

Chairman:  
Agriculture Committee



AB00076-34  
PFO1 Member:  
Conservation & Land Use  
Consumer Affairs  
Natural Resources  
Utilities

Al Ott

State Representative • 3rd Assembly District

January 16, 2001

Speaker Scott Jensen  
211 West

Dear Speaker Jensen:

As Chairman of the Assembly Agriculture Committee, I respectfully ask your permission to hold the committee's first hearing on January 25<sup>th</sup>. This is not our usual assigned day.

The purpose of the hearing is to address AB 7, the Anhydrous Ammonia Bill. We plan on having a special presentation by the Wisconsin Crime Lab as well as television coverage for parts of the state most affected by this issue. An executive session will be held after the testimony.

This bill was referred to the Agriculture Committee on January 16<sup>th</sup> and thus a hearing on our regular assigned day, the 18<sup>th</sup> would have been impossible to arrange. The next two assigned days, February 1<sup>st</sup> and 15<sup>th</sup>, fall on scheduled session days. It is my understanding that this bill could be voted on during the February Floor Period, however holding a hearing with public testimony on a session day is also discouraged.

At the time we considered the dates, no potential conflicts existed. I realize that now the Transportation Committee is also meeting that day and six of our members are also members of the Transportation Committee. One member of the six (Rep. Petrowski) will be out of town and excused. Chairman Stone of the Transportation Committee and his committee clerk Tammy have agreed to hold their roll call open and work with my committee clerk Beata to make it possible for the members to attend the executive session of both. It is possible that the Agriculture Committee starting at 10 am, will be well under way before the Transportation Committee starts (11am) and most conflicts will be minimal.

It is yet possible to hold a hearing on the 1<sup>st</sup> of February but we would again respectfully ask the Speakers' permission to do so on a session day. Also in order to meet the hearing notice deadline, we would need to know this information by Friday of this week January 19.

I await your response. Thank you for your time and consideration.

Sincerely,

Al Ott  
Chair, Assembly Agriculture Committee

## Kalies, Beata

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**From:** Pirlot, R.J.  
**Sent:** Friday, January 19, 2001 10:11 AM  
**To:** Kalies, Beata  
**Subject:** RE:

I pleased to report the Speaker has approved your request, provided the hearing begins at 9:00 a.m.

### **R.J. Pirlot**

Policy Director and Legal Counsel  
Office of Assembly Speaker Scott R. Jensen

Direct: 608-261-9482  
Fax: 608-266-5123

-----Original Message-----

**From:** Kalies, Beata  
**Sent:** Friday, January 19, 2001 8:48 AM  
**To:** Pirlot, R.J.  
**Subject:** RE:  
**Importance:** High

Dearest RJ,

At this point I think we would be willing to start at 8:30 or 9:00 if it would help. We just want to get our invited people here and the sooner they know the better.

I will do whatever I can to make this possible, you just have to say so.

-----Original Message-----

**From:** Pirlot, R.J.  
**Sent:** Thursday, January 18, 2001 5:38 PM  
**To:** Kalies, Beata  
**Subject:**

Beata,

Is it possible for Agriculture to start earlier than 10:00 a.m., so as to help minimize conflicts with Transportation starting at 11:00 a.m.?

### **R.J. Pirlot**

Policy Director and Legal Counsel  
Office of Assembly Speaker Scott R. Jensen

Direct: 608-261-9482  
Fax: 608-266-5123

## Kalies, Beata

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**From:** Richard, JoAnna M.  
**Sent:** Wednesday, January 24, 2001 11:56 AM  
**To:** Kalies, Beata  
**Subject:** AB 7 Testimony

Beata,

I have attached my testimony for tomorrow. Also Robert Sloey and John Nied from DOJ will be there as well. John Nied will set up the meth lab.

Thank you for resolving the drafting dilemma.

Sorry I couldn't make the meeting yesterday. I was in a meeting when I got your message and couldn't clear my schedule fast enough. AAG Don Latorroca did speak with Mark Patrosky though and I think they were able to discuss the language.

See you tomorrow.



AB 7.doc

JoAnna Richard  
Legislative Liaison  
Office of the Attorney General  
267-1932

Draft

Testimony for AB 7

Thank you for allowing me to appear today in support of this legislation. Assisting me today is Agent Robert Sloey from our Division of Narcotics Enforcement. He will discuss our most recent investigations and will update the committee on the status of our new agents dealing with this issue in western Wisconsin. Also, we have John Nied, one of our Crime Lab analysts. John is from our Wausau lab and is available to demonstrate the details of a clandestine meth lab.

AB 7 establishes criminal penalties for tampering, stealing and improperly transporting anhydrous ammonia. The Attorney General supports this initiative. Anhydrous ammonia is a precursor for the production of the drug methamphetamine. Methamphetamine as you will hear from one of our DNE agents is a very dangerous drug. Recently, Iowa, under what they determined to be a meth crisis, has had to expend close to \$4 million for additional agents and law enforcement activities in their state. From past experience and evidence that we have collected here in Wisconsin, we know that the drug is here and we need your help to stop its proliferation.

This effort will take a bi-partisan, multi-faceted approach. Methamphetamine is the new kid on the block for drug addiction in Wisconsin and throughout the United States. Unfortunately, the Midwest has been hit hard with the proliferation of this drug and the Department of Justice and local law enforcement have worked tirelessly to stop its devastation.

Our neighbors to the west have been hit extremely hard with this drug, causing many harms to families and communities. Wisconsin is working to prevent the devastation that has occurred in Iowa, Missouri and Minnesota. AB 7 is one of the tools that will help us to prevent this spread.

Under current law, the value of stealing anhydrous ammonia is a petty misdemeanor. Iowa, Illinois and Minnesota have all enacted laws that criminalizes this theft thus enabling law enforcement who discover anhydrous ammonia material prior to a clandestine lab being set up and operational and to charge the perpetrators with theft. Sending the signal to meth manufacturers that Wisconsin will not tolerate this activity will go a long way to diminishing this spread.

I want to thank the authors of the Bill, Representatives Ott, Freese and Rhoades and Senator Erpenbach for helping law enforcement, in a bi-partisan manner, address this concern.

We must send a strong and forceful message to drug traffickers that they are not welcomed in Wisconsin. We will forcefully investigate, prosecute and convict meth drug traffickers and we will use any means possible to do so. Your efforts last session with increasing penalties for meth sales and possession have been very helpful.

I want to thank you for allowing me to present the Attorney General's position and we urge your quick action on this legislation.

**Assembly Agriculture Committee  
January 25, 2001**

**Testimony of John Petty, Executive Director of Wisconsin Agri-Service Association, presented by Ron Kuehn, on Assembly Bill 7 relating to storage and handling of anhydrous ammonia, creating an exemption from civil liability, and providing a penalty.**

Chairman Ott and members of the Committee, thank you for holding this hearing on Assembly Bill 7 and showing your commitment to helping provide a solution to the spread of methamphetamine production in Wisconsin. I also appreciate the opportunity to provide the views of the Wisconsin Agri-Service Association (WASA) on combating methamphetamine proliferation. WASA represents nearly 500 member companies operating out of more than 700 locations, providing farmers and other customers with feed, seed, grain and farm supplies.

At the outset, we would like to offer our strong support for the intent of this bill, which would make it illegal to tamper with anhydrous ammonia containers or to transport anhydrous in unapproved containers. The bill would also indemnify lawful users of anhydrous from claims resulting from individuals tampering with their equipment.

Unfortunately, our industry has been unintentionally caught up with the menacing problem of methamphetamine production. The common method for small-scale illegal production of methamphetamine involves the use of precursor chemicals obtained from commonly available cold medicines. Other precursor chemicals such as sodium or lithium metal are used to provide a chemical reaction. The other material necessary for this illicit use is anhydrous ammonia.

Anhydrous ammonia is lawfully used as an agricultural fertilizer and in industrial refrigeration. In agricultural applications, it is an efficient source of nitrogen. Nitrogen from ammonia plays an especially important role as a constituent of chlorophyll that is necessary for photosynthesis and plant growth. When stored for agricultural or for use in refrigeration purposes, it is liquefied under pressure in specialized containers. Liquid anhydrous expands 850 times when released to ambient air. For this reason, it is

injected under pressure safely and directly into the ground several inches below the surface using highly specialized, mechanical equipment in a process called 'knifing.'

Anhydrous is popular with farmers because it is the lowest cost form of nitrogen fertilizer available. However, criminals also like it because very small amounts of it are needed to make a batch of methamphetamine. In fact, enough 'residual' ammonia is left in a typical transfer hose for a criminal to use. Additionally, the fact that anhydrous speeds up the meth manufacturing process to just a few hours also makes it attractive to illegal drug manufacturers.

This theft and illicit use of anhydrous ammonia has posed real concerns to both our members and their farmer customers. Thieves have often damaged storage tanks resulting in spills harming innocent passersby. Valves have intentionally been left open or hoses have been cut resulting in releases that have forced residential evacuations. This says nothing about the environmental harm caused by the toxic refuse left from the manufacturing process, which is often dumped on roadsides, or in farmer's fields.

Wisconsin is the only state of our contiguous neighbors that does not have an anti-tampering law. This creates the opportunity for meth manufacturers to 'cherry-pick' Wisconsin. Anhydrous thieves have, and will continue, simply to travel into our state to steal anhydrous in order to avoid stiffer penalties in their home states. At present, the only possible penalties they may incur would be simple trespassing and misdemeanor theft as the amount they would actually steal is valued in single dollars.

