

2003 DRAFTING REQUEST

Senate Amendment (SA-SB44)

Received: **04/25/2003**

Received By: **rmarchan**

Wanted: **Soon**

Identical to LRB:

For: **Legislative Fiscal Bureau**

By/Representing: **Bonderud**

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

Drafter: **rmarchan**

May Contact:

Addl. Drafters: **btradewe**

Subject: **Econ. Development - misc.**

Extra Copies:

Submit via email: **YES**

Requester's email:

Carbon copy (CC:) to: **robert.marchant@legis.state.wi.us**

Pre Topic:

LFB:.....Bonderud -

Topic:

Recycling market development board

Instructions:

LFB paper 221 alternatives A. 2. and 3. b. and B. 1.

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> |
|--------------|------------------------|------------------------|------------------------|----------------|----------------------|-----------------|-----------------|
| /? | rmarchan 04/25/2003 | | | _____ | | | |
| /1 | btradewe 04/25/2003 | csicilia 04/29/2003 | pgreensl 04/29/2003 | _____ | lemery 04/29/2003 | | |
| | rmarchan 05/09/2003 | csicilia 05/09/2003 | | _____ | | | |

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| /2 | | | jfrantze _____ 05/09/2003 _____ | | lemery 05/09/2003 | | |
| /3 | btradewe 05/14/2003 | csicilia 05/15/2003 | rschluet _____ 05/15/2003 _____ | | sbasford 05/15/2003 | | |

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<END>

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SSP b
5-15-03

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|--------------|----------------|------------------|--------------|----------------|------------------|-----------------|-----------------|
| /? | rmarchan | 1 cis 4/29 03 | 4/29 ps | 4/29 ps/mj | | | |

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Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

April 24, 2003

Joint Committee on Finance

Paper #221

Recycling Market Development Board (Commerce)

[LFB 2003-05 Budget Summary: Page 105, #20]

CURRENT LAW

The Recycling Market Development Board (RMDB) provides grants, loans or manufacturing rebates to governmental or business entities to assist waste generators in the marketing of recovered materials or to develop markets for recovered materials. At the request of the RMDB, Commerce provides the financial assistance awarded by the Board. During the 2001-03 biennium, the RMDB is appropriated \$2,000,000 PR from loan repayments in each year for financial assistance, but cannot make financial assistance awards that exceed revenues to the continuing appropriation. The source of the program revenue is repayments of loans. Prior to 1999-00, the Board was also appropriated monies from the segregated recycling fund for financial assistance. The RMDB is appropriated \$65,800 recycling fund SEG with 1.0 SEG position in 2002-03 for operations.

GOVERNOR

Lapse \$1,200,000 PR to the general fund in each of 2003-04 and 2004-05 from the Recycling Market Development Board loan repayments appropriation account.

DISCUSSION POINTS

1. As of July 1, 2002, the RMDB had \$3,759,300 in available loan repayments for financial assistance. In January 2003 Special Session Senate Bill 1, the Governor proposed lapsing \$1,000,000 PR from the RMDB loan repayments appropriation account to the general fund in 2002-03. The Legislature increased the lapse by \$2,800,000 to \$3,800,000. At that time, it was estimated that 2002-03 loan repayment revenues would be \$751,800, 2002-03 expenditures would be

\$711,100, and the \$3,800,000 lapse represented all of the anticipated June 30, 2003, appropriation account balance. It was also assumed that the \$3,800,000 lapse would result in no further financial assistance being provided in 2002-03 beyond the amounts approved by the RMDB and encumbered by Commerce before February, 2003. The Governor signed the increased lapse amount included in 2003 Act 1.

2. Since Act 1 was enacted, Commerce has reestimated 2002-03 loan repayment revenue upward to \$961,700 due to early repayments of loans, and has reestimated encumbrances downward by \$302,800 because of lapses of prior year financial assistance awards. As of April 1, 2003, Commerce has encumbered or expended \$405,800 in 2002-03 (instead of \$711,100 estimated in February, 2003). Commerce staff have recommended approval of \$553,000 in financial assistance (a \$550,000 loan and a \$3,000 grant) and expects that the RMDB will meet in June, 2003, to consider the recommendation. Thus, there may be a minimal June 30, 2003, appropriation account balance if the RMDB and Commerce make additional financial assistance awards in 2002-03, and expenditures in 2002-03 would total \$921,000 rather than the \$711,100 anticipated under Act 1.

3. Commerce estimates that loan repayments due during the 2003-05 biennium will equal \$1,234,400 (\$620,900 in 2003-04 and \$613,500 in 2004-05). Thus, repayments received in 2003-05 would be \$1,165,600 less than the \$2,400,000 required to be lapsed under the bill. In addition, under the bill, no funds would be available for other financial assistance awards by the RMDB during the biennium.

4. The Commerce estimates are based on an assumption that 90% of repayments due would be received. In 2002-03 and prior years, actual loan repayment revenues were significantly higher than earlier Commerce estimates because the appropriation received revenue from early loan repayments and expenditures were less than 100% of some prior awards. This resulted in higher available balances being available for future financial assistance. For example, in 2001-02 Commerce estimated revenues of \$600,000 while actual revenues totaled over \$1,000,000. If Commerce receives additional loan repayments by June 30, 2003, revenue may be \$1,000,000 in 2002-03, and Commerce would have a June 30, 2003, balance of up to \$553,500, depending on whether the Board makes additional awards. If, during the 2003-05 biennium, loan repayment revenues are 15% higher than estimated due to prepayments or closure of financial assistance agreements with lower expenditures than awards, the appropriation would receive revenue of \$793,400 in 2003-04 and \$783,900 in 2004-05.

5. Further, it could be argued the intent of 2003 Act 1 was to lapse all funds not committed by February, 2003. If the RMDB does not award the remaining balance of \$553,500 in 2002-03, revenues of approximately \$2,130,800 could be available for lapse in 2003-05 (versus a \$2,400,000 lapse requirement under the bill), as shown in the following table.

Estimated Recycling Market Development Board Revenue

| | <u>2003-04</u> | <u>2004-05</u> |
|---------------------------|----------------|----------------|
| Opening Balance | \$553,500 | \$0 |
| Loan Repayment Revenue | <u>793,400</u> | <u>783,900</u> |
| Total Available for Lapse | \$1,346,900 | \$783,900 |

6. The Administration has not recommended that the Legislature make any change to the \$1,200,000 annual lapse requirement, but recognizes that the full amount of lapse likely can not be made from the appropriation as drafted under the bill. DOA officials indicate that a general goal during the budget process was to provide agencies flexibility in planning for lapses.

7. An alternative that would result in lapse of the entire \$2,400,000 specified in the bill would be to lapse to the general fund the July 1, 2003, appropriation balance and all RMDB loan revenues received during the biennium (up to \$2.1 million), and to require that Commerce lapse from other appropriation funds so that the total amount lapsed to the general fund is \$2,400,000 for the biennium. For example, Commerce could be directed to lapse any amount not available from the ~~RMDB repayments appropriation from GPR financial assistance appropriations~~ such as the Wisconsin Development Fund (appropriated \$4,498,400 in each year under the bill), rural economic development program (appropriated \$606,500 in each year) and the community-based economic development program (\$712,100 in each year).

8. Before the RMDB awards financial assistance, it is required to consider the extent to which the project: (a) maximizes the marketability of recovered materials on a statewide basis; (b) minimizes the amount of recovered materials disposed of in landfills or burned without energy recovery in incinerators; (c) includes materials that are banned from landfills and that will support community recycling efforts; and (d) maintains present markets or creates new or expanded markets for recovered materials.

9. 1999 Act 9 directed the RMDB and Commerce to provide specified financial assistance awards to two groups. While the bill does not modify the statutory requirement to provide financial assistance to the two entities, no funds would be available in the RMDB appropriation account for awards to the two groups during the biennium. The two statutorily required awards include to:

a. Provide a grant of \$50,000 annually to a private, nonprofit organization that provides waste reduction and recycling assistance through business-to-business peer exchange. Commerce provided the grant to WasteCap Wisconsin Inc. in each year from 1999-00 through 2002-03.

b. Annually contract for a statewide materials exchange program with a materials

exchange program that received funding from the RMDB in the 1997-99 biennium. While the statutes do not specify a grant amount, Commerce awarded \$100,000 in each year from 1999-00 through 2002-03 to the Business Materials Exchange of Wisconsin maintained by the Greater Beloit Chamber of Commerce. (Commerce plans to lapse \$22,700 in unused funds from the 1999-00 award and \$24,500 from the 2000-01 award.)

