1999 SENATE BILL 402

February 23, 2000 – Introduced by Senators Shibilski, Breske, Huelsman and Schultz, cosponsored by Representatives Freese, Berceau, Albers, Musser, Stone, Spillner, Gunderson, Johnsrud and Grothman. Referred to Agriculture, Environmental Resources and Campaign Finance Reform.

- 1 AN ACT *to amend* 15.34; and *to create* 15.34 (2) (d) and 23.125 of the statutes;
- relating to: the qualifications for membership on the natural resources board and natural resources board member conflicts of interest.

Analysis by the Legislative Reference Bureau

Current state law prohibits a person from being a member of the natural resource board if the person holds a permit issued by the department of natural resources (DNR) or receives, or has during the previous two years received, a significant portion of his or her income directly or indirectly from holders of or applicants for permits issued by DNR. The law does not define "permit".

The Federal Water Pollution Control Act (FWPCA) requires the issuance of water pollution discharge permits by the environmental protection agency (EPA) or by states to which EPA has delegated permit granting authority. The FWPCA imposes requirements on a state in order to obtain that delegation. One of those requirements is that no board or body that approves permit applications may include a member who receives, or has during the previous two years received, a significant portion of his or her income directly or indirectly from holders of or applicants for water pollution discharge permits. The Federal Clean Air Act requires each state to submit a state implementation plan. A state implementation plan must provide that fewer than a majority of members of any board or body that approves air pollution permits may derive any significant portion of their incomes from persons who are subject to air pollution permits.

This bill modifies the law concerning membership on the natural resources board. Under this bill, a person is prohibited from being a member of the natural

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resources board if the person receives, or has during the previous two years received, a significant portion of his or her income directly or indirectly from holders of or applicants for water pollution discharge permits issued by DNR, other than storm water permits. The bill prohibits a person from being appointed to the natural resources board if, after the appointment, a majority of board members would derive a significant portion of their incomes from holders of air pollution permits. The bill also specifies that if a member of the natural resources board holds a permit or license issued by DNR under environmental laws or receives, or during the previous two years received, a significant portion of his or her income directly or indirectly from a holder of or applicant for a permit or license issued by DNR under environmental laws, the board member may not engage in a discussion at a board meeting or participate in board decisions on any matter that substantially relates to the permit or license.

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

Section 1. 15.34 of the statutes is amended to read:

15.34 Department of natural resources; creation. (1) There is created a department of natural resources under the direction and supervision of the natural resources board.

- **(2)** (a) The <u>natural resources</u> board shall consist of 7 members appointed for staggered 6-year terms.
- (b) At least 3 members of the <u>natural resources</u> board shall be from the territory north, and at least 3 members of the board shall be from the territory south, of a line running east and west through the south limits of the city of Stevens Point.
- (c) No person may be appointed to the natural resources board, or remain a member thereof, who is a permit holder or of the board, who receives, or has during the previous 2 years received, a significant portion of his or her income directly or indirectly from permit holders of or applicants for permits issued by the department under ch. 283, except that this paragraph does not apply to permits issued under s. 283.33.

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(e) For purposes of this section, "permit holders" or "applicants for The restrictions in pars. (c) and (d) do not apply with respect to permits "shall not include or licenses held or applied for by agencies, departments or subdivisions of this state.

Section 2. 15.34 (2) (d) of the statutes is created to read:

15.34 **(2)** (d) A person may not be appointed to the natural resources board if, after the appointment, a majority of natural resources board members would derive a significant portion of their incomes from permit holders under ch. 285.

Section 3. 23.125 of the statutes is created to read:

- 23.125 Natural resources board member conflicts of interest. (1) If a member of the natural resources board is the holder of a permit or license issued by the department under chs. 280 to 299, that member may not engage in a discussion at a board meeting or participate in a board decision on any matter that substantially relates to the permit or license.
- (2) If a member of the natural resources board receives, or has during the previous 2 years received, a significant portion of his or her income directly or indirectly from a holder of or applicant for a permit or license issued by the department under chs. 280 to 299, that member may not engage in a discussion at a board meeting or participate in a board decision on any matter that substantially relates to the permit or license, except that this restriction does not apply with respect to a permit or license held or applied for by an agency, department or subdivision of this state.