



State of Wisconsin
2023 - 2024 LEGISLATURE

LRB-0172/1
MCP:klm

2023 SENATE BILL 13

January 27, 2023 – Introduced by Senators COWLES, BALLWEG, MARKLEIN, NASS and SMITH, cosponsored by Representatives PENTERMAN, O'CONNOR, ARMSTRONG, KITCHENS, MURSAU and SPIROS. Referred to Committee on Natural Resources and Energy.

1 **AN ACT to repeal** 20.320 (1) (sm), 281.59 (1) (as), 281.59 (9) (a) and 281.60; **to**
2 **amend** 13.48 (26), 20.370 (4) (mt), 20.370 (9) (mt), 20.505 (1) (v), 20.536 (1) (ka),
3 25.43 (1) (h), 25.43 (2s) (a) 2., 25.43 (3), 67.12 (12) (a), 281.59 (2) (a), 281.59 (2)
4 (b), 281.59 (3) (a) 1., 281.59 (3) (a) 5., 281.59 (3) (j), 281.59 (9) (am), 281.59 (9)
5 (b) (intro.), 281.59 (9) (b) 1., 281.59 (11) (a), 281.59 (11) (b), 281.59 (11) (c), 281.59
6 (13s) and 281.59 (14); and **to create** 281.605 of the statutes; **relating to:**
7 eliminating the land recycling loan program.

Analysis by the Legislative Reference Bureau

Under the environmental improvement fund, the state provides financial assistance to local governmental units for certain projects. The environmental improvement fund is made up of three programs: the clean water fund program; the safe drinking water loan program; and the land recycling (brownfields) loan program, which provides financial assistance for the investigation and remediation of certain contaminated properties.

The bill eliminates the land recycling loan program, which has not provided loans since 2008. Under the bill, current law provisions continue to apply to any outstanding loans under the program that are in repayment. The bill also requires any unallocated balance of moneys appropriated to the land recycling loan program to be transferred to the clean water fund program and requires any moneys received

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on outstanding loans after the effective date of the bill to be deposited into the clean water fund program.

For further information see the state 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.** 13.48 (26) of the statutes is amended to read:

2 13.48 (26) ENVIRONMENTAL IMPROVEMENT ANNUAL FINANCE PLAN APPROVAL. The
3 building commission shall review the versions of the biennial finance plan and any
4 amendments to the biennial finance plan submitted to it by the department of
5 natural resources and the department of administration under s. 281.59 (3) (bm) and
6 the recommendations of the joint committee on finance and the standing committees
7 to which the versions of the biennial finance plan and any amendments were
8 submitted under s. 281.59 (3) (bm). The building commission shall consider the
9 extent to which that version of the biennial finance plan that is updated to reflect the
10 adopted biennial budget act will maintain the funding for the clean water fund
11 program and the safe drinking water loan program, in the environmental
12 improvement fund, in perpetuity. The building commission shall consider the extent
13 to which the implementation of the clean water fund program, and the safe drinking
14 water loan program ~~and the land recycling loan program~~, as set forth in the biennial
15 finance plan updated to reflect the adopted biennial budget act, implements
16 legislative intent on the clean water fund program, and the safe drinking water loan
17 program ~~and the land recycling loan program~~. The building commission shall, no
18 later than 60 days after the date of enactment of the biennial budget act, either
19 approve or disapprove the biennial finance plan that is updated to reflect the adopted
20 biennial budget act. If the building commission disapproves the version of the

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1 biennial finance plan that is updated to reflect the adopted biennial budget act, it
2 must notify the department of natural resources and the department of
3 administration of its reasons for disapproving the plan, and those departments must
4 revise that version of the biennial finance plan and submit the revision to the
5 building commission.

6 **SECTION 2.** 20.320 (1) (sm) of the statutes is repealed.

7 **SECTION 3.** 20.370 (4) (mt) of the statutes is amended to read:

8 20.370 (4) (mt) *General program operations — environmental improvement*
9 *programs; state funds.* From the environmental improvement fund, the amounts in
10 the schedule for general program operations under s. 281.58, 281.59, ~~281.60~~, 281.61,
11 281.62, or 283.31 or s. 281.60, 2021 stats.

12 **SECTION 4.** 20.370 (9) (mt) of the statutes is amended to read:

13 20.370 (9) (mt) *Aids administration — environmental improvement programs;*
14 *state funds.* From the environmental improvement fund, the amounts in the
15 schedule for the administration of ss. 281.58, ~~281.60~~, 281.61, 281.62, and 283.31 and
16 s. 281.60, 2021 stats.

17 **SECTION 5.** 20.505 (1) (v) of the statutes is amended to read:

18 20.505 (1) (v) *General program operations — environmental improvement*
19 *programs; state funds.* From the environmental improvement fund, the amounts in
20 the schedule for general program operations under s. 281.58, 281.59, ~~281.60~~ or
21 281.61 or s. 281.60, 2021 stats.