10. Recycling market development programs were administered by the former Department of Development (now Commerce) from 1991-92 through 1994-95. DOD spent \$15.1 million on recycling market development grants, loans, technology assistance and rebates for qualified recycling equipment. In 1993-94, the RMDB was created, and has since awarded over \$26 million for: (a) low-interest loans to encourage the use of materials recovered from solid waste as a raw material in production, including for equipment purchases for start up or expansion of recycling businesses; (b) low-interest and forgivable loans to encourage businesses to research and develop innovative ways to utilize recovered materials generated in the state; (c) rebates for a portion of the cost of eligible machinery or equipment that is used in making a product from recoverable materials; (d) grants to help entrepreneurs and small businesses obtain professional services necessary to evaluate the feasibility of a proposed recycling business start up or expansion; (e) technical assistance to develop and promote the development of recycling markets for specific recoverable materials; (f) grants for research studies related to recycling market development priorities, most of which was for the University of Wisconsin System's Solid Waste Recovery Research Program; (g) administrative and consultant services for the RMDB; (h) grants for activities that educate businesses about the use of recovered materials in their products or processes and educate waste generators on their role in the development of markets for recovered materials; and (i) the statutorily designated grants described above.

11. Throughout the existence of the state recycling market development programs, there has been continuing debate about the effectiveness of spending state funds on such activities. Some view the use of state funds to be an appropriate method of encouraging the development of markets for recycled materials or the use of recycled materials in manufactured products. Others view the use of state funds to be ineffective in stimulating markets that are more influenced by national or international economic trends.

12. In March, 2003, the Speaker's Task Force on State Budget Review recommended that the Recycling Market Development Board and program be eliminated, and that all RMDB loan repayments be deposited in the general fund.

13. Former Commerce Secretary Albert informed the Speaker's Task Force that the recycling market development programs have been unsuccessful and have not created new markets because products made from virgin materials are cheaper than products made from recycled materials. Recently, Commerce officials indicated that markets have not responded well to recycled materials, and that it is cheaper to utilize virgin resources in many circumstances, but that as markets evolve, the Department would foresee increased demand for funding to pursue the development of new markets and products.

14. State recycling grants to WasteCap Wisconsin, Inc. began with a Department of Natural Resources waste reduction and recycling demonstration grants of \$20,618 in 1997 and \$11,775 in 1999 for business-to-business information exchanges related to waste reduction. In 1998, WasteCap became a private nonprofit 501(c)(3) organization. In 1998-99 the RMDB awarded two grants to WasteCap totaling \$47,320. The \$50,000 annual RMDB statutory awards to WasteCap Wisconsin, Inc. in 1999-00 through 2002-03 have been used to: (a) conduct educational open houses called "talk and tours" at several state businesses to demonstrate innovations in reducing, reusing and recycling construction and demolition debris, food scraps and computers; (b) perform site visits to businesses to make waste reduction assessments; (c) maintained a web site and email bulletin; and (d) presented information at meetings, workshops and conferences. The \$50,000 grant has provided approximately one-third of the organization's annual income. Other income comes primarily from private sources.

15. State recycling grants to the Greater Beloit Chamber of Commerce for the Business Material Exchange of Wisconsin (BMEX) began in 1995 with a DNR waste reduction and recycling demonstration grant of \$29,338 to implement a materials exchange network. RMDB awarded grants to BMEX of \$116,386 in 1997-98 and \$70,714 in 1998-99. Statutory awards of \$100,000 annually began in 1999-00. BMEX maintains a web site that allows businesses throughout and outside the state to place materials on the exchange and to search for and respond to materials listed on the exchange. It is the only business exchange in the state. The \$100,000 grant has provided approximately two-thirds of the organization's annual budget in the last few years.

16. It could be argued that state funding to two non-state organizations that primarily serve private businesses should not continue on a long-term basis, especially during the current period of limited funds for state programs. If businesses want the services provided by the organizations, they could choose whether, or to what extent, to continue funding the efforts. Under the bill, there would be no RMDB funds available for the statutory awards, but the statutory requirement for RMDB to make the awards is maintained. The bill could be modified to repeal the statutory award requirements.

17. Others may argue that the state subsidy to the two organizations provides a worthwhile recycling market development service to businesses and should be continued. The bill could be modified to maintain \$150,000 annually in the RMDB loan repayments appropriation for the two statutory awards. This would reduce the amount that could be lapsed to the general fund by \$300,000 from the maximum amount of loan repayments available during the biennium.

18. Alternative methods of continuing to provide state funding for the two statutory awards would be to: (a) create a Commerce appropriation from the segregated recycling fund for the two grants; or (b) direct the Department of Natural Resources to fund the statutory awards from the existing waste reduction and recycling demonstration grant appropriation. Currently, and under the bill, the DNR program is appropriated \$500,000 annually to provide cost-share grants to municipalities, public entities, businesses and nonprofit organizations for projects which implement innovative waste reduction and recycling activities. A grant may not exceed 50% of the project's actual eligible costs.

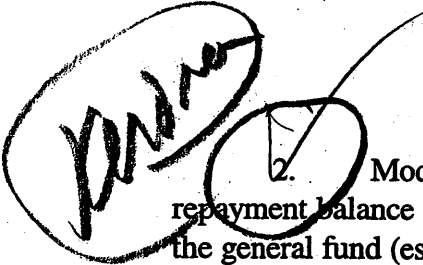
19. Since the bill provides no funds for financial assistance or the two statutory awards, the RMDB and 1.0 SEG recycling fund position would not be able to provide any financial assistance during the biennium. Commerce staff activities would consist of monitoring existing grant and loan agreements, preparing performance reports and closeout documents, providing technical assistance to companies interested in utilizing recycled materials, collecting underperforming or non-paying loans, working with businesses that may be interested in applying for financial assistance in the 2005-07 biennium. An alternative to maintaining this minimal level of activity would be to eliminate the RMDB, the \$78,500 SEG recycling fund and 1.0 SEG position annually, and the statutory award program. In addition, \$78,500 could be transferred from the recycling fund to the general fund, equal to the expenditure authority reduction. Any loan repayments received during the biennium and after June 30, 2005, would be deposited in the general fund.

ALTERNATIVES

A. Lapse and Financial Assistance

1. Approve the Governor's recommendation to lapse \$1,200,000 PR to the general fund in each of 2003-04 and 2004-05 from the Recycling Market Development loan repayments appropriation account. (If the Board makes no additional awards before June 30, 2003, lapses of up to \$1,200,000 in 2003-04 and \$930,700 in 2004-05 would be anticipated.)

| | |
|----------------------------------|-------------|
| Alternative A1 | GPR |
| 2003-05 REVENUE (Change to Bill) | - \$269,300 |

 2. Modify the Governor's recommendation to lapse the July 1, 2003, RMDB loan repayment balance and all revenues deposited in the appropriation during the 2003-05 biennium to the general fund (estimated at up to \$2.1 million). In addition, direct that Commerce lapse amounts from other GPR financial assistance appropriations, including the Wisconsin Development Fund, rural economic development program and the community-based economic development program so that the total lapse to the general fund would equal \$2,400,000 for the 2003-05 biennium. Further, decrease the RMDB PR loan repayments appropriation from \$2,000,000 to \$0 in each year to reflect available revenues.

| | |
|----------------------------------|---------------|
| Alternative A2 | PR |
| 2003-05 FUNDING (Change to Bill) | - \$4,000,000 |

3. Approve Alternative A1. In addition, provide continued funding for the two current statutory awards in one of the following ways:

a. Create a SEG recycling fund appropriation in Commerce with \$150,000 annual funding for the two awards.

| | |
|----------------------------------|------------|
| <u>Alternative A3a</u> | <u>SEG</u> |
| 2003-05 FUNDING (Change to Bill) | \$300,000 |

Becky -
Retain the effect of 560.031 + (6)

b. Require DNR, rather than Commerce, to make the two statutory awards specified under current law. Direct DNR to make the awards from the existing waste reduction and recycling demonstration grant program appropriation. (The bill provides the DNR program with \$500,000 SEG annually from the recycling fund.)

