2017 ASSEMBLY BILL 179

March 28, 2017 - Introduced by Representatives JACQUE, THIESFELDT and SKOWRONSKI, cosponsored by Senators COWLES and OLSEN. Referred to Committee on Environment and Forestry.

AN ACT to renumber 66.0627 (1) (a); to renumber and amend 75.106 (4); to amend 66.0627 (title), 66.0627 (8) (a), 66.0627 (8) (d), 66.1105 (4) (gm) 4. c., 75.106 (2), 292.13 (1m) (intro.) and 292.13 (2); and to create 24.63 (5), 66.0627 (1) (ad), 66.1105 (20), 66.1106 (15), 66.1109 (2m), 66.1109 (4g), 66.1110 (4m), 75.106 (4) (b), 285.675, 292.15 (1) (c) and 292.15 (2) (at) of the statutes; relating to: remediation of contaminated land; air pollution control requirements for certain manufacturing facilities constructed on formerly contaminated land; reassigning tax deeds on tax delinquent brownfield properties; creating a new method for the creation of environmental remediation tax incremental financing districts; loans and repayment assistance by a political subdivision for certain brownfield revitalization projects and collection of the debt by special charge; state trust fund loans for brownfield projects; conversion of
business improvement districts; and annexations to business improvement
districts and neighborhood improvement districts.

Analysis by the Legislative Reference Bureau

Remediating contaminated land

Current law requires a person who possesses or controls property where there
is a hazardous substance in the soil or groundwater, or who caused the discharge of
a hazardous substance, to restore the environment and minimize the harmful effects
of the discharge. A person who possesses or controls property where there is a
hazardous substance in the soil or groundwater is exempt from these requirements
if the person did not cause the discharge, if the discharge originated from another
person's property, and if the person agrees to allow the Department of Natural
Resources or the person who caused the discharge to enter the property to investigate
and remedy the discharge.

When there is a hazardous substance in the soil or groundwater, it may be
emitted as a vapor. This bill provides that a person who possesses or controls
property where there is a hazardous substance in vapor emitted from the soil or
groundwater is also exempt from the remediation requirements if the person did not
cause the discharge, if the discharge originated from another person's property, and
if the person agrees to allow DNR or the person who caused the discharge to enter
the property to investigate and remedy the discharge.

Current law also provides that if a person who possesses or controls property
contaminated by a hazardous substance, or who caused the discharge of a hazardous
substance, voluntarily undertakes certain investigation and remediation actions on
the contaminated property that are approved by DNR, the person is exempt from
liability for certain other investigation and remediation actions and their costs.

This bill provides a definition of the term “property” in relation to the voluntary
party liability exemption for remediation of contaminated land. The bill also
provides that a property may be subdivided or transferred without affecting the
liability exemption or requiring a new application.

Pilot program

Current federal law and state law require construction permits and operation
permits for certain stationary sources of air pollution. Under certain circumstances,
DNR may issue a registration permit authorizing construction or operation or both
for a stationary source with low actual or potential emissions.

This bill creates a pilot program under which a participating owner or operator
of a stationary source is not required to make changes to the source’s air pollution
controls due to new or modified legal requirements, except as required under the
federal Clean Air Act, for ten years after DNR issues a registration permit for the
source. This exemption would apply only if the source 1) is classified as a minor
source, which is a facility that emits air contaminants from a fixed location in an
amount that is less than an amount specified by DNR by rule; 2) is a manufacturing
facility that is being constructed on formerly contaminated land that has been
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certified by DNR as having been remediated; and 3) is included in the Green Tier Program, under which entities voluntarily undertake actions that are likely to result in significant reductions in emissions of greenhouse gases or in energy use.

Tax deeds

Under current law, before the county takes a foreclosure judgment on a brownfield property for which the owner has failed to pay property taxes, the county may assign its foreclosure rights to a person who agrees to remediate, maintain, and monitor the property according to rules promulgated by DNR.