22 **SECTION 6.** 20.536 (1) (ka) of the statutes is amended to read:

23 20.536 (1) (ka) *General program operations; environmental improvement fund.*

24 All moneys received for providing services to the department of administration or the

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1 department of natural resources in administering ss. 25.43, 281.58, 281.59, ~~281.60,~~
2 281.61, and 281.62 and s. 281.60, 2021 stats., for general program operations.

3 **SECTION 7.** 25.43 (1) (h) of the statutes is amended to read:

4 25.43 (1) (h) The fees imposed under ss. 281.58 (9) (d), ~~281.60 (11m),~~ and 281.61
5 (5) (b) and s. 281.60 (11m), 2021 stats.

6 **SECTION 8.** 25.43 (2s) (a) 2. of the statutes is amended to read:

7 25.43 (2s) (a) 2. The difference between \$20,000,000 and the amount that has
8 been expended under s. 20.320 (1) (sm), 2021 stats., when the agreement is entered
9 into.

10 **SECTION 9.** 25.43 (3) of the statutes is amended to read:

11 25.43 (3) Except for the purpose of investment as provided in s. 25.17 (2) (d),
12 the environmental improvement fund may be used only for the purposes authorized
13 under ss. 20.320 (1) (r), (s), (~~sm~~), (t), and (x) and (2) (r), (s), and (x), 20.370 (4) (mt),
14 (mx) and (nz), (8) (mr) and (9) (mt), (mx) and (ny), 20.505 (1) (v), (x) and (y), 281.58,
15 281.59, ~~281.60,~~ 281.61, 281.62, and 283.31 and s. 281.60, 2021 stats.

16 **SECTION 10.** 67.12 (12) (a) of the statutes is amended to read:

17 67.12 (12) (a) Any municipality may issue promissory notes as evidence of
18 indebtedness for any public purpose, as defined in s. 67.04 (1) (b), including but not
19 limited to paying any general and current municipal expense, and refunding any
20 municipal obligations, including interest on them. Each note, plus interest if any,
21 shall be repaid within 10 years after the original date of the note, except that notes
22 issued under this section for purposes of ss. 119.498, 281.58, 281.59, ~~281.60,~~ 281.61,
23 and 292.72 and s. 281.60, 2021 stats., issued to raise funds to pay a portion of the
24 capital costs of a metropolitan sewerage district, or issued by a 1st class city or a
25 county having a population of 750,000 or more, to pay unfunded prior service liability

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1 with respect to an employee retirement system, shall be repaid within 20 years after
2 the original date of the note.

3 **SECTION 11.** 281.59 (1) (as) of the statutes is repealed.

4 **SECTION 12.** 281.59 (2) (a) of the statutes is amended to read:

5 281.59 (2) (a) Administer its responsibilities under this section and ss. 281.58,
6 ~~281.60~~ and 281.61 and s. 281.60, 2021 stats.

7 **SECTION 13.** 281.59 (2) (b) of the statutes is amended to read:

8 281.59 (2) (b) Cooperate with the department in administering the clean water
9 fund program, and the safe drinking water loan program ~~and the land recycling loan~~
10 ~~program~~ and in servicing any outstanding loans made under s. 281.60, 2021 stats.

11 **SECTION 14.** 281.59 (3) (a) 1. of the statutes is amended to read:

12 281.59 (3) (a) 1. An estimate of the wastewater treatment, and safe drinking
13 water ~~and land recycling~~ project needs of the state for the 4 fiscal years of the next
14 2 biennia.

15 **SECTION 15.** 281.59 (3) (a) 5. of the statutes is amended to read:

16 281.59 (3) (a) 5. The most recent available audited financial statements of the
17 past operations and activities of the clean water fund program, and the safe drinking
18 water loan program ~~and the land recycling loan program~~, the estimated
19 environmental improvement fund capital available in each of the next 4 fiscal years
20 for the clean water fund program and the safe drinking water loan program, and the
21 projected environmental improvement fund balance for the clean water fund
22 program and the safe drinking water loan program for each of the next 20 years given
23 existing obligations and financial conditions.

24 **SECTION 16.** 281.59 (3) (j) of the statutes is amended to read:

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1 281.59 (3) (j) No later than November 1 of each odd-numbered year, the
2 department of administration and the department jointly shall submit a report, to
3 the building commission and committees as required under par. (bm), on the
4 operations and activities of the clean water fund program, and the safe drinking
5 water loan program ~~and the land recycling loan program~~ for the previous biennium.

6 **SECTION 17.** 281.59 (9) (a) of the statutes is repealed.

