

1 **AN ACT** *to repeal* 66.1103 (2) (k) 18. and 93.46 (3); *to renumber* 71.01 (1n) and
2 560.126 (1) to (4); *to renumber and amend* 93.46 (1) (d); *to amend* 16.956 (2) (c),
3 16.956 (3) (a) and (c), 71.07 (5j) (b), 71.28 (5j) (b), 71.47 (5j) (b), 73.03 (50), 93.46
4 (2) (a), 96.01 (3), 96.02 and 560.126 (1) (d); and *to create* 15.107 (19), 15.137 (6),
5 16.045 (1) (cm) and (f), 16.045 (4m) and (6), 16.28, 16.954, 16.956 (1) (bg) and (br),
6 16.956 (2) (c) 2. and 3., 16.956 (3) (f), 16.956 (4), 20.115 (3) (im), 26.42, 36.25 (49),
7 70.32 (2) (c) 1i., 70.32 (2) (c) 1k., 71.01 (1p), 71.01 (5k), 73.0303, 78.005 (13j),
8 78.01 (2f), 78.07 (5), 93.07 (26), 93.46 (1) (d) 1. to 4., 93.46 (1e), 93.46 (2) (b) 4m.
9 and 5m. and (f), 96.01 (4m), 96.05 (1m), 100.51 (6), 100.60, 168.05 (6), 168.12 (2)
10 and 560.126 (1) of the statutes; **relating to:** financial assistance related to bioenergy
11 feedstocks, biorefineries, and conversion to biomass energy; the definition of
12 “agricultural use” for purposes of determining the assessed value of a parcel of land;
13 requiring a strategic bioenergy feedstock assessment; creation of a bioenergy
14 advisory council; the agricultural diversification program; a biofuels training
15 assessment; creation of a biofuels production facility regulation review council;
16 exempting personal renewable fuel production and use from state taxes, fees,
17 inspection requirements, and licensing requirements; an income tax credit for
18 installing or retrofitting pumps that mix motor vehicle fuels from separate storage
19 tanks; offering unblended gasoline to motor fuel dealers; state renewable motor
20 vehicle fuels sales goals and required sales of renewable motor vehicle fuels;
21 decreasing the use of petroleum-based transportation fuels by state vehicles,
22 promoting the use of alternative fuels in flex fuel vehicles owned by the state, and

1 promoting public alternative fuel refueling facilities; the duties of the office of
2 energy independence; granting rule-making authority, making an appropriation, and
3 providing penalties.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This draft was prepared for the Joint Legislative Council's Special Committee on Domestic Biofuels.

Financial assistance related to biofuels. The bill draft expands the applicability of relevant state financial assistance programs, to ensure that the programs support the establishment, production, harvest, storage, and transport of bioenergy feedstocks; the conversion of ethanol production plants to biomass energy for process heat; and the development and construction of biorefineries. The draft clarifies that the industrial revenue bond program, the agricultural diversification grant program, and the renewable energy grants and loan program apply to these types of projects.

The definition of "agricultural use" for purposes of use value taxation. Under current law, the Department of Revenue (DOR) is required to define the term "agricultural use" for purposes of determining whether the assessed value of a parcel of land should be determined under the use value assessment method. [s 70.32 (2) (c) 1g., stats.] The DOR currently defines the term "agricultural use" to exclude "growing short rotation woody trees with a growing and harvesting cycle of 10 years or less for pulp or tree stock under NAICS industry 111421." [s. Tax 18.05 (1) (a), Wis. Adm. Code.] This bill draft requires DOR to define the term "agricultural use" to include the growing of short rotation woody crops, including poplars and willows, using agronomic practices.

Strategic bioenergy feedstocks assessment. The bill draft directs Office of Energy Independence (OEI) to coordinate the preparation of a strategic feedstocks assessment by the specified state agencies. This assessment must examine the current and potential bioenergy feedstocks being produced in Wisconsin, the uses of those feedstocks, as well as the use in the state of bioenergy feedstocks produced in other states, the key factors that influence the supply of and demand for feedstocks produced in the state, and the impacts of the increased use in the state of biomass

for energy production. The assessment must also recommend appropriate legislation and changes in the agencies' programs and rules.