At this point, I wish to emphasize, there is absolutely no legitimate reason, or safe method, for anyone to siphon small amounts of anhydrous from a storage tank. Anyone thinking this might be great fertilizer for their back-yard rose garden, needs to think again. Anhydrous simply can not be applied by hand as I have explained earlier. It requires very specialized and large equipment. This brings us to the second point of the bill.

The meth manufacturers typically use whatever they can get their hands on to hold the small amounts of anhydrous they steal. These vessels include but are not limited to thermos bottles, igloo-type coolers and propane gas grill tanks. Needless to say, none of these carriers are federally approved anhydrous storage containers. I will go on record as stating once again; there is no legitimate agricultural purpose for anyone transporting anhydrous in a thermos bottle. The person, carrying anhydrous in this way, is on their way to make meth. Period. Because the amount of this hazardous chemical in a thermos bottle falls below the

100-pound reportable quantity threshold by the EPA, and since it is not being transported in furtherance of interstate commerce under DOT regulations, there are no penalties for transporting it in such a manner.

Sadly, because we live in such litigious times, we believe the indemnification of innocent agricultural supply dealers or their farmer customers, is important. Exposure to anhydrous can be a serious health hazard. Effects of inhalation range from lung irritation to severe respiratory injuries. It is also corrosive and can burn skin and eyes. When skin is exposed to anhydrous in a liquid state, with a temperature of minus 28 degrees Fahrenheit, it can cause freezing burns. There have been numerous reports here in Wisconsin of anhydrous thieves injuring themselves in the process of damaging storage equipment or in the process of transferring the chemical into unapproved containers. Unfortunately, as meth usage spreads so will the number of thefts and related injuries. The one group that should not have to bear the financial burden of illicit meth production is innocent business people and farmers.

As an association, we have prepared and delivered brochures and informational flyers to our membership to alert them to the signs of theft; how to respond to suspicious activity and deter theft at dealerships. In addition, we have encouraged our membership to share this information with their farmer customers. We, as an association, have also evaluated various theft-deterrence options including fencing, lighting and valve locks for anhydrous storage tanks. Each option provides some level of deterrence, but they can be costly to install. Still, we have made great progress in making our membership and customers aware of the problem, but there is further effort that is needed to accomplish fuller objectives in fighting the spread of meth in Wisconsin. Passage of this bill will be a very large step in the right direction.

Again, thank you for the opportunity to express our views.

**Assembly Committee on Agriculture**  
328 Northwest - State Capitol  
Thursday, January 25, 2000  
10:00 AM

**ASSEMBLY BILL 7:** storage and handling of anhydrous ammonia, creating an exemption from civil liability, and providing a penalty.

Department of Commerce Position

The Department of Commerce is appearing in support of Assembly Bill 7. The Department appreciates the opportunity to provide Committee members with information about the current administrative code regarding anhydrous ammonia.

Background

The Division of Safety and Buildings within the Department of Commerce is responsible for protecting the health, safety and welfare of the public by establishing reasonable and effective safety standards for the construction, repair and maintenance of public buildings and places of employment.

The State of Wisconsin has had an administrative code regarding anhydrous ammonia since January 1, 1960. It has been updated several times since then. The current Chapter Comm 43 contains minimum safety standards for the design, construction, installation, operation, inspection, repair and maintenance of anhydrous ammonia systems.

In development of the code, the Department relies upon a national standard and a formal, advisory council. The American National Standards Institute (ANSI) Safety Requirements for the Storage and Handling of Anhydrous Ammonia, ANSI K61.1, published by the Compressed Gas Association is used.

Furthermore, rule revisions have been recently made with the assistance of the Anhydrous Ammonia Code Advisory Council. The updated rules took effect in November 1999. The members of that citizen advisory council are as follows:

<u>Name</u>	<u>Representing</u>
Ed Aldridge	Gromark Inc
Bruce Barganz	Jefferson Co Farmco Co-op
Tim Clay	WI Federation of Cooperatives
Donald Healy	West Central Compliance
Art Herschberger	Herschberger's LP Gas Service
Bruce Kleespie	Kleespie Tank & Petroleum Equipment
Gene Reece	Appleton Fire Department

The Department is available to answer questions regarding the program and legislation.

# Wisconsin Legislature

## Press Release

### Legislators Continue Fight Against Meth in Wisconsin:

Assembly Committee on Agriculture takes action on Anhydrous Ammonia Bill

#### For Immediate Release

Contact: Rep. Kitty Rhoades (Hudson)  
Rep. Steve Freese (Dodgeville)  
Rep. Al Ott (Forest Junction)  
Senator Jon Erpenbach (Middleton)

January 25, 2001

608-266-1526

608-266-7502

608-266-5831

608-266-6670

**Madison...** In an effort to curb the growth and negative impacts of the highly-addictive drug methamphetamine (or "meth"), a bipartisan coalition of Wisconsin legislators today spoke in favor of legislation aimed at stiffening penalties for the illegal use and possession of anhydrous ammonia - a common agricultural fertilizer often used in the manufacturing of meth.

The Assembly Committee on Agriculture passed unanimously Assembly Bill 7 to create stronger regulations and stiff penalties for the illegal storage and handling of anhydrous ammonia.

**"Due to our rural landscape, Wisconsin is a magnet for meth manufacturers looking for ingredients they need but they currently don't have to face severe penalties if they get caught,"** said Representative Kitty Rhoades (Hudson). **"With this legislation we can stop these people at the borders and send a clear message to stay out of our communities."**

Because anhydrous ammonia tanks are commonly found in open farm fields, drug manufacturers producing meth (also known as "crank" or "ice") steal the substance and transfer it to meth labs in Minnesota, Iowa, Illinois and Wisconsin.

**"It is certainly an unfortunate state of affairs when an innocent agricultural product is being stolen and used for illegal purposes,"** according to Rep. Al Ott, Chair of the Assembly Agriculture Committee and lead author of the bill. **"This bill works to give authorities a better handle on dealing with the theft and unsafe transportation of anhydrous ammonia."**

Under the increased penalties in the legislation, a person who illegally stores, transfers, attempts to transfer, or steals anhydrous ammonia can be fined as much as \$10,000 and serve up to 3 years in prison. In addition, tampering or intentional damage to anhydrous ammonia equipment is punishable by the same penalties.

**"Last session we increased the penalties for the possession, manufacturing and disposal of meth, but were unable to finish our work on the theft of anhydrous ammonia. This legislation closes that loophole and adds to the anti-meth actions of the past years,"** said Representative Steve Freese (Dodgeville). **"We have found a way to get at the drug manufacturers without adversely affecting the farming community."**

Language in the bill creates a civil liability exemption for those who lawfully install, use, maintain, or own anhydrous ammonia equipment whose equipment causes damage or injury to an individual.

**"The fact that people are transporting this highly volatile and dangerous material in ice cream buckets and thermos bottles shows a real need for this regulation,"** said Senator Jon Erpenbach (Middleton) lead Senate author. **"When this material leaks or is transferred in the wrong manner, the person in possession is putting their life, and the lives of those around them in great danger. This legislation is aimed at getting at those who are breaking the law, but protecting those who are using this substance for its legitimate and legal use."**

The bill is expected to go before the full Assembly for a vote sometime in February.

###

# Vote Record

## Assembly - Committee on Agriculture

Date: 1/25/2001

Bill Number: AB 7

Moved by: AL OTT

Seconded by: BARBARA GRONEMUS

Motion: PASSAGE

### Committee Member

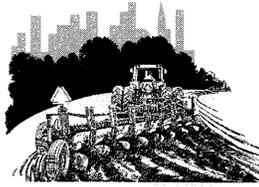
	<u>Aye</u>	<u>No</u>	<u>Absent</u>	<u>Not Voting</u>
Rep. Alvin Ott, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Eugene Hahn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. John Ainsworth	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Garey Bies	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Steve Kestell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Gabe Loeffelholz	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Jerry Petrowski	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rep. Scott Suder	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Joan Wade	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Joe Plouff	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Barbara Gronemus	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Marty Reynolds	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. John Steinbrink	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Julie Lassa	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Mary Hubler	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Marlin Schneider	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Totals:	<u>14</u>	<u>0</u>	<u>2</u>	<u>0</u>

Motion Carried

Motion Failed

*Committee file for bill*

Chairman:  
Agriculture Committee



Member:  
Conservation & Land Use  
Consumer Affairs  
Natural Resources  
Utilities

Al Ott

State Representative • 3rd Assembly District

January 30, 2001

Rep. Hahn  
Room 15 West

Dear Rep. Hahn:

During the Agriculture Committee Hearing on Anhydrous Ammonia on January 25<sup>th</sup>, you raised a question concerning changes the bill would bring about for farmers.

Specifically you referred to "emptying out the tank at the end of the day", as required for certain pesticide applications.

We discussed the issue with legislative attorney Mark Patronsky, and he did not believe that the proposal would require such actions.

Furthermore, we discussed such requirement with Dave Fredrickson (DATCP Division of Agricultural Resource Management). He explained that the tanks used to store anhydrous ammonia are pressurized and need to be that way for proper storage. He is not aware of any regulation old or new, that would change that.

In addition, there is no rule stating that pesticide tanks need to be emptied out at the end of the day. He suggested that perhaps Co-ops advise farmers to do that if they can not provide other security for pesticide tanks. If one has pesticide equipment with pesticide products in it, in order to leave overnight, security must be provided. One can lock the valves, or provide fencing around the equipment, or otherwise store the tanks where they can not be accessed. Such security arrangements need to be followed in order to be in compliance with performance standards of DATCP rules.

I hope this clarifies your question about the content of AB 7, the anhydrous ammonia bill. If you have additional questions or comments, please let me know.

