



## WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

**2011 Wisconsin Act 151**  
[2011 Senate Bill 557]

**Trading of Water Pollution Credits**

2011 Wisconsin Act 151 expands the previous requirement that the Department of Natural Resources (DNR) administer at least one pilot project to evaluate the trading of water pollution credits related to point sources. The Act requires the DNR to administer a program for the trading of water pollution credits, instead of only a pilot project.

Under the credit trading program, a person who is required to obtain a water pollution permit may be authorized to discharge more pollutants than would otherwise be allowed if the person does one of the following:

- Enters into an agreement under which another person agrees to reduce the amount of water pollution below levels that the other person is allowed to discharge.
- Enters into an agreement with the DNR or a local government to pay for water pollution reduction or to provide cost-sharing for pollution reduction projects related to agricultural facilities.
- Enters into an agreement with the DNR under which the person reduces pollutant discharge under another permit that the person holds below levels that would otherwise be authorized under the other permit.
- Enters into an agreement with the DNR under which the person constructs a project or implements a plan to reduce water pollution from sources other than the permitted source.

The Act requires an agreement under the water pollution credit trading program to result in an improvement in water quality, requires that the pollution increases and reductions under an agreement involve the same pollutant or the same water quality standard, requires that the increases and reductions in pollution under an agreement occur within the same water basin or portion of a water basin, and

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This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature's Web site at: <http://www.legis.state.wi.us/>.

requires the water pollution credit trading program to be conducted in accordance with the federal Water Pollution Control Act. The Act also expressly authorizes the DNR to promulgate rules for the administration of this program.

***Effective date:*** Act 151 takes effect on April 7, 2012.

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LAK:jb;ksm