Bioenergy advisory council, voluntary best management practices.

The bill draft creates a bioenergy advisory council attached to the Department of Agriculture, Trade and Consumer Protection (DATCP) and requires the council to report voluntary best management practices for sustainable biomass and biofuels production to agencies and private parties that assist biofuel feedstocks producers and biofuels producers.

The agricultural diversification program. The bill draft expands the agricultural diversification program administered by DATCP to include the promotion of marketable credits for reducing emissions of greenhouse gases derived from the production of agricultural commodities (also known as carbon offset credits) and of other types of energy made from these commodities in addition to alternative fuels made from agricultural source stocks. The bill draft creates a comparable forestry diversification program administered by the Department of Natural Resources (DNR). The bill draft also directs DATCP and DNR to promote these new products in cooperation with and with the assistance of each other and the University of Wisconsin–Extension.

Biofuels training assessment. The bill draft requires the UW–Extension, in cooperation with other state entities, to conduct an educational needs assessment related to the production of biofuels and the development and production of feedstocks for the production of biofuels, and to report its findings to the Governor and the Legislature.

Biofuels production facility regulation review council. The bill draft creates a 9–member Biofuels Production Facility Regulation Review Council (council) attached to DOA, with members appointed by the Governor, to review state and local regulatory burdens related to biofuels production facilities and to report its findings to the Governor and the Legislature.

Marketing orders and agreements for bioenergy feedstocks. Under the “Agricultural Marketing Act” marketing orders or agreements can be issued for agricultural commodities. [ch. 96, stats.] The purposes of these orders and agreements include promoting orderly and efficient marketing and preventing economic waste by promoting fair methods of competition, uniform grading and classification, and market realization and development. An assessment is levied upon affected producers and handlers to defray the costs associated with a marketing order. This bill draft designates products used as bioenergy feedstocks, including timber and wood products, as “agricultural commodities” to which a marketing order or agreement may be applicable. The bill draft also requires the

secretary of DATCP to periodically assess the development of markets for bioenergy feedstocks and determine whether the issuance of a marketing order or agreement for these products would be appropriate.

Personal renewable fuel production and use. This bill draft exempts the first 1,000 gallons of renewable fuel produced by a person each year, that the person uses in his or her personal vehicle, from the motor vehicle fuel excise tax, the petroleum inspection fee, and petroleum inspection requirements not required by federal law. The bill draft also allows a person to produce this renewable fuel without a business tax registration certificate or a motor vehicle fuel tax license.

Income tax credit for blender pumps. Under current law, an “ethanol and biodiesel fuel pump” income tax credit is available for claimants who install or retrofit equipment for dispensing motor vehicle fuel to end-users that dispense fuel consisting of at least 85% ethanol or at least 20% biodiesel fuel. The amount of the credit is 25% of the cost to install or retrofit such equipment but is limited to \$5,000 per service station for which the claimant has installed or retrofitted such equipment. This credit is available for taxable years beginning after December 31, 2007 and before January 1, 2018. This bill draft allows this income tax credit to be claimed for the installation or retrofit of equipment that blends fuels from separate storage tanks allowing the end-user to choose the percentage of gasoline-replacement renewable fuel or diesel-replacement renewable fuel in the dispensed fuel.

Required offering of unblended gasoline to motor fuel dealers. This bill draft requires a motor fuel grantor (grantor) to offer unblended gasoline, suitable for subsequent blending with ethanol and subsequent sale, to any motor fuel dealer (dealer) with which it has a motor fuel dealership agreement (agreement). This bill draft also prevents an agreement or contract between a dealer and grantor from requiring the dealer to purchase ethanol from the grantor exclusively. This bill draft does not prohibit agreements from requiring the subsequent blending of unblended gasoline received by a dealer prior to sale to an end-user, and does not prohibit grantors and dealers from entering into agreements with respect to the transfer of renewable fuels credits under the federal renewable fuels standard.

