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ROBERT L. COWLES
Wisconsin State Senator
2nd Senate District

JOINT COMMITTEES
Audit Committee, Co-Chair
Information Policy and Technology

Senate Committee on Natural Resources and Energy
January 13, 2016
400 SE - State Capitol

Testimony on SB 545 by Senator Cowles

Thank you for the opportunity to testify today on SB 545 relating to adding sediment remediation to the voluntary party liability exemption (VPLE) for cleanup and redevelopment of contaminated properties in Wisconsin.

VPLE is a voluntary program created by the legislature in 1994. This highly successful program encourages a more thorough investigation and remediation of contaminated properties. Site cleanup includes multiple environmental site assessments, a full site investigation and a remediation plan reviewed and approved by the DNR.

Originally created to remediate upland brownfields sites, expanding the VPLE program will encourage a greater potential for waterfront redevelopment of contaminated sites most of which are unused industrial properties. Allowing contaminated sediment parcels eligibility in the voluntary program will foster a very thorough remediation of industrial waterfront areas. By requiring the actual removal of contaminated sediment instead of in-water capping with engineering controls we will better ensure the future health and safety of these properties.

Once DNR approves a completed cleanup the voluntary party will receive a Certificate of Completion which provides a liability exemption assuring that all the contamination on the property has been remediated to the state's satisfaction. The liability exemption is transferable to future owners of the property to promote economic development of previously blighted properties.

Thank you very much.

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STATE REPRESENTATIVE • 25TH ASSEMBLY DISTRICT

Senate Committee on Natural Resources and Energy
Senate Bill 545 Testimony
January 13, 2016

First of all, I would like to thank you, Chairman Cowles, Vice-Chair Lasee, and committee members, for allowing me to testify before you today on Senate Bill 545.

In 1994, the legislature created the Voluntary Party Liability Exemption (VPLE) program. That program includes a process by which an entity, in conjunction with the DNR, can voluntarily conduct an environmental investigation and cleanup of a property and then be eligible to receive a certificate of completion that limits future liability.

To date, the program has largely been used for brownfield cleanups. Certain landfills and groundwater remediation projects are also eligible for the VPLE program.

SB 545 would allow sediment cleanups to qualify for the VPLE program if certain standards are met. The DNR would work closely with the entity carefully monitoring the project from start to finish. The DNR would issue a certificate of completion only if the department is satisfied that the threat from the contamination has been removed. The certificate would exempt the entity from further liability. Finally, the certificate could be assigned to whoever purchases the property.

Properties that would benefit from these changes to the VPLE program would include former manufactured gas plants, manufacturers, foundries and wood treatment facilities located near waterways. There is a limited amount of waterfront property, and development of it can yield the highest taxable use for that property, increasing the overall tax base for the community.

I want to stress a couple of points about this bill. First, this program is voluntary. No entity is required to use it. However, it is available for those who wish to use it.

Second, this program is important because it helps communities deal with a situation we have all seen. A waterfront property lies empty for years because of a contamination issue. Nobody wants to develop it, and nobody is willing to buy it. People in the community are tired of looking at it in its vacant condition.

The local tax base suffers because a property which would otherwise be prime real estate sits idle. For example, a very desirable waterfront location may remain vacant and slowly deteriorate over time.

VPLE enables local communities to grow the tax base, because it increases the likelihood that these properties will be developed and increasing in value rather than unused and deteriorating further. That result is good for conservationists, hunting and fishing enthusiasts, local communities, taxpayers and business alike.

Thank you for hearing this bill today. I would be happy to address any questions you may have.

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STATE OF WISCONSIN LEGISLATURE
BEFORE THE
SENATE COMMITTEE ON NATURAL RESOURCES AND ENERGY

Information-only testimony presented in the manner of
Senate Bill 545
January 13, 2016

Introduction

Good morning Senator Cowles and members of the Committee. The Department of Natural Resources (DNR) appreciates the opportunity to provide the committee information on and answer any questions you may have pertaining to SB 545. My name is Darsi Foss, and I am the director of the DNR's Remediation and Redevelopment program. Over the last 20 plus years, together we have made significant progress in cleaning up and redeveloping thousands of brownfields sites in this state. I would like to thank you for your support of DNR's brownfields program over the years.

Today, we are discussing changes to two existing provisions in the state's Spill Law. These provisions were enacted to provide the DNR with better ways to promote the cleanup and reuse of contaminated properties. Over time, the DNR has worked with its customers – particularly the Brownfields Study Group – to identify ways to improve the options we have available to further promote cleanups. The recommendations that you have in front of you today are intended to strengthen our waterfront redevelopment tools, and to further promote the cleanup and reuse of these valuable water-related properties.

Proposed Changes

Sites with residual contamination after cleanup. This bill makes changes to an existing provision in the Spill Law that applies to owners of properties where residual contamination remains after a hazardous substance cleanup is completed. The existing law requires that the property owner maintain, repair and replace any type of engineering control or other long-term safeguard placed on the property if not all the contamination is removed at the end of the cleanup. This provision in the Spill law, enacted in 2006, replaced the use of deed restrictions placed on properties to enforce those safeguards. When the Wis. Stat. §292.12 was first passed, it only applied to sites with groundwater or soil contamination. This bill expands existing law to include sites with contaminated sediments. Where a cleanup involves using an engineering control to address residual contaminated sediment (e.g., a cap used in a river to anchor the sediment in place), the party undertaking the response action would be responsible for maintaining the engineering control after the cleanup is approved, even if they are not the property owner. It also allows DNR or DATCP to request that the responsible party provide a plan and schedule for how they will maintain and monitor the engineering control, as well as financial assurance in the event that the engineering control would fail, and the responsible party is no longer able or available to address the situation. These changes should help clarify for developers, responsible parties and state agency staff how to address long-term safeguards at contaminated sediment sites.

Voluntary party liability exemption for contaminated sediment cleanup. Similar to the changes we just discussed, this part of the bill modifies and expands existing law. In 1994, the Legislature created the Voluntary Party Liability Exemption (VPLE), under Wis. Stats. § 292.15 of the Spill Law. The VPLE is a process by which a person – including a local government – can voluntarily conduct an environmental investigation and cleanup of the *entire* property and at the conclusion of the approved cleanup, receive limits on their future liability for past contamination on a property. This differs from the standard cleanup process; in the VPLE program a person volunteers to look for all the possible contamination on their property, rather than just address the known concerns. In return, at the completion of the VPLE cleanup they receive a liability exemption that protects them if the remedy fails, standards change, and more contamination is discovered. One hundred sixty properties have received a certificate of completion (COC) since 1994. Some of the major VPLE sites have been: the Kenosha Lakefront, Holtz-Krause Landfill in Wausau, Domtar Papermill in Port Edwards, Farmers Coop in DePere, and former Glatfelter Papermill in Neenah.