This bill provides that a county may also assign its right to take a tax deed on brownfield property to a person who agrees to remediate, maintain, and monitor the property according to DNR rules.

Tax incremental financing; environmental remediation

This bill changes the way environmental remediation tax incremental districts are created.

Under the current tax incremental financing program, a city or village may create a TID in part of its territory to foster development if at least 50 percent of the area to be included in the TID is blighted, in need of rehabilitation or conservation, suitable for industrial sites, or suitable for mixed-use development. Currently, towns and counties also have a limited ability to create a TID under certain circumstances. Before a city or village may create a TID, several steps and plans are required. These steps and plans include public hearings on the proposed TID within specified time frames, preparation and adoption by the local planning commission of a proposed project plan for the TID, approval of the proposed project plan by the common council or village board, approval of the city’s or village’s proposed TID by a joint review board that consists of members who represent the overlying taxation districts, and adoption of a resolution by the common council or village board that creates the TID as of a date provided in the resolution.

Also under current law, once a TID has been created, the Department of Revenue calculates the “tax incremental base” value of the TID, which is the equalized value of all taxable property within the TID at the time of its creation. If the development in the TID increases the value of the property in the TID above the base value, a “value increment” is created. That portion of taxes collected on the value increment in excess of the base value is called a “tax increment.” The tax increment is placed in a special fund that may be used only to pay back the project costs of the TID.

The project costs of a TID, which are initially incurred by the creating city or village, include public works such as sewers, streets, and lighting systems; financing costs; site preparation costs; and professional service costs. DOR authorizes the allocation of the tax increments until the TID terminates or, generally, 20 years, 23 years, or 27 years after the TID is created, depending on the type of TID and the year in which it was created. Also under current law, a city or village may not generally make expenditures for project costs later than five years before the unextended termination date of the TID. Under certain circumstances, the life of the TID, the expenditure period, and the allocation period may be extended.
Currently, before a TID may be created or its project plan amended, the city or village must adopt a resolution containing a finding that the equalized value of taxable property of the TID plus the value increment of all existing TIDs does not exceed 12 percent of the total equalized value of taxable property in the city or village (the 12 percent test), subject to one general exception.

Under current law, the environmental remediation tax incremental financing statute permits a city, village, town, or county to recoup the costs of remediating contaminated property from property taxes that are levied on the remediated property. The mechanism for financing remediation costs is similar to the mechanism for financing project costs under the tax incremental financing program, including the political subdivision’s adoption of a resolution creating the environmental remediation tax incremental district (ERTID), joint review board project plan approval, and DOR certification of the district’s tax incremental base.

DOR is required to certify the environmental remediation tax incremental base if the political subdivision submits to DOR all of the following: 1) a statement that the political subdivision has incurred some eligible costs, together with a detailed proposed remedial action plan approved by DNR that contains cost estimates for anticipated eligible costs, a schedule for the design and implementation that is needed to complete the remediation, and certification from DNR that it has approved the site investigation report that relates to the parcel; 2) a statement that all taxing jurisdictions with authority to levy general property taxes on the parcel of property have been notified that the political subdivision intends to recover its environmental remediation costs by using an environmental remediation tax increment; and 3) a statement that the political subdivision has attempted to recover its environmental remediation costs from the person who is responsible for the environmental pollution that is being remediated. Thereafter, the political subdivision that created the ERTID may use positive environmental remediation tax increments to pay eligible costs of remediating environmental pollution in the ERTID.

Currently, the maximum life of an ERTID is 23 years and no expenditure for an eligible cost may be made by a political subdivision later than 15 years after the environmental remediation tax incremental base is certified by DOR. An ERTID may also terminate when a political subdivision has received sufficient environmental remediation tax increments to cover all of the eligible costs.

