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**Testimony Before the
Assembly Committee on Environment & Forestry
on
Assembly Bill 956
February 19, 2018**

Mr. Chairman and members of the committee, thank you for hearing Assembly Bill 956. This bill will incentivize the creation of wetlands in needed areas.

Currently, the realization of credits from wetland mitigation banks do not match the real progress toward the creation, restoration, or preservation of mitigation banks. Further, areas with high costs to create wetlands are often developed and developing areas—areas that need wetlands the most. Wetlands are alternatively created in lower-cost areas that are not in as great of need of the benefits wetlands have or apply pressure to the In-Lieu Fee program. The credit release schedule and location requirements in this bill incentivize the creation of wetlands in these needed areas.

Under current law, satisfying a mitigation requirement through the In-Lieu Fee program may be accomplished by purchasing credits from a mitigation bank. The current release schedule for credits is back-heavy, with most credits not being released until after two years.¹ This bill ties the credit release schedule to benchmarks during the establishment of a mitigation bank according to the following:

- No more than 20 percent of the estimated credits after the DNR approves and executes the mitigation bank document establishing the specifications for the mitigation bank;
- No more than 65 percent of the estimated credits after the applicant or bank sponsor is issued a letter of compliance that construction and all corrective actions are complete;
- No more than 85 percent of the estimated credits after the department approves a monitoring report, but not earlier than 2 years after construction of the mitigation project;
- 100 percent of the estimated credits after the department approves the final monitoring report and determines that all performance standards applicable to the mitigation bank are met.

¹ See NR 350.13 (7) (DNR may release up 10%, 20%, 30% and 100% of credits upon the completion of certain benchmarks).

These benchmarks will speed the availability of mitigation credits while also ensuring that real, concrete progress is being made toward the creation or other enhancement of wetlands.

Additionally, this bill encourages mitigation occur in the same area impacted by a discharge. The bill requires the purchase of credits in the same "compensation search area," of a discharge, defined as the same geographic management unit of a wetland impacted by a discharge, the county of the impacted wetland, and a 20-mile radius from the impacted wetland. If mitigation cannot be performed in that area, only then may mitigation be performed elsewhere in the state.

Thank you for your time and consideration. These simple and straightforward changes will have meaningful impacts by incentivizing the creation of wetlands in needed areas and requiring, when possible, mitigation to occur in the same areas as the initial disruption. I am happy to answer any questions.



Van H. Wanggaard

Wisconsin State Senator

TESTIMONY ON ASSEMBLY BILL 956

Thank you Mr. Chairman and Representatives for this rare Monday hearing on Assembly Bill 956. I know that schedules can be difficult at this time of session, so I appreciate your willingness to act quickly before the Legislature adjourns.

This bill is all about freeing up and actually using wetland mitigation credits. Under current law, while many wetland mitigation credits are purchased through the "In-Lieu" program, too few wetland mitigations actually occur, and too few new wetlands are created. Often, there is just not a suitable site under the current parameters to release the credits.

This bill will relieve the pressure on the In-Lieu Fee Program by increasing the number of banks in the state. While well-intentioned, the current program creates barriers to current actual mitigation efforts. By expanding the area in which wetland mitigation credits can be used, we can improve wetland restoration efforts and in turn, our environment, while still fostering economic growth. Importantly, this isn't carte blanche for mitigation banks. The bill mandates financial surety to the DNR to ensure completion of the approved mitigation bank and releases credits only as a wetland is properly restored or mitigated. This isn't just a pay-and-you're-good-to-go program. We want to be sure we are acting in an environmental prudent way.

By freeing up the mitigation banks to act, we will provide additional wetland protection to the state, and free up further economic development while properly sustaining wetlands in Wisconsin. Thank you.

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