



KEVIN PETERSEN

STATE REPRESENTATIVE

Chairman Kuglitsch and honorable members of the Assembly Committee on Energy and Utilities;

Thank you for the opportunity to testify on this very important legislation.

Specifically, Assembly Bill 665 provides the following:

1. Allows Wisconsin Propane Education and Research Council to levy an initial assessment on odorized propane of no more than two-tenths of one cent per gallon of odorized propane sold for use in this state following a referendum among members.
2. 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. Assessment may not be raised by more than one-twentieth of one cent per gallon of odorized propane annually unless approved in referendum among retail members of the Wisconsin Propane Gas Association and approved by the council's board of directors.
3. Distributors of odorized propane are required to collect the assessment from retailers and then forward to the council on a monthly basis or be subject to an interest penalty.
4. Bill provides that a propane retailer who pays an assessment may secure a refund under time guidelines specified in the bill.
5. No funds collected as an assessment under this bill may be used for purposes of lobbying, lobbyist pay, or political messaging.
6. The notice must be provided by council to each retailer annually on manner of requesting a refund.

Specifically, 2019 Assembly Bill 665 vs 2017 Assembly Bill 531:

1. Page 2 lines 12, 13, and 14: Adds the definition of Distributor to the bill and sets relationship between distributor and retailer. Important when reading page 3 lines 17 to 25 and page 4 lines 1 to 6. Previous version of the bill used the term owner vs distributor.
2. Page 3 line 10: Adds "for use" in referring to propane being assessed in Wisconsin.

3. Page 4 line 7: Adds retailer as entity allowed to receive assessment refund.
4. Page 4 lines 9 to 12: Specifies retailer must within 30 days after the end of the month in which assessed, request a refund. Provides council shall provide approved refund within 60 days following an assessment refund request.
5. Page 4 lines 18 to 19: No funds collected as an assessment under this section may be used for the purposes of lobbying, lobbyist pay, or political messaging.
6. Page 4 lines 20 to 22: Council shall annually notify each retailer of any assessment authorized under this section and the manner of requesting a refund.

AB 665 ensures funds collected will be used for proper education in the field to enhance the propane business statewide. I am happy to answer any questions.