) 1. and without preparing a remedial action plan under
24 par. (c) 2. if any of the following apply: 1. ~~An~~ an emergency existed which made the
25 investigation under par. (c) 1. and the remedial action plan under par. (c) 2.

1 inappropriate and, before conducting remedial action, the owner or operator or
2 person notified the department of commerce and the department of natural
3 resources of the emergency and the department of commerce and the department of
4 natural resources authorized emergency action.

5 **SECTION 70.** 101.143 (3) (g) 2. of the statutes is repealed.

6 **SECTION 71.** 101.143 (4) (b) (intro.) of the statutes is amended to read:

7 101.143 (4) (b) *Eligible costs.* (intro.) ~~Eligible~~ Except as provided in par. (c),
8 eligible costs for an award under par. (a) include actual costs or, if the department
9 establishes a ~~schedule~~ usual and customary cost under par. (cm) for an item, usual
10 and customary costs for the following items only:

11 **SECTION 72.** 101.143 (4) (b) 16. of the statutes is created to read:

12 101.143 (4) (b) 16. Compliance using the least costly method, with an order of
13 the department of commerce or the department of natural resources to conduct
14 remedial action activities in response to a discharge from a petroleum product
15 storage system or home oil tank system.

Insert
3015

16 **SECTION 73.** 101.143 (4) (c) 8. of the statutes is renumbered 101.143 (4) (c) 8.
17 (intro.) and amended to read:

18 101.143 (4) (c) 8. (intro.) Interest costs incurred by an applicant that exceed
19 interest at ~~1% over the prime rate, as determined under rules promulgated by the~~
20 ~~department.~~ the following rate:

21 **SECTION 74.** 101.143 (4) (c) 8. a. to f. of the statutes are created to read:

22 101.143 (4) (c) 8. a. If the applicant has gross revenues of not more than
23 \$5,000,000 in the most recent tax year before the applicant submits a claim, 1% over
24 the prime rate.

1 b. If the applicant has gross revenues of more than \$5,000,000 but not more
2 than \$15,000,000 in the most recent tax year before the applicant submits a claim,
3 the prime rate.

4 c. If the applicant has gross revenues of more than \$15,000,000 but not more
5 than \$25,000,000 in the most recent tax year before the applicant submits a claim,
6 1% under the prime rate.

7 d. If the applicant has gross revenues of more than \$25,000,000 but not more
8 than \$35,000,000 in the most recent tax year before the applicant submits a claim,
9 2% under the prime rate.

10 e. If the applicant has gross revenues of more than \$35,000,000 but not more
11 than \$45,000,000 in the most recent tax year before the applicant submits a claim,
12 3% under the prime rate.

13 f. If the applicant has gross revenues of more than \$45,000,000 in the most
14 recent tax year before the applicant submits a claim, 4% under the prime rate.

15 **SECTION 75.** 101.143 (4) (c) 10. of the statutes is created to read:

16 101.143 (4) (c) 10. Fees charged under sub. (2) (L) or s. 292.55 (2).

17 **SECTION 76.** 101.143 (4) (c) 11. of the statutes is created to read:

18 101.143 (4) (c) 11. For a site that is classified as low or medium risk under s.
19 101.144, costs that exceed the amount necessary to comply with sub. (3) (c) 3. and
20 with enforcement standards using the least costly method, subject to par. (b) 16.

21 **SECTION 77.** 101.143 (4) (c) 12. of the statutes is created to read:

22 101.143 (4) (c) 12. Costs that are incurred after the date of a notice under sub.
23 (3) (cw) 1. and that exceed the amount necessary to comply with sub. (3) (c) 3. and
24 with enforcement standards using the method specified in the notice, subject to par.
25 (b) 16.

