

Rep. Vorpagel Senate Testimony on SB 254

Since the pandemic hit our state last year, we've made numerous changes to our state statutes to give local governments, schools, businesses, and families increased flexibilities. The goal has always been to allow them to adapt more easily to the ways the pandemic changed our daily lives, work, and finances.

Senator Feyen, Representative Katsma, and I introduced SB 254 to continue providing flexibilities as we work to get things back on track.

The bill gives municipalities the ability to waive late interest & penalties for late property taxes in 2021 due to hardship. It allows a residence to be inspected for code compliance after it is occupied. It also extends existing approvals that are the subject of ongoing proceedings for an extra 36 months.

This is a common-sense bill that can have a positive impact on families, businesses, and communities across the state. When the coronavirus hit, we passed a COVID Relief Bill that made reforms to help our state deal with the pandemic and made sure \$2 billion was available in emergency federal aid. Likewise, SB 254 is a bipartisan bill that will help our state continue moving forward.

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Senate Committee on Economic and Workforce Development

Senate Bill 254

Extension of certain approvals that are subject to administrative, judicial, or appellate proceedings April 7, 2021

Good afternoon Chair Feyen and members of the Committee. My name is Jim Zellmer, and I am the Deputy Administrator for the Environmental Management Division at the Wisconsin Department of Natural Resources. Thank you for the opportunity to testify for informational purposes on Senate Bill 254.

The proposed bill currently applies to DNR-issued permits and approvals relating to construction projects. If a permit or approval authorizes a construction project for a specified term and the permit or approval is subject to administrative, judicial, or appellate proceedings, the bill authorizes the person who received the permit or approval to obtain an extension of 36 months after those proceedings have concluded if the permit or approval is upheld and has not yet expired.

The bill does not contain a list or cross-references to the permits and approvals it applies to, but there are a number of DNR-issued permits that could potentially fall within the current definition of a "challenged permit." If the bill applies to permits and approvals that are subject to approval by the U.S. Environmental Protection Agency (EPA), the proposed 36-month extension after the conclusion of judicial or administrative proceedings could conflict with federally mandated permit terms. Depending on how the bill applies, it may also create difficulties for coverage issued under general permits and may create permitting scenarios that are inconsistent with natural resource needs or permittee best practices. These issues could be addressed though an amendment or exception for DNR-issued permits.

1. A 36-month extension after an administrative or judicial proceeding may create conflicts with federal requirements.

The U.S. Environmental Protection Agency (EPA) has delegated to the department the authority to issue certain permits or approvals that authorize construction projects or portions of construction projects. The department's federally-delegated programs have been approved by the EPA, and state statutes require that the department administer those programs in compliance with federal law. (See generally Wis. Stat. §§ 283.11, 285.11.)

Federal environmental laws contain permit term limits that vary by program. For example, federal law limits water pollution discharge permits to 5-year terms. (See 40 CFR § 122.46(a).) State statutes and regulations reflect this federal requirement. (See Wis. Stat. § 283.53(1); Wis. Admin. Code § NR 216.003(1).) Allowing a permittee to obtain a 36-month extension to a 5-year individual or general permit could conflict with this federal requirement.



Recommendations

To address these concerns, the proposed text of Wis. Stat. § 893.38(1)(e) could be modified to remove "the department of natural resources" from the definition of "governmental unit," and to exclude permits and approvals for storm water construction activity issued by a permitted municipal separate storm sewer system (MS4). Alternatively, the list of exceptions proposed in Wis. Stat. § 893.38(6) could be expanded to include permits and approvals issued under Wis. Stat. chs. 281, 283, and 285, as well as permits and approvals for storm water construction activity issued by a permitted MS4. At a minimum, to avoid running afoul of EPA requirements, the exceptions should include DNR permits that are issued pursuant to federally delegated programs.

On behalf of the Department of Natural Resources, we would like to thank you for your time today. I would be happy to answer any questions you may have.



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City of Milwaukee Testimony on SB 254

April 7, 2021

Senate Committee on Economic and Workforce Development

Thank you to the Chair and to the committee members for the opportunity to provide testimony on SB 254 and specifically to the waiver of interest and penalties on late 2021 property tax payments.

As you are aware, this provision was included in 2020 Act 185 and the City of Milwaukee and Milwaukee County did pass separate ordinances as the bill requires to waive interest and late payment fees on delinquent tax payments in 2020.

However, because the City of Milwaukee is the only city of the first class in Wisconsin, it operates differently than other municipalities relative to tax collection. Milwaukee follows Wisconsin Statutes 74.87 and has a ten-month interest free installment plan. Additionally, under the terms of an intergovernmental agreement pursuant to Wisconsin Statutes 74.83, Milwaukee County does not collect delinquent property taxes within the City of Milwaukee, the Milwaukee City Treasurer does. This consolidates tax collection with the Milwaukee City Treasurer and provides for a more efficient and convenient process for City of Milwaukee taxpayers.

Essentially, it is my understanding that the City Treasurer performs the function related to delinquent property taxes that everywhere else in the state is done by the County Treasurer. The City of Milwaukee as a first class city does not want to have to wait for the County to pass a resolution first since the County does not provide any tax collection service for City of Milwaukee residents. If the bill moves forward the City of Milwaukee asks that you amend the bill as follows:

On page 7, line 10, after "resolution." Add:

A city of the first class does not need the county board of the county where the taxation district is located to adopt a resolution authorizing such a waiver. The first class city must first adopt a resolution authorizing such a waiver.

Thank you for the consideration of our amendment request and I'm happy to answer any questions.