4. Require that the RMDB loan repayments July 1, 2003, balance and all loan repayments received in excess of \$150,000 annually be lapsed to the general fund (estimated at up to \$1.8 million). [Loan repayment revenues would be available in each of 2003-04 and 2004-05 for the two RMDB statutory awards. No funds would be available for other financial assistance.] In addition, decrease the RMDB PR loan repayments appropriation from \$2,000,000 to \$150,000 in each year to reflect available revenues. Further, direct that Commerce lapse amounts from other GPR financial assistance appropriations, including the Wisconsin Development Fund, rural economic development program and the community-based economic development program so that the total lapse to the general fund would equal \$2,400,000 for the 2003-05 biennium.

| | |
|----------------------------------|--------------|
| <u>Alternative A4</u> | <u>PR</u> |
| 2003-05 FUNDING (Change to Bill) | -\$3,700,000 |

5. Delete the provision for a lapse from the RMDB loan repayments appropriation account to the general fund. [Approximately \$793,400 would be available in 2003-04 and \$783,900 in 2004-05 for RMDB financial assistance, including \$150,000 for the two RMDB statutory awards in each year.] In addition, decrease the RMDB PR loan repayments appropriation from \$2,000,000 to \$793,400 in 2003-04 and \$783,900 in 2004-05 to reflect anticipated revenues.

| | | |
|----------------------------------|--------------|--------------|
| <u>Alternative A5</u> | <u>GPR</u> | <u>PR</u> |
| 2003-05 REVENUE (Change to Bill) | -\$2,400,000 | \$0 |
| 2003-05 FUNDING (Change to Bill) | \$0 | -\$2,422,700 |

B. RMDB Structure and Staff

1. On the effective date of the bill, repeal: (a) the RMDB and related grant program; (b) the requirement that Commerce make financial assistance awards to two specified entities; (c) the PR financial assistance appropriation; and (d) the SEG recycling fund appropriation (\$78,500 in each year) with 1.0 SEG position. In addition, transfer \$78,500 from the recycling fund to the general fund in each of 2003-04 and 2004-05. (This alternative would lapse all RMDB loan

repayments to the general fund.)

| <u>Alternative B1</u> | <u>GPR</u> | <u>SEG</u> |
|------------------------------------|------------|------------|
| 2003-05 REVENUE (Change to Bill) | \$157,000 | \$0 |
| 2003-05 FUNDING (Change to Bill) | \$0 | -\$157,000 |
| 2004-05 POSITIONS (Change to Bill) | 0.00 | - 1.00 |

2. Maintain current law.

Prepared by: Kendra Bonderud



State of Wisconsin
2003 - 2004 LEGISLATURE

LRBb0105/1
RJM&RCT:.....

SOON (in 4/25)

cjs

LFB:.....Bonderud – Recycling market development board

FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

SENATE AMENDMENT ,

Note

TO 2003 SENATE BILL 44

1 At the locations indicated, amend the bill as follows:

2 1. Page 75, line 4: after that line insert:

3 "SECTION 100p. 15.155 (2) of the statutes is repealed."

4 2. Page 336, line 3: after that line insert:

5 "SECTION 294j. 20.143 (1) (L) of the statutes is repealed."

6 3. Page 336, line 5: after that line insert:

7 "SECTION 296m. 20.143 (1) (st) of the statutes is repealed."

8 4. Page 336, line 6: after that line insert:

9 "SECTION 297m. 20.143 (1) (tm) of the statutes is repealed."

10 5. Page 355, line 5: after that line insert:

11 "SECTION 406e. 20.370 (6) (br) of the statutes is amended to read:

1 20.370 (6) (br) *Environmental aids — waste reduction and recycling*
2 *demonstration grants.* From the recycling fund, as a continuing appropriation, the
3 amounts in the schedule for waste reduction and recycling demonstration grants
4 under s. 287.25 and the grants required under 1999 Wisconsin Act 9, section 9136
5 (9) and (9em) under s. 287.26.”

History: 1971 c. 40, 95; 1971 c. 125 ss. 101 to 121, 522 (1); 1971 c. 211, 215, 277, 330, 336; 1973 c. 12 s. 37; 1973 c. 90, 100; 1973 c. 243 s. 82; 1973 c. 296, 298, 301, 318, 333, 336; 1975 c. 8, 39, 51, 91, 198; 1975 c. 224 ss. 7d, 7f, 7m, 17 to 19p; 1977 c. 29 ss. 181 to 234, 1657 (34); 1977 c. 274, 370, 374, 376, 377; 1977 c. 418 ss. 95 to 110, 929 (37); 1977 c. 421, 432; 1977 c. 447 ss. 42 to 44, 210; 1979 c. 34 ss. 199 to 322, 2102 (39) (a); 1979 c. 221; 1979 c. 361 s. 113; 1981 c. 1, 20, 86, 95, 131, 294, 330; 1981 c. 374 ss. 6, 7, 148, 150; 1983 a. 27 ss. 216m to 269, 2202 (23); 1983 a. 75, 181, 243, 397; 1983 a. 410 ss. 5m to 11, 2202 (38); 1983 a. 413; 1983 a. 416 ss. 1, 19; 1983 a. 426; 1985 a. 16, 22; 1985 a. 29 ss. 282d to 356, 3202 (26) (a), (39) (a), (c), (dm), (i); 1985 a. 46, 60, 65, 120, 202, 296; 1987 a. 27, 98, 110, 290, 295, 298, 305; 1987 a. 312 s. 17; 1987 a. 384, 397, 399, 403, 418; 1989 a. 31, 128, 284, 288, 326; 1989 a. 335 ss. 22nn to 30g, 89; 1989 a. 336, 350, 359, 366; 1991 a. 32; 1991 a. 39 ss. 326b to 394, 594c; 1991 a. 254, 269, 300, 309, 315; 1993 a. 16, 75, 166, 213, 343, 349, 415, 421, 453, 464; 1993 a. 490 ss. 18, 271; 1995 a. 27, 201, 225, 227, 296, 378, 459; 1997 a. 27, 35; 1997 a. 237 ss. 33 to 38d, 727g; 1997 a. 248; 1999 a. 9, 32, 74, 92; 1999 a. 150 s. 672; 1999 a. 185; 2001 a. 16, 56, 92, 108, 109.

6 **6.** Page 955, line 15: after that line insert:

7 “**SECTION 2474kd.** 287.03 (1) (d) of the statutes is repealed.

8 **SECTION 2474kf.** 287.19 (2) of the statutes is amended to read:

9 287.19 (2) **POWERS.** In providing assistance under sub. (1), the department may
10 provide assistance relating to the marketing of materials recovered from solid waste,
11 ~~if the provision of that assistance is a responsibility assigned to the department in~~
12 ~~a memorandum of understanding, contract or other agreement with the recycling~~
13 ~~market development board.~~

History: 1989 a. 335; 1993 a. 75; 1995 a. 227 s. 901; Stats. 1995 s. 287.19; 1997 a. 60.

14 **SECTION 2474kq.** 287.22 (2) (c) of the statutes is amended to read:

15 287.22 (2) (c) Advise state agencies concerning the promulgation of rules under
16 ss. 100.29, 100.295, and 101.126 and 560.031.

History: 1989 a. 335; 1993 a. 75; 1995 a. 227 s. 904; Stats. 1995 s. 287.22; 1997 a. 243.