1 **SECTION 78.** 101.143 (4) (cm) of the statutes is renumbered 101.143 (4) (cm) 1.
2 and amended to read:

3 101.143 (4) (cm) 1. The department ~~may~~ shall establish a schedule of usual and
4 customary costs for any items under par. (b) ~~and may that are commonly associated~~
5 with claims under this section. The department shall use that schedule to determine
6 the amount of a claimant's eligible costs for an occurrence for which a competitive
7 bidding process is not used, except in circumstances under which higher costs must
8 be incurred to comply with sub. (3) (c) 3. and with enforcement standards. For an
9 occurrence for which a competitive bidding process is used, the department may not
10 use the schedule. In the schedule, the department shall specify the maximum
11 number of reimbursable hours for particular tasks and the maximum reimbursable
12 hourly rates for those tasks. The department shall use methods of data collection and
13 analysis that enable the schedule to be revised to reflect changes in actual costs. This
14 subdivision does not apply after June 30, 2001.

15 **SECTION 79.** 101.143 (4) (cm) 2. of the statutes is created to read:

16 101.143 (4) (cm) 2. The department may establish a schedule of usual and
17 customary costs for any items under par. (b) and may use that schedule to determine
18 the amount of a claimant's eligible costs. This subdivision applies after June 30,
19 2001.

20 **SECTION 80.** 101.143 (4) (d) 2. (intro.) of the statutes is amended to read:

21 101.143 (4) (d) 2. (intro.) The department shall issue the award under this
22 paragraph without regard to fault in an amount equal to the amount of the eligible
23 costs that exceeds a ~~the~~ deductible amount of \$2,500 plus 5% of the eligible costs, but
24 ~~not more than \$7,500 per occurrence, except that the deductible amount for a~~
25 ~~petroleum product storage system that is owned by a school district or a technical~~

1 ~~college district and that is used for storing heating oil for consumptive use on the~~
2 ~~premises is 25% of eligible costs under par. (dg).~~ An award issued under this
3 paragraph may not exceed the following for each occurrence:

4 **SECTION 81.** 101.143 (4) (dg) of the statutes is created to read:

5 101.143 (4) (dg) *Deductible; underground systems.* The amount of the
6 deductible for an award under par. (d) is as follows for each occurrence:

7 1. Except as provided under par. (di), for an owner or operator of an
8 underground petroleum product storage tank system that is located at a facility at
9 which petroleum is stored for resale or an owner or operator of an underground
10 petroleum product storage tank system that handles an annual average of more than
11 10,000 gallons of petroleum per month, \$5,000 plus 4% of the amount by which
12 eligible costs exceed \$100,000.

13 2. For a school district or a technical college district with respect to a discharge
14 from an underground petroleum product storage tank system that is used for storing
15 heating oil for consumptive use on the premises, 25% of eligible costs.

16 3. For the owner or operator of a petroleum product storage system that is
17 described in par. (ei) 1., \$5,000.

18 4. For an owner or operator other than an owner or operator described in subd.
19 1., 2. or 3., \$2,500, plus 5% of eligible costs, but not more than \$7,500.

20 **SECTION 82.** 101.143 (4) (di) of the statutes is created to read:

21 101.143 (4) (di) *Rules concerning deductible for underground systems.* The
22 department may promulgate rules describing a class of owners and operators of
23 underground petroleum product storage tank systems otherwise subject to par. (dg)
24 1. for whom the deductible is the amount under par. (dg) 4. rather than the amount
25 under par. (dg) 1. if the class is based on financial hardship or consists of local

1 governmental units that are conducting remedial action as part of projects to
2 redevelop brownfields, as defined in s. 234.88 (1) (a).

3 **SECTION 83.** 101.143 (4) (dm) 2. a. of the statutes is amended to read:

4 101.143 (4) (dm) 2. a. For the owner or operator of a terminal, \$15,000 plus 5%
5 10% of the amount by which eligible costs exceed \$200,000.

6 **SECTION 84.** 101.143 (4) (dm) 2. c. of the statutes is amended to read:

7 101.143 (4) (dm) 2. c. For the owner or operator of a petroleum product storage
8 system that is described in par. (ei) 1., ~~\$2,500 plus 5% of eligible costs but not more~~
9 ~~than \$7,500~~ \$5,000 per occurrence.