State renewable motor vehicle fuels sales goals and sales requirements. The bill draft creates annual sales goals for renewable fuels in this state equaling 110% of the state’s share of renewable fuel sales required nationally under the federal renewable fuel standard (F-RFS). The bill draft groups the categories of renewable fuel under the F-RFS into two categories for purposes of the state goals: gasoline-replacement renewable fuels and diesel-replacement renewable

fuels. The state's share of renewable fuels under the F-RFS is determined based on the total volume of motor vehicle fuel sold in this state as compared to the total volume of motor vehicle fuel sold nationally over the 3 years preceding the year for which the calculation is made. Fuels must meet or exceed F-RFS greenhouse gas reduction requirements to be included in state sales calculations.

The bill draft requires DATCP, in cooperation with and assistance from Department of Commerce, DOR, and OEI, to collect information needed to determine whether these annual renewable fuels sales goals are met for each year following enactment of this bill. DATCP is also required to collect information necessary to assess the cause, and to conduct an assessment, if an annual sales goal is not met, and report its findings to the legislature and governor. This assessment must include determinations related to renewable fuels systems and markets, regulatory obstacles, and the effect of potential specific individual sales requirements. If an annual sales goal is not met for gasoline-replacement renewable fuels or diesel-replacement renewable fuels and DATCP has previously assessed and reported on the cause, DATCP may determine that the new assessment will not further the purposes of the program and is then not required to repeat the assessment and reporting process.

If DATCP determines in an assessment that individual sales requirements would likely result in renewable fuel sales that would meet the annual goals, DATCP must require such sales by rule. In addition to annual sales requirements, these rules may include reporting, recordkeeping, or testing requirements, quarterly or monthly sales requirements in certain situations, a credit trading system, procedures for DATCP to temporarily suspend a sales requirement, and fees for the administration and enforcement of this subsection.

The bill draft specifies forfeiture penalties for the violation of any sales and reporting requirements and authorizes DATCP to assess a forfeiture by order.

The bill draft creates a program revenue appropriation to DATCP that funds the administration and enforcement of the renewable fuel program. This appropriation is funded by fees that DATCP establishes by rule as part of the implementation of the program. The bill draft provides penalties for violations of any renewable fuel program rules adopted by DATCP and for violations of any of the reporting requirements authorized by the bill.

The state as a leader; renewable fuels use in the state fleet. The bill draft codifies Executive Order #141, relating to increased utilization of renewable fuels and vehicles owned and operated by the State of

Wisconsin. In particular, the bill draft directs DOA to require state agencies to reduce the amount of gasoline and diesel fuels they use that are petroleum-based by specified percentages, requires OEI to promote the use of alternative fuels in flex fuel vehicles owned by the state, and directs OEI and DATCP to cooperatively promote public alternative fuel refueling facilities.

Other duties of the Office of Energy Independence. The bill draft directs OEI to work on initiatives that have the goals of ensuring that Wisconsin is a national leader in developing biorefineries and advancing the sale and use of intermediate blends of gasoline and biofuels. The bill draft clarifies that OEI shall serve as the central unit of state government to coordinate the activities of all state agencies in connection with the initiatives specified in the office's enabling statute and that the other state agencies shall assist the office in fulfilling its duties.

1 **SECTION 1.** 15.107 (19) of the statutes is created to read:

2 15.107 (19) BIOFUELS PRODUCTION FACILITY REGULATION REVIEW COUNCIL. There is
3 created a 9-member biofuels production facility regulatory review council that is attached to
4 the Department of Administration under s. 15.03. The board shall be appointed by the
5 Governor and serve at the pleasure of the Governor until the completion of the report under
6 s. 16.28.