In 1999, the VPLE law was expanded to allow cleanups into the VPLE program that rely on natural attenuation of groundwater if there was environmental insurance coverage in the event that the remedy failed. Presently, DNR has a master insurance policy that covers such sites, and the participants in the program pay a fee to cover the cost of the state's insurance premium. To date, DNR has not filed any insurance claims to activate the coverage of this policy – in other words, no natural attenuation remedies have failed. Further, the DNR has not had to respond to any of the 160 sites given a COC because the remedy failed or more contamination was discovered.

This bill would expand the VPLE program to include sediment cleanups along with groundwater and soil cleanups. A VPLE sediment cleanup generally would need to meet the same type of procedural and technical requirements as a soil and groundwater cleanup would. Additionally, DNR could require the voluntary party to obtain insurance or a form of financial assurance to address concerns about future concerns at a sediment cleanup. This bill provides DNR an option to waive the insurance/financial assurance for sediment contamination sites.

This bill also does the following:

- Expands the list of sites that are not eligible for the VPLE program to include sites on or proposed to the Superfund National Priorities List and sites where an engineering control would be used as the final remedy to address contaminated sediments.
- Prohibits the Department of Justice from initiating an action under federal law against a voluntary party that has received a liability exemption to recover natural resource damage claims.
- Prohibits the DNR from requiring a voluntary party that has received an exemption from taking further action if a federally approved total maximum daily load (TMDL) is established for that body of water at some future point in time.

Conclusion

In closing this bill provides the DNR with more tools to promote the cleanup and reuse of contaminated waterfront and waterways in Wisconsin. A recent study (http://www.uww.edu/news/archive/2015-11-brownfields) commissioned by the Brownfields Study Group, and conducted by the University of Wisconsin – Whitewater, has concluded that Wisconsin's efforts to invest in the cleanup and reuse of brownfields have resulted in:

- $1.77 billion in direct state revenues due to the state grant programs and other financial investments;
- $27.25 in total funds leveraged for every state dollar invested;
- 53,800 direct and indirect jobs created or retained;
- $88.5 million gain by local governments in annual tax revenue; and
- 14 fold return on investment by the state.

Thank you and I would be happy to answer any questions the committee may have.

The Economic and Fiscal Impact of Wisconsin's Brownfields Investments

Prepared for Wisconsin Economic Development Association
and Wisconsin Economic Development Institute

UNIVERSITY OF WISCONSIN
WHITEWATER
Fiscal and Economic Research Center

Brownfields are defined as "abandoned, idle or underused industrial or commercial facilities or sites, the expansion or redevelopment of which is adversely affected by actual or perceived environmental contamination."

Since 1998, the State of Wisconsin has provided grants totaling $121.4 million to private industry and local governments to assist brownfields investigation, cleanup and redevelopment. When local and federal brownfields-specific incentives are included, the total is $162 million.

This study assessed the economic and fiscal impacts of a state, like Wisconsin, investing public funds into an initiative that cleans up and reuses brownfields properties. The following reflects the fiscal cost-effectiveness of the investments in the sites evaluated:

- $1.00 of state funds leveraged $27.25 in total funds, and $3,000 in state brownfields funding leveraged one job. These leverage ratios compare favorably to several national benchmarks.
- Over half of the state revenue outlay is recouped in state tax revenues from construction activities alone.
- Counting only the direct state revenues generated by the business occupants of newly created space, the state has cumulatively recouped $1.77 billion, a more than 14-fold return on investment.

Local governments gain $88.5 million annually in tax revenue from redeveloped brownfields, not including property taxes derived from the new or renovated buildings. On average, post-redevelopment assessed values exceed pre-development values at a ratio of 3.5 to 1.

The principal finding is that the Wisconsin's modest investment in brownfields programs over the last 17 years has translated into the leveraging of private and other public investment totaling 14 times the state's investment into Wisconsin's economy. Redevelopment of these brownfields properties also directly and indirectly created or resulted in the retention of 54,483 permanent jobs. As a result, the citizens of

Wisconsin have gained numerous economic, community and environmental benefits.

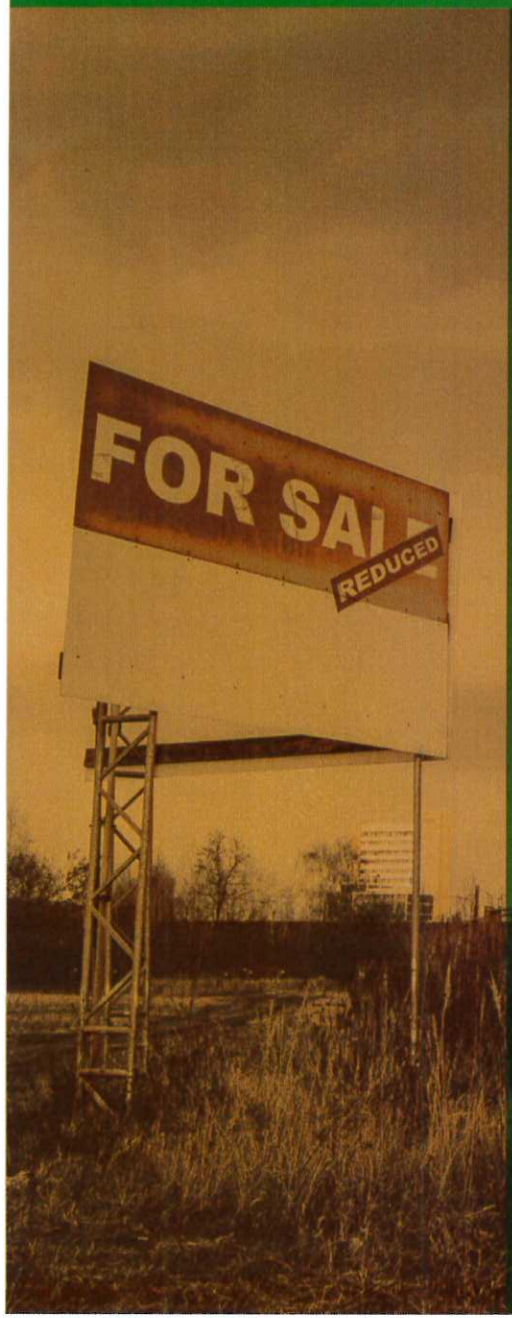
Background

Cleaning up and redeveloping brownfields is often heralded as sensible public policy because of the multiple public benefits:

- Economic development benefits include leveraged investment, revitalized neighborhoods, blight elimination and employment retention and expansion, including Wisconsin communities that have been hit the hardest by manufacturing plant closures.
- Fiscal impacts include the generation of new sources of local and state revenue derived from previously unproductive land, an expanded tax base, and savings due to the reuse of existing infrastructure to accommodate growth.
- Environmental benefits from brownfields redevelopment — when compared to greenfields development, or the development of untouched land — includes saving land, reducing air emissions and greenhouse gases, improving water quality through reduced runoff and generally accommodating growth in an environmentally responsible fashion, eliminating the negative impacts associated with sprawl.

CASE STUDY

La Crosse



Brownfields grant makes key difference in the 500-job CenturyLink regional headquarters project

A 2015 article on the CenturyLink headquarters project indicated that "the Louisiana-based Company was just days from moving its La Crosse operation to Michigan before the sta came through with a $1 million gran to clean the soil."