10 **SECTION 85.** 101.143 (4) (ei) 2. of the statutes is repealed and recreated to read:

11 101.143 (4) (ei) 2. The department shall review claims related to discharges
12 from farm tanks described in subd. 1. as soon as the claims are received. The
13 department shall issue an award for an eligible discharge from a farm tank described
14 in subd. 1. as soon as it completes the review of the claim.

15 **SECTION 86.** 101.143 (9m) of the statutes is created to read:

16 101.143 (9m) REVENUE OBLIGATIONS. (a) For purposes of subch. II of ch. 18, the
17 petroleum storage remedial action program is a special fund program, and the
18 petroleum inspection fund is a special fund. The petroleum inspection fund is a
19 segregated fund created by the imposition of fees, penalties or excise taxes. The
20 legislature finds and determines that a nexus exists between the petroleum storage
21 remedial action program and the petroleum inspection fund in that fees imposed on
22 users of petroleum are used to remedy environmental damage caused by petroleum
23 storage.

24 (b) Deposits, appropriations or transfers to the petroleum inspection fund for
25 the purposes of the petroleum storage remedial action program may be funded with

1 the proceeds of revenue obligations issued subject to and in accordance with subch.
2 II of ch. 18 and, if designated a higher education bond, in accordance with subch. IV
3 of ch. 18.

4 (e) The department shall have all other powers necessary and convenient to
5 distribute the special fund revenues and to distribute the proceeds of the revenue
6 obligations in accordance with subch. II of ch. 18 and, if designated a higher
7 education bond, in accordance with subch. IV of ch. 18.

8 (f) The department may enter into agreements with the federal government or
9 its agencies, political subdivisions of this state, individuals or private entities to
10 insure or in any other manner provide additional security for the revenue obligations
11 issued under this subsection.

12 (g) Revenue obligations may be contracted by the building commission when
13 it reasonably appears to the building commission that all obligations incurred under
14 this subsection can be fully paid on a timely basis from moneys received or
15 anticipated to be received. Revenue obligations issued under this subsection may not
16 exceed \$270,000,000 in principal amount. In addition to this limit on principal
17 amount, the building commission may contract revenue obligations under this
18 subsection as the building commission determines is desirable to fund or refund
19 outstanding revenue obligations, to pay issuance or administrative expenses, to
20 make deposits to reserve funds or to pay accrued or capitalized interest.

21 (gm) Of the revenue obligations authorized under par. (g), no more than
22 \$170,000,000 may be issued until all of the following conditions have been met:

23 1. The joint committee on finance has approved, at a regular quarterly meeting
24 under s. 13.10, a report jointly submitted by the departments of administration,

1 commerce and natural resources. The report shall include information regarding all
2 of the following:

3 a. The proposed issuance of any revenue obligations in excess of \$170,000,000.

4 b. The amount of claims under sub. (3) received during the 2 calendar quarters
5 immediately preceding the date of the report.

6 c. The number and dollar amount of claims under sub. (3) that the department
7 of commerce has received but not paid.

8 d. The progress made by the departments of administration, commerce and
9 natural resources in implementing cost control strategies to reduce the costs of
10 cleanups at sites for which claims are submitted under sub. (3).

11 2. The departments of commerce and natural resources have jointly
12 promulgated permanent rules under sub. (2) (h) to (j).

13 (h) Unless otherwise expressly provided in resolutions authorizing the
14 issuance of revenue obligations or in other agreements with the owners of revenue
15 obligations, each issue of revenue obligations under this subsection shall be on a
16 parity with every other revenue obligation issued under this subsection and in
17 accordance with subch. II of ch. 18 and, if designated a higher education bond, in
18 accordance with subch. IV of ch. 18.

19 (i) Recognizing its moral obligation to do so, the legislature expresses its
20 expectation and aspiration that, if the legislature reduces the rate of the petroleum
21 inspection fee and if the funds in the petroleum inspection fund are insufficient to
22 pay the principal and interest on the revenue obligations issued under subch. II or
23 IV of ch. 18 pursuant to this subsection, the legislature shall make an appropriation
24 from the general fund sufficient to pay the principal and interest on the obligations.

