



State of Wisconsin  
2021 - 2022 LEGISLATURE

LRBs0307/1  
JK:cjs&amn

**SENATE SUBSTITUTE AMENDMENT 2,  
TO SENATE BILL 468**

January 24, 2022 - Offered by Senator BALLWEG.

1 **AN ACT to amend** 79.04 (5) (a) (intro.) and 79.04 (5) (b) (intro.); and **to create**  
2 79.005 (1h) and 79.04 (8) of the statutes; **relating to:** changing the phase-out  
3 of utility aid payments for decommissioned power plants.

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***Analysis by the Legislative Reference Bureau***

Under current law, if a power production plant that is exempt from property taxes is decommissioned or closed, and therefore becomes taxable, the county and municipality where the plant is located each receive a utility aid payment for the first five years in which the plant is subject to the property tax, in an amount equal to a percentage of the utility aid payment received for the last year in which the plant was exempt. Under the bill, these post-exemption utility aid payments are made only for a production plant that is decommissioned. Under the bill, "decommissioned" means, with regard to a production plant, the earliest of the following: 1) the production plant is no longer recovered through the utility's rates; or 2) the production plant is transferred to a person who is not subject to the annual license fees imposed by the state.

The bill also provides that, with regard to a power production plant that has multiple power generation units, the utility aid payment received by a county or municipality will not be reduced on the basis that one or more, but not all, of the power generation units are no longer generating electricity, and the amount of the payment will be the same as the payment received in the year before the year the first

power generation unit is no longer generating electricity. In addition, the phase out of utility aid payments under the bill does not begin until the production plant is decommissioned, and the amounts of the phase-out payments are determined on the basis of the amount of the payment received in the year before the year the first power generation unit is no longer generating electricity.

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

1           **SECTION 1.** 79.005 (1h) of the statutes is created to read:

2           79.005 (1h) “Decommissioned” means, with regard to a production plant, the  
3 earliest of the following:

4           (a) The production plant is no longer recovered through the utility’s or  
5 cooperative’s rates or, for a production plant owned by a qualified wholesale electric  
6 company, as defined in s. 76.28 (1) (gm), the production plant is no longer generating  
7 electricity.

8           (b) The production plant is transferred to a person who is not subject to the  
9 annual license fee imposed under s. 76.28 (2) or 76.29 (2).

10          **SECTION 2.** 79.04 (5) (a) (intro.) of the statutes is amended to read:

11          79.04 (5) (a) (intro.) If property that was exempt from the property tax under  
12 s. 70.112 (4) and that was used to generate power by a light, heat, or power company,  
13 except property under s. 66.0813, unless the production plant is owned or operated  
14 by a local governmental unit located outside of the municipality, or by an electric  
15 cooperative, or by a municipal electric company under s. 66.0825, is decommissioned  
16 or closed, the municipality shall be paid, from the public utility account, an amount  
17 equal to the following percentages of the payment that the municipality received  
18 under this section during the last year that the property was exempt from the  
19 property tax:

1           **SECTION 3.** 79.04 (5) (b) (intro.) of the statutes is amended to read:

2           79.04 (5) (b) (intro.) If property that was exempt from the property tax under  
3 s. 70.112 (4) and that was used to generate power by a light, heat, or power company,  
4 except property under s. 66.0813, unless the production plant is owned or operated  
5 by a local governmental unit located outside of the municipality, or by an electric  
6 cooperative, or by a municipal electric company under s. 66.0825, is decommissioned  
7 ~~or closed~~, the county shall be paid, from the public utility account, an amount equal  
8 to the following percentages of the payment the county received under this section  
9 during the last year that the property was exempt from the property tax:

10           **SECTION 4.** 79.04 (8) of the statutes is created to read:

11           79.04 (8) All of the following apply to the payments for property of a production  
12 plant that includes multiple power generation units, except that this subsection  
13 applies only if the production plant's first power generation unit is no longer  
14 generating electricity after the effective date of this subsection .... [LRB inserts date]:

15           (a) No payment received by a municipality or county under sub. (1), (2), (6), or  
16 (7) shall be reduced on the basis that one or more, but not all, of the power generation  
17 units are no longer generating electricity, and the amount of the payment shall be  
18 the amount that the municipality or county received in the year before the year in  
19 which the first power generation unit is no longer generating electricity.

20           (b) The payments under sub. (5) (a) or (b) shall not be made until the production  
21 plant is decommissioned, and then the payments shall be determined on the basis  
22 of the amount of the payment received by the municipality or county under sub. (1),  
23 (2), (6), or (7) in the year before the year in which the first power generation unit is  
24 no longer generating electricity.

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(END)