Sincerely,

Al Ott, Chair  
Agriculture Committee

### Fiscal Estimate — 2001 Session

- Original       Updated  
 Corrected       Supplemental

LRB Number -1522/1	Amendment Number if Applicable --
Bill Number AB 7	Administrative Rule Number --

**Subject**

Storage and handling of anhydrous ammonia, creating an exemption from civil liability, and providing a penalty.

**Fiscal Effect**

State:  No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

- |  |   |
|--|---|
| <input type="checkbox"/> Increase Existing Appropriation | <input type="checkbox"/> Increase Existing Revenues |
| <input type="checkbox"/> Decrease Existing Appropriation | <input type="checkbox"/> Decrease Existing Revenues |
| <input type="checkbox"/> Create New Appropriation        |   |

Increase Costs — May be possible to absorb within agency's budget.

Yes     No

Decrease Costs

Local:  No Local Government Costs

1.  Increase Costs  
 Permissive     Mandatory
2.  Decrease Costs  
 Permissive     Mandatory

3.  Increase Revenues  
 Permissive     Mandatory
4.  Decrease Revenues  
 Permissive     Mandatory

5. Types of Local Governmental Units Affected:

- Towns     Villages     Cities  
 Counties     Others  
 School Districts     WTCS Districts

Fund Sources Affected

- GPR     FED     PRO     PRS     SEG     SEG-S

Affected Chapter 20 Appropriations

**Assumptions Used in Arriving at Fiscal Estimate**

This bill creates a statute that specifically regulates the storage and handling of anhydrous ammonia and increases the penalty that applies to certain violations of rules established by the Department of Commerce.

The Department of Corrections is unable to estimate the number of individuals who may be convicted under this bill, whether the conviction would result in imprisonment or probation, or the length of time of imprisonment or probation. Because of these factors, it is not possible to project the net fiscal impact of this legislation at this time.

**Long-Range Fiscal Implications**

Prepared By: Dawn Woeshnick - Budget Analyst	Telephone No. 266-0569	Agency Department of Corrections
Authorized Signature <i>Robert Margolis</i>	Telephone No. 266-2931	Date (mm/dd/ccyy) 01/23/01

**Fiscal Estimate — 2001 Session**

- Original       Updated  
 Corrected       Supplemental

LRB Number → 1522/1	Amendment Number if Applicable
Bill Number AB 7	Administrative Rule Number

Subject  
Anhydrous Ammonia

**Fiscal Effect**

State:  No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

- Increase Existing Appropriation       Increase Existing Revenues  
 Decrease Existing Appropriation       Decrease Existing Revenues  
 Create New Appropriation

- Increase Costs — May be possible to absorb within agency's budget.  
 Yes       No  
 Decrease Costs

Local:  No Local Government Costs

- |  |   |
|--|---|
| 1. <input type="checkbox"/> Increase Costs<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 3. <input type="checkbox"/> Increase Revenues<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory |
| 2. <input type="checkbox"/> Decrease Costs<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 4. <input type="checkbox"/> Decrease Revenues<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory |

5. Types of Local Governmental Units Affected:  
 Towns     Villages     Cities  
 Counties     Others  
 School Districts       WTCS Districts

Fund Sources Affected

- GPR     FED     PRO     PRS     SEG     SEG-S

Affected Chapter 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

This bill creates a statute that specifically regulates the storage and handling of anhydrous ammonia. It also creates various penalties for violation of these rules.

It is impossible to predict the number of violations that would occur under this bill if it were enacted but it is presumed that any additional workload would have to be absorbed by existing court staff. It is not expected that the effect on circuit court operations would be significant.

Long-Range Fiscal Implications

Prepared By: Sheryl Gervasi	Telephone No. 608-266-6984	Agency Director of State Courts
Authorized Signature <i>Sheryl Gervasi</i>	Telephone No.	Date (mm/dd/ccyy) 12/30/1

**Fiscal Estimate — 2001 Session**

- Original     Updated  
 Corrected     Supplemental

LRB Number LRB-1522/1	Amendment Number if Applicable
Bill Number AB0007	Administrative Rule Number

**Subject**  
 Anhydrous ammonia storage, handling and penalties.

**Fiscal Effect**

State:  No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

- Increase Existing Appropriation     Increase Existing Revenues  
 Decrease Existing Appropriation     Decrease Existing Revenues  
 Create New Appropriation

- Increase Costs — May be possible to absorb within agency's budget.  
 Yes     No  
 Decrease Costs

Local:  No Local Government Costs

1.  Increase Costs  
 Permissive     Mandatory  
2.  Decrease Costs  
 Permissive     Mandatory  
3.  Increase Revenues  
 Permissive     Mandatory  
4.  Decrease Revenues  
 Permissive     Mandatory

5. Types of Local Governmental Units Affected:  
 Towns     Villages     Cities  
 Counties     Others  
 School Districts     WTCS Districts

**Fund Sources Affected**

- GPR     FED     PRO     PRS     SEG     SEG-S

Affected Chapter 20 Appropriations

**Assumptions Used in Arriving at Fiscal Estimate**

This bill gives the department specific authority to write rules to regulate the storage and handling of anhydrous ammonia. The department already promulgates such rules under the department's general authority to promote safe places of employment, ss. 101.02 (15) (h) to (j) and 101.17, Stats. Therefore, the bill will have no state fiscal effect.

**Long-Range Fiscal Implications**

None

Prepared By: Bernie Mattsson	Telephone No. 266-2725	Agency Commerce
Authorized Signature <i>John Cornelsen</i>	Telephone No. 266-8629	Date (mm/dd/ccyy) 1/23/01

**Fiscal Estimate Worksheet — 2001 Session**  
 Detailed Estimate of Annual Fiscal Effect

Original       Updated  
 Corrected       Supplemental

LRB Number 1522/1	Amendment Number if Applicable
Bill Number AB0007	Administrative Rule Number

Subject  
 Anhydrous ammonia storage, handling and penalties.

One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):  
 \$0

Annualized Costs:	Annualized Fiscal Impact on State Funds from:	
	Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>		
State Operations — Salaries and Fringes	\$ 0	\$ - 0
(FTE Position Changes)	( 0.00 FTE )	( - 0.00 FTE )
State Operations — Other Costs	0	- 0
Local Assistance		-
Aids to Individuals or Organizations		-
<b>Total State Costs by Category</b>	\$	\$ -
<b>B. State Costs by Source of Funds</b>	Increased Costs	Decreased Costs
GPR	\$	\$ -
FED		-
PRO/PRS	0	- 0
SEG/SEG-S		-
State Revenues	Increased Revenue	Decreased Revenue
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
<b>Total State Revenues</b>	\$	\$ -

**Net Annualized Fiscal Impact**

	State	Local
Net Change in Costs	\$ 0	\$ 0
Net Change in Revenues	\$ 0	\$ 0

Prepared By: Bernie Mattsson	Telephone No. 266-2725	Agency Commerce
Authorized Signature <i>Joan Cornekin</i>	Telephone No. 266-8629	Date (mm/dd/ccyy) 1/23/01

**Fiscal Estimate — 2001 Session**

- Original       Updated  
 Corrected       Supplemental

LRB Number - 1522/1	Amendment Number if Applicable
Bill Number AB 7	Administrative Rule Number

**Subject**

Storage and handling of anhydrous ammonia, creating an exemption from civil liability, and providing a penalty.

**Fiscal Effect**

State:  No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

- Increase Existing Appropriation       Increase Existing Revenues  
 Decrease Existing Appropriation       Decrease Existing Revenues  
 Create New Appropriation

Increase Costs — May be possible to absorb within agency's budget.

Yes       No

Decrease Costs

Local:  No Local Government Costs

- |  |   |
|--|---|
| 1. <input type="checkbox"/> Increase Costs<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 3. <input type="checkbox"/> Increase Revenues<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory |
| 2. <input type="checkbox"/> Decrease Costs<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 4. <input type="checkbox"/> Decrease Revenues<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory |

5. Types of Local Governmental Units Affected:

- Towns       Villages       Cities  
 Counties       Others \_\_\_\_\_  
 School Districts       WTCS Districts

Fund Sources Affected

- GPR       FED       PRO       PRS       SEG       SEG-S

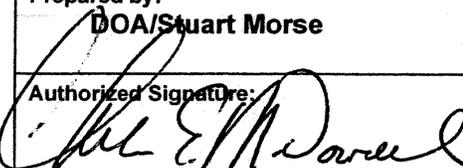
Affected Chapter 20 Appropriations

**Assumptions Used in Arriving at Fiscal Estimate**

This bill would create certain penalties for the improper storage and handling of anhydrous ammonia. The department does not anticipate any fiscal effect on the department operations.