25 **SECTION 87.** 101.143 (11) of the statutes is created to read:

1 101.143 (11) REPORTS. No later than each January 1 and July 1, the department
2 of commerce and the department of natural resources shall submit the the governor,
3 to the joint legislative audit committee, to the joint committee on finance and to the
4 appropriate standing committees of the legislature, under s. 13.172 (3), a report on
5 the program under this section. The departments shall include all of the following
6 information in the report:

7 (a) All of the following information for each petroleum product storage system
8 and home oil tank system from which a discharge has occurred for which remedial
9 action activities are being conducted:

- 10 1. The date on which the record of the site investigation was received.
- 11 2. The environmental risk factors, as defined by the department of commerce
12 by rule, identified at the site.
- 13 3. The year in which the approval under sub. (3) (c) 4. is expected to be issued.

14 (am) The number of notices received under sub. (3) (a) 3. and the number of
15 approvals given under sub. (3) (c) 4.

16 (b) The percentage of sites classified as high risk under s. 101.144.

17 (c) The name of each person providing engineering consulting services to a
18 claimant under this section and the number of claimants to whom the person has
19 provided those services.

20 (d) The charges for engineering consulting services for sites for which
21 approvals are given under sub. (3) (c) 4. and for other sites.

22 (e) The charges by service providers other than engineering consultants for
23 services for which reimbursement is provided under this section, including
24 excavating, hauling, laboratory testing and landfill disposal.

1 (em) Whether disputes have arisen between the departments under sub. (3)
2 (cw) 2. and, if so, how those disputes have been resolved.

3 (f) Strategies for recording and monitoring complaints of fraud in the program
4 under this section and for the use of employes of the department of commerce who
5 conduct audits to identify questionable claims and investigate complaints.

6 **SECTION 88.** 101.144 (1) (ae) of the statutes is created to read:

7 101.144 (1) (ae) "Enforcement standard" has the meaning given in s. 160.01 (2).

8 **SECTION 89.** 101.144 (1) (aq) of the statutes is created to read:

9 101.144 (1) (aq) Except as provided under sub. (3g), "high risk site" means the
10 site of a discharge of a petroleum product from a petroleum storage tank if the
11 discharge has resulted in a concentration of contaminants that exceeds an
12 enforcement standard in soil that has a hydraulic conductivity of 1×10^{-5} centimeters
13 per second or if at least one of the following applies:

14 1. Repeated tests show that the discharge has resulted in a concentration of
15 contaminants in a well used to provide water for human consumption that exceeds
16 a preventive action limit, as defined in s. 160.01 (b). (6) number

17 2. Petroleum product that is not in dissolved phase is present with a thickness
18 of 0.01 feet or more, as shown by repeated measurements.

19 3. An enforcement standard is exceeded in groundwater within 1,000 feet of a
20 well operated by a public utility, as defined in s. 196.01 (5), or within 100 feet of any
21 other well used to provide water for human consumption.

22 4. An enforcement standard is exceeded in bedrock.

23 **SECTION 90.** 101.144 (2) (b) 1. of the statutes is amended to read:

1 101.144 (2) (b) 1. The site of the discharge is classified, as provided under sub.
2 (3m) (a) 3., as medium ~~priority risk~~ or low ~~priority risk~~, based on the threat that the
3 discharge poses to public health, safety and welfare and to the environment.

4 **SECTION 91.** 101.144 (2) (b) 2. of the statutes is amended to read:

5 101.144 (2) (b) 2. The site of the discharge is not contaminated by a hazardous
6 substance other than the petroleum product, including any additive, that was
7 discharged from the petroleum storage tank.