17 **SECTION 2474L.** 287.26 of the statutes is created to read:

18 **287.26 Recycling market development grants.** (1) The department shall
19 award a grant of \$50,000 in each fiscal year to a private, nonprofit,
20 industry-supported organization that is described in section 501 (c) (3) of the
21 Internal Revenue Code and that provides waste reduction and recycling assistance
22 through business-to-business peer exchange. An organization that is awarded a

1 grant must be instrumental in assisting and encouraging companies and institutions
2 to reduce their operating costs through improved production and solid waste
3 management practices and must be in existence on October 29, 1999. ✓

4 (2) The department shall annually contract for the operation of a statewide
5 materials exchange program with a materials exchange program that received
6 funding from the recycling market development board in the 1997-99 fiscal
7 biennium.” ✓

8 7. Page 997, line 12: after that line insert:

9 “SECTION 2618t. 560.031 of the statutes is repealed.” ✓

10 8. Page 998, line 10: after that line insert:

11 “SECTION 2628d. 560.835 (7) (b) of the statutes is amended to read:

12 560.835 (7) (b) The department shall deposit in the ~~appropriation account~~
13 ~~under s. 20.143 (1) (L) general fund~~ all moneys received after ~~October 29, 1999~~ the
14 effective date of this paragraph ... [revisor inserts date], in repayment of loans made
15 under this section.” ✓

History: 1989 a. 335, 359; 1991 a. 269; 1993 g. 16, 75; 1995 a. 227; 1999 a. 9.

16 9. Page 1065, line 19: after that line insert:

17 (1r) (1a) RECYCLING MARKET DEVELOPMENT; POSITION DECREASE. On the effective
18 date of this subsection, the authorized FTE positions for the department of
19 commerce, funded from the appropriation under section 20.143 (1) (st) of the
20 statutes, as affected by the acts of 2003, are decreased by 1.0 SEG position.” ✓

21 10. Page 1111, line 13: delete “\$3,158,000” and substitute “\$3,236,500”. ✓

22 11. Page 1111, line 13: delete “\$158,100” and substitute “\$236,600”. ✓

23 12. Page 1114, line 22: delete that line. ✓

CS

paragraph

13. Page 1115, line 15: after that line insert:

“(a) *Additional lapse; department of commerce.* Subject to par. (b), on June 30, 2005, the secretary of administration shall lapse to the general fund the amount determined under this paragraph from any combination of the appropriation accounts under section 20.143 (1) (fg), (ie), and (ir) of the statutes. To determine the amount required to be lapsed under this paragraph, the secretary shall first determine the total of all moneys received during fiscal years 2003-04 and 2004-05 in repayment of loans awarded under § 287.46 (1), 1997 stats., and § 560.031, 2001 stats., received under § 287.46 (3), 1997 stats., in repayment of loans made by recipients of financial assistance awarded under § 287.46 (1), 1997 stats., and received in repayment of loans under section 560.835 of the statutes. The amount required to be lapsed under this paragraph is the amount by which this total of moneys is less than \$2,400,000.”.

(END)

DNde ✓

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

LRBb0105/1dn
RJM&RCT:.....

no! The amendment does not reduce authorized
positions because that can be done by JFC ✓
in its budget determinations under s. 16.505 (1) (a), stats.

Kendra Bonderud:

Please review this amendment carefully to ensure that I understood your intent. The interplay between the various alternatives adopted by the committee became quite complicated. Also, please let me know if the committee intends to repeal ss. 36.25 (30g), 20.143 (1) (tb), and 560.835, stats. ✓

Feel free to call if you have any questions.

Robert J. Marchant
Legislative Attorney
Phone: (608) 261-4454
E-mail: robert.marchant@legis.state.wi.us

Should the draft specify an amount that DNR must provide to the materials exchange program under proposed s. 287.26 (2)? ✓

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

285

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb0105/1dn
RJM&RCT:cjs:pg

April 29, 2003

Kendra Bonderud:

Please review this amendment carefully to ensure that I understood your intent. The interplay between the various alternatives adopted by the committee became quite complicated. The amendment does not reduce authorized positions because that can be done by JFC in its budget determinations under s. 16.505 (1) (a), stats. Also, please let me know if the committee intends to repeal ss. 36.25 (30g), 20.285 (1) (tb), and 560.835, stats.

Feel free to call if you have any questions.

Robert J. Marchant
Legislative Attorney
Phone: (608) 261-4454
E-mail: robert.marchant@legis.state.wi.us

Should the draft specify an amount that DNR must provide to the materials exchange program under proposed s. 287.26 (2)?

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



State of Wisconsin
2003 - 2004 LEGISLATURE

LRBb0105/12
RJM&RCT:cjs:pg
stay
PK MK
DW 12

LFB:.....Bonderud – Recycling market development board

FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

SENATE AMENDMENT ,

TO 2003 SENATE BILL 44

inserts

- 1 At the locations indicated, amend the bill as follows:
- 2 **1.** Page 75, line 4: after that line insert:
- 3 “SECTION 100p. 15.155 (2) of the statutes is repealed.”
- 4 **2.** Page 336, line 3: after that line insert:
- 5 “SECTION 294j. 20.143 (1) (L) of the statutes is repealed.”
- 6 **3.** Page 336, line 5: after that line insert:
- 7 “SECTION 296m. 20.143 (1) (st) of the statutes is repealed.”
- 8 **4.** Page 336, line 6: after that line insert:
- 9 “SECTION 297m. 20.143 (1) (tm) of the statutes is repealed.”
- 10 **5.** Page 355, line 5: after that line insert:
- 11 “SECTION 406e. 20.370 (6) (br) of the statutes is amended to read:

1 20.370 (6) (br) *Environmental aids — waste reduction and recycling*
2 *demonstration grants.* From the recycling fund, as a continuing appropriation, the
3 amounts in the schedule for waste reduction and recycling demonstration grants
4 under s. 287.25 and the grants ~~required under 1999 Wisconsin Act 9, section 9136~~
5 ~~(9) and (9em) under s. 287.26.~~”.

6 **6.** Page 955, line 15: after that line insert:

7 “**SECTION 2474kd.** 287.03 (1) (d) of the statutes is repealed.

8 **SECTION 2474kf.** 287.19 (2) of the statutes is amended to read:

9 287.19 (2) **POWERS.** In providing assistance under sub. (1), the department may
10 provide assistance relating to the marketing of materials recovered from solid waste,
11 ~~if the provision of that assistance is a responsibility assigned to the department in~~
12 ~~a memorandum of understanding, contract or other agreement with the recycling~~
13 ~~market development board.~~

14 **SECTION 2474kq.** 287.22 (2) (c) of the statutes is amended to read:

15 287.22 (2) (c) Advise state agencies concerning the promulgation of rules under
16 ss. 100.29, 100.295, and 101.126 ~~and 560.031.~~

17 **SECTION 2474L.** 287.26 of the statutes is created to read:

18 **287.26 Recycling market development grants.** (1) The department shall
19 award a grant of \$50,000 in each fiscal year to a private, nonprofit,
20 industry-supported organization that is described in section 501 (c) (3) of the
21 Internal Revenue Code and that provides waste reduction and recycling assistance
22 through business-to-business peer exchange. An organization that is awarded a
23 grant must be instrumental in assisting and encouraging companies and institutions

1 to reduce their operating costs through improved production and solid waste
2 management practices and must be in existence on October 29, 1999.

3 (2) The department shall annually contract for the operation of a statewide
4 materials exchange program with a materials exchange program that received
5 funding from the recycling market development board in the 1997-99 fiscal
6 biennium.”.

INSEK
3-9

7 7. Page 997, line 12: after that line insert:

8 “SECTION 2618t. 560.031 of the statutes is repealed.”.

9 8. Page 998, line 10: after that line insert:

10 “SECTION 2628d. 560.835 (7) (b) of the statutes is amended to read:
11 560.835 (7) (b) The department shall deposit in the ~~appropriation account~~
12 ~~under s. 20.143 (1) (L) general fund~~ all moneys received after ~~October 29, 1999~~ the
13 effective date of this paragraph [revisor inserts date], in repayment of loans made
14 under this section.”.

15 9. Page 1111, line 13: delete “\$3,158,000” and substitute “\$3,236,500”.

16 10. Page 1111, line 13: delete “\$158,100” and substitute “\$236,600”.