"That was really, really important," said Bob Brown, CenturyLink's vice president for operations. "We really need it along the Mississippi (River). There are a lot of sites no corporatio like ours would take on."

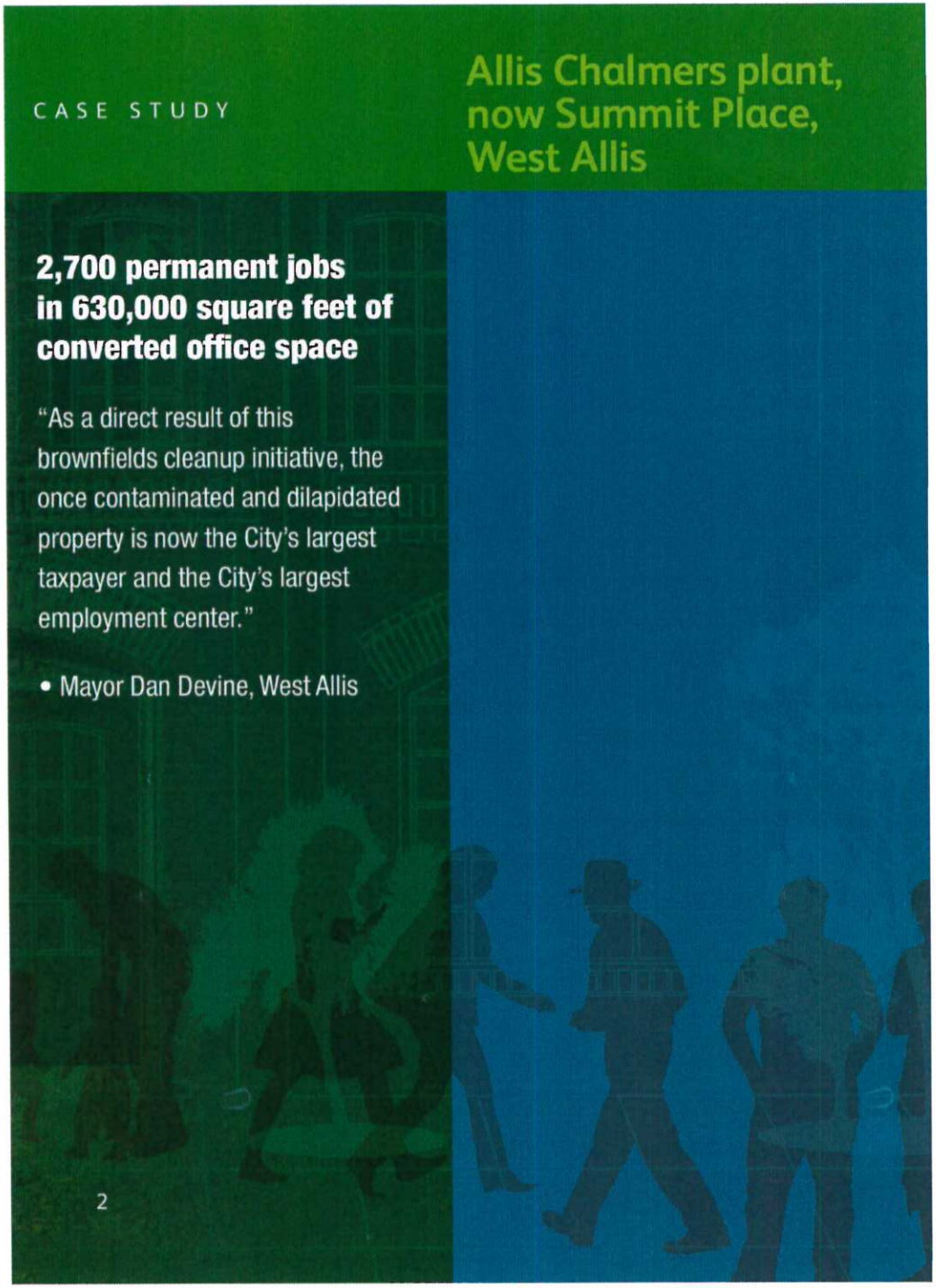
CASE STUDY

Allis Chalmers plant, now Summit Place, West Allis

2,700 permanent jobs in 630,000 square feet of converted office space

"As a direct result of this brownfields cleanup initiative, the once contaminated and dilapidated property is now the City's largest taxpayer and the City's largest employment center."

• Mayor Dan Devine, West Allis



Many brownfields sites are regarded in the real estate industry as among the toughest to develop, and brownfields generally require financial incentives in order to attract private capital. Brownfields developers face several barriers:

- Higher upfront costs in site testing and remediation
- A longer pre-development phase to address regulatory issues and greater uncertainty due to liability issues, especially toxic tort and other third-party liability (issues not covered by the state voluntary cleanup programs)
- Market limitations due to neighborhood conditions

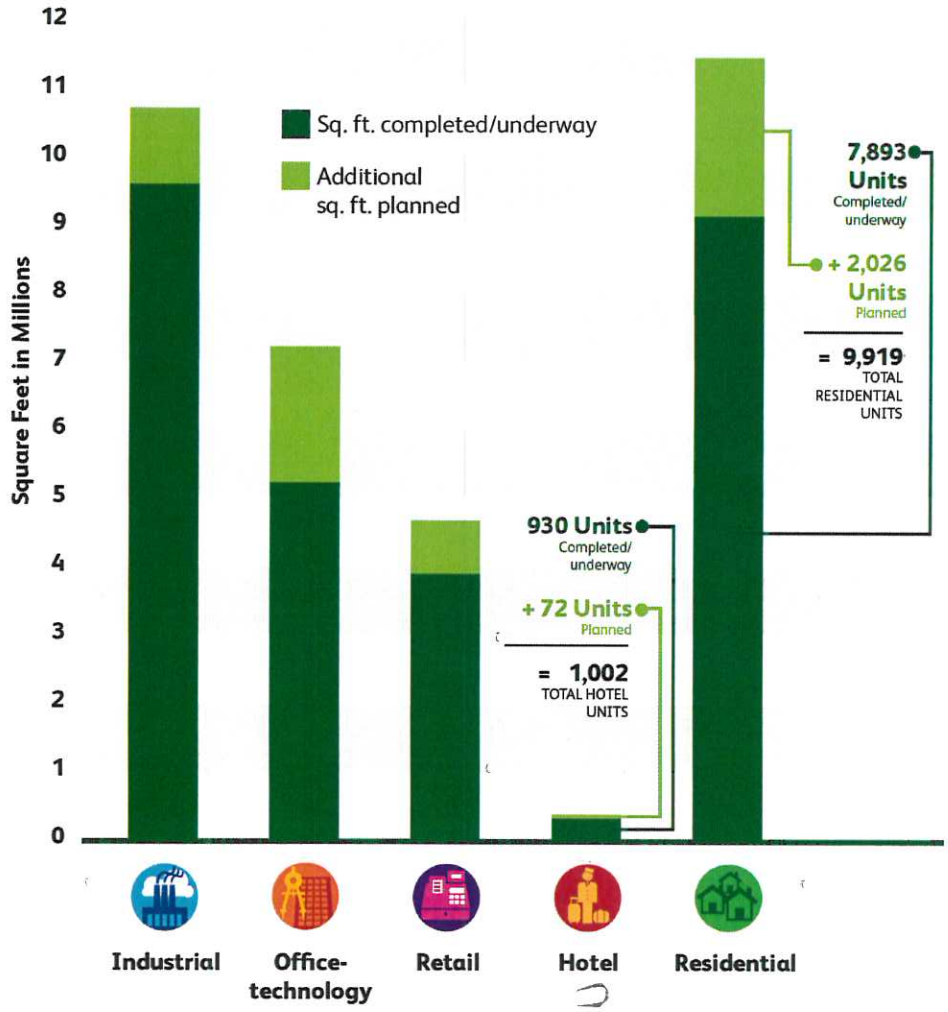
Wisconsin, like many states that prioritize investing in brownfields redevelopment, has developed several financial incentives designed to overcome these barriers and maximize the economic, community and environmental benefits. This analysis quantifies the impacts of state and local government brownfields investments, so that budget-watchers and policy makers can better judge the efficacy of these programs in promoting the state's economic, public and environmental health.