Under this bill, no new ERTIDs may be created under current ERTID law. Under the bill, ERTIDs may be created under the existing TID statutes and may operate just like regular TIDs, subject to a number of conditions and exceptions. Under the bill, the city or village creating the ERTID must obtain from DNR a certified site investigation report. To obtain the report, the city or village must submit to DNR detailed information regarding the environmental pollution that exists within the boundaries of the proposed ERTID and a proposed remediation plan. If DNR agrees with the description of the problem and the proposed remediation plan, it must certify the report. Property containing significant environmental pollution must constitute the majority of the territory in the proposed ERTID. A city or village may modify and resubmit the report to DNR if the department does not approve of the proposed report as submitted.
Under the bill, the 12 percent test does not apply to ERTIDs, and the tax incremental base of an ERTID must be $1 when the district is created. In addition, an ERTID created under the current TID law would have a maximum life of 27 years. ERTIDs may be created under the process created in the bill by a city, village, town, or county to the same extent that such a political subdivision may currently create a TID.

**Property assessed clean energy loans**

Under current law, a city, village, or town may impose a special charge against real property for services rendered by allocating the cost of the service to the properties that are served. Generally, a special charge is not payable in installments. Also under current law, a political subdivision may make a loan to, or enter into a loan repayment agreement with, an owner or lessee of a premises for making or installing certain energy or water efficiency improvements (property assessed clean energy or PACE program). The political subdivision may collect a loan repayment under the PACE program as a special charge. A special charge imposed under the PACE program may be collected in installments. Also, a political subdivision may allow a third party that has provided financing for the PACE program project to collect the installments.

Under this bill, a political subdivision may make a PACE loan to, or enter a PACE agreement with, an owner or lessee of a premises for a brownfield revitalization project. Brownfield revitalization projects are certain actions taken upon a commercial or industrial premises that is located on, or that constitutes, a brownfield. A brownfield is an abandoned, idle, or underused industrial or commercial facility or site, the expansion or redevelopment of which is adversely affected by actual or perceived environmental contamination. The actions that may be included within a brownfield revitalization project under this bill are site assessment, remediation, lead or asbestos abatement, demolition, and other standard site preparation actions. A political subdivision that makes a PACE loan, or enters into a PACE agreement, for a brownfield revitalization project must provide a repayment period of not more than 20 years.

**Neighborhood improvement districts and business improvement districts**

Under current law, a municipality may create a business improvement district (BID), upon being petitioned to do so by a business owner whose business is located in the proposed BID, if a number of steps are taken. A BID consists of contiguous parcels of land and operates under an operating plan approved by the BID board and the municipality. The creating municipality may impose special assessments on real property in the BID, other than real property used exclusively for residential purposes and property exempt from general property taxes, to provide for development, redevelopment, maintenance, operation, and promotion of the BID.

Also under current law, a municipality may create a neighborhood improvement district (NID), upon being petitioned to do so by an owner of real property that is located in the proposed NID, if a number of steps are taken. In general, an NID is an area within a municipality consisting of parcels that are nearby one another, but not necessarily contiguous, at least some of which are used for residential purposes and are subject to general real estate taxes. An NID operates
under an operating plan approved by the NID board and the municipality. The creating municipality may impose special assessments on real property located within the NID, except real property that is used exclusively for fewer than eight residential dwelling units and real property that is exempt from general property taxes, to provide for the development, redevelopment, maintenance, operation, and promotion of the NID.

Under this bill, territory may be annexed to a BID or NID using essentially the same procedure as for the creation of the BID or NID. Also under this bill, upon petition by an owner of real property that is subject to general real estate taxes, that is used exclusively for residential purposes, and that is located in a BID, a BID may convert to an NID.

**State trust fund loans**

Under current law, the Board of Commissioners of Public Lands manages the common school fund, the normal school fund, the university fund, and the agricultural college fund (trust funds). BCPL also administers a state trust fund loan program under which it makes loans, from moneys belonging to the trust funds, to school districts, local governments, and certain other public entities for certain public purposes. Also under current law, the Wisconsin Constitution prohibits a municipality from becoming indebted in an amount that exceeds 5 percent of the taxable property located in the municipality.