17 11. Page 1114, line 22: delete that line.

18 12. Page 1115, line 15: after that line insert:

19 “(cs) *Additional lapse; department of commerce.* Subject to paragraph (b), on
20 June 30, 2005, the secretary of administration shall lapse to the general fund the
21 amount determined under this paragraph from any combination of the
22 appropriation accounts under section 20.143 (1) (fg), (ie), and (ir) of the statutes. To
23 determine the amount required to be lapsed under this paragraph, the secretary
24 shall first determine the ~~total~~ ^{sum} of all moneys received during fiscal years 2003-04 and

1 2004–05 in repayment of loans awarded under section 287.46 (1), 1997 stats., and
2 section 560.031, 2001 stats., received under section 287.46 (3), 1997 stats., in
3 repayment of loans made by recipients of financial assistance awarded under section
4 287.46 (1), 1997 stats., and received in repayment of loans under section 560.835 of
5 the statutes. The amount required to be lapsed under this paragraph is the amount
6 by which ~~this total of money~~ ^{that sum} is less than \$2,400,000.”

7

(END)

d-note

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

03b0105/2dn
RJM:cjs:jf

May 9, 2003

Kendra Bonderud:

Attached is the redraft you requested, which repeals s. 560.835, stats. As you will see, this repeal necessitated numerous statutory changes. As you review the amendment, please note that I did not preserve any statutory language requiring moneys received from repayment of loans under s. 560.835 to go to the general fund. This language, though included in the "/1" version of the amendment, is unnecessary. Under s. 20.906 (1), all moneys paid into the treasury must be credited to the general purpose revenues of the general fund unless otherwise specifically provided by law.

Please feel free to call if you have any questions or desire any changes to the amendment.

Robert J. Marchant
Legislative Attorney
Phone: (608) 261-4454
E-mail: robert.marchant@legis.state.wi.us

2003-2004 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb0105/2insRM
RJM:.....

SAJ

INSERT 3-9

✓
✓
"SECTION 2628fd. 560.80 (4) of the statutes is amended to read:

560.80 (4) "Eligible development project costs" means costs that, in accordance with sound business and financial practices, are appropriately incurred in connection with a development project ~~or a recycling development project~~, but does not include entertainment expenses or expenses incurred more than 6 months before the board approves a grant or loan under s. 560.83 ~~or 560.835~~. ✓

History: 1989 a. 31, 335; 1995 a. 27; 1997 a. 27, 79; 1999 a. 9; 2001 a. 16.

SECTION 2628ff. 560.80 (5) of the statutes is amended to read:

560.80 (5) "Eligible recipient" means a person who is eligible to receive a grant under s. 560.82 (5) (a) or 560.837 or a grant or loan under s. 560.83 (5) (a) or (b) ~~or 560.835~~. ✓

History: 1989 a. 31, 335; 1995 a. 27; 1997 a. 27, 79; 1999 a. 9; 2001 a. 16.

SECTION 2628fh. 560.80 (11) of the statutes is amended to read:

560.80 (11) "Project" means a development project, ~~a recycling development project~~, an early planning project, a finance project, an education and training project or a revolving fund project. ✓

History: 1989 a. 31, 335; 1995 a. 27; 1997 a. 27, 79; 1999 a. 9; 2001 a. 16.

SECTION 2628fj. 560.80 (12) of the statutes is repealed. ✓

SECTION 2628fl. 560.81 (2) of the statutes is amended to read:

560.81 (2) The board awards a grant or loan to the eligible recipient or local development corporation under ss. 560.83 (1) and 560.84 or to the eligible recipient under ~~ss. 560.835 and s. 560.84~~. ✓

History: 1989 a. 31, 335; 1997 a. 27; 1999 a. 9.

SECTION 2628fn. 560.81 (3) of the statutes is amended to read:

560.81 (3) The board awards a grant or loan to the local development corporation under s. 560.83 (2) ~~or 560.835~~. ✓

History: 1989 a. 31, 335; 1997 a. 27; 1999 a. 9.

SECTION 2628fp. 560.82 (2) (intro.) of the statutes is amended to read:

560.82 (2) (intro.) The department may not award a grant under sub. (1) ~~or s.~~ 560.835 (6) unless the eligible recipient submits an application, in a form required by the department, that contains or describes all of the following:

History: 1989 a. 31; 1991 a. 269; 1993 a. 16; 1995 a. 27, 216; 1997 a. 27; 2001 a. 16.

SECTION 2628fr. 560.82 (3) (intro.) of the statutes is amended to read:

560.82 (3) (intro.) An eligible recipient who receives a grant under sub. (1) or s. 560.835 (6), 2001 stats., may only use the proceeds of the grant for the following purposes:

History: 1989 a. 31; 1991 a. 269; 1993 a. 16; 1995 a. 27, 216; 1997 a. 27; 2001 a. 16.

SECTION 2628ft. 560.82 (4) (b) of the statutes is amended to read:

560.82 (4) (b) Award, to any one eligible recipient or for any one early planning project, grants under sub. (1) ~~or s.~~ 560.835 (6) that total more than \$15,000.

History: 1989 a. 31; 1991 a. 269; 1993 a. 16; 1995 a. 27, 216; 1997 a. 27; 2001 a. 16.

SECTION 2628fv. 560.82 (5) (a) of the statutes is amended to read:

560.82 (5) (a) The department may only award grants under sub. (1) ~~or s.~~ 560.835 (6) to individuals who are minority group members and residents of this state.

History: 1989 a. 31; 1991 a. 269; 1993 a. 16; 1995 a. 27, 216; 1997 a. 27; 2001 a. 16.

SECTION 2628gd. 560.835 of the statutes is repealed.

SECTION 2628gf. 560.84 (1) (b) 1. of the statutes is amended to read:

560.84 (1) (b) 1. If an early planning project under s. 560.82 ~~or 560.835 (6)~~, that the project will increase employment in this state.

History: 1989 a. 31, 335; 1993 a. 16; 1995 a. 27; 1997 a. 27.

SECTION 2628gh. 560.84 (1) (b) 2. of the statutes is amended to read:

560.84 (1) (b) 2. If a development project ~~or recycling development project~~, that the project will retain or increase employment in this state.

History: 1989 a. 31, 335; 1993 a. 16; 1995 a. 27; 1997 a. 27.

SECTION 2628gj. 560.84 (1) (e) 1. of the statutes is amended to read:

560.84 (1) (e) 1. For grants funding early planning projects under s. 560.82 or 560.835 (6), not less than 25% of the cost of the project. Up to 50% of the contribution under this subdivision may be in the form of the in-kind services of a qualified 3rd party or qualified 3rd parties. The department shall determine what services may be used as in-kind contributions and whether a 3rd party is qualified, for purposes of this subdivision.

History: 1989 a. 31, 335; 1993 a. 16; 1995 a. 27; 1997 a. 27.

SECTION 2628gL. 560.84 (1) (e) 2. of the statutes is amended to read:

560.84 (1) (e) 2. For grants and loans funding development projects or recycling development projects, a cash contribution of not less than 25% of the cost of the project.

History: 1989 a. 31, 335; 1993 a. 16; 1995 a. 27; 1997 a. 27.

SECTION 2628gn. 560.84 (1) (f) of the statutes is amended to read:

560.84 (1) (f) That the project meets all criteria set forth in s. 560.82, 560.83, 560.835 or 560.837, whichever is appropriate.

History: 1989 a. 31, 335; 1993 a. 16; 1995 a. 27; 1997 a. 27.

SECTION 2628gp. 560.84 (1) (j) of the statutes is amended to read:

560.84 (1) (j) If a development project, recycling development project, finance project, or education and training project, that funds from the grant or loan will not be used to refinance existing debt.

History: 1989 a. 31, 335; 1993 a. 16; 1995 a. 27; 1997 a. 27.

SECTION 2628gr. 560.84 (2) (a) 1. of the statutes is amended to read:

560.84 (2) (a) 1. If an early planning project under s. 560.82 or 560.835 (6), the extent to which the project will increase employment in this state.

History: 1989 a. 31, 335; 1993 a. 16; 1995 a. 27; 1997 a. 27.