Cleaning Up the Land and Putting It Back to Productive Use

"Job 1" for a brownfields program is to clean up contaminated land and promote its productive reuse, thereby accommodating growth within existing communities through in-fill development. Since 1998:

- State of Wisconsin brownfields funding programs assisted 703 sites, resulting in 4,713 acres of contaminated land that was assessed, cleaned up or both. Researchers were able to determine the redevelopment status of 563 sites.
- Redevelopment was complete or underway at 356, or 63 percent, of the 563 sites, resulting in 3,393 redeveloped acres. This is an impressive success rate, given the inherent risks of brownfields projects and the fact that two significant real estate recessions undoubtedly left many plans on the drawing board. Even more impressive, the state funding was provided to a category of brownfields sites where no environmental or economic benefits likely would have been achieved without this infusion of public investment, because the private sector was not willing to invest given the economics of the project.
- Redevelopment has produced 28.2 million square feet of new or renovated space (Table 1). Planned projects represent another 6.4 million square feet. The top three uses, in terms of square footage, are industrial, residential and office/technology.

Table 1. Reuse of assisted brownfields sites

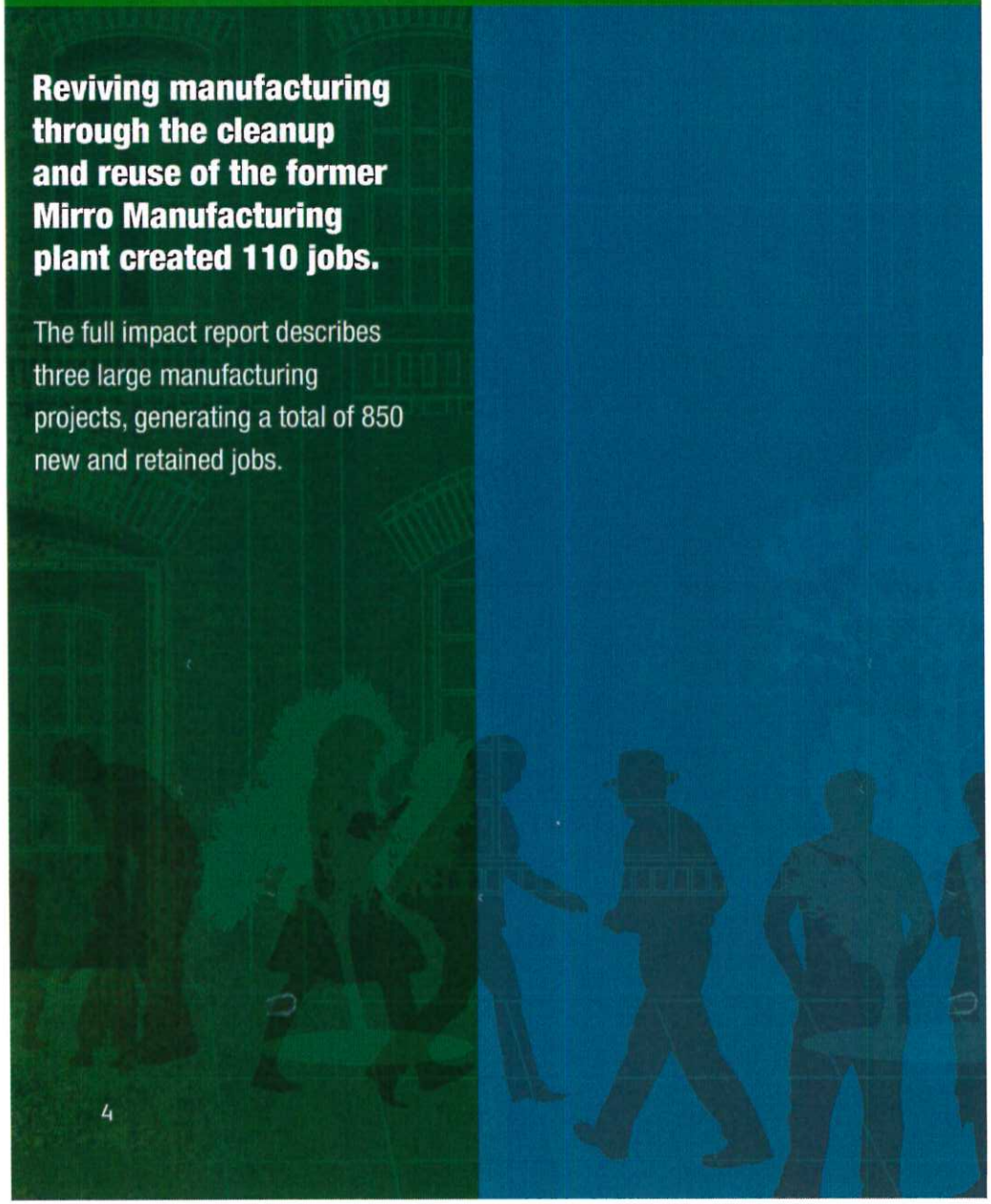


CASE STUDY

Skana Aluminum, Manitowoc

Reviving manufacturing through the cleanup and reuse of the former Mirro Manufacturing plant created 110 jobs.

The full impact report describes three large manufacturing projects, generating a total of 850 new and retained jobs.