**Long-Range Fiscal Implications**

Prepared By: JoAnna Richard	Telephone No. 267-1932	Agency Department of Justice
Authorized Signature <i>JoAnna Richard</i>	Telephone No. 267-1932	Date (mm/dd/ccyy) <del>11/004</del> 1/19/01

<b>2001 Session</b>		LRB Number 01-1522/1
<b>FISCAL ESTIMATE</b> DOA-2048 N(R06/99)		Bill Number <b>AB-7</b>
<input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> UPDATED <input type="checkbox"/> CORRECTED <input type="checkbox"/> SUPPLEMENTAL		Amendment No. if Applicable
<b>Subject</b> Storage and handling of anhydrous ammonia, creating an exemption from civil liability and providing a penalty		Administrative Rule Number
<b>Fiscal Effect</b> State: <input checked="" type="checkbox"/> No State Fiscal Effect Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.		
<input type="checkbox"/> Increase Existing Appropriation <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Appropriation <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Create New Appropriation		<input type="checkbox"/> Increase Costs - May be possible to Absorb Within Agency's Budget <input type="checkbox"/> Yes <input type="checkbox"/> No  <input type="checkbox"/> Decrease Costs
<b>Local:</b> <input checked="" type="checkbox"/> No local government costs		
1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Governmental Units Affected: <input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others _____ <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
<b>Fund Sources Affected</b> <input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S		<b>Affected Chapter 20 Appropriations</b> s. 20.475(1)(d)
<b>Assumptions Used in Arriving at Fiscal Estimate</b>  The number of criminal cases statewide that would be anticipated under bill were it to become law is <u>very small</u> and <u>thus negligible</u> for any particular district attorney office.		
<b>Long-Range Fiscal Implications</b> None		
<b>Prepared by:</b> DOA/Stuart Morse	<b>Telephone No.</b> (608) 267-2700	<b>Agency</b> District Attorneys
<b>Authorized Signature:</b> 	<b>Telephone No.</b> (608) 267-3836	<b>Date</b> January 19, 2001

LRB or Bill No./Adm. Rule No.  
LRB 01-1522/1  
AB 7

Amendment No. if Applicable

- ORIGINAL       UPDATED
- CORRECTED       SUPPLEMENTAL

**FISCAL ESTIMATE**  
DOA-2048 N(R10/98)

**Subject**

Storage and handling of anhydrous ammonia

**Fiscal Effect**

State:  No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

Increase Costs - May be possible to Absorb Within Agency's Budget  Yes  No

- Increase Existing Appropriation       Increase Existing Revenues
- Decrease Existing Appropriation       Decrease Existing Revenues
- Create New Appropriation

Decrease Costs

Local:  No local government costs

- 1.  Increase Costs
  - Permissive       Mandatory
- 2.  Decrease Costs
  - Permissive       Mandatory

- 3.  Increase Revenues
  - Permissive       Mandatory
- 4.  Decrease Revenues
  - Permissive       Mandatory

5. Types of Local Governmental Units Affected:
- Towns       Villages       Cities
  - Counties       Others \_\_\_\_\_
  - School Districts       WTCS Districts

**Fund Sources Affected**

- GPR     FED     PRO     PRS     SEG     SEG-S

**Affected Ch. 20 Appropriations**

s.20.550 (1) (d)

**Assumptions Used in Arriving at Fiscal Estimate**

This bill creates new crimes related to anhydrous ammonia. Because this bill creates new crimes, it's likely that the State Public Defender's Office will handle additional cases, thus increasing the agency's costs. Because it is presently unknown how many people would be charged with these new crimes and, of those who are charged, how many would qualify for SPD assistance, the agency cannot estimate the costs at this time.

**Long-Range Fiscal Implications**

Indeterminate at this time. Agency will monitor fiscal effect of this bill, if enacted, for future budget considerations.

Agency/Prepared by: (Name & Phone No.)  
SPD/Krista Ginger/264-8572

Authorized Signature/Telephone No.

*Krista R. Ginger*

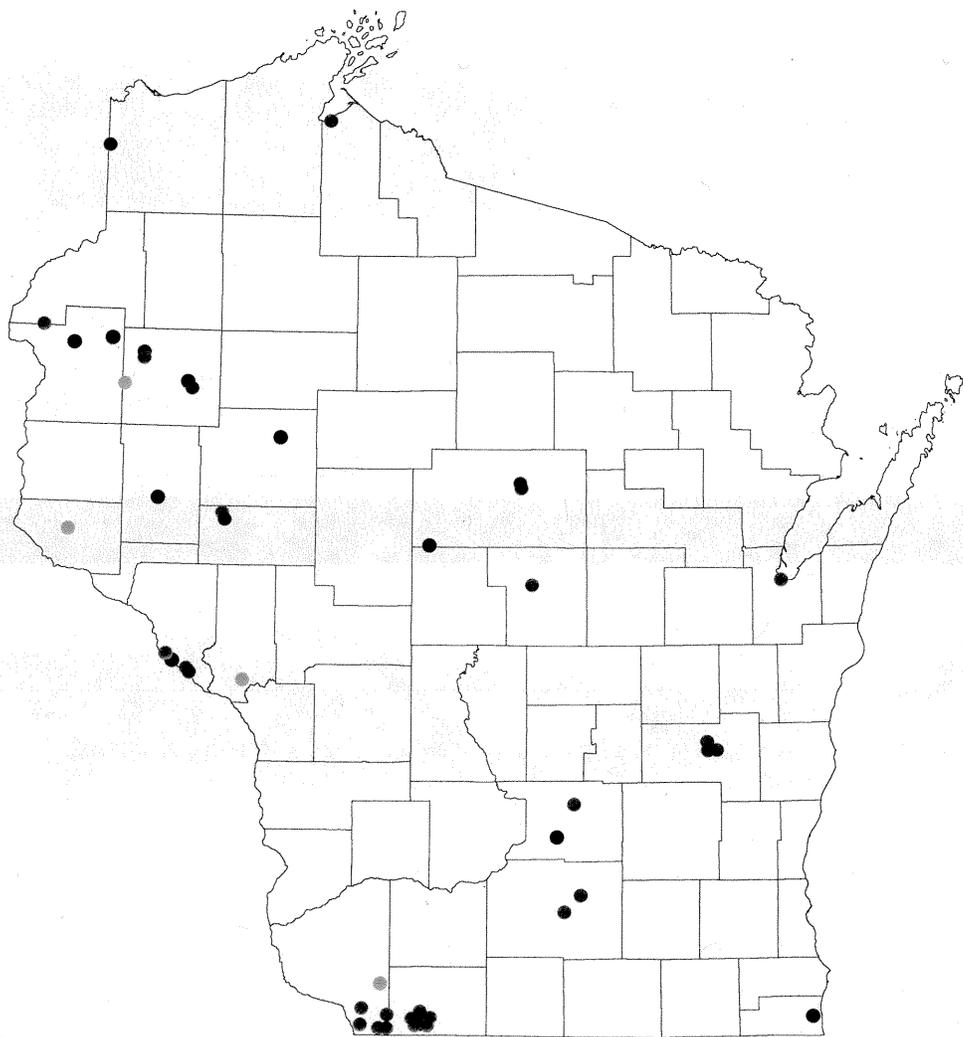
Date

1/27/01

# Meth Labs 2000



# 2000 CLANDESTINE METHAMPHETAMINE LAB ACTIVITY



- Nazi Labs
- Red P Labs
- Chemical/Glassware Seizures
- Dumpsites
- Thefts of Anhydrous Ammonia

# Methamphetamine Lab Seizures

	1995	1996	1997	1998	1999	2000
Missouri	95	250	408	589	628	493*
Iowa	8	31	63	320	500	528**
Kansas	7	71	99	189	492	559**
Indiana	6	13	28	43	178	375**
Illinois	0	2	24	87	246	285**
Minnesota	13	18	26	47	109	126***
Michigan				5	18	33**
Wisconsin	0	0	0	0	9	25**