SECTION 2628gt. 560.84 (2) (a) 2. of the statutes is amended to read:

560.84 (2) (a) 2. If a development project ~~or recycling development project~~, the extent to which the project will retain or increase employment in this state.

History: 1989 a. 31, 335; 1993 a. 16; 1995 a. 27/1997 a. 27.

SECTION 2628gv. 560.84 (2) (c) (intro.) of the statutes is amended to read:

560.84 (2) (c) (intro.) If a development project ~~or recycling development project~~, whether the project will be located in any or all of the following:

History: 1989 a. 31, 335; 1993 a. 16; 1995 a. 27/1997 a. 27.

SECTION 2628gx. 560.84 (2) (f) of the statutes is amended to read:

560.84 (2) (f) If a development project ~~or recycling development project~~, the financial soundness of the minority business involved in the project and the commitment of the eligible recipient to repay the loan or grant.

History: 1989 a. 31, 335; 1993 a. 16; 1995 a. 27/1997 a. 27.

SECTION 2628hd. 560.85 (2) of the statutes is amended to read:

560.85 (2) The board shall develop a policy governing the repayment of grants and loans made under s. 560.83 ~~or 560.835~~. The board or department shall deposit moneys received in repayment of grants and loans under s. 560.83 in the appropriation under s. 20.143 (1) (im).

History: 1989 a. 31, 335; 1993 a. 16, 75; 1997 a. 27.

SECTION 2628hf. 560.85 (3) (a) of the statutes is amended to read:

560.85 (3) (a) Develop procedures to evaluate applications and monitor project performance for grants awarded for early planning projects under s. 560.82 or s. 560.835 (6), 2001 stats.

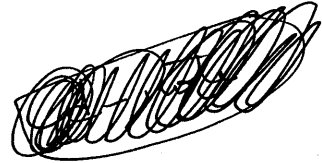
History: 1989 a. 31, 335; 1993 a. 16, 75; 1997 a. 27.

SECTION 2628hh. 560.85 (3) (b) of the statutes is amended to read:

560.85 (3) (b) Develop procedures, with the approval of the board, to evaluate applications, monitor project performance and audit grants and loans awarded for development projects under s. 560.83, ~~recycling development~~ projects under s.

560.835, 2001 stats., and finance projects and education and training projects under
s. 560.837.” ✓

History: 1989 a. 31, 335; 1993 a. 16, 75; 1997 a. 27.



DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

03b0105/2dnRM

RJM:.....

Kendra Bonderud:

Attached is the redraft you requested, which repeals s. 560.835, stats. As you will see, this repeal necessitated numerous statutory changes. As you review the amendment, please note that I did not preserve any statutory language requiring moneys received from repayment of loans under s. 560.835 to go to the general fund. This language, though included in the "1" version of the amendment, is unnecessary. Under s. 20.906 (1), all moneys paid into the treasury must be credited to the general purpose revenues of the general fund unless otherwise specifically provided by law.

Please feel free to call if you have any questions or desire any changes to the amendment.

Robert J. Marchant
Legislative Attorney
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E-mail: robert.marchant@legis.state.wi.us

Approved 12-4

Representative Kaufert
Senator Welch

NATURAL RESOURCES – AIR, WASTE, AND CONTAMINATED LAND

**Exempt Certain PCB-Contaminated Sediment from Recycling Tipping Fee
[LFB Paper #575]**

Motion:

Move Alternatives A2 and B1. * Further, transfer an additional \$4,000,000 in 2003-04 and \$6,600,000 in 2004-05 from the recycling fund to the general fund. Further, exempt from the recycling tipping fee, all sludges, river sediments, or dredged materials that contain PCBs (polychlorinated biphenyls) that are removed in connection with the remediation of contaminated sediments in a navigable water of the state, if the total quantity of the removed materials, either in an individual phase or in combination with other planned phases of remediation, will exceed 200,000 cubic yards.

Note:

Alternative A2 of LFB Paper #575 would approve the Governor's recommendation to reduce funding for DNR recycling administration by \$158,100 SEG annually and delete 2.0 SEG positions in 2004-05. It would modify the Governor's recommendation to delete the 2.0 positions in 2003-04 instead of 2004-05. It would also approve the Governor's recommendation to transfer \$158,000 in 2003-04 and \$158,100 in 2004-05 from the recycling fund to the general fund.

The motion would approve Alternative B1, which would transfer \$3,000,000 from the recycling fund to the general fund in 2003-04. In addition, the motion would transfer an additional \$4,000,000 in 2003-04 and \$6,600,000 in 2004-05 from the recycling fund to the general fund. Under the motion, the total amount transferred from the recycling fund to the general fund would be \$13,916,100 during the 2003-05 biennium, which is \$10,600,000 higher than under the bill.

In the summer of 1998, the U.S. Environmental Protection Agency proposed listing a 39-mile stretch of the Fox River from Lake Winnebago to Green Bay on the national priority list under the federal Superfund program in order to be considered for federal remedial action. EPA has provided



State of Wisconsin
2003 - 2004 LEGISLATURE

SOON (in 5/14)

LRBb0105~~3~~ 3
RJM&RCT:cjs:*

stays VMT

LFB:.....Bonderud - Recycling market development board

FOR 2003-05 BUDGET - NOT READY FOR INTRODUCTION

SENATE AMENDMENT,
TO 2003 SENATE BILL 44

Note

Changes on p 7
A

- 1 At the locations indicated, amend the bill as follows:
- 2 1. Page 75, line 4: after that line insert:
- 3 "SECTION 100p. 15.155 (2) of the statutes is repealed."
- 4 2. Page 336, line 3: after that line insert:
- 5 "SECTION 294j. 20.143 (1) (L) of the statutes is repealed."
- 6 3. Page 336, line 5: after that line insert:
- 7 "SECTION 296m. 20.143 (1) (st) of the statutes is repealed."
- 8 4. Page 336, line 6: after that line insert:
- 9 "SECTION 297m. 20.143 (1) (tm) of the statutes is repealed."
- 10 5. Page 355, line 5: after that line insert:
- 11 "SECTION 406e. 20.370 (6) (br) of the statutes is amended to read:

1 20.370 (6) (br) *Environmental aids — waste reduction and recycling*
2 *demonstration grants.* From the recycling fund, as a continuing appropriation, the
3 amounts in the schedule for waste reduction and recycling demonstration grants
4 under s. 287.25 and the grants ~~required under 1999 Wisconsin Act 9, section 9136~~
5 ~~(9) and (9em) under s. 287.26.~~”.

6 **6.** Page 955, line 15: after that line insert:

7 “**SECTION 2474kd.** 287.03 (1) (d) of the statutes is repealed.

8 **SECTION 2474kf.** 287.19 (2) of the statutes is amended to read:

9 287.19 (2) **POWERS.** In providing assistance under sub. (1), the department may
10 provide assistance relating to the marketing of materials recovered from solid waste,
11 if the provision of that assistance is a responsibility assigned to the department in
12 a memorandum of understanding, contract or other agreement with the recycling
13 market development board.

14 **SECTION 2474kq.** 287.22 (2) (c) of the statutes is amended to read:

15 287.22 (2) (c) Advise state agencies concerning the promulgation of rules under
16 ss. 100.29, 100.295, and 101.126 ~~and 560.031.~~

17 **SECTION 2474L.** 287.26 of the statutes is created to read:

18 **287.26 Recycling market development grants.** (1) The department shall
19 award a grant of \$50,000 in each fiscal year to a private, nonprofit,
20 industry-supported organization that is described in section 501 (c) (3) of the
21 Internal Revenue Code and that provides waste reduction and recycling assistance
22 through business-to-business peer exchange. An organization that is awarded a
23 grant must be instrumental in assisting and encouraging companies and institutions

1 to reduce their operating costs through improved production and solid waste
2 management practices and must be in existence on October 29, 1999.

3 (2) The department shall annually contract for the operation of a statewide
4 materials exchange program with a materials exchange program that received
5 funding from the recycling market development board in the 1997–99 fiscal
6 biennium.”.