This bill provides that a state trust fund loan to a municipality made for the purpose of funding a project related to brownfields may not be included in arriving at the constitutional debt limitation under sub. (1) or the constitutional debt limitation under article XI, section 3, of the constitution if all of the following apply:

(a) The term of the loan is not more than 15 years.

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

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

1. **SECTION 1.** 24.63 (5) of the statutes is created to read:

24.63 (5) BROWNFIELD PROJECT LOANS. A state trust fund loan to a city, village, or town made for the purpose of funding a project related to brownfields, as defined in s. 238.13 (1) (a), may not be included in arriving at the debt limitation under sub. (1) or the constitutional debt limitation under article XI, section 3, of the constitution if all of the following apply:

(a) The term of the loan is not more than 15 years.
(b) The loan is not in default.

(c) The department of natural resources verifies to the board that the site on which the project will occur is a brownfield, or, if the project encompasses more than one site, verifies that not less than 50 percent of the project area is brownfield.

SECTION 2. 66.0627 (title) of the statutes is amended to read:

66.0627 (title) Special charges for current services and energy and water efficiency improvement loans certain loan repayments.

SECTION 3. 66.0627 (1) (a) of the statutes is renumbered 66.0627 (1) (am).

SECTION 4. 66.0627 (1) (ad) of the statutes is created to read:

66.0627 (1) (ad) “Brownfield revitalization project” means any of the following actions when taken upon commercial or industrial premises that are located on, or that constitute, brownfields, as defined in s. 238.13 (1) (a):

1. Site assessment.
2. Remediation.
3. Lead or asbestos abatement.
4. Demolition.
5. Standard site preparation actions not included in subd. 1. to 4.

SECTION 5. 66.0627 (8) (a) of the statutes is amended to read:

66.0627 (8) (a) A political subdivision may make a loan, or enter into an agreement regarding loan repayments to a 3rd party for owner-arranged or lessee-arranged financing, to an owner or lessee of a premises located in the political subdivision for a brownfield revitalization project or for making or installing an energy efficiency improvement, a water efficiency improvement, or a renewable resource application to the premises. If a political subdivision makes a loan or enters into an agreement under this paragraph, the political subdivision may collect the
loan repayment as a special charge under this section. Notwithstanding sub. (4), a
special charge imposed under this paragraph may be collected in installments and
may be included in the current or next tax roll for collection and settlement under
ch. 74 even if the special charge is not delinquent. If a political subdivision makes
a loan, or enters into an agreement regarding loan repayments to a 3rd party, for a
brownfield revitalization project under this paragraph, the repayment period may
exceed 20 years.

SECTION 6. 66.0627 (8) (d) of the statutes is amended to read:

66.0627 (8) (d) A political subdivision that, under par. (a), makes a loan to, or
enters an agreement with, an owner for making or installing an improvement or
application that costs $250,000 or more shall require the owner to obtain a written
guarantee from the contractor or project engineer that the improvement or
application will achieve a savings-to-investment ratio of greater than 1.0 and that
the contract or engineer will annually pay the owner any shortfall in savings below
this level. The political subdivision may determine the method by which a guarantee
under this paragraph is enforced. This paragraph does not apply to a loan or
agreement for a brownfield revitalization project.

SECTION 7. 66.1105 (4) (gm) 4. c. of the statutes is amended to read:

66.1105 (4) (gm) 4. c. Except as provided in subs. (10) (c), (16) (d), (17), and (18)
c 3., and (20) (c) the equalized value of taxable property of the district plus the value
increment of all existing districts does not exceed 12 percent of the total equalized
value of taxable property within the city. In determining the equalized value of
taxable property under this subd. 4. c. or sub. (17) (c), the department of revenue
shall base its calculations on the most recent equalized value of taxable property of
the district that is reported under s. 70.57 (1m) before the date on which the
resolution under this paragraph is adopted. If the department of revenue determines that a local legislative body exceeds the 12 percent limit described in this subd. 4. c. or sub. (17) (c), the department shall notify the city of its noncompliance, in writing, not later than December 31 of the year in which the department receives the completed application or amendment forms described in sub. (5) (b).

