### 1999 DRAFTING REQUEST

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FE Sent For:

Received: 11/19/98	Received By: traderc		
Wanted: As time permits	Identical to LRB:  By/Representing: Wong  Drafter: traderc  Alt. Drafters:		
For: Administration-Budget			
This file may be shown to any legislator: NO			
May Contact:			
Subject: Environment - env. cleanup	Extra Copies:		
Topic:  DOA:Wong - Incentives for cleaning up and redeveloping ar	reawide brownfields contamination		
Instructions:			
See Attached			
Drafting History:			
<u>Vers.</u> <u>Drafted</u> <u>Reviewed</u> <u>Typed</u> <u>Proofed</u>	Submitted Jacketed Required		
/1 traderc jgeller lpaasch 12/6/98 12/7/98 12/7/98	lrb_docadmin S&L 12/7/98		

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#### 1999 DRAFTING REQUEST

Bill

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Identical to LRB:

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DOA:..... Wong - Incentives for cleaning up and redeveloping arewide brownfields contamination

**Instructions:** 

See Attached

**Drafting History:** 

Vers.

**Drafted** 

Reviewed

**Typed** 

Proofed

Submitted

**Jacketed** 

Required

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FE Sent For:

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 Modify Environmental Remediation Tax Incremental Financing (ER TIF) District – s. 66.462, Wis. Stats.

Changes include: 1) expanding the definition eligible costs to include demolition and other costs specific to remediation but exclude costs related to delinquent taxes, penalties, and special assessment and property acquisition, 2) modifying the period of certification, 3) modifying the use of environmental remediation tax increments, and 4) requiring the recipient of ER TIF to reduce their eligible costs if they receive remediation funds from other federal, state, or local sources, and 5) modifying ER TIF to allow for TIF to apply to multiple properties within one taxing jurisdiction.

Definition of "Voluntary Party"

Expand the definition of "Voluntary Party" to include anyone who thoroughly investigates and remediates the contaminated property since current language has the potential to hinder the goal of maximizing remediation and redevelopment by brownfields. Eliminate the language "reckless" and "intentional" under section 292.15(1)(f) but state explicitly that parties cannot escape enforcement under the Spill Law by entering into the Voluntary Party Liability Exemption process.

Create Interim Liability Protections during the Voluntary Party Liability Exemption Process

Provide voluntary parties with interim hability protection during the period between the approval of the investigation and remediation plan to remove impediments toward the redevelopment of brownfields. Interim liability protection is available to parties that have DNR's approval of their site investigations and have entered into agreement with DNR to remediate their sites.

• Ensure availability of a Full Certificate of Completion For Properties Impacted with Off-site Groundwater Contamination

To provide a more valuable incentive for parties to purchase and redevelop brownfields, a full Certification of Completion rather than a partial Certificate of Completion will be issued to voluntary parties who cleaned up all groundwater contamination coming from on-site sources but not off-site sources. Voluntary parties must meet the conditions of the off-site exemption and continue to comply with all of its requirements.

• Create Financial Incentives for Cleaning up and Redeveloping Areawide Brownfields Contamination

Create a Wisconsin Economic Revitalization Zone Program (WERZ) to promote the cleanup of areawide contamination. Financial incentives will be used to promote the cleanup of blighted areas in a community rather than a specific property.

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- >DNR may enter into a "negotiated agreement" with a local unit of government (LUG) on behalf of other property owners within the WERZ or a Business Improvement District (BID) to establish a schedule for the investigation and cleanup of non-emergency actions.
- >Allow LUGs to use negotiation and the cost recovery process to obtain agreement from multiple parties on area-wide groundwater cleanup.



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### State of Wisconsin 1999 – 2000 LEGISLATURE

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LRB-0959/1 RCT:<sub>7</sub>.:...

