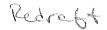


## State of Misconsin 2015 - 2016 LEGISLATURE



LRB-3296/P3 /py MCP:emw

### PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

S.R.V

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AN ACT to amend 100.26 (1); and to create 100.70 of the statutes; relating to:

authorizing the Wisconsin Propane Education and Research Council to levy an

assessment.

# Analysis by the Legislative Reference Bureau

This bill allows the Wisconsin Propane Education and Research Council to levy an assessment on odorized propane against propane retailers.

The bill requires the Wisconsin Propane Gas Association to conduct a referendum among its retailer members on the question of whether to allow the council to levy an assessment on odorized propane. If approved in the referendum, the council has the authority to levy an initial annual assessment at no greater than two-tenths of one cent per gallon of odorized propane sold in this state. After the initial assessment, the council is required to set annual assessments in an amount sufficient to cover the costs of programs developed by the council, but no assessment may be greater than one-half cent per gallon of odorized propane unless approved in a referendum among retailer members of the Wisconsin Propane Gas Association and approved by the association's board of directors. Under the bill, the person who owns the propane at the time it is odorized, or the person who owns the odorized propane at the time it is imported, is responsible for paying the assessment.

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licensed retailer

licensed retailer

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The bill also allows the council to bring an action in circuit court to compel payment of an assessment and allows the council to recover its costs and disbursements, including reasonable attorney fees, for bringing the action.

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

**Section 1.** 100.26 (1) of the statutes is amended to read:

100.26 (1) Any person who violates any provision of this chapter, except s. 100.18, 100.20, 100.206 or, 100.51, or 100.70, for which no specific penalty is prescribed shall be fined not to exceed \$200, or imprisoned in the county jail not more than 6 months or both.

**Section 2.** 100.70 of the statutes is created to read:

100.70 Propane Education and Research Council. (1) Definition. In this section:

- (a) "Council" means the organization with the name "Wisconsin Propane Education and Research Council" that is designated as a nonprofit corporation under section 501 (c) (3) of the Internal Revenue Code.
- (b) "Retailer" means a person who sells propane at retail and is licensed under s. 101.16 (3g) (a).
- (2) Referendum; Authority to Levy Assessment. No later than 120 days after the effective date of this subsection .... [LRB inserts date], the Wisconsin Propane Gas Association shall conduct, at its own expense, a referendum among its members who are retailers on the question of whether to allow the council to levy the assessment described under sub. (3). Each member who is a retailer shall be entitled to one vote in the referendum. Upon approval of a majority of the members voting

in the referendum, the council shall be authorized to levy an assessr	nent on odorized
propane as provided under sub. (3).	

- (3) Assessment (a) The council shall set the initial annual assessment at no greater than two-tenths of one cent per gallon of odorized propane sold in this state. After the initial assessment, the council shall set annual assessments sufficient to cover the costs of the plans and programs developed by the council. An assessment may not be greater than one-half cent per gallon of odorized propane unless approved by a majority of those voting in a referendum among members of the Wisconsin Propane Gas Association who are retailers and by the board of directors of the Wisconsin Propane Gas Association.
- (b) The owner of the odorized propane at the time of odorization, or at the time of import of the odorized propane, shall pay the assessment under par. (a) to the council based on the volume of odorized propane sold.
- (4) COMPLIANCE. The council may bring an action in any circuit court of this state to compel compliance with an assessment levied by the council under this section. Notwithstanding s. 814.04, the council, if successful in its action, shall be entitled to recover its costs and disbursements, including reasonable attorney fees.

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#### Pfotenhauer, Mary

From:

Moore, Heather

Sent:

Tuesday, November 24, 2015 10:07 AM

To:

Pfotenhauer, Mary

**Subject:** 

LRB 3296 Draft Changes

**Follow Up Flag:** 

Follow up

Flag Status:

Flagged

Hi Mary,

After reviewing this we would like a little more clarification in the compliance area of the bill could we make the changes below? Please let me know if you have any questions.

I will be leaving a noon today, but can be reached on my cell 262-894-0163.

Thanks, Heather Sen. Robert Cowles 608-266-0484

(4) COMPLIANCE. The council may bring an action in any circuit court of this state to compel compliance by the wholesale supplier at the terminal location with an assessment levied by the council under this

section. Notwithstanding s. 814.04, the council, if successful in its action, shall be entitled to recover its costs and disbursements, including reasonable attorney fees.



## State of Misconsin 2015 - 2016 LEGISLATURE

In 12/4



Redreft

## PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

Sp. 1

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authorizing the Wisconsin Propane Education and Research Council to levy an

assessment.

(InsA)

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This bill allows the Wisconsin Propane Education and Research Council to levy an assessment on odorized propane against certain licensed propane retailers.