\*Seizures as of September 1, 2000

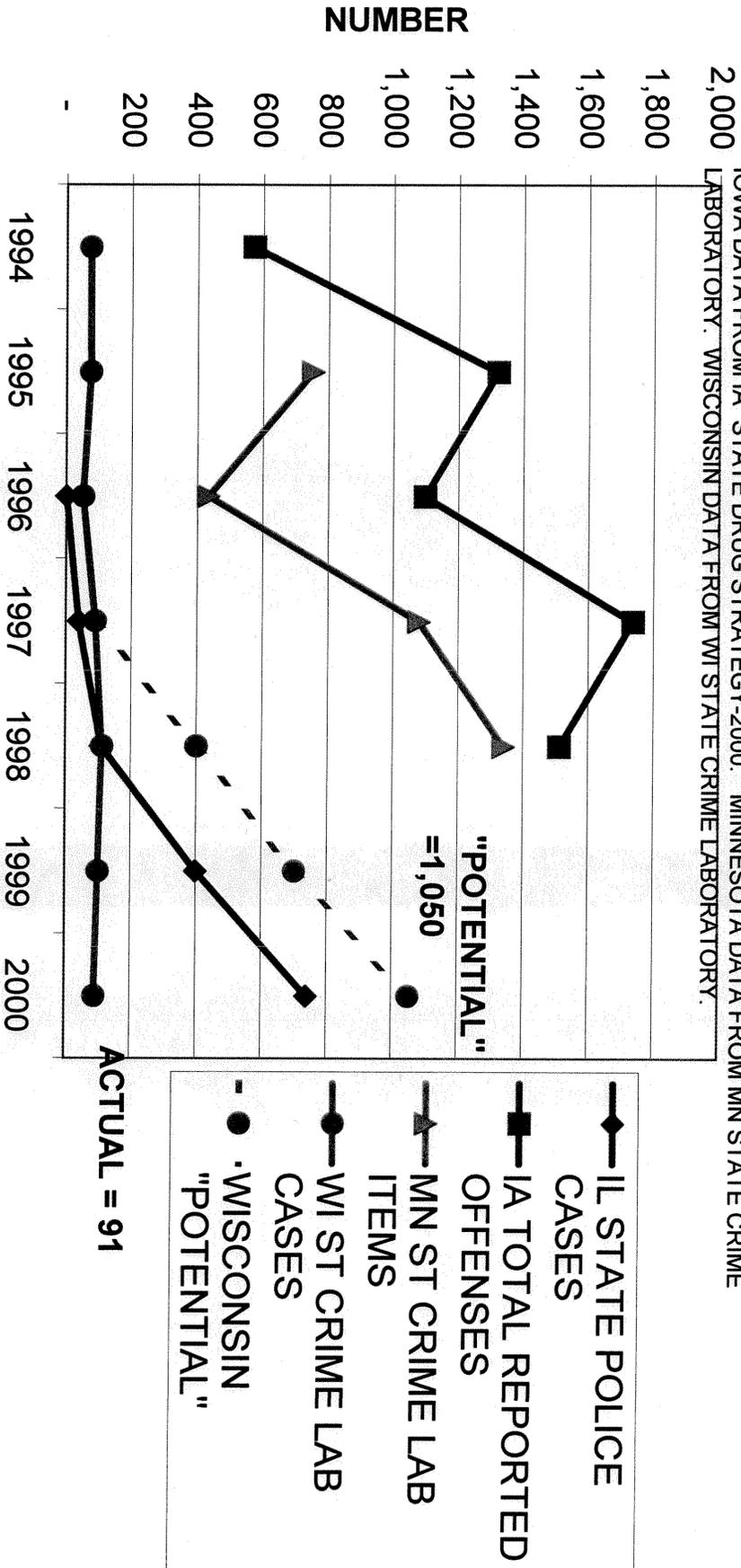
\*\*Seizures as of November 1, 2000

\*\*\*Seizures as of November 28, 2000



# METHAMPHETAMINE TRENDS: WISCONSIN & SURROUNDING STATES 1994 - PROJECTED 2000 (AS AVAILABLE)

ILLINOIS DATA FROM IL "1999 ANNUAL METHAMPHETAMINE REPORT" AND IL STATE POLICE.  
IOWA DATA FROM IA "STATE DRUG STRATEGY-2000." MINNESOTA DATA FROM MN STATE CRIME  
LABORATORY. WISCONSIN DATA FROM WI STATE CRIME LABORATORY.

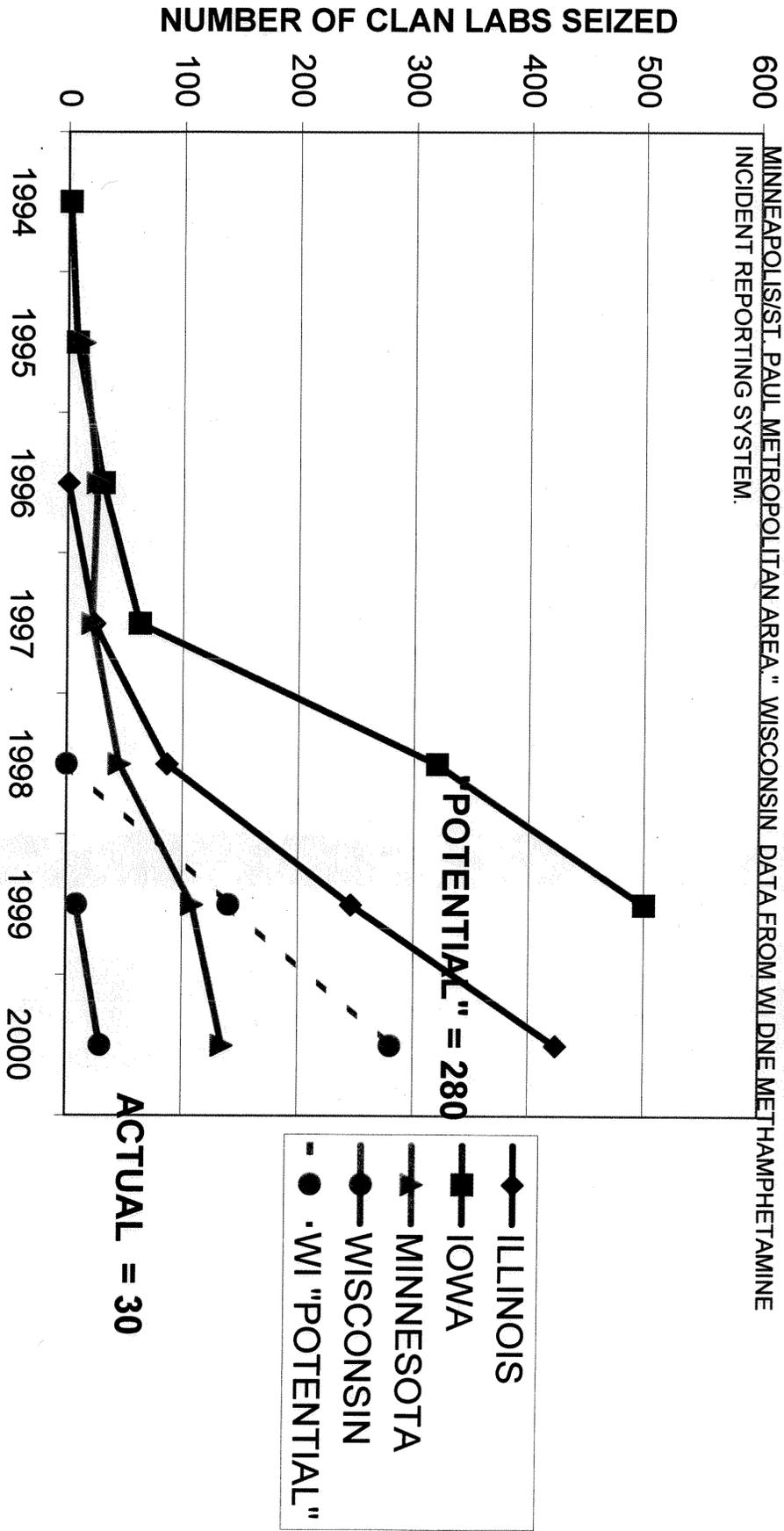




# CLANDESTINE METHAMPHETAMINE LAB SEIZURES: WISCONSIN AND SURROUNDING STATES

## 1994 - PROJECTED 2000 (AS AVAILABLE)

ILLINOIS DATA FROM IL "1999 ANNUAL METHAMPHETAMINE REPORT" AND IL STATE POLICE. IOWA DATA FROM IA "STATE DRUG STRATEGY-2000." MINNESOTA DATA FROM "DRUG ABUSE TRENDS IN THE MINNEAPOLIS/ST. PAUL METROPOLITAN AREA." WISCONSIN DATA FROM WIDNE METHAMPHETAMINE INCIDENT REPORTING SYSTEM.

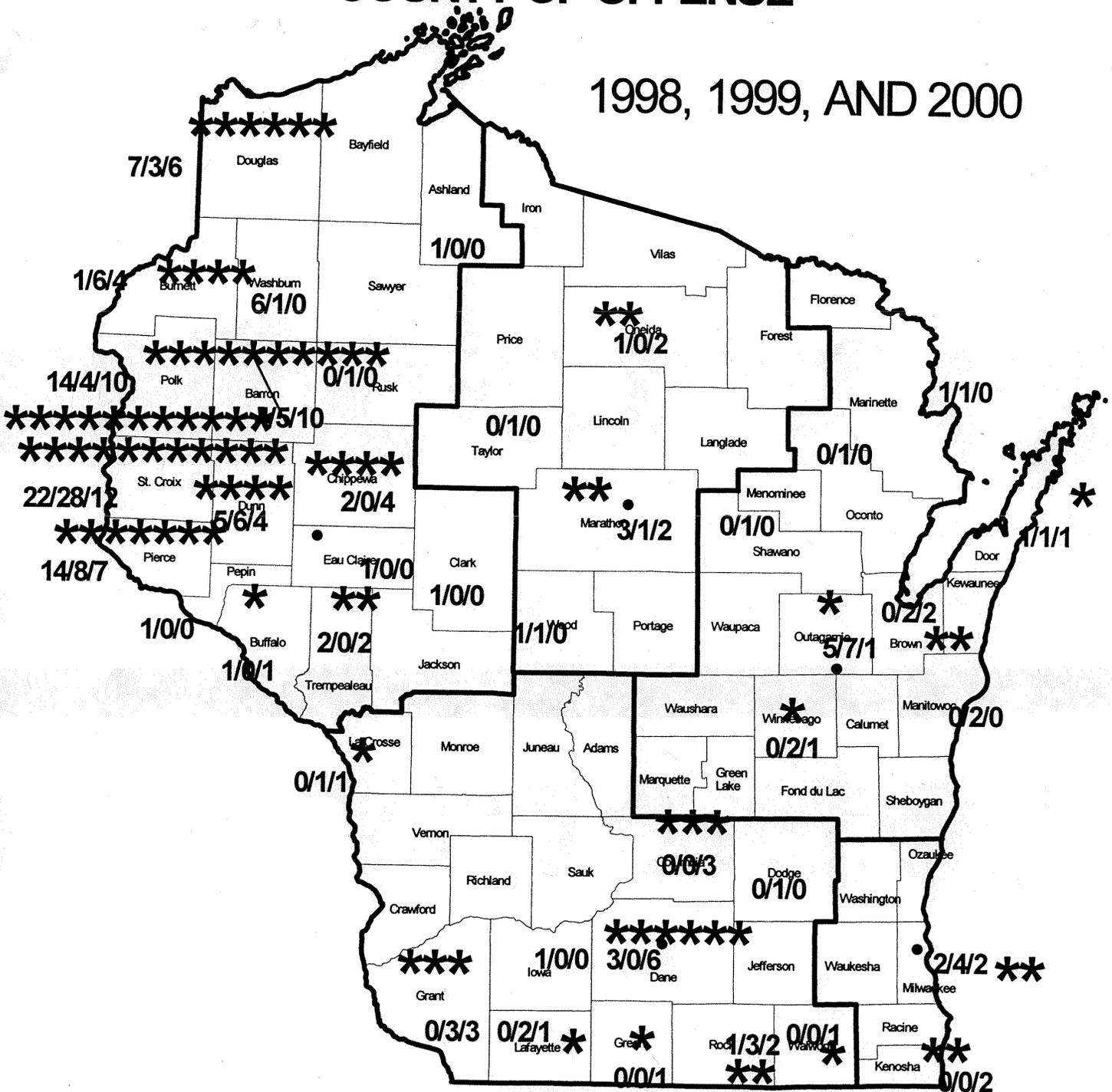


- ◆— ILLINOIS
- IOWA
- ▲— MINNESOTA
- WISCONSIN
- - ● - - WI "POTENTIAL"