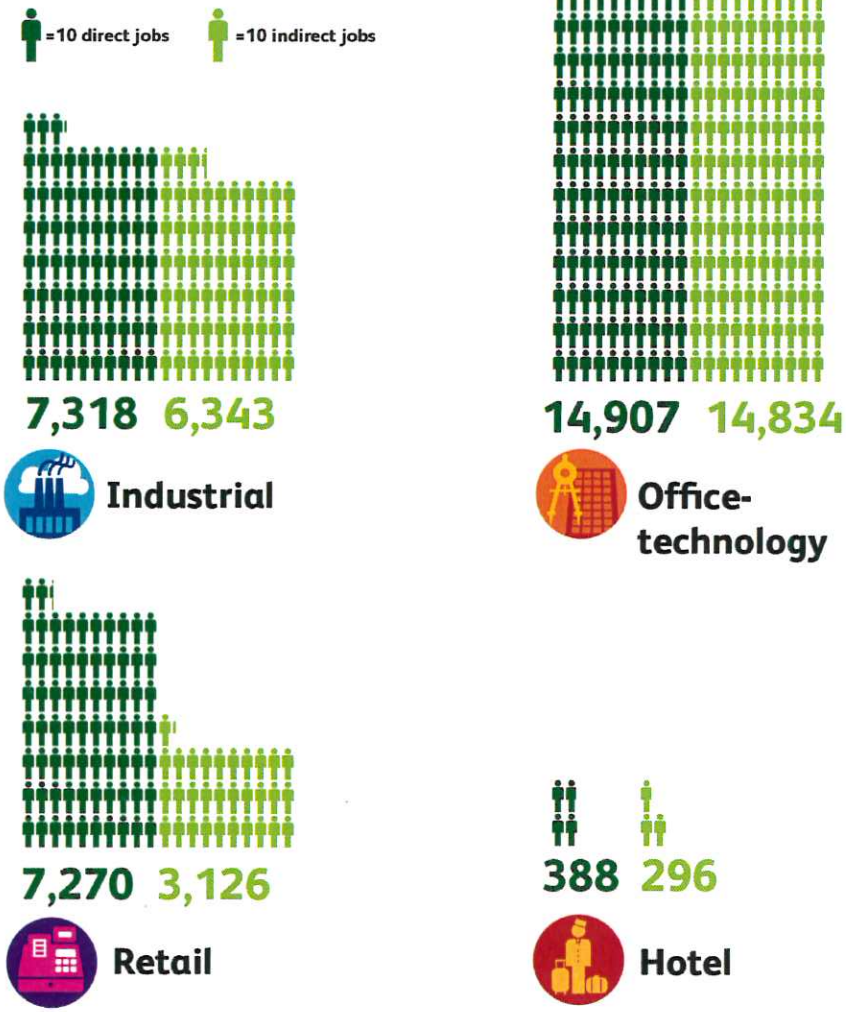


New Investment and Economic Development

Wisconsin's brownfields investments have produced redevelopment investments and jobs:

- One-time impacts – State investments, coupled with local government investments and federal brownfields assistance, have generated $3.3 billion in direct total investment/construction (or $6 billion in direct and indirect investment) in completed and underway brownfields projects.
- Ongoing economic output – Economic activity associated with the businesses now occupying completed projects amounts to $4.4 billion direct (or $7.6 billion direct and indirect) in statewide economic output.
- Permanent jobs – As indicated in Table 2, a total of 29,883 direct new and retained permanent jobs (or 54,483 direct and indirect jobs) were generated in assisted complete or underway brownfields projects. Projects representing an additional 9,107 jobs are planned; thus the total pipeline is 38,990 direct permanent jobs.

Table 2. Jobs in assisted brownfields projects (completed and underway)



CASE STUDY

Plexis Headquarters, Neenah

400 new jobs more than replaced lost the Glatfelter Paper Mill jobs.

At least eight notable headquarters projects located at brownfields sites, totaling 2,675 jobs, were assisted by the state brownfields incentives.

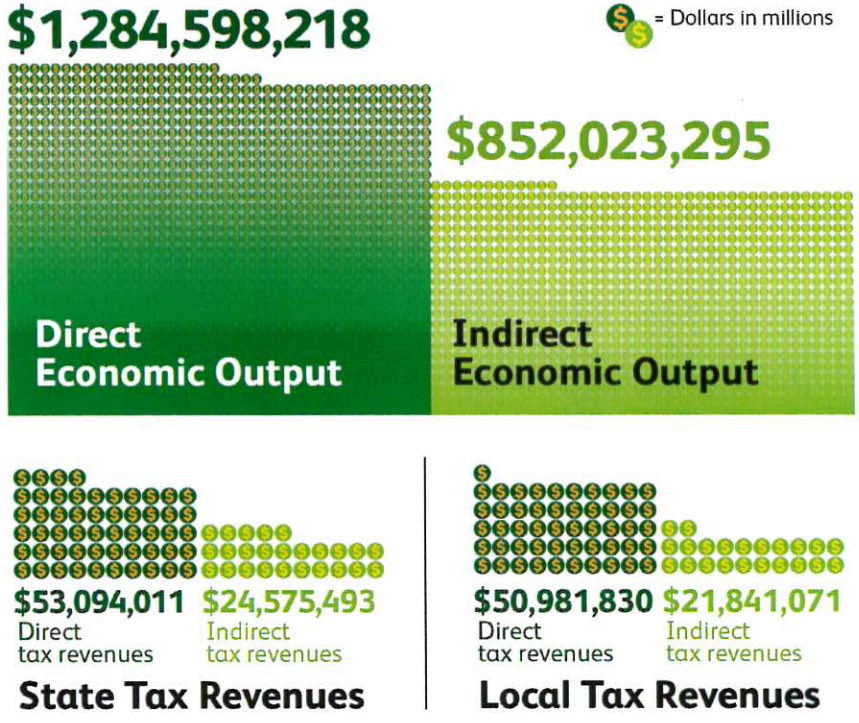
Because brownfields sites represent a loss of economic activity due to plant closure or other abandonment of commercial and industrial properties, many policy-makers prefer that the redevelopment of brownfields produce new jobs and business investment in sectors that are regarded as economic base contributors. Economic base contributors sell goods and services outside of the region; as such, they bring dollars into the region. Economists regard most industrial uses (especially manufacturing) and many office and technology uses (especially information services, research and financial services) as the strongest economic base contributors. This analysis thus focuses on the industrial/manufacturing and office/technology sectors.

Industrial and Manufacturing

Relative to the other land-use sectors, industrial reuse created the largest amount of new or rehabilitated space – 9.6 million square feet. This is surprising, given the transition of many older industrial areas to office and residential uses. The 7,300 industrial sector jobs (6,200 new and 1,100 retained) are economic generators, as indicated by the parallel finding that industrial uses also produced 6,300 indirect jobs, only a little less than the direct jobs. Another advantage: industrial jobs are almost always living wage jobs. Additionally, the temporary construction impacts due to existing and planned industrial projects tallied $921 million, leading to 8,200 direct temporary jobs.

The total statewide economic impact of the ongoing operations of these industrial businesses is $1.3 billion in direct economic output, or $2.1 billion in direct and indirect output (see Table 3).