8 **SECTION 92.** 101.144 (3g) of the statutes is created to read:

9 101.144 (3g) (a) If, on December 1, 1999, more than 35% of sites classified
10 under this section, excluding sites that are contaminated by a hazardous substance
11 other than a petroleum product or an additive to a petroleum product, are classified
12 as high risk sites, the department of commerce and the department of natural
13 resources, shall attempt to reach an agreement that specifies standards for
14 determining whether the site of a discharge of a petroleum product from a petroleum
15 storage tank is classified as high risk. The standards shall be designed to classify
16 no more than 35% of those sites as high risk sites and may not classify all sites at
17 which an enforcement standard is exceeded as high risk sites. If the department of
18 commerce and the department of natural resources are unable to reach an
19 agreement, they shall refer the matters on which they are unable to agree to the
20 secretary of administration for resolution. The secretary of administration shall
21 resolve any matters on which the departments disagree in a manner that is
22 consistent with this paragraph. The department of commerce shall promulgate rules
23 incorporating any agreement between the department of commerce and the
24 department of natural resources under this paragraph and any resolution of

1 disagreements between the departments by the secretary of administration under
2 this paragraph.

3 (b) If, 6 months after rules under par. (a) are in effect, more than 35% of the sites
4 classified under this section, excluding sites that are contaminated by a hazardous
5 substance other than a petroleum product or an additive to a petroleum product, are
6 classified as high risk sites, the department of commerce shall revise the rules using
7 the procedure for promulgating the rules in par. (a).

8 **SECTION 93.** 101.144 (3m) (a) 3. of the statutes is amended to read:

9 101.144 (3m) (a) 3. Establishes ~~procedures, standards and schedules~~ for
10 determining whether the site of a discharge of a petroleum product from a petroleum
11 storage tank is classified as ~~high priority, medium priority risk~~ or low ~~priority risk~~
12 and establishes procedures and schedules for classifying sites of discharges of
13 petroleum products from petroleum storage tanks.

14 **SECTION 94.** 281.59 (4) (b) of the statutes is amended to read:

15 281.59 (4) (b) The department of administration may, under s. ~~18.56~~ 18.561 (5)
16 and (9) (j) ~~or 18.562 (3) and (5) (c)~~, deposit in a separate and distinct fund in the state
17 treasury or in an account maintained by a trustee outside the state treasury, any
18 portion of the revenues derived under s. 25.43 (1). The revenues deposited with a
19 trustee outside the state treasury are the trustee's revenues in accordance with the
20 agreement between this state and the trustee or in accordance with the resolution
21 pledging the revenues to the repayment of revenue obligations issued under this
22 subsection.

23 **SECTION 95. Nonstatutory provisions.**

1 (1) FINANCIAL MANAGEMENT. No later than the first day of the 6th month
2 beginning after the effective date of this subsection, the department of commerce
3 shall do all of the following:

4 (a) Update its financial data base for the program under section 101.143 of the
5 statutes to ensure that complete cost information related to each occurrence and to
6 the annual payment to each owner or operator is readily available.

7 (b) Investigate any variances between the amount of total payments indicated
8 by the department's financial data base for the program under section 101.143 of the
9 statutes and the amount of total payments indicated by the accounts maintained by
10 the department of administration under section 16.52 of the statutes to identify
11 when the variances occurred and the reasons for the variances.

12 (c) Make any changes in the department's financial data base needed to ensure
13 that the data base is consistent with the accounts maintained by the department of
14 administration under section 16.52 of the statutes.

15 (2) RULE MAKING.

16 (a) The department of commerce and the department of natural resources shall
17 submit in proposed form the rules required under section 101.143 (2) (h), (i) and (j)
18 and (2e) of the statutes, as created by this act, to the legislature under section 227.19
19 of the statutes no later than June 1, 2000.

20 (b) Using the procedure under section 227.24 of the statutes, the department
21 of commerce and the department of natural resources shall promulgate the rules
22 required under section 101.143 (2) (h), (i) and (j) and (2e) of the statutes, as created
23 by this act. Notwithstanding section 227.24 (1) (c) and (2) of the statutes, the
24 emergency rules may remain in effect until September 1, 2000, or the date on which
25 rules under par. (a) take effect, whichever is sooner. Notwithstanding section 227.24

1 (1) (a), (2) (b) and (3) of the statutes, the departments are not required to provide
2 evidence that promulgating rules under this paragraph is necessary for the
3 preservation of the public peace, health, safety or welfare and is not required to
4 provide a finding of emergency for rules promulgated under this paragraph. The
5 departments shall promulgate rules under this paragraph no later than the 30th day
6 after the effective date of this paragraph.