ACTUAL = 30

# METHAMPHETAMINE CASES SUBMITTED TO WISCONSIN STATE CRIME LABORATORY- COUNTY OF OFFENSE

1998, 1999, AND 2000

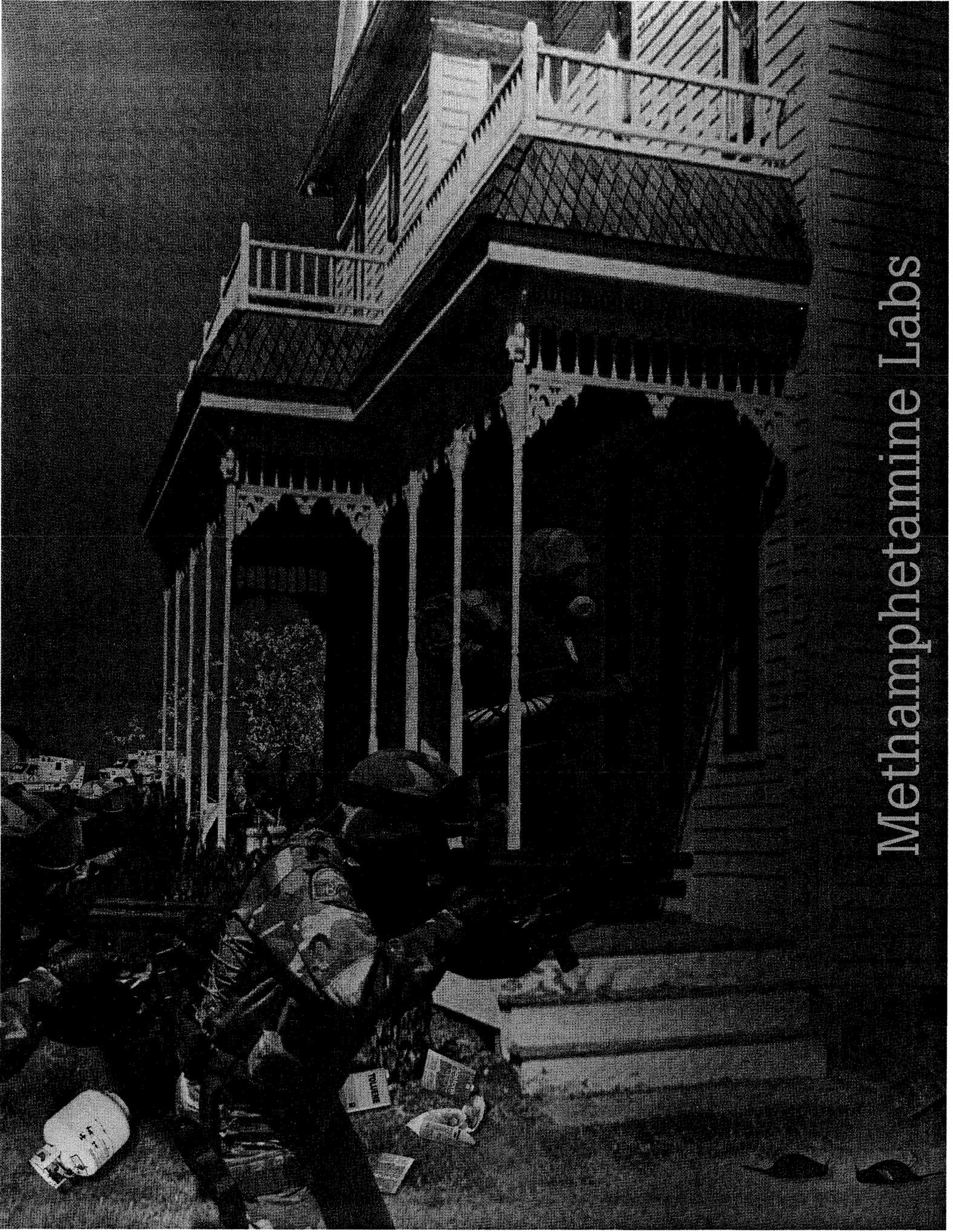


NUMBER OF CASES BY COUNTY: IN 1998 / IN 1999 / IN 2000

112 CASES STATEWIDE IN 1998, 101 CASES STATEWIDE IN 1999,  
91 CASES STATEWIDE IN 2000

\* = NUMBER OF CASES IN 2000

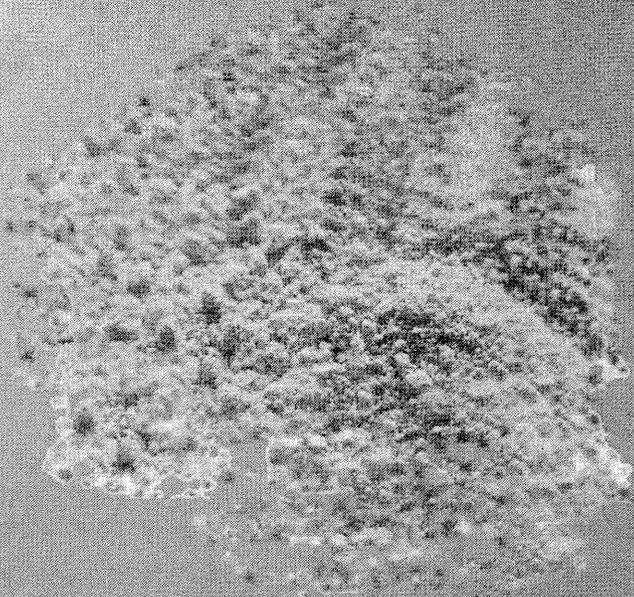
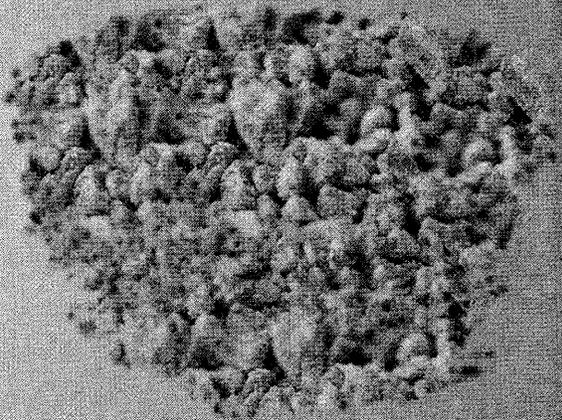




Methamphetamine Labs

In addition to a white powder, methamphetamine can take many other forms, colors or textures.

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The first stage in the process of making methamphetamine using the Nazi method is to extract the active chemical, ephedrine or pseudoephedrine, from over-the-counter drugs in the same manner as in the Cold Method.

After a couple hours, the active chemical, Ephedrine or Pseudoephedrine, will remain in the liquid solution while the unwanted tablet material will settle to the bottom.

Gasoline additives are a common source for alcohol and methanol.

Sodium and potassium metal and lithium are water reactive and must be stored in mineral spirits, kerosene or other liquid to keep it from becoming exposed to water or a violent reaction will occur.

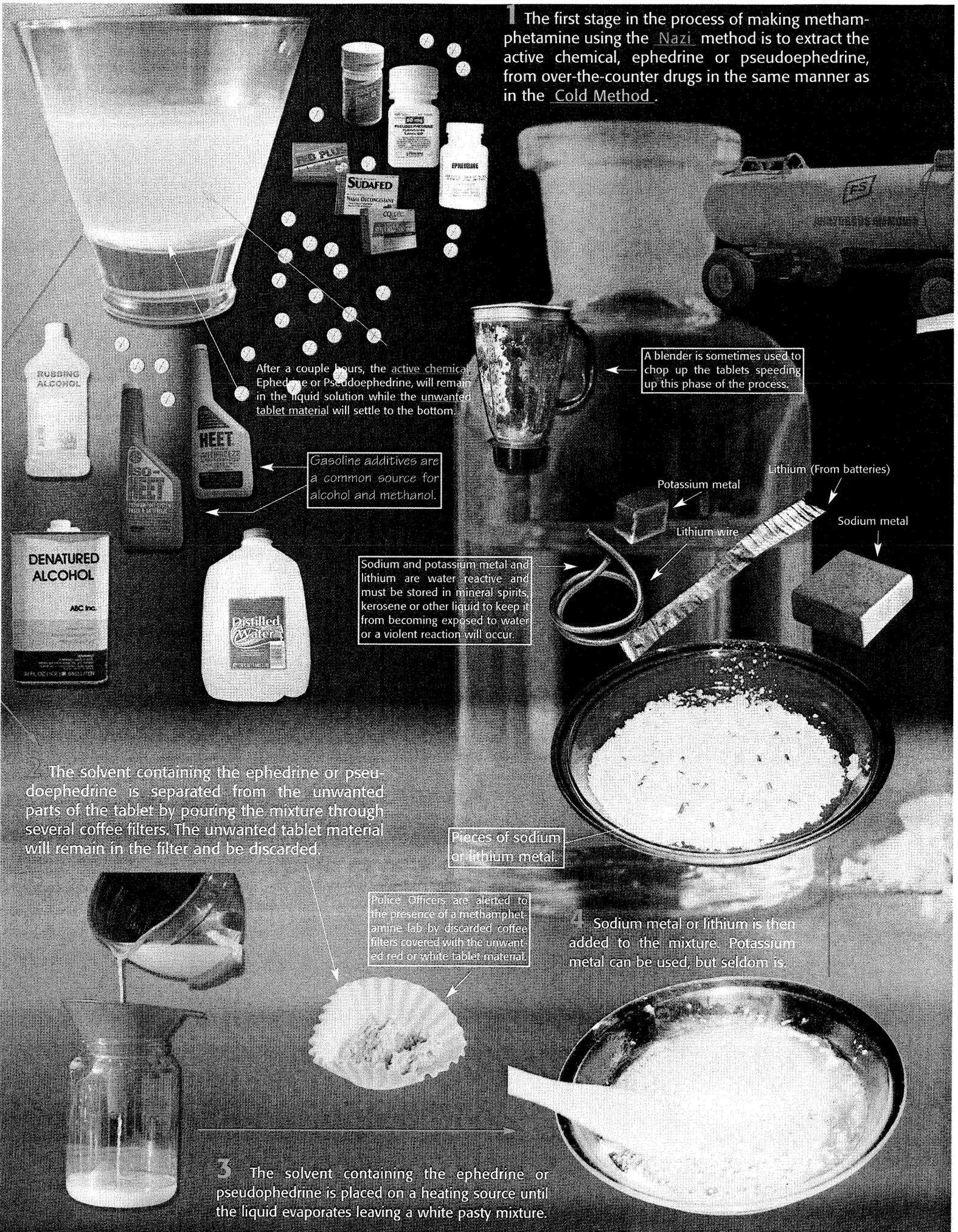
A blender is sometimes used to chop up the tablets speeding up this phase of the process.