Table 3. Direct and indirect impacts of completed industrial projects



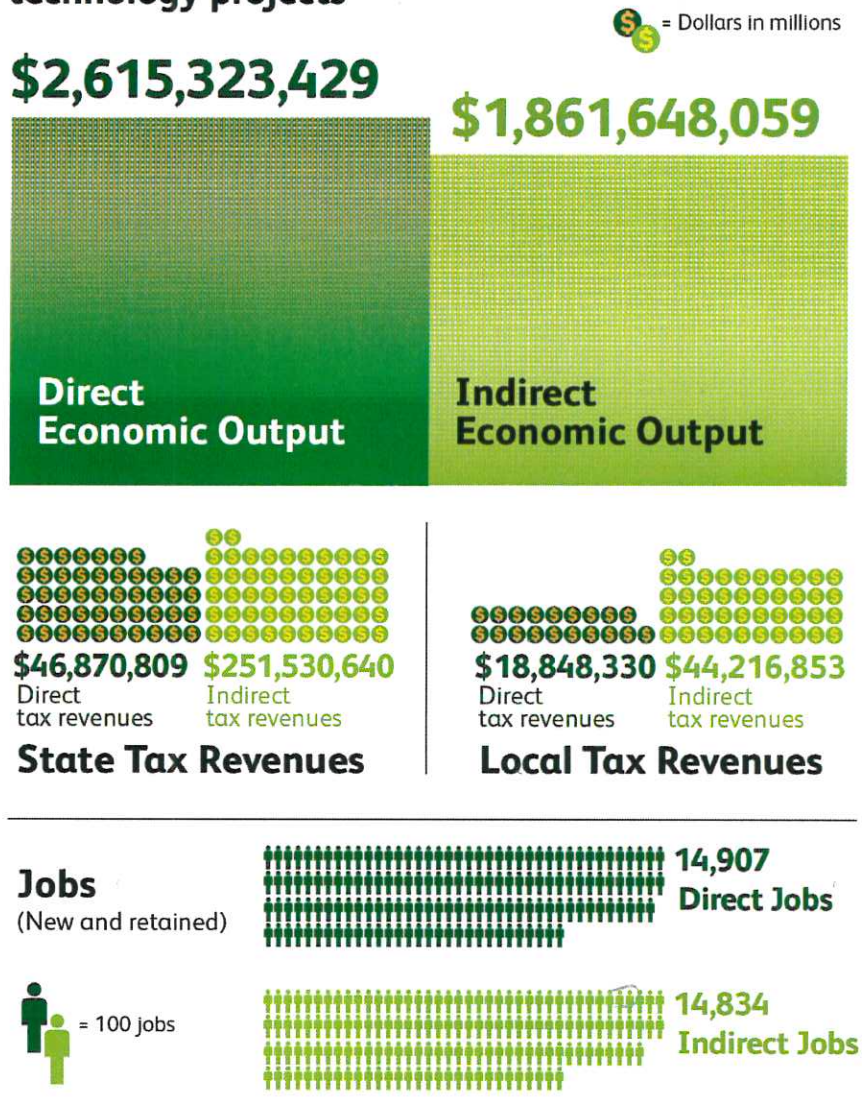
Office and Technology

The office and technology sectors include many businesses that sell their services outside the region and are considered economic base contributors. While the industrial sector produced the most square footage in brownfields projects, the office/technology sector produced the greatest number of jobs, due to the higher job density of office projects. As Table 4 indicates, 14,907 jobs have been generated in completed and underway office/technology projects, and another 6,700 are in the pipeline. Completed and planned development projects exceed $800 million in new investment.

The total statewide economic impact of the ongoing operations of these office and technology businesses is $2.6 billion in direct economic output and $4.5 billion in direct and indirect economic output.

The secondary benefits of these office/technology businesses is evident in that an additional 14,834 indirect jobs result from the multiplier effect, leading to a total of 29,741 jobs generated by the office/technology sector.

Table 4. Direct and indirect completed office/technology projects



CASE STUDY

Beloit Ironworks campus

A former foundry now providing 1,500 mixed office, industrial and technology jobs in a distressed area.

Universal Acoustic & Emission Technologies recently trebled their production, research and office space in the facility to 122,000 square feet.

Distressed Areas

Brownfields sites are usually located in older communities that have been heavily impacted by industrial decline – communities that need an infusion of new economic activity. The key finding is that economically disadvantaged areas received more assistance than more prosperous areas:

- 66 percent of assisted sites were located in census tracts with median household income lower than the state as a whole.
- 53 percent of the sites assisted were located in census tracts where the unemployment rate exceeded the statewide unemployment rate.
- 12,400 permanent jobs were generated in census tracts that ranked below 80 percent of the state median. This represented 50 percent of all permanent jobs that were in GIS-coded census tracts.

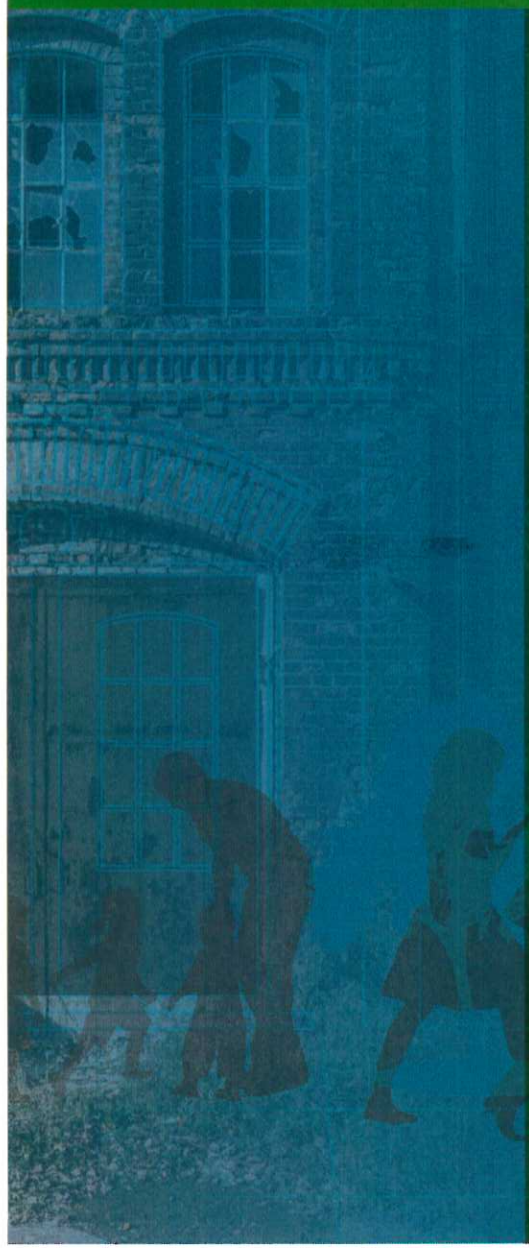
Rural and Small Town Development

Abandoned and contaminated sites often heavily impact rural and smaller communities — the visual blight serves to underscore and heighten the loss of economic activity. Analysts produced several cross-tabulations to test the degree to which the state programs are assisting smaller communities:

- The state brownfields programs assisted 237 sites in communities of fewer than 15,000, or 42 percent of all sites GIS-coded for place. When the population threshold was lowered to 10,000, the result was 192 sites assisted (33 percent of all sites).
- 6,640 jobs were created in completed brownfields projects in communities with fewer than 15,000 inhabitants. This was 23 percent of all jobs in redevelopment sites GIS-coded for place. When the criterion was lowered to fewer than 10,000 inhabitants, the result was 1,560 jobs generated (six percent of all jobs generated).

