



2005 SENATE BILL 39

February 2, 2005 - Introduced by Senators LEIBHAM, COWLES, HARSDORF, STEPP, WIRCH, BRESKE, BROWN, DECKER, KAPANKE, A. LASEE, OLSEN, ROESSLER, LASSA and TAYLOR, cosponsored by Representatives PETROWSKI, WOOD, ALBERS, VAN ROY, BLACK, SHILLING, KRAWCZYK, OTT, FREESE, BALLWEG, POCAN, HINES, GRONEMUS, AINSWORTH, DAVIS, HAHN, KESTELL, LOEFFELHOLZ, LOTHIAN, MOLEPSKE, MONTGOMERY, MUSSER, POPE-ROBERTS, STONE, SUDER, TOWNSEND, VOS, VRAKAS, VRUWINK, WARD and KREIBICH. Referred to Committee on Natural Resources and Transportation.

1 **AN ACT to amend** 20.255 (2) (cr); and **to create** 16.954 and 20.505 (1) (kd) of the
2 statutes; **relating to:** school transportation bio-diesel fuel cost assistance and
3 making appropriations.

Analysis by the Legislative Reference Bureau

This bill permits the Department of Administration (DOA) to provide state financial assistance to school districts that utilize bio-diesel fuel for school bus transportation purposes to cover the increased cost of utilizing this fuel as compared to the cost of utilizing petroleum-diesel fuel those purposes. The bill directs DOA to apply for federal financial assistance to cover the cost of providing state assistance, and redirects state school transportation aids currently appropriated to the Department of Public Instruction for the purpose of matching the federal aids received by DOA in the minimum amount required to obtain full federal financial participation. If in any fiscal year there are insufficient moneys available to reimburse school districts for the full amount of reimbursement for which school districts qualify, the bill directs DOA to prorate the available moneys among the school districts entitled thereto on a per pupil basis. Under the bill, aids are paid to each school district in each fiscal year based upon the costs incurred by the school district for the purchase of bio-diesel fuel for school bus transportation purposes in the preceding fiscal year as compared to the statewide average cost of petroleum-diesel fuel for that fiscal year.

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

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

1 **SECTION 1.** 16.954 of the statutes is created to read:

2 **16.954 School transportation bio-diesel fuel cost assistance. (1)** In this
3 section:

4 (a) “Bio-diesel fuel” has the meaning given in s. 16.045 (1) (c).

5 (b) “Petroleum-diesel fuel” has the meaning given for “diesel fuel” in s. 78.005
6 (5), but does not include bio-diesel fuel.

7 **(2)** (a) The department may provide school transportation aids to school
8 districts for the increased costs incurred by districts in utilizing bio-diesel fuel as
9 compared with the costs of utilizing petroleum-diesel fuel for school bus
10 transportation.

11 (b) If the department determines to provide aids to school districts under par.
12 (a), the department shall apply to the federal government for bio-diesel fuel cost
13 assistance for the purpose of financing payment of the aids. The department shall
14 disburse federal aids received from the appropriation under s. 20.505 (1) (mb).

15 **(3)** If the federal government requires, as a condition of full federal financial
16 participation under sub. (2) (b), that this state provide assistance for the purposes
17 of sub. (2) (a) from state resources, the department shall provide the assistance from
18 the appropriation under s. 20.505 (1) (kd) in the minimum amount required to obtain
19 full federal financial participation.

20 **(4)** (a) Any school district that utilizes bio-diesel fuel for school bus
21 transportation may apply to the department for state assistance to finance the costs

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1 of utilizing that fuel. Except as provided in sub. (5), the department shall apportion
2 assistance to school districts on the basis of the increased costs incurred by each
3 school district in utilizing bio-diesel fuel as compared to the cost that the school
4 district would have incurred in utilizing petroleum-diesel fuel for school bus
5 transportation in the fiscal year preceding the fiscal year for which aids are paid, as
6 adjusted to reflect any change in the statewide average cost of bio-diesel fuel for the
7 current fiscal year as compared to the statewide average cost of such fuel for the
8 preceding fiscal year.

9 (b) For purposes of par. (a), if a school district does not utilize bio-diesel fuel
10 for some or all of the school bus transportation provided by the school district in any
11 fiscal year, the department shall compute and utilize, for purposes of this subsection,
12 the cost differential that the school district would have incurred in utilizing
13 bio-diesel fuel on the basis of statewide average costs.

14 (c) The department shall annually determine the statewide average cost of
15 bio-diesel fuel and petroleum-diesel fuel for purposes of administration of this
16 subsection.

17 (d) If in any fiscal year there are insufficient moneys available to reimburse all
18 school districts that apply for state assistance under par. (a) for the full amount of
19 reimbursable costs under this subsection, the department shall, after making any
20 required deduction under sub. (5), prorate the available moneys among the school
21 districts entitled thereto on a per pupil basis.

22 **(5)** Each school district that receives aids under sub. (2) (a) for any fiscal year
23 shall report to the department, in the form prescribed by the department, a
24 statement of its actual costs incurred in utilizing bio-diesel fuel for school bus
25 transportation purposes in that fiscal year. If the actual increased costs incurred by

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1 a school district in utilizing bio-diesel fuel for school bus transportation in any fiscal
2 year, as compared to the costs that the school district would have incurred in utilizing
3 petroleum-diesel fuel for those purposes, are less than the amount of the aids
4 received by the school district under sub. (2) (a) for that fiscal year, the department
5 shall deduct the amount of the difference from the amount of the aids payable to the
6 school district under sub. (2) (a) for the current fiscal year.

7 **(6)** Annually, by December 1, the department shall transfer from the
8 appropriation account under s. 20.255 (2) (cr) to the appropriation account under s.
9 20.505 (1) (kd) the minimum amount, if any, required to obtain full federal
10 participation under sub. (3).

11 **SECTION 2.** 20.255 (2) (cr) of the statutes is amended to read:

12 20.255 **(2)** (cr) *Aid for pupil transportation.* The amounts in the schedule for
13 the payment of state aid for transportation of public and private school pupils under
14 subch. IV of ch. 121 and for transfers to the appropriation account under s. 20.505
15 (1) (kd).

16 **SECTION 3.** 20.505 (1) (kd) of the statutes is created to read:

17 20.505 **(1)** (kd) *School transportation bio-diesel fuel aids.* All moneys
18 transferred from the appropriation account under s. 20.255 (2) (cr) for the purpose
19 of providing state matching assistance for school transportation bio-diesel fuel costs
20 under s. 16.954 (3).

21 **(END)**