7 **7.** Page 997, line 12: after that line insert:

8 “SECTION 2618t. 560.031 of the statutes is repealed.”.

9 **8.** Page 998, line 10: after that line insert:

10 “SECTION 2628fd. 560.80 (4) of the statutes is amended to read:

11 560.80 (4) “Eligible development project costs” means costs that, in accordance
12 with sound business and financial practices, are appropriately incurred in
13 connection with a development project ~~or a recycling development project~~, but does
14 not include entertainment expenses or expenses incurred more than 6 months before
15 the board approves a grant or loan under s. 560.83 ~~or 560.835~~.

16 **SECTION 2628ff.** 560.80 (5) of the statutes is amended to read:

17 560.80 (5) “Eligible recipient” means a person who is eligible to receive a grant
18 under s. 560.82 (5) (a) or 560.837 or a grant or loan under s. 560.83 (5) (a) or (b) ~~or~~
19 560.835.

20 **SECTION 2628fh.** 560.80 (11) of the statutes is amended to read:

21 560.80 (11) “Project” means a development project, ~~a recycling development~~
22 ~~project~~, an early planning project, a finance project, an education and training
23 project or a revolving fund project.

24 **SECTION 2628fj.** 560.80 (12) of the statutes is repealed.

1 **SECTION 2628fl.** 560.81 (2) of the statutes is amended to read:

2 560.81 (2) The board awards a grant or loan to the eligible recipient or local
3 development corporation under ss. 560.83 (1) and 560.84 or to the eligible recipient
4 under ~~ss. 560.835 and s.~~ 560.84.

5 **SECTION 2628fn.** 560.81 (3) of the statutes is amended to read:

6 560.81 (3) The board awards a grant or loan to the local development
7 corporation under s. 560.83 (2) ~~or 560.835.~~

8 **SECTION 2628fp.** 560.82 (2) (intro.) of the statutes is amended to read:

9 560.82 (2) (intro.) The department may not award a grant under sub. (1) ~~or s.~~
10 ~~560.835 (6)~~ unless the eligible recipient submits an application, in a form required
11 by the department, that contains or describes all of the following:

12 **SECTION 2628fr.** 560.82 (3) (intro.) of the statutes is amended to read:

13 560.82 (3) (intro.) An eligible recipient who receives a grant under sub. (1) or
14 s. 560.835 (6), 2001 stats., may only use the proceeds of the grant for the following
15 purposes:

16 **SECTION 2628ft.** 560.82 (4) (b) of the statutes is amended to read:

17 560.82 (4) (b) Award, to any one eligible recipient or for any one early planning
18 project, grants under sub. (1) ~~or s. 560.835 (6)~~ that total more than \$15,000.

19 **SECTION 2628fv.** 560.82 (5) (a) of the statutes is amended to read:

20 560.82 (5) (a) The department may only award grants under sub. (1) ~~or s.~~
21 ~~560.835 (6)~~ to individuals who are minority group members and residents of this
22 state.

23 **SECTION 2628gd.** 560.835 of the statutes is repealed.

24 **SECTION 2628gf.** 560.84 (1) (b) 1. of the statutes is amended to read:

1 560.84 (1) (b) 1. If an early planning project under s. 560.82 ~~or 560.835 (6)~~, that
2 the project will increase employment in this state.

3 **SECTION 2628gh.** 560.84 (1) (b) 2. of the statutes is amended to read:

4 560.84 (1) (b) 2. If a development project ~~or recycling development project~~, that
5 the project will retain or increase employment in this state.

6 **SECTION 2628gj.** 560.84 (1) (e) 1. of the statutes is amended to read:

7 560.84 (1) (e) 1. For grants funding early planning projects under s. 560.82 ~~or~~
8 ~~560.835 (6)~~, not less than 25% of the cost of the project. Up to 50% of the contribution
9 under this subdivision may be in the form of the in-kind services of a qualified 3rd
10 party or qualified 3rd parties. The department shall determine what services may
11 be used as in-kind contributions and whether a 3rd party is qualified, for purposes
12 of this subdivision.

13 **SECTION 2628gL.** 560.84 (1) (e) 2. of the statutes is amended to read:

14 560.84 (1) (e) 2. For grants and loans funding development projects ~~or recycling~~
15 ~~development projects~~, a cash contribution of not less than 25% of the cost of the
16 project.

17 **SECTION 2628gn.** 560.84 (1) (f) of the statutes is amended to read:

18 560.84 (1) (f) That the project meets all criteria set forth in s. 560.82, 560.83,
19 ~~560.835~~ or 560.837, whichever is appropriate.

20 **SECTION 2628gp.** 560.84 (1) (j) of the statutes is amended to read:

21 560.84 (1) (j) If a development project, ~~recycling development project~~, finance
22 project, or education and training project, that funds from the grant or loan will not
23 be used to refinance existing debt.

24 **SECTION 2628gr.** 560.84 (2) (a) 1. of the statutes is amended to read:

1 560.84 (2) (a) 1. If an early planning project under s. 560.82 ~~or 560.835 (6)~~, the
2 extent to which the project will increase employment in this state.

3 **SECTION 2628gt.** 560.84 (2) (a) 2. of the statutes is amended to read:

4 560.84 (2) (a) 2. If a development project ~~or recycling development project~~, the
5 extent to which the project will retain or increase employment in this state.

6 **SECTION 2628gv.** 560.84 (2) (c) (intro.) of the statutes is amended to read:

7 560.84 (2) (c) (intro.) If a development project ~~or recycling development project~~,
8 whether the project will be located in any or all of the following:

9 **SECTION 2628gx.** 560.84 (2) (f) of the statutes is amended to read:

10 560.84 (2) (f) If a development project ~~or recycling development project~~, the
11 financial soundness of the minority business involved in the project and the
12 commitment of the eligible recipient to repay the loan or grant.

13 **SECTION 2628hd.** 560.85 (2) of the statutes is amended to read:

14 560.85 (2) The board shall develop a policy governing the repayment of grants
15 and loans made under s. 560.83 ~~or 560.835~~. The board or department shall deposit
16 moneys received in repayment of grants and loans under s. 560.83 in the
17 appropriation under s. 20.143 (1) (im).

18 **SECTION 2628hf.** 560.85 (3) (a) of the statutes is amended to read:

19 560.85 (3) (a) Develop procedures to evaluate applications and monitor project
20 performance for grants awarded for early planning projects under s. 560.82 or s.
21 560.835 (6), 2001 stats.

22 **SECTION 2628hh.** 560.85 (3) (b) of the statutes is amended to read:

23 560.85 (3) (b) Develop procedures, with the approval of the board, to evaluate
24 applications, monitor project performance and audit grants and loans awarded for
25 development projects under s. 560.83, ~~recycling development~~ projects under s.

1 560.835, 2001 stats., and finance projects and education and training projects under
2 s. 560.837.”.

\$7,236,500
~~\$3,158,000~~
\$6,836,600
~~\$250,600~~

3 **9.** Page 1111, line 13: delete “\$3,158,000” and substitute “~~\$3,158,000~~”.

4 **10.** Page 1111, line 13: delete “\$158,100” and substitute “~~\$250,600~~”.

5 **11.** Page 1114, line 22: delete that line.

6 **12.** Page 1115, line 15: after that line insert:

7 “(cs) *Additional lapse; department of commerce.* Subject to paragraph (b), on
8 June 30, 2005, the secretary of administration shall lapse to the general fund the
9 amount determined under this paragraph from any combination of the
10 appropriation accounts under section 20.143 (1) (fg), (ie), and (ir) of the statutes. To
11 determine the amount required to be lapsed under this paragraph, the secretary
12 shall first determine the sum of all moneys received during fiscal years 2003–04 and
13 2004–05 in repayment of loans awarded under section 287.46 (1), 1997 stats., and
14 section 560.031, 2001 stats., received under section 287.46 (3), 1997 stats., in
15 repayment of loans made by recipients of financial assistance awarded under section
16 287.46 (1), 1997 stats., and received in repayment of loans under section 560.835 of
17 the statutes. The amount required to be lapsed under this paragraph is the amount
18 by which that sum is less than \$2,400,000.”.