CASE STUDY

National Brewery Museum, Potosi



Brewery Museum gives new life to long-vacant brewery.

Vacant since 1972, the former brewery was rehabilitated as the National Brewery Museum after Potosi won a national competition.

CASE STUDY

Riverside Park, Oshkosh

Former manufactured gas plant transformed as Riverside Park and Leach Amphitheater

The Downtown Oshkosh website calls attention to Riverside Park as "one of the keys to continued growth for Downtown Oshkosh remaining a destination."

Fiscal Efficiency and Taxpayer Return on Investment

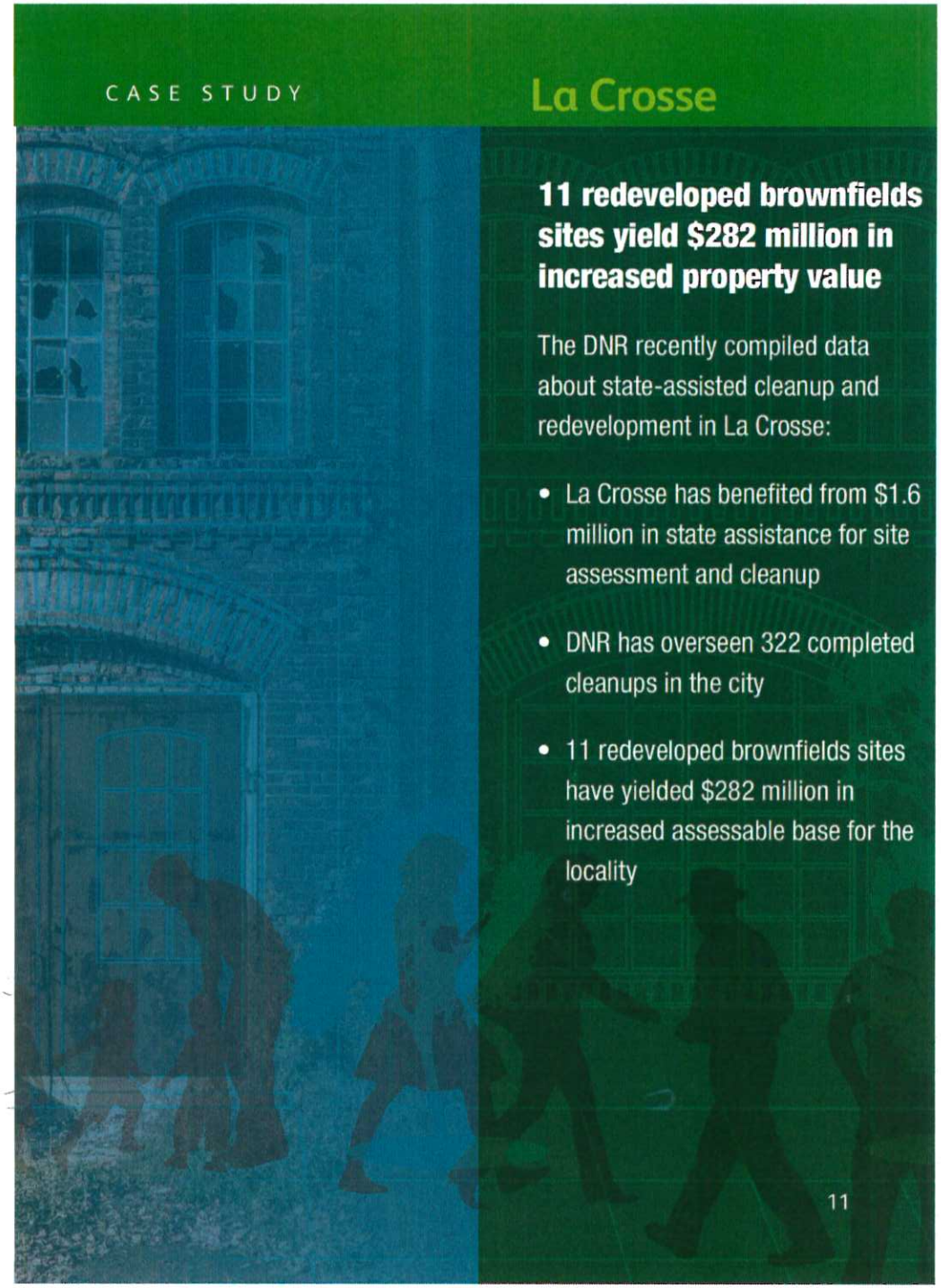
The State of Wisconsin's brownfields investments total $121.4 million over a 17-year period. Total federal, state and local brownfields-specific investments amount to $162 million. The following findings reflect on the fiscal cost-effectiveness of these investments:

- $1.00 of state funds leverages $27.25 in total funds, and it takes $3,000 in state brownfields funding to leverage one job. These leverage ratios compare favorably to several national benchmarks.
- Over half of the state revenue outlay is recouped in state tax revenues from construction activities alone.
- Counting only the direct state revenues generated by the business occupants of newly created space, the state has cumulatively recouped $1.77 billion, a more than 14-fold return on investment.
- Local governments gain $88.5 million annually in tax revenue from redeveloped brownfields, not including property taxes derived from the new/renovated buildings. On average, post-redevelopment assessed values exceed pre-development values in a ratio of 3.5 to 1.

Environment and Smart Growth

All brownfields projects are located on infill sites that have several advantages as an alternative to sprawl, including reuse of existing infrastructure and locating jobs closer to the workforce and the unemployed. The consulting team quantified several specific smart growth benefits:

- 7,900 dwelling units were completed or underway on assisted brownfields sites, all representing infill redevelopment that otherwise may have been built as greenfield/sprawl.
- Because of their density and location within existing communities — usually close to downtown and accessible by transit — Wisconsin brownfields are reducing vehicle miles traveled and greenhouse gases by 16 to 28 percent, relative to alternative growth patterns.
- Wisconsin brownfields are helping preserve farms and pristine land, with an estimated 12,000 acres kept from development, measured cumulatively over the 16-year life of the state incentives.



CASE STUDY

La Crosse

11 redeveloped brownfields sites yield $282 million in increased property value

The DNR recently compiled data about state-assisted cleanup and redevelopment in La Crosse:

- La Crosse has benefited from $1.6 million in state assistance for site assessment and cleanup
- DNR has overseen 322 completed cleanups in the city
- 11 redeveloped brownfields sites have yielded $282 million in increased assessable base for the locality

Public Purpose Uses: Affordable Housing, Parks, Health Centers and Public Facilities

While all of the projects analyzed serve public objectives, the following projects are direct public purpose reuse:

- Of the 7,900 dwelling units completed or underway on assisted brownfields sites, 900, or 11.4 percent, were identified as affordable.
- 43 sites, representing 340 acres of land, were recorded as developing parks and open space or preserving naturalized areas. The average size was 7.9 acres.
- Two sites are being developed for community health facilities, totaling 90,000 square feet.
- 22 brownfields sites have been redeveloped for public facilities, totaling 636,000 square feet.