Pieces of sodium or lithium metal.

Police Officers are alerted to the presence of a methamphetamine lab by discarded coffee filters covered with the unwanted red or white tablet material.

Sodium metal or lithium is then added to the mixture. Potassium metal can be used, but seldom is.

The solvent containing the ephedrine or pseudoephedrine is placed on a heating source until the liquid evaporates leaving a white pasty mixture.



5 Anhydrous ammonia is added to the mixture which turns a very dark blue when the anhydrous makes contact with the sodium metal.

Propane tanks are frequently used to steal anhydrous ammonia. The chemical reaction of the anhydrous and the brass valve on the tank causes the valve to corrode and turn blue. The tank will have to be replaced in 2 or 3 weeks.

6 As the anhydrous evaporates, the mixture returns to white. Water is added to quench the reaction.

7 The reaction of the residual sodium metal and water will form sodium hydroxide (lye) which will convert the mixture into methamphetamine base.

8 Methamphetamine base can be seen oiling out on the surface of the water.

9 The mixture in figure 8 is then poured into a jar containing ether. Methamphetamine base will dissolve in the ether while water settles to the bottom. As in the Cold Method, the ether can be substituted with camping fuel, paint thinner, toluene, brake cleaner, gun scrubber and other solvents.

10 The mixture is then processed with a gas generator in the same manner as in the cold process using ordinary table or rock salt. Some lab operators may alter this process by using muriatic acid to generate HCL gas instead of salt and drain cleaner. The muriatic acid method can be used in either the nazi or cold process, however, this procedure is not as efficient.

ALUMINUM FOIL

SULFURIC ACID

ROCK SALT Pellets

MURIATIC ACID

Acetone is generally used in the final step to clean up the finished methamphetamine, making it white. Ether can also be used.

11 The methamphetamine mixture is again poured through a filter. What remains in the filter is d-Methamphetamine hydrochloride. The liquid that flows through the filter may be processed again with HCL gas in an effort to extract more methamphetamine.

Acetone

STARTING FLUID

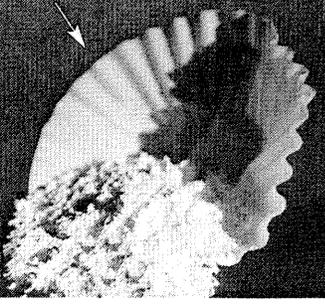
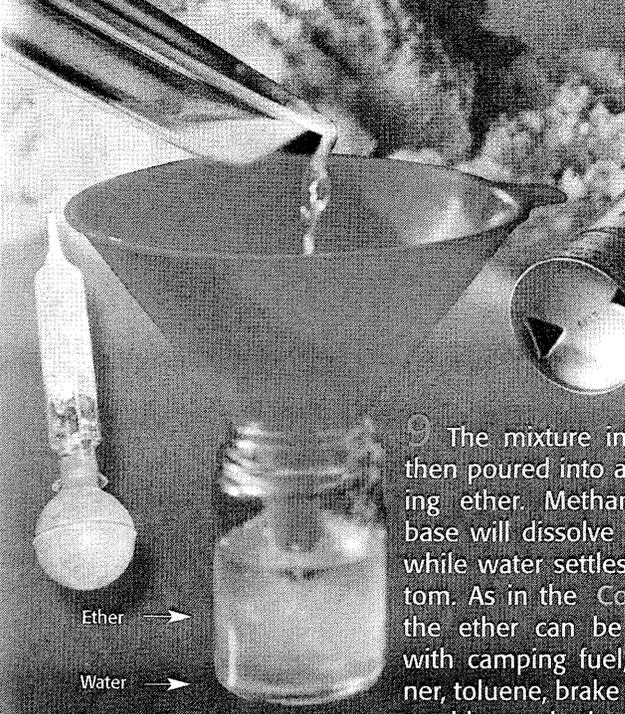
CAMPING FUEL

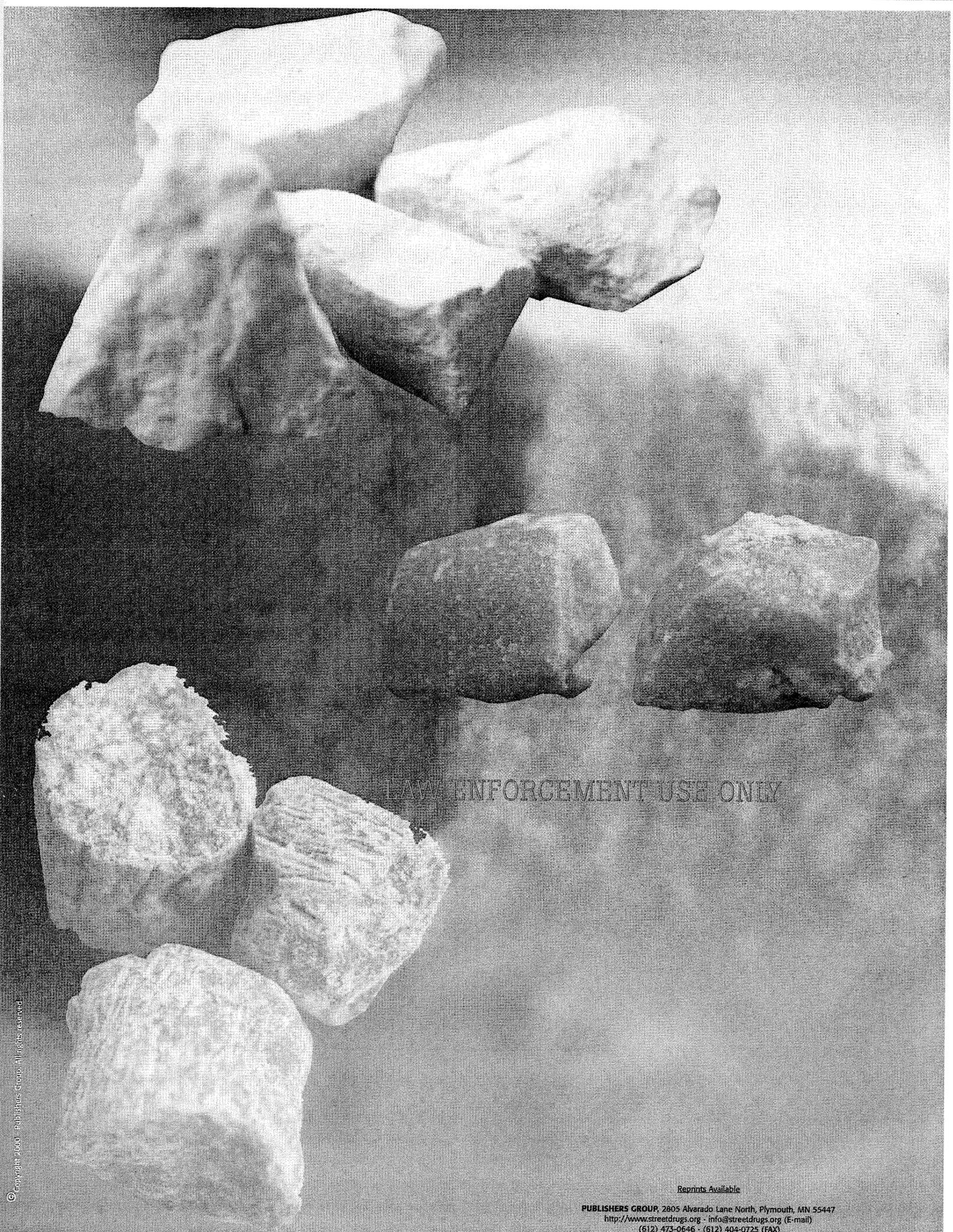
TOLUENE

Paint Thinner

BRAND GLENN'S Gun Scrubber

Ether  
Water





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(612) 473-0646 · (612) 404-0725 (FAX)

1 The first stage in the process of making methamphetamine using the Cold Method is to extract the active chemical, ephedrine or pseudoephedrine, from over-the-counter drugs such as Sudafed, Equate, Fed Plus, Mini Thins and many others. This is usually accomplished by mixing the tablets with water, alcohol or methanol.