19 (END)

DNote

RA:ajs:

Note:

Kendra Bonderud:

This redraft adds the increases to the recycling
fund transfer to the general fund under motion #118.

Please check my figures.

Becky Tradewell
(etc.)

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

LRBb0105/3dn
RCT:cjs:rs

May 15, 2003

Kendra Bonderud:

This redraft adds the increases to the recycling fund transfer to the general fund under motion #118. Please check my figures.

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



State of Wisconsin
2003 - 2004 LEGISLATURE

LRBb0105/3
RJM&RCT:cjs:rs

LFB:.....Bonderud – Recycling market development board

FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

SENATE AMENDMENT ,

TO 2003 SENATE BILL 44

- 1 At the locations indicated, amend the bill as follows:
- 2 **1.** Page 75, line 4: after that line insert:
- 3 “SECTION 100p. 15.155 (2) of the statutes is repealed.”.
- 4 **2.** Page 336, line 3: after that line insert:
- 5 “SECTION 294j. 20.143 (1) (L) of the statutes is repealed.”.
- 6 **3.** Page 336, line 5: after that line insert:
- 7 “SECTION 296m. 20.143 (1) (st) of the statutes is repealed.”.
- 8 **4.** Page 336, line 6: after that line insert:
- 9 “SECTION 297m. 20.143 (1) (tm) of the statutes is repealed.”.
- 10 **5.** Page 355, line 5: after that line insert:
- 11 “SECTION 406e. 20.370 (6) (br) of the statutes is amended to read:

1 20.370 (6) (br) *Environmental aids — waste reduction and recycling*
2 *demonstration grants.* From the recycling fund, as a continuing appropriation, the
3 amounts in the schedule for waste reduction and recycling demonstration grants
4 under s. 287.25 and the grants ~~required under 1999 Wisconsin Act 9, section 9136~~
5 ~~(9) and (9em) under s. 287.26.~~”.

6 **6.** Page 955, line 15: after that line insert:

7 “**SECTION 2474kd.** 287.03 (1) (d) of the statutes is repealed.

8 **SECTION 2474kf.** 287.19 (2) of the statutes is amended to read:

9 287.19 (2) **POWERS.** In providing assistance under sub. (1), the department may
10 provide assistance relating to the marketing of materials recovered from solid waste,
11 ~~if the provision of that assistance is a responsibility assigned to the department in~~
12 ~~a memorandum of understanding, contract or other agreement with the recycling~~
13 ~~market development board.~~

14 **SECTION 2474kq.** 287.22 (2) (c) of the statutes is amended to read:

15 287.22 (2) (c) Advise state agencies concerning the promulgation of rules under
16 ss. 100.29, 100.295, and 101.126 ~~and 560.031.~~

17 **SECTION 2474L.** 287.26 of the statutes is created to read:

18 **287.26 Recycling market development grants.** (1) The department shall
19 award a grant of \$50,000 in each fiscal year to a private, nonprofit,
20 industry-supported organization that is described in section 501 (c) (3) of the
21 Internal Revenue Code and that provides waste reduction and recycling assistance
22 through business-to-business peer exchange. An organization that is awarded a
23 grant must be instrumental in assisting and encouraging companies and institutions

1 to reduce their operating costs through improved production and solid waste
2 management practices and must be in existence on October 29, 1999.

3 (2) The department shall annually contract for the operation of a statewide
4 materials exchange program with a materials exchange program that received
5 funding from the recycling market development board in the 1997–99 fiscal
6 biennium.”.

7 **7.** Page 997, line 12: after that line insert:

8 “SECTION 2618t. 560.031 of the statutes is repealed.”.

9 **8.** Page 998, line 10: after that line insert:

10 “SECTION 2628fd. 560.80 (4) of the statutes is amended to read:

11 560.80 (4) “Eligible development project costs” means costs that, in accordance
12 with sound business and financial practices, are appropriately incurred in
13 connection with a development project ~~or a recycling development project~~, but does
14 not include entertainment expenses or expenses incurred more than 6 months before
15 the board approves a grant or loan under s. 560.83 ~~or 560.835~~.

16 **SECTION 2628ff.** 560.80 (5) of the statutes is amended to read:

17 560.80 (5) “Eligible recipient” means a person who is eligible to receive a grant
18 under s. 560.82 (5) (a) or 560.837 or a grant or loan under s. 560.83 (5) (a) or (b) ~~or~~
19 ~~560.835~~.

20 **SECTION 2628fh.** 560.80 (11) of the statutes is amended to read:

21 560.80 (11) “Project” means a development project, ~~a recycling development~~
22 ~~project~~, an early planning project, a finance project, an education and training
23 project or a revolving fund project.

24 **SECTION 2628fj.** 560.80 (12) of the statutes is repealed.

1 **SECTION 2628fL.** 560.81 (2) of the statutes is amended to read:

2 560.81 (2) The board awards a grant or loan to the eligible recipient or local
3 development corporation under ss. 560.83 (1) and 560.84 or to the eligible recipient
4 under ~~ss. 560.835 and s.~~ 560.84.

5 **SECTION 2628fn.** 560.81 (3) of the statutes is amended to read:

6 560.81 (3) The board awards a grant or loan to the local development
7 corporation under s. 560.83 (2) ~~or 560.835.~~

8 **SECTION 2628fp.** 560.82 (2) (intro.) of the statutes is amended to read:

9 560.82 (2) (intro.) The department may not award a grant under sub. (1) ~~or s.~~
10 560.835 (6) unless the eligible recipient submits an application, in a form required
11 by the department, that contains or describes all of the following:

12 **SECTION 2628fr.** 560.82 (3) (intro.) of the statutes is amended to read:

13 560.82 (3) (intro.) An eligible recipient who receives a grant under sub. (1) or
14 s. 560.835 (6), 2001 stats., may only use the proceeds of the grant for the following
15 purposes:

16 **SECTION 2628ft.** 560.82 (4) (b) of the statutes is amended to read:

17 560.82 (4) (b) Award, to any one eligible recipient or for any one early planning
18 project, grants under sub. (1) ~~or s. 560.835 (6)~~ that total more than \$15,000.

19 **SECTION 2628fv.** 560.82 (5) (a) of the statutes is amended to read:

20 560.82 (5) (a) The department may only award grants under sub. (1) ~~or s.~~
21 560.835 (6) to individuals who are minority group members and residents of this
22 state.

23 **SECTION 2628gd.** 560.835 of the statutes is repealed.

24 **SECTION 2628gf.** 560.84 (1) (b) 1. of the statutes is amended to read:

1 560.84 (1) (b) 1. If an early planning project under s. 560.82 ~~or 560.835 (6)~~, that
2 the project will increase employment in this state.

3 **SECTION 2628gh.** 560.84 (1) (b) 2. of the statutes is amended to read:

4 560.84 (1) (b) 2. If a development project ~~or recycling development project~~, that
5 the project will retain or increase employment in this state.

6 **SECTION 2628gj.** 560.84 (1) (e) 1. of the statutes is amended to read:

7 560.84 (1) (e) 1. For grants funding early planning projects under s. 560.82 ~~or~~
8 ~~560.835 (6)~~, not less than 25% of the cost of the project. Up to 50% of the contribution
9 under this subdivision may be in the form of the in-kind services of a qualified 3rd
10 party or qualified 3rd parties. The department shall determine what services may
11 be used as in-kind contributions and whether a 3rd party is qualified, for purposes
12 of this subdivision.

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17 appropriation under s. 20.143 (1) (im).

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22 **SECTION 2628hh.** 560.85 (3) (b) of the statutes is amended to read:

23 560.85 (3) (b) Develop procedures, with the approval of the board, to evaluate
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14 section 560.031, 2001 stats., received under section 287.46 (3), 1997 stats., in
15 repayment of loans made by recipients of financial assistance awarded under section
16 287.46 (1), 1997 stats., and received in repayment of loans under section 560.835 of
17 the statutes. The amount required to be lapsed under this paragraph is the amount
18 by which that sum is less than \$2,400,000.”.

19 (END)