7 (c) Using the procedure under section 227.24 of the statutes, the department
8 of commerce shall promulgate rules to implement section 101.143 (4) (cm) 1. of the
9 statutes, as affected by this act, for the period before the effective date of permanent
10 rules, but not to exceed the period authorized under section 227.24 (1) (c) and (2) of
11 the statutes. Notwithstanding section 227.24 (1) (a), (2) (b) and (3) of the statutes,
12 the department is not required to provide evidence that promulgating rules under
13 this paragraph is necessary for the preservation of the public peace, health, safety
14 or welfare and is not required to provide a finding of emergency for rules promulgated
15 under this paragraph. The department shall promulgate rules under this paragraph
16 no later than November 1, 1999.

17 (d) The department of commerce shall submit in proposed form any rules under
18 section 101.143 (2) (h) of the statutes, as created by this act, to the legislature under
19 section 227.19 of the statutes no later than June 1, 2000.

20 (e) If the conditions under section 101.144 (3g) (a) of the statutes, as created
21 by this act apply on December 1, 1999, using the procedure under section 227.24 of
22 the statutes, the department of commerce shall promulgate the rules required under
23 section 101.144 (3g) (a) of the statutes, as created by this act, for the period before
24 the effective date of permanent rules, but not to exceed the period authorized under
25 section 227.24 (1) (c) and (2) of the statutes. Notwithstanding section 227.24 (1) (a),

1 (2) (b) and (3) of the statutes, the department is not required to provide a finding of
2 emergency for rules promulgated under this paragraph. The department shall
3 promulgate rules under this paragraph no later than December 31, 1999.

4 (f) The department of natural resources shall submit in proposed form any
5 changes in its rules necessary to conform to the rules under section 101.143 (2) (h),
6 (i) and (j) of the statutes, as created by this act, to the legislature under section 227.19
7 of the statutes no later than June 1, 2000.

8 (3) CLAIMS REVIEW PROJECT POSITIONS. The authorized FTE positions for the
9 department of commerce, funded by the appropriation under section 20.143 (3) (Lm)
10 of the statutes, as created by this act, are increased by 2.0 PR project positions for
11 the period ending on June 30, 2001, for the purpose of performing claims review
12 under section 101.143 of the statutes.

13 (4) REPORT CONCERNING FEDERAL FUNDING. The secretary of administration shall
14 report to the joint committee on finance on how federal funds related to leaking
15 underground storage tanks should be allocated between the department of
16 commerce and the department of natural resources. The secretary shall submit the
17 report for review by the committee at its 4th quarterly meeting in 1999.

18 (5) TRANSFER OF SITES. The department of natural resources and the
19 department of commerce shall identify sites the classification of which is changed
20 because of the changes made by this act in section 101.144 of the statutes and shall
21 transfer authority over those sites no later than December 1, 1999.

22 (6) REPORT CONCERNING INTEREST COSTS. No later than March 1, 2000, the
23 department of commerce shall submit a report to the joint committee on finance and
24 the joint committee for review of administrative rules containing recommendations
25 for actions that the department could take to reduce interest costs incurred by

1 claimants under the program under section 101.143 of the statutes, including a
2 review of schedules for making progress payments to claimants.

3 (7) **EVALUATION OF USUAL AND CUSTOMARY COST SCHEDULE.** The department of
4 commerce shall evaluate the operation of section 101.143 (4) (cm) 1. of the statutes,
5 as affected by this act, and shall report the results of the evaluation to the joint
6 legislative audit committee, to the joint committee on finance and to the appropriate
7 standing committees of the legislature, in the manner provided in s. 13.172 (3) of the
8 statutes, no later than the first day of the 14th month beginning after the effective
9 date of this subsection.