7 **SECTION 18.** 281.59 (9) (am) of the statutes is amended to read:

8 281.59 (9) (am) The department of administration, in consultation with the
9 department, may establish those terms and conditions of a financial assistance
10 agreement that relate to its financial management, including what type of municipal
11 obligation, as set forth under sub. (13f), if applicable, is required for the repayment
12 of the financial assistance. Any terms and conditions established under this
13 paragraph by the department of administration shall comply with the requirements
14 of this section and s. 281.58, ~~281.60~~ or 281.61. In setting the terms and conditions,
15 the department of administration may consider factors that the department of
16 administration finds are relevant, including the type of obligation evidencing the
17 loan, the pledge of security for the obligation and the applicant's creditworthiness.

18 **SECTION 19.** 281.59 (9) (b) (intro.) of the statutes is amended to read:

19 281.59 (9) (b) (intro.) As a condition of receiving financial assistance under the
20 clean water fund program, or the safe drinking water loan program ~~or the land~~
21 ~~recycling loan program~~, an applicant shall do all of the following:

22 **SECTION 20.** 281.59 (9) (b) 1. of the statutes is amended to read:

23 281.59 (9) (b) 1. Pledge the security, if any, required by the rules promulgated
24 by the department of administration under this section and s. 281.58, ~~281.60~~ or
25 281.61.

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1 **SECTION 21.** 281.59 (11) (a) of the statutes is amended to read:

2 281.59 (11) (a) The department of natural resources and the department of
3 administration may enter into a financial assistance agreement with an applicant
4 for which the department of administration has allocated financial assistance under
5 s. 281.58 (9m), ~~281.60 (8)~~ or 281.61 (8) if the applicant meets the conditions under
6 sub. (9) and the other requirements under this section and s. 281.58, ~~281.60~~ or
7 281.61.

8 **SECTION 22.** 281.59 (11) (b) of the statutes is amended to read:

9 281.59 (11) (b) If a municipality fails to make a principal repayment or interest
10 payment after its due date, the department of administration shall place on file a
11 certified statement of all amounts due under this section and s. 281.58, ~~281.60~~ or
12 281.61 or s. 281.60, 2021 stats. After consulting the department, the department of
13 administration may collect all amounts due by deducting those amounts from any
14 state payments due the municipality or may add a special charge to the amount of
15 taxes apportioned to and levied upon the county under s. 70.60. If the department
16 of administration collects amounts due, it shall remit those amounts to the fund to
17 which they are due and notify the department of that action.

18 **SECTION 23.** 281.59 (11) (c) of the statutes is amended to read:

19 281.59 (11) (c) The department of administration may retain the last payment
20 under a financial assistance agreement until the department of natural resources
21 and the department of administration determine that the project is completed and
22 meets the applicable requirements of this section and s. 281.58, ~~281.60~~ or 281.61 or
23 s. 281.60, 2021 stats., and that the conditions of the financial assistance agreement
24 are met.

25 **SECTION 24.** 281.59 (13s) of the statutes is amended to read:

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1 281.59 (13s) POWERS. The department of administration may audit, or contract
2 for audits of, projects receiving financial assistance under the clean water fund
3 program, or the safe drinking water loan program and the land recycling loan
4 program or projects that received loans under s. 281.60, 2021 stats.

5 **SECTION 25.** 281.59 (14) of the statutes is amended to read:

6 281.59 (14) RULES. The department of administration shall promulgate rules
7 that are necessary for the proper execution of this section and of its responsibilities
8 under ss. 281.58, ~~281.60~~ and 281.61 and s. 281.60, 2021 stats.

9 **SECTION 26.** 281.60 of the statutes is repealed.

10 **SECTION 27.** 281.605 of the statutes is created to read:

11 **281.605 Outstanding loans under the former land recycling loan**
12 **program.** Section 281.60 (8m), 2021 stats., s. 281.60 (11), 2021 stats., s. 281.60
13 (11m), 2021 stats., s. 281.60 (13) (c), 2021 stats., s. 281.60 (13) (d), 2021 stats., s.
14 281.60 (13) (f), 2021 stats., and s. 281.60 (13) (h), 2021 stats., shall continue to apply
15 to any outstanding loans made under the former land recycling loan program under
16 s. 281.60, 2021 stats.

17 **SECTION 28. Nonstatutory provisions.**

18 (1) TRANSFER OF LAND RECYCLING LOAN PROGRAM BALANCE. All moneys
19 appropriated for the land recycling loan program under s. 281.60, 2021 stats., that
20 are unallocated on the effective date of this subsection shall be transferred to the
21 environmental improvement fund for the clean water fund program under s. 281.58.

22 (2) DEPOSIT OF FUTURE LAND RECYCLING LOAN PROGRAM MONEYS. All moneys
23 received for the land recycling loan program under s. 281.60, 2021 stats., after the

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1 effective date of this subsection shall be deposited into the environmental
2 improvement fund for the clean water fund program under s. 281.58.

3 (END)