After a couple hours, the active chemical, will remain in the liquid solution while the unwanted tablet material will settle to the bottom.

A blender is sometimes used to chop up the tablets speeding up this phase of the process.

The Cold Method infers a manufacturing process without the use of a heat source. However, methamphetamine producers know that by adding heat to the precursors for several hours they will gain a much higher yield of finished product.

2 The solvent containing the ephedrine or pseudoephedrine, and the unwanted parts of the tablet, are separated by pouring the mixture through several coffee filters. The unwanted tablet material will remain in the filter and be discarded.

3 The mixture is heated until all the water, alcohol or methanol has evaporated leaving a dry crust of ephedrine/pseudoephedrine.

4 The ephedrine or pseudoephedrine, iodine, red phosphorous, and water are heated to boiling for several hours. This process will create a methamphetamine base.

The strike plate on book matches is a frequent source for Red Phosphorus.

Red Phosphorus

Veterinarian products are another source of Iodine.

Police Officers are alerted to the presence of a methamphetamine lab by discarded coffee filters covered with the unwanted red or white tablet material.

Iodine Flakes

Iodine (Prill)

5 The methamphetamine base solution is poured through coffee filters or other filtering materials to remove the red phosphorous and iodine. Discarded filters will have a dark red or rust residue.

A solution of Lye (Sodium Hydroxide) is then added to the mixture causing the methamphetamine base to come out of solution. Ice is used in this step to keep the mixture cool.

6 The methamphetamine base is drawn into the top layer of the mixture.

7 More ice is added here to keep the mixture cool. Ether is added and two layers form. Methamphetamine base is drawn into the top layer which is the ether. Small amounts of orange material may be present. This will be residual red phosphorus. Ether can be substituted with camping fuel, paint thinner, toluene, brake cleaner, gun scrubber and other solvents.

8 The top layer (ether) containing the methamphetamine base is then poured through several coffee filters.

The color of the liquid will vary with the solvent used. Most solvents are clear.

9 In this next step, the mixture (methamphetamine base in ether) is processed with a gas generator. This is accomplished by pouring ordinary table or rock salt into a container, such as a utility size gas can or other container modified with a rubber hose. When sulfuric acid (household drain opener) is added to the salt, hydrogen chloride (HCL) gas will form and flow from the container through the rubber hose and into the jar of methamphetamine base. The HCL gas will salt out methamphetamine in the bottom of the jar.

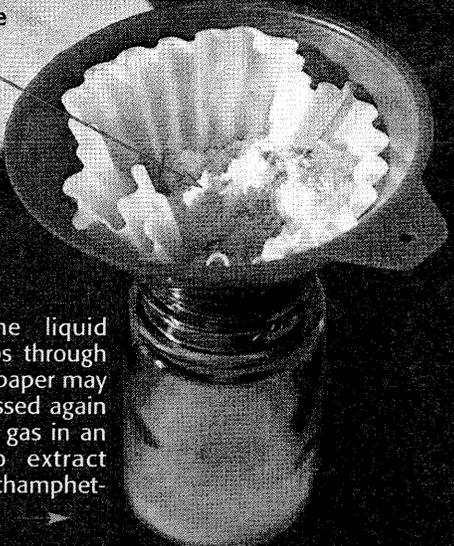
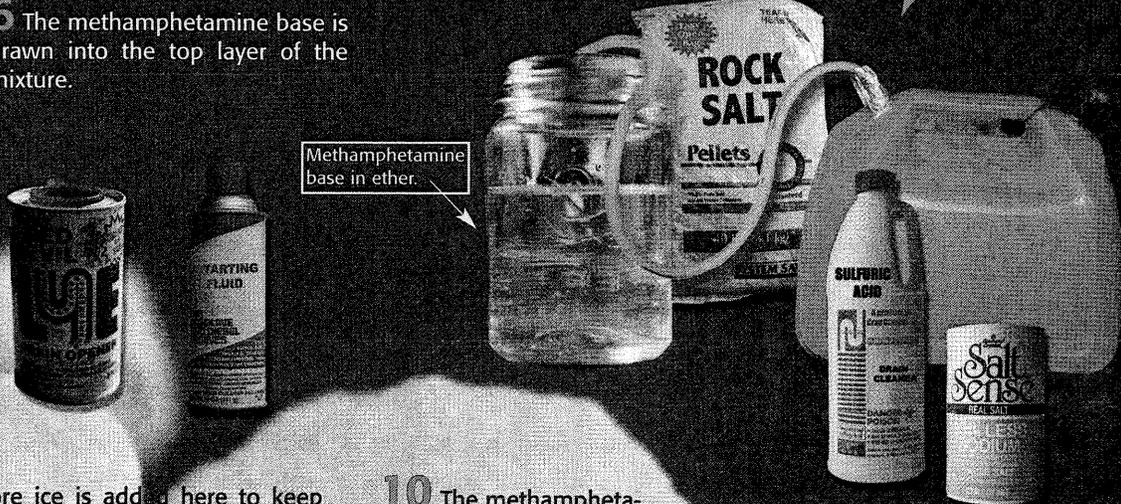
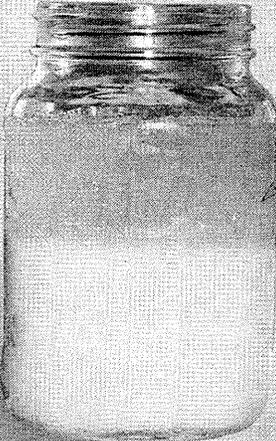
Muriatic acid has also been used by meth lab chemists to produce HCL gas.

Methamphetamine base in ether.

10 The methamphetamine mixture is again poured through a filter. What remains in the filter is d-Methamphetamine hydrochloride.

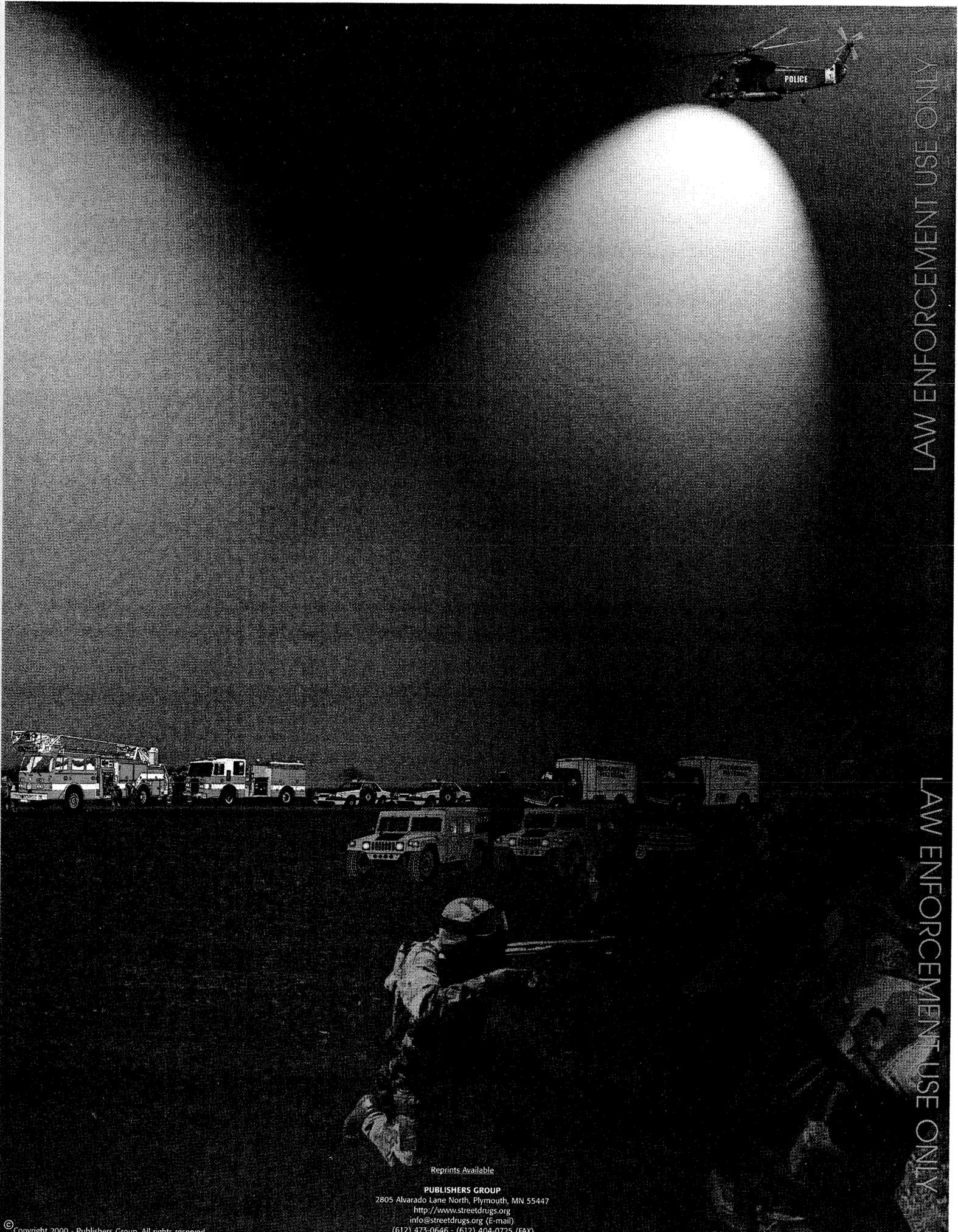
11 The liquid that seeps through the filter paper may be processed again with HCL gas in an effort to extract more methamphetamine.

Acetone is generally used in the final step to clean up the methamphetamine making it white. Ether can also be used.



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