10 **SECTION 96. Appropriation changes; commerce.**

11 (1) **HYDROGEOLOGIST POSITIONS.** In the schedule under section 20.005 (3) of the
12 statutes for the appropriation to the department of commerce under section 20.143
13 (3) (w) of the statutes, as affected by the acts of 1999, the dollar amount is increased
14 by \$152,200 for fiscal year 1999–00 and the dollar amount is increased by \$174,800
15 for fiscal year 2000–01 to increase the authorized FTE positions for the department
16 by 3.0 SEG hydrogeologist positions.

17 (2) **PETROLEUM STORAGE REMEDIAL ACTION CLAIMS REVIEW.** In the schedule under
18 section 20.005 (3) of the statutes for the appropriation to the department of commerce
19 under section 20.143 (3) (w) of the statutes, as affected by the acts of 1999, the dollar
20 amount is increased by \$84,200 for fiscal year 1999–00 to increase the authorized
21 FTE positions for the department by 2.0 SEG project positions for the period ending
22 on June 30, 2000, for the purpose of performing claims review under section 101.143
23 of the statutes.

24 **SECTION 97. Initial applicability.**

1 (1) RISK BASED ANALYSIS AND REIMBURSEMENT CHANGES. The treatment of section
2 101.143 (2c) (c), (3) (cn), (cp), (cs) and (g) and (4) (c) 11. of the statutes first applies
3 to a discharge with respect to which activities under section 101.143 (3) (c) 3. or (g)
4 of the statutes are begun on the effective date of this subsection.

5 (2) DEDUCTIBLES. The treatment of section 101.143 (4) (d) 2. (intro.), (dg) and
6 (dm) 2. a. and c. and (ei) 2. of the statutes first applies to a person who submits a
7 remedial action plan, that is acceptable to the department of commerce or the
8 department of natural resources, on November 1, 1999.

9 (3) INTEREST REIMBURSEMENT. The treatment of section 101.143 (4) (c) 8. of the
10 statutes first applies to an applicant whose loan is secured on November 1, 1999.

11 **SECTION 98. Effective dates.** This act takes effect on the day after publication,
12 except as follows:

13 (1) APPROPRIATION INCREASES. SECTION 96 of this act takes effect on July 1, 1999,
14 or on the second day after publication of the 1999–2001 biennial budget act,
15 whichever is later.

16 (2) RISK BASED ANALYSIS AND REIMBURSEMENT CHANGES. *The treatment of section*
17 101.143 (2e) (c), (3) (cn), (cp), (cs) and (g) and (4) (c) 11. of the statutes and SECTION
18 97 of this act take effect on November 1, 1999.

19

(END)

1999

LRB 50079 1 1

File With Statute **20.005 (3)** Schedule

\$\$\$ SCHEDULE

Insert 18-8

____:____:____

In the component bar:

For the action phrase, execute: create → action: → ch20

For the table layout, execute: create → <Table> → \$sched

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

	1999-00	2000-01
20. <u>143</u> .. Commerce, department of.....		
.....		
(3) Regulation of industry, safety and buildings		
.....		
(<u>1m</u>) Petroleum storage		
remedial action fees		
.....	<u>PR</u> <u>A</u> .., 0,, 112,200

20. _____

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(END OF INSERT)

Insert 30-15

50079/1

✓
Section #. 101.143 (4) (c) (intro.) of the statutes is amended to read:

101.143 (4) (c) *Exclusions from eligible costs.* (intro.) Eligible costs for an award under par. (a) do not include the following:

History: 1987 a. 399; 1989 a. 31, 254, 255; 1991 a. 39, 82, 269; 1993 a. 16, 301, 416, 491; 1995 a. 27 ss. 3665 to 3683m, 9116 (5); 1995 a. 227, 247, 378, 417; 1997 a. 27, 35, 237, 252, 283.

regardless of whether a competitive bidding process is used

END OF INSERT

50079/dn
RET: umh

Revised Bordered:

The new provisions in this redraft are the chapter 20
= schedule entry and the treatment of s. 101.143(4)(c) (intro.).

RET

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBs0079/1dn
RCT:cmh:jf

May 25, 1999

Kendra Bonderud:

The new provisions in this redraft are the chapter 20 schedule entry and the treatment of s. 101.143 (4) (c) (intro.).

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