SECTION 7. 66.1105 (20) of the statutes is created to read:

66.1105 (20) ENVIRONMENTAL REMEDIATION DISTRICTS. (a) In this subsection:

1. “Environmental pollution” has the meaning given in s. 299.01 (4).

2. “Environmental remediation tax incremental district” means a tax incremental district created under this section, most of the territory of which consists of areas that contain significant environmental pollution, and which is subject to the conditions and limitations contained in this subsection.

(b) Before a city may adopt a resolution under sub. (4) (gm) with regard to an environmental remediation tax incremental district, the local legislative body shall obtain under par. (c) a certified site investigation report from the department of natural resources. The city shall submit a copy of the certified report to the department of revenue before the department may allocate tax increments under sub. (6).

(c) To obtain a certified site investigation report, the city shall send to the department of natural resources a detailed description of the significant environmental pollution that exists in the proposed district, and a proposed remedial action plan that contains cost estimates for anticipated project costs and a schedule for the design, implementation, and construction that is needed to complete the remediation with respect to the proposed district in accordance with rules promulgated by the department of natural resources. If the department of natural resources determines that the city has not submitted a certified site investigation report, the department of revenue shall notify the city of its noncompliance, in writing, not later than December 31 of the year in which the department receives the completed application or amendment forms described in sub. (5) (b).
resources agrees with the city’s description of the conditions in the proposed district and approves of the city’s proposed remedial action plan, it shall provide the city with written certification that the department of natural resources has approved the site investigation report. If the department of natural resources does not approve the report, the city may modify and resubmit the report to the department of natural resources.

(d) With regard to an environmental remediation tax incremental district created under this subsection:

1. The 12-percent limit specified in sub. (4) (gm) 4. c. does not apply.
2. Notwithstanding the provisions of sub. (5), the tax incremental base of the district shall be $1 when the district is created.

SECTION 9. 66.1106 (15) of the statutes is created to read:

66.1106 (15) SUNSET. No district may be created under this section on or after the effective date of this subsection .... [LRB inserts date].

SECTION 10. 66.1109 (2m) of the statutes is created to read:

66.1109 (2m) A municipality may annex territory to an existing business improvement district if all of the following are met:

(a) An owner of real property used for commercial purposes and located in the territory proposed to be annexed has petitioned the municipality for annexation.

(b) The planning commission has approved the annexation.

(c) At least 30 days before annexation of the territory, the planning commission has held a public hearing on the proposed annexation. Notice of the hearing shall be published as a class 2 notice under ch. 985. Before publication, a copy of the notice together with a copy of a detail map showing the boundaries of the territory proposed to be annexed to the business improvement district shall be sent by certified mail to
all owners of real property within the territory proposed to be annexed. The notice
shall state the boundaries of the territory proposed to be annexed.

(d) Within 30 days after the hearing under par. (c), the owners of property in
the territory to be annexed that would be assessed under the operating plan having
a valuation equal to more than 40% of the valuation of all property in the territory
to be annexed that would be assessed under the operating plan, using the method of
valuation specified in the operating plan, or the owners of property in the territory
to be annexed that would be assessed under the operating plan having an assessed
valuation equal to more than 40% of the assessed valuation of all property in the
territory to be annexed that would be assessed under the operating plan, have not
filed a petition with the planning commission protesting the annexation.

**SECTION 11.** 66.1109 (4g) of the statutes is created to read:

66.1109 (4g) A municipality may convert a business improvement district
under this section into a neighborhood improvement district under s. 66.1110 if an
owner of real property that is subject to general real estate taxes, that is used
exclusively for residential purposes, and that is located in the business improvement
district petitions the municipality for the conversion. If the municipality approves
the petition, the board shall consider and may make changes to the operating plan
under s. 66.1110 (4) (b).