Choices for the Future

Wisconsin has been a national leader in brownfields redevelopment – the Wisconsin approach has been cited as a model in numerous academic journals and policy reports.

Wisconsin policymakers should consider not only the upside benefits of continuing Wisconsin's leadership position, but also the cost of retreating from brownfields investments.

Benefits of continued leadership on brownfields	The quantitative findings from past brownfields investments	Consequences if brownfields investments cease
Economic development in existing communities	$3.3 billion investments/construction activity in existing communities (one-time impacts) · $6.0 billion in direct and indirect investment $4.4 billion in on-going direct economic output due to the operations of businesses in redeveloped sites · $7.6 billion in direct and indirect economic output	Blighted neighborhoods Sprawl Disinvestment in existing communities
Increased employment and jobs in existing communities	29,000 new/retained direct permanent jobs in completed/underway projects · 53,800 in direct and indirect permanent jobs 27,900 direct temporary construction jobs · 47,000 direct and indirect temporary jobs related to construction	Jobs follow sprawl patterns Jobs lost to other states
Jobs and economic activity in distressed areas	66 percent of assisted sites located in census tracts with low median household income 12,400 jobs generated in CT's below 80 percent of the state median household income	Growth siphoned to outer suburbs Continued economic distress for older communities
Improved fiscal health of localities Increased property values	Post-redevelopment assessed values exceed pre-development values by 3.5 to 1 The average cleaned up/redeveloped brownfields site adds $3.4 million to a locality's assessable base Spin-off impacts on nearby properties are estimated to add another $3.5 million to the assessable base	Lower property values Unpaid taxes Increased burden to taxpayers due to tax foreclosure on tax delinquent properties
State fiscal benefits	The state is recouping tax revenues, annually, that now represent $119 million ($208 million in direct and indirect revenues) State's brownfields investments recouped 14-fold due to direct project impacts	Increased cost of infrastructure for sprawl development Enforcement and policing costs
Reduced greenhouse gas emissions	Greenhouse gases reduced by 16 to 28 percent relative to alternative growth patterns	Increased greenhouse gas emissions
Preservation of farms and pristine land	Preserve 12,000 acres from greenfields development	Development of farms and pristine land
Management of environmental risk	4,713 acres of contaminated land assessed or cleaned up	Continued health risks Contaminated soil and groundwater
Public open space creation	43 sites developed as parks and open space, totaling 340 acres	Lost opportunity to improve open space
Neighborhood revitalization Development in the surrounding area	7,900 dwelling units located in existing communities 900 units affordable housing	Blight Illegal dumping Vandalism

About the Fiscal and Economic Research Center

The University of Wisconsin-Whitewater Fiscal and Economic Research Center provides research services for area businesses, not-for-profits organizations and government entities, including:

- Economic analysis
- Land-use planning
- Geographic Information Systems (GIS) analysis
- Market research, marketing strategy and planning
- Statistical analysis
- Simulation analysis
- Ecological and biological analysis
- Government and public policy analysis
- Entrepreneurship
- Economic forecasting and business development

This study was commissioned by the Wisconsin Brownfields Study Group.

About the Authors

Russ Kashian is a professor of economics at the University of Wisconsin-Whitewater. He also serves as a specialist for the University of Wisconsin-Extension and is co-founder and director of the Fiscal and Economic Research Center at UW-Whitewater. In the more than 15 years that he has taught at the university, his focus has been on conducting applied research projects that develop students, are of value to others and serve the region. Kashian's main areas of interest are financial intermediaries, tourism and economic development.

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Evans Paull is principal at Redevelopment Economics, which offers services to businesses and state and local governments in the areas of brownfields and sustainable urban redevelopment. Redevelopment Economics has current or recent involvement in the development of brownfields plans and strategies for state and local governments. Paull has also served as the executive director of the National Brownfields Coalition, a 150-member coalition of Smart Growth America that promotes brownfields redevelopment through federal policy and advocacy work.

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For More Information • A full version of the Economic and Fiscal Impact of Wisconsin's Brownfields Investments, complete with methodology, documentation, footnotes and appendices, is available at www.uww.edu/ferc/completed.

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Please support SB 545: Allowing sediment cleanups to be eligible to participate in the successful Voluntary Party Liability Exemption (VPLE)

What the bill does: Senate Bill 545 allows sediment cleanup sites to be eligible for the successful Voluntary Party Liability Exemption (VPLE) program that is run by the Wisconsin Department of Natural Resources (DNR). SB 545 also contains provisions that clarify existing law related to long-term care of environmental remedies to ensure responsible parties, and not the taxpayers, are meeting obligations on contaminated sites.

How does the VPLE program work?
First created by the Legislature in 1994, the VPLE program allows a party, in conjunction with the DNR, to voluntarily conduct an environmental investigation and cleanup of a contaminated property and then be eligible to receive a certificate of completion that limits future liability. In exchange for the liability limitations, the cleanup tends to be much more thorough (and, thereby, costly) than what is required under a more tradition remediation path.

VPLE incentivizes better cleanups that allow developers, local governments and business owners the ability to redevelop formerly contaminated properties without threat of future liability – which is often an impediment to cleanup and development. **The end result is a cleaner environment and a property that is now usable for development or recreation.**

What do the non-VPLE sections of the bill do?
The bill also makes technical clarifications and corrections of existing law related to long-term care of environment remedies to protect taxpayers. Changes include:

- ✓ Defining sediment as the area below the ordinary high water mark, which is consistent with the Wisconsin public trust law.
- ✓ Defining the term sediment cover.
- ✓ Requiring agreements between parties on responsibility for conducting long-term care be included in the state's GIS registry.
- ✓ Requiring cleanups that use engineering controls to submit a plan for long-term compliance and proof of financial responsibility to pay for implementing the plan.

Who supports the bill?
The bill has bipartisan sponsors and cosponsors led by Representative Tittl (R-Manitowoc), Representative Genrich (D-Green Bay), Senator Cowles (R-Green Bay) and Senator Lassa (D-Stevens Point).

What is WPS's interest in the bill?
While the bill would allow for the possibility of any sediment remediation project to be eligible for consideration for the VPLE program, WPS has a specific interest in potentially pursuing a VPLE for its manufactured gas plant (MGP) sites. WPS is working with the EPA and DNR on the cleanup of contaminated sediments left behind at seven legacy MGPs.

What is an MGP?
In the mid-1800s and early 1900s, before natural gas was readily available as an energy source, MGPs existed throughout Wisconsin and the United States. MGPs heated coal to produce gas. The plants were mostly shut down by the 1950s as other methods of producing and transporting gas became more cost effective. However, the production of manufactured gas created wastes, some of which may still remain at former MGP sites and are being cleaned up both in Wisconsin and across the country today.