The bill requires the Wisconsin Propane Gas Association to conduct a referendum among its retailer members on the question of whether to allow the council to levy an assessment on odorized propane. If approved in the referendum, the council has the authority to levy an initial annual assessment at no greater than two-tenths of one cent per gallon of odorized propane sold in this state. After the initial assessment, the council is required to set annual assessments in an amount sufficient to cover the costs of programs developed by the council, but no assessment may be greater than one-half cent per gallon of odorized propane unless approved in a referendum among retailer members of the Wisconsin Propane Gas Association and approved by the council's board of directors. Under the bill, the licensed retailer who owns the odorized propane at the time it is imported, is responsible for paying the assessment.

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the remittance of collected assessments

The bill also allows the council to bring an action in circuit court to compel payment of an assessment and allows the council to recover its costs and disbursements, including reasonable attorney fees, for bringing the action.

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

1	<b>SECTION 1.</b> 100.26 (1) of the statutes is amended to read:
2	100.26 (1) Any person who violates any provision of this chapter, except s.
3	100.18, 100.20, 100.206 or, 100.51, or 100.70, for which no specific penalty is
4	prescribed shall be fined not to exceed \$200, or imprisoned in the county jail not more
5	than 6 months or both.

- **Section 2.** 100.70 of the statutes is created to read:
- 100.70 Propane Education and Research Council. (1) Definition In this section:
  - (a) "Council" means the organization with the name "Wisconsin Propane Education and Research Council" that is designated as a nonprofit corporation under section 501 (c) (3) of the Internal Revenue Code.
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  - (2) Referendum; Authority to Levy Assessment. No later than 120 days after the effective date of this subsection .... [LRB inserts date], the Wisconsin Propane Gas Association shall conduct, at its own expense, a referendum among its members who are retailers on the question of whether to allow the council to levy the assessment described under sub. (3). Each member who is a retailer shall be entitled to one vote in the referendum. Upon approval of a majority of the members voting

- in the referendum, the council shall be authorized to levy an assessment on odorized propane as provided under sub. (3).
  - (3) Assessment (a) The council shall set the initial annual assessment at no greater than two-tenths of one cent per gallon of odorized propane sold in this state. After the initial assessment, the council shall set annual assessments sufficient to cover the costs of the plans and programs developed by the council. An assessment may not be greater than one-half cent per gallon of odorized propane unless approved by a majority of those voting in a referendum among members of the Wisconsin Propane Gas Association who are retailers and by the board of directors of the council.
  - (b) A retailer who owns the odorized propane at the time of odorization, or at the time of import of the odorized propane, shall pay the assessment under par. (a) to the council based on the volume of odorized propane sold.

COMPLIANCE. The council may bring an action in any circuit court of this state to compel compliance with an assessment levied by the council under this section. Notwithstanding s. 814.04, the council, if successful in its action, shall be entitled to recover its costs and disbursements, including reasonable attorney fees.

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(END)

#### 2015–2016 DRAFTING INSERT FROM THE LEGISLATIVE REFERENCE BUREAU

#### INSERT A

\*

The bill defines a "retailer" as a person who sells propane at retail to the ultimate consumer and who is licensed to do so by the department of safety and / professional services.

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#### INSERT B

Under the bill, the owner of propane immediately prior to its odorization or the owner of odorized propane at the time of its import into this state is responsible for collecting the assessments from retailers who purchase the odorized propane for use in this state. The owner is required to remit the collected assessments to the council on a monthly basis or be subject to an interest penalty on any amount that is not timely remitted. The bill also allows the council to establish an alternative means of collecting assessments.

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The bill provides that a propane purchaser who pays an assessment may secure a refund by submitting a written refund application to the council with proof of the assessment that was charged. A purchaser who obtains a refund is not eligible for any benefits provided under the council's programs.

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#### **INSERT 3-13**

odorized propane at the time of its import into this state shall collect assessments from purchasers of the odorized propane who are retailers. The owner shall calculate the amount of the assessment based on the volume of odorized propane it sells for use in this state. The assessment shall be listed as a separate line item on the bill of sale for the odorized propane and titled "Wisconsin propane education and research assessment". The owner shall remit the collected assessments to the council on a monthly basis by the twenty-fifth day of the month following the month the assessment was collected. If the owner does not remit the collected assessments as required under this paragraph, an interest penalty of one percent of any amount that is not remitted shall be imposed against the owner for each month or fraction of a

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- month after the due date, until final payment is made. The council may establish an alternative means of collecting assessments if the council determines that another method would be more efficient or effective and may establish an alternative late payment charge or interest penalty to be imposed on a person who fails to timely remit any collected assessments to the council.
- (4) Refunds. A purchaser of propane who has an assessment added as a line item to the sale price may secure a refund of the amount added by submitting a written application to the council with proof of the assessments charged. A purchaser who obtains a refund is not eligible for any benefits provided under the council's programs.