DOA:.....Wong - Incentives for cleaning up and redeveloping areawide brownfields contamination

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION



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

#### Analysis by the Legislative Reference Bureau ENVIRONMENT \

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Current law generally requires a person who possesses or controls a hazardous substance that is discharged or who causes the discharge of a hazardous substance to restore the environment to the extent practicable and to minimize the harmful effects of the discharge on the environment. Current law authorizes the department of natural resources (DNR) to negotiate and enter into an agreement, with a person who is subject to this requirement, establishing a schedule for conducting a required cleanup, if the discharge does not endanger public health.

This bill authorizes DNR to negotiate and enter into an agreement with a local governmental unit that is acting on behalf of owners of contaminated property establishing a schedule for conducting a required cleanup if the property is located within a business improvement district or if the property is within an area that consists of two or more properties affected by groundwater contamination or two or more properties that are brownfields. Brownfields are abandoned, idle or underused industrial or commercial sites, the expansion or redevelopment of which is adversely affected by actual or perceived contamination.

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

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

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1	<b>SECTION 1.</b> 292.11 (7) (d) 1m. of the statutes is created to read:
2	292.11 (7) (d) 1m. The department may negotiate and enter into an agreement
3	containing a schedule for conducting nonemergency actions required under sub. (3)
4	with a local governmental unit, as defined in sub. $(9)$ (e) 1., that is acting on behalf
5	of owners of contaminated property within one of the following:
6	a. A business improvement district, as defined in s. 66.698 (1) (b).
7	b. An area designated by the local governmental unit if the area consists of 2
8	or more properties affected by a contiguous region of groundwater contamination or
9	contains 2 or more properties that are brownfields, as defined in s. 234.88 (1) (a).
10	<b>SECTION 2.</b> 292.11 (7) (d) 2. of the statutes is amended to read:
11	292.11 (7) (d) 2. The department may charge fees, in accordance with rules that
12	it promulgates, to offset the costs of negotiating and entering into an agreement
13	under subd. 1 <u>. or </u> 2.

**History:** 1995 a. 227 ss. 700, 703 to 707, 710, 993; 1997 a. 27, 35.

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# DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-0959/1dn RCT:<sub>\(\rangle\)</sub>....

#### Manyee Wong:

This draft is a piece of the brownfields package. It comes from the "WERZ" portion of the package and authorizes DNR to enter into a negotiated agreement with a local unit of government on behalf of certain property owners.

As I indicated the other day, DNR is considering how to structure the piece about allowing local units of government to use a negotiation and cost recovery process for area—wide groundwater cleanups. When I hear from them, I will either add that piece to this draft or do a separate draft.

I have not provided DNR with a copy of this draft.

If you have any questions or want changes in this draft, please let me know.

Rebecca C. Tradewell Managing Attorney 266–7290

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

LRB-0959/1dn RCT:jlg:lp

December 7, 1998

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This bill authorizes DNR to negotiate and enter into an agreement with a local governmental unit that is acting on behalf of owners of contaminated property establishing a schedule for conducting a required cleanup if the property is located within a business improvement district or if the property is within an area that consists of two or more properties affected by groundwater contamination or two or more properties that are brownfields. Brownfields are abandoned, idle or underused industrial or commercial sites, the expansion or redevelopment of which is adversely affected by actual or perceived contamination.

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

292.11 (7) (d) 1m. The department may negotiate and enter into an agreement
containing a schedule for conducting nonemergency actions required under sub. (3)
with a local governmental unit, as defined in sub. (9) (e) 1., that is acting on behalf
of owners of contaminated property within one of the following:

**SECTION 1.** 292.11 (7) (d) 1m. of the statutes is created to read:

- a. A business improvement district, as defined in s. 66.608 (1) (b).
- b. An area designated by the local governmental unit if the area consists of 2 or more properties affected by a contiguous region of groundwater contamination or contains 2 or more properties that are brownfields, as defined in s. 234.88 (1) (a).

**SECTION 2.** 292.11 (7) (d) 2. of the statutes is amended to read:

292.11 (7) (d) 2. The department may charge fees, in accordance with rules that it promulgates, to offset the costs of negotiating and entering into an agreement under subd. 1. or 1m.

14 (END)