**SECTION 12.** 66.1110 (4m) of the statutes is created to read:

66.1110 (4m) A municipality may annex territory to an existing neighborhood
improvement district if all of the following conditions are met:

(a) An owner of real property subject to general real estate taxes and located
in the territory proposed to be annexed has petitioned the municipality for
annexation.
(b) The planning commission has approved the annexation.

(c) At least 30 days before annexation, the planning commission has held a public hearing on the proposed annexation. Notice of the hearing shall be published as a class 2 notice under ch. 985. Before publication, a copy of the notice, together with a copy of a detail map showing the boundaries of the territory proposed to be annexed to the neighborhood improvement district, shall be sent by certified mail to all owners of real property within the territory proposed to be annexed. The notice shall state the boundaries of the territory proposed to be annexed.

(d) Within 30 days after the hearing under par. (c), one of the following has not filed a petition with the planning commission protesting the proposed annexation:

1. The owners of property in the territory to be annexed that would be assessed under the operating plan having a valuation equal to more than 40 percent of the valuation of all property in the territory to be annexed that would be assessed under the operating plan, using the method of valuation specified in the operating plan.

2. The owners of property in the territory to be annexed that would be assessed under the operating plan having an assessed valuation equal to more than 40 percent of the assessed valuation of all property in the territory to be annexed that would be assessed under the operating plan.

**SECTION 13.** 75.106 (2) of the statutes is amended to read:

75.106 (2) ASSIGNMENT AUTHORIZED. Before a judgment is issued under s. 75.521 or a tax deed is executed under s. 75.14, the governing body of a county may assign to a person the county’s right to take judgment with respect to any parcel that is subject to the county’s foreclosure action under s. 75.521 or to take a tax deed with respect to any parcel subject to s. 75.14, if all of the following apply:
(a) The governing body of the county provides written notice to the governing body of the city, town, or village in which the parcel that is subject to the county's foreclosure action is located at least 15 days before the governing body of the county meets to consider the approval of the assignment.

(b) The governing body of the county produces a written assignment that is signed on behalf of the county, the assignee and the city, town, or village in which the parcel that is subject to the county's foreclosure action is located.

(c) The assignment identifies the parcel for which a judgment or tax deed is assigned.

(d) The parcel for which a judgment or tax deed is assigned is a brownfield.

(e) The assignment requires an environmental assessment of the parcel and requires that the department be provided the results of that assessment before a final judgment under s. 75.521 or a tax deed under s. 75.14 related to the parcel is granted to the assignee.

(f) The assignment requires that, if the parcel is contaminated by the discharge of a hazardous substance, as determined by the assessment under par. (e), and if the assignee elects to accept the judgment or deed assigned under this subsection regardless of the contamination, the assignee enter into an agreement with the department, before a final judgment is issued under s. 75.521 or a tax deed is issued under s. 75.14 related to the parcel, to clean up the parcel to the extent practicable; to minimize any harmful effects from the hazardous substance pursuant to rules the department promulgates; and to maintain and monitor the parcel pursuant to rules the department promulgates.

(g) The assignment and an affidavit from the county treasurer that attests to the county governing body's approval of the assignment are filed with the court that
is presiding over the county’s foreclosure action under s. 75.521 or, in the case of a
tax deed issued under s. 75.14, with the register of deeds.

SECTION 14. 75.106 (4) of the statutes is renumbered 75.106 (4) (a) and
amended to read:

75.106 (4) (a) An assignee who is granted a judgment under sub. (3) shall take
title to, and is the owner of, the parcel that is the subject of the assignment, except
that a person who commences an action under s. 75.521 (14a) related to the parcel
shall commence the action against only the county that assigned judgment to the
parcel under sub. (2). An assignment under sub. (2) may provide that an assignee
under sub. (2) who is granted a judgement under sub. (3) shall indemnify the county
that makes the assignment and hold the county harmless against any loss, expense,
liability, or damage that the county may incur as a result of an action under s. 75.521
(14a).