#### STATE OF WISCONSIN – LEGISLATIVE REFERENCE BUREAU

LRB

Research (608-266-0341)

Library (608-266-7040)

Legal (608-266-3561)

LRB

12/15/15	LPB-3296/75
Heasher @ Sen. Cownes	
-P. 3 Ins. 8-12: change to one-half of one-tenth amount of increase.	1/2 cent assessment limit of one cent limit on
	- MCP



## State of Misconsin 2015 - 2016 LEGISLATURE

In 12/15 Redays LRB-3296/P5 \\ MCP:emw

# PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

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AN ACT to amend 100.26 (1); and to create 100.70 of the statutes; relating to:

authorizing the Wisconsin Propane Education and Research Council to levy an assessment.

#### Analysis by the Legislative Reference Bureau

This bill allows the Wisconsin Propane Education and Research Council to levy an assessment on odorized propane against certain licensed propane retailers.

The bill requires the Wisconsin Propane Gas Association to conduct a referendum among its retailer members on the question of whether to allow the council to levy an assessment on odorized propane. The bill defines a "retailer" as a person who sells propane at retail to the ultimate consumer and who is licensed to do so by the Department of Safety and Professional Services. If approved in the referendum, the council has the authority to levy an initial annual assessment amount of no more than two–tenths of one cent per gallon of odorized propane sold in this state. After the initial assessment, the council is required to set annual assessments in an amount sufficient to cover the costs of programs developed by the council, but no assessment may be greater than one—half cent per gallon of odorized propane unless approved in a referendum among retailer members of the Wisconsin Propane Gas Association and approved by the council's board of directors.

Under the bill, the owner of propane immediately prior to its odorization or the owner of odorized propane at the time of its import into this state is responsible for collecting the assessments from retailers who purchase the odorized propane for use in this state. The owner is required to remit the collected assessments to the council on a monthly basis or be subject to an interest penalty on any amount that is not

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timely remitted. The bill also allows the council to establish an alternative means of collecting assessments.

The bill provides that a propane purchaser who pays an assessment may secure a refund by submitting a written refund application to the council with proof of the assessment that was charged. A purchaser who obtains a refund is not eligible for any benefits provided under the council's programs.

The bill also allows the council to bring an action in circuit court to compel the remittance of collected assessments and allows the council to recover its costs and disbursements, including reasonable attorney fees, for bringing the action.

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

**Section 1.** 100.26 (1) of the statutes is amended to read:

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**Section 2.** 100.70 of the statutes is created to read:

100.70 Propane Education and Research Council. (1) Definitions. In this section:

- (a) "Council" means the organization with the name "Wisconsin Propane Education and Research Council" that is designated as a nonprofit corporation under section 501 (c) (3) of the Internal Revenue Code.
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- (2) Referendum; Authority to Levy Assessment. No later than 120 days after the effective date of this subsection .... [LRB inserts date], the Wisconsin Propane Gas Association shall conduct, at its own expense, a referendum among its members who are retailers on the question of whether to allow the council to levy the

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- assessment described under sub. (3). Each member who is a retailer shall be entitled to one vote in the referendum. Upon approval of a majority of the members voting in the referendum, the council shall be authorized to levy an assessment on odorized propane as provided under sub. (3).
- (3) Assessment. (a) The council shall set the initial annual assessment at no greater than two-tenths of one cent per gallon of odorized propane sold in this state. After the initial assessment, the council shall set annual assessments sufficient to cover the costs of the plans and programs developed by the council. An assessment may not be greater, than one-half cent per gallon of odorized propane unless approved by a majority of those voting in a referendum among members of the Wisconsin Propane Gas Association who are retailers and by the board of directors of the council.
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- (4) Refunds. A purchaser of propane who has an assessment added as a line item to the sale price may secure a refund of the amount added by submitting a written application to the council with proof of the assessments charged. A purchaser who obtains a refund is not eligible for any benefits provided under the council's programs.
- (5) COMPLIANCE. The council may bring an action in any circuit court of this state to compel compliance with sub. (3) (b). Notwithstanding s. 814.04, the council, if successful in its action, shall be entitled to recover its costs and disbursements, including reasonable attorney fees.

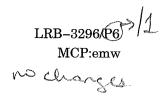


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## State of Misconsin 2015 - 2016 LEGISLATURE

In 1/4/16 News today



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Under the bill, the owner of propane immediately prior to its odorization or the owner of odorized propane at the time of its import into this state is responsible for collecting the assessments from retailers who purchase the odorized propane for use in this state. The owner is required to remit the collected assessments to the council

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### Barman, Mike

From:

Moore, Heather

Sent:

Monday, January 04, 2016 4:35 PM

To:

LRB.Legal

Subject:

Draft Review: LRB -3296/1

Please Jacket LRB -3296/1 for the SENATE.