

State of Misconsin 2005 - 2006 LEGISLATURE

## **2005 ASSEMBLY BILL 412**

May 10, 2005 – Introduced by Representatives MONTGOMERY, JENSEN, HAHN, OTT and VAN ROY, cosponsored by Senators ROESSLER, BRESKE and PLALE. Referred to Committee on Energy and Utilities.

AN ACT to amend 16.957 (2) (a) (intro.), 16.969 (3) (b) (intro.), 20.505 (1) (gs) and 20.505 (3) (r); and to create 16.969 (3m), 20.505 (3) (k) and 32.03 (4) of the 3 statutes; relating to: condemnation of county or municipal land for electric 4 transmission lines, payment of certain environmental impact fees to 5 municipalities and counties, and making an appropriation.

### Analysis by the Legislative Reference Bureau

Current law generally prohibits the condemnation of real property owned by the state, a municipality, or a county. This bill authorizes a public utility or foreign transmission provider (a foreign corporation that operates electric transmission lines in this state and other states) to condemn real property owned by a county, city, village, or town, but only if the property is condemned for the purpose of constructing or locating transmission lines and only if the parties cannot agree on a purchase price within 180 days.

Also under current law, before any person, including a public utility or foreign transmission provider, may construct certain high-voltage transmission lines, the Public Service Commission (PSC) must issue a certificate of public convenience and necessity (CPCN) for the line. If the PSC issues a CPCN to a person, the person must pay a one-time environmental impact fee that the Department of Administration (DOA) distributes to the cities, villages, towns, and counties that are affected by the line. (The person must also pay annual impact fees that DOA distributes to cities, villages, and towns, but not to counties.)

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This bill provides that, if a person (such as a public utility or foreign transmission provider) condemns real property owned by a county, city, village, or town for the purpose of constructing a high-voltage transmission line, the county, city, village, or town is not eligible to receive the one-time environmental impact fee. Instead, the fees that counties, cities, villages, and towns are not eligible to receive under the bill are used as an additional source of funding for grants made by DOA under current law for low-income energy assistance.

The bill also provides that if a person acquires real property owned by a county, city, village, or town, other than by condemnation, for the purpose of constructing a high-voltage transmission line, at a price that exceeds the fair market value of the property, DOA must reduce the one-time environmental impact fee distributed to the county, city, village, or town by an amount equal to the amount by which the acquisition price exceeds the fair market value. Under the bill, the reductions in the fees are used as an additional source of funding for the low-income energy assistance grants mentioned above.

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:

**SECTION 1.** 16.957 (2) (a) (intro.) of the statutes is amended to read:

16.957 (2) (a) Low-income programs. (intro.) After holding a hearing, establish programs to be administered by the department for awarding grants from the appropriation appropriations under s. 20.505 (3) (k) and (r) to provide low-income assistance. In each fiscal year, the amount awarded under this paragraph shall be sufficient to ensure that an amount equal to 47% of the sum of

- 7 the following is spent for weatherization and other energy conservation services:
- 8 **SECTION 2.** 16.969 (3) (b) (intro.) of the statutes is amended to read:

9 16.969 (3) (b) (intro.) The Except as provided in sub. (3m), the fee that is paid
10 by a person under the rules promulgated under sub. (2) (b) shall be distributed as
11 follows:

12 **SECTION 3.** 16.969 (3m) of the statutes is created to read:

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1 16.969 (3m) (a) If a person who is issued a certificate of public convenience and
2 necessity by the commission under s. 196.491 (3) for a high-voltage transmission line
3 condemns real property owned by a town, village, city, or county for purposes of
4 constructing the line, the department shall not pay to the town, village, city, or county
5 any of the fee paid by the person under the rules promulgated under sub. (2) (b).

6 (b) If a person who is issued a certificate of public convenience and necessity 7 by the commission under s. 196.491 (3) for a high-voltage transmission line acquires 8 for purposes of constructing the line real property owned by a town, village, city, or 9 county, other than by condemnation, at a price that exceeds the fair market value of 10 the property, the department shall reduce the distribution payable to the town, 11 village, city, or county under sub. (3) (b) 1. or 2. by the amount by which the 12 acquisition price exceeds the fair market value.

(c) In each fiscal year, the secretary of administration shall determine the total
amount that towns, villages, cities, and counties are not paid under this subsection
in the fiscal year.

### 16 **SECTION 4.** 20.505 (1) (gs) of the statutes is amended to read:

1720.505 (1) (gs) High-voltage transmission line environmental impact fee18distributions. All moneys received from the payment of fees under the rules19promulgated under s. 16.969 (2) (b) for distributions to counties, towns, villages, and20cities under s. 16.969 (3) (b) and to transfer the amount determined by the secretary21of administration under s. 16.969 (3m) (c) to the appropriation account under sub.22(3) (k).

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**SECTION 5.** 20.505 (3) (k) of the statutes is created to read:

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1	20.505 (3) (k) Low-income assistance grants; lapsed environmental impact fees.
2	All moneys transferred from the appropriation account under sub. (1) (gs) in the
3	previous fiscal year for low-income assistance grants under s. 16.957 (2) (a).
4	<b>SECTION 6.</b> 20.505 (3) (r) of the statutes is amended to read:
5	20.505 (3) (r) Low-income assistance grants; utility public benefits fund. From
6	the utility public benefits fund, a sum sufficient <u>, less an amount equal to the amount</u>
7	appropriated under par. (k), for low-income assistance grants under s. 16.957 (2) (a).
8	<b>SECTION 7.</b> 32.03 (4) of the statutes is created to read:
9	32.03 (4) Notwithstanding sub. (1), any foreign transmission provider, as
10	defined in s. 32.02 (5) (a), or public utility may condemn real property owned by a
11	county, city, village, or town for the purpose of constructing or locating transmission
12	lines as specified in s. 32.02 (5) (b) if the parties fail to reach an agreement on a
13	purchase price for the property within 180 days after the condemnor provides the
14	owner with a full narrative appraisal under s. 32.06 (2) (b).
15	(END)

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