SECTION 15. 75.106 (4) (b) of the statutes is created to read:

75.106 (4) (b) An assignee who is assigned a tax deed under sub. (2) shall take
title to, and is the owner of, the parcel that is the subject of the assignment, except
that a person who commences an action under s. 75.144 or 893.25 related to the
parcel shall commence the action against only the county that assigned the tax deed
under sub. (2). An assignment of a tax deed under sub. (2) may provide that an
assignee shall indemnify the county that makes the assignment and hold the county
harmless against any loss, expense, liability, or damage that the county may incur
as a result of an action under s. 75.144 or 893.25.

SECTION 16. 285.675 of the statutes is created to read:

285.675 Pilot program for manufacturing facilities on brownfields. (1)

In this section:
(a) “Green Tier Program” means the program under s. 299.83.

(b) “Registration permit” means an air pollution control permit under s. 285.60 (2g).

(2) The department shall implement a pilot program under which a participating owner or operator is not required to make changes to the air pollution controls for a stationary source due to new or modified legal requirements, except as required under the federal clean air act, for 10 years after the department grants coverage under a registration permit for the stationary source.

(3) The department may allow an owner or operator to participate in the pilot program under this section only if all of the following apply:

(a) The stationary source is a minor source and is eligible for coverage under a registration permit.

(b) The stationary source is a manufacturing facility that the owner or operator is constructing.

(c) The stationary source is located on property on which the owner or operator has conducted the activities required under s. 292.15 (2) (a) 2., (ae) 2., or (ag) 1. and the owner or operator has obtained a certificate of completion from the department under s. 292.15 (2) (a) 3., (ae) 3., or (ag) 2. for the property.

(d) The owner or operator is a participant in tier I or tier II of the Green Tier Program and the manufacturing facility is included in the program.

(4) The department may specify limitations on participation in the pilot program, such as limitations on the number of participants or on the location in which the pilot program operates.

(5) No later than the first day of the 60th month beginning after department implements the pilot program, the department shall submit a report, to the governor
and to the standing committees of the legislature with jurisdiction over environmental matters under s. 13.172 (3), on the pilot program, including the environmental and economic effects of the pilot program and the department’s recommendations about whether the pilot program should be expanded.

**SECTION 17.** 292.13 (1m) (intro.) of the statutes is amended to read:

292.13 (1m) **Exemption from liability for soil contamination.** (intro.) A person is exempt from s. 292.11 (3), (4) and (7) (b) and (c) with respect to the existence of a hazardous substance in the soil, including sediments, or in vapor emitted from the soil or groundwater on property possessed or controlled by the person if all of the following apply:

**SECTION 18.** 292.13 (2) of the statutes is amended to read:

292.13 (2) **Determinations concerning liability.** The department shall, upon request, issue a written determination that a person who possesses or controls property on which a hazardous substance exists in the soil or groundwater, or in vapor emitted from the soil or groundwater, is exempt from s. 292.11 (3), (4) and (7) (b) and (c) if the person satisfies the applicable requirements in subs. (1) and (1m). The department may revoke its determination if it determines that any of the requirements in sub. (1) or (1m) cease to be met.

**SECTION 19.** 292.15 (1) (c) of the statutes is created to read:

292.15 (1) (c) “Property” means the area of real property that is included in an application to obtain an exemption under this section, made up of a parcel or contiguous parcels, the legal description of which is contained in one or more deeds.

**SECTION 20.** 292.15 (2) (at) of the statutes is created to read:

292.15 (2) (at) **Subdivision, transfer, or other change in property.** The subdivision or transfer of a property, the combination of a property with another
property, or any other similar change to the legal boundaries of the property do not affect a voluntary party’s eligibility for the liability exemption under this section if change occurs after the department has approved any required environmental investigation and if all other applicable requirements for the exemption are met.

(END)