7 **SECTION 2.** 15.137 (6) of the statutes is created to read:

8 15.137 (6) **Bioenergy Advisory Council.** (a) There is created a bioenergy advisory
9 council which is attached to the department of agriculture, trade and consumer protection
10 under s. 15.03. The council shall be appointed by the secretary and shall identify voluntary
11 best management practices for sustainable biomass and biofuels production, which may
12 include consideration of practices related to choosing biomass species, where to plant, crop
13 management, harvest, and processing and transport, and factors such as soil management,
14 chemical inputs, carbon sequestration in soil and root mass, plant and animal biodiversity, and
15 other factors at the discretion of the council. The council shall consider efforts relating to

1 sustainable biomass and biofuels production conducted by other entities, including the council
2 on forestry.

3 (b) The council shall report its findings, at least biennially, to the agencies and private
4 parties that assist biofuels feedstocks producers and biofuels producers, at the discretion of the
5 council.

6 **SECTION 3.** 16.045 (1) (cm) and (f) of the statutes are created to read:

7 16.045 (1) (cm) “Flex fuel vehicle” means a vehicle designed to operate on gasoline,
8 a blend of a fuel marketed as 85 percent ethanol and 15 percent gasoline, or a mixture of
9 gasoline and this blend.

10 (f) “Office” means the office of energy independence.

11 **SECTION 4.** 16.045 (4m) and (6) of the statutes are created to read:

12 16.045 (4m) The department shall require through its policies and guidelines
13 established under s. 16.04 (1), all agencies to collectively reduce the portions of gasoline and
14 diesel fuel in state-owned vehicles that is petroleum-based beneath the amounts of these fuels
15 that the agencies used in 2006 by the following percentages:

16 (a) For gasoline:

17 1. 20 percent by 2010.

18 2. 50 percent by 2015.

19 (b) For diesel fuel:

20 1. 10 percent by 2010.

21 2. 25 percent by 2015.

COMMENT: Sub. (4m) implements item 1. in Executive Order #141.

Other statutes that will apply to the implementation of this provision are the department of administration’s duty to ensure optimum efficiency and economy in the fleet management and maintenance activities of

agencies under s. 16.04; and the general state procurement requirements to buy on low bid under s. 16.75 (1) and to purchase fuel produced in the state under s. 16.75 (10).

1 **(6)** The office shall develop a plan designed to facilitate usage of alternative fuels in the
2 flex fuel vehicles and other vehicles owned by the state. The plan shall ensure all of the
3 following:

4 (a) All flex fuel vehicles and other vehicles powered by an alternative fuel other than
5 gasohol that are owned by the state shall be identifiable.

6 (b) All state employees driving flex fuel vehicles and other vehicles powered by an
7 alternative fuel other than gasohol shall be made aware of the alternative fuel refueling stations
8 in the area of their destination.

9 (c) All state employees shall strive to use alternative fuels when operating state flex fuel
10 and diesel-powered vehicles.

COMMENT: Subsection (6) implements item 2. in Executive Order #141,
as revised by the committee.

11 **SECTION 5.** 16.28 of the statutes is created to read:

12 **16.28 (1)** BIOFUELS PRODUCTION FACILITY REGULATION REVIEW COUNCIL. The biofuels
13 production facility regulation review council shall identify state and local regulatory burdens
14 relating to the siting, construction, operation, and expansion of biofuels production facilities,
15 and opportunities for streamlining regulations related to these processes. The council shall
16 submit a report on its findings to the governor and the standing committees of the legislature
17 that oversee issues related to renewable energy under s. 13.1725 (3), within 2 years of the
18 effective date of this section.

19 **SECTION 6.** 16.954 of the statutes is created to read:

20 **16.954 Strategic bioenergy feedstock assessment. (1)** In this section:

1 (a) "Affected agencies" means the departments of administration; agriculture, trade and
2 consumer protection; and natural resources; the office; and the public service commission.

3 (b) "Bioenergy feedstock" means biomass used to produce energy, including
4 transportation fuel, heat, or electricity.

5 (c) "Office" means the office of energy independence.

6 (2) The office shall coordinate among affected agencies the preparation of a biennial
7 strategic bioenergy feedstock assessment that assists producers and users of bioenergy
8 feedstocks and state and local government policy makers in understanding trends in the
9 production and use of bioenergy feedstocks in this state and the effects of that production and
10 use. Using readily available information; each assessment shall include all of the following:

11 (a) Summarize the bioenergy feedstocks currently and projected to be produced in the
12 state by region.

13 (b) Identify the current and projected significant markets for bioenergy feedstocks
14 produced in the state and major facilities located or likely to be located in the state that use
15 bioenergy energy feedstocks produced in or outside the state.

16 (c) Identify key factors that influence the supply of and demand for major bioenergy
17 feedstocks in the state, including the types and amounts of land devoted to producing these
18 feedstocks.

19 (d) Assess whether any of the factors identified under par. (b) are likely to change during
20 the period covered by the assessment and, if so, how those changes may affect the availability
21 of future bioenergy feedstocks.

22 (e) Assess the impacts of the increased use in the state of biomass for energy production
23 on all of the following:

24 1. Other consumers of that biomass.

1 2. Land use.

2 3. Environmental quality.

3 4. Other benefits and services derived from the natural systems in which the biomass
4 is produced.

5 (f) Recommend, as appropriate, legislation or changes in programs or rules of affected
6 agencies, including whether the assessment should be continued.

7 (3) No later than April 30, 2013 and no later than April 30 of each odd-numbered year
8 thereafter, the office shall submit a copy of an assessment prepared under sub. (2) to the
9 governor and the appropriate standing committees in each house of the legislature under s.
10 13.172 (3) and shall post a copy of the assessment on the office's Internet Web site.

11 **SECTION 7.** 16.956 (1) (bg) and (br) of the statutes are created to read:

12 16.956 (1) (bg) "Biorefinery" means a facility, including equipment and processes, that
13 converts biomass into fuels and products and may produce electricity.

COMMENT: This definition is based on the definition of "biorefinery" in
sec. 9001 (7) in the 2008 Farm Bill.

14 (br) "Executive branch agency" has the meaning specified in s. 16.70 (4).

COMMENT: The reference in this provision is to the definition of
"executive branch agency" in state procurement law. This definition
excludes the building commission.

15 **SECTION 8.** 16.956 (2) (c) of the statutes is amended to read:

16 16.956 (2) (c) Ensuring that Wisconsin is a national leader in ~~groundbreaking~~ all of the
17 following: 1. Groundbreaking research that will make alternative energies more affordable
18 and create well-paying jobs in this state.

COMMENT: Current s. 16.956 (2) directs OEI to work on initiatives with
the specified goals, including the goal in par. (c).

19 **SECTION 9.** 16.956 (2) (c) 2. and 3. of the statutes are created to read:

1 16.956 (2) (c) 2. Developing biorefineries in this state.

2 3. Advancing the sale and use in all types of motor vehicles of blends of gasoline and
3 a biofuel that contain more than 10 percent of the biofuel.

4 **SECTION 10.** 16.956 (3) (a) and (c) of the statutes are amended to read:

5 16.956 (3) (a) Ensure and facilitate the implementation of the initiatives specified in
6 sub. (2) and identify barriers to the implementation of such initiatives. The office shall serve
7 as the central unit of state government to coordinate the activities of all executive branch
8 agencies in connection with these initiatives.

9 (3) (c) Develop energy independence policy options for consideration by the governor,
10 legislature, and state executive branch agencies.

COMMENT: Section 16.956 (3) specifies the duties of OEI.

11 **SECTION 11.** 16.956 (3) (f) of the statutes is created to read:

12 16.956 (3) (f) Pursue, in cooperation with the department of agricultural, trade and
13 consumer protection, the establishment of additional alternative alternative fuel refueling
14 facilities at public retail outlets.

COMMENT: The treatment of ss. 16.953 (3) and 93.07 (26) implement
item 3. in Executive Order #141. Section 16.953 (3) specifies a new
duty of OEI.

15 **SECTION 12.** 16.956 (4) of the statutes is created to read:

16 16.956 (4) Other state agencies shall assist the office in fulfilling its duties under this
17 section to the fullest extent possible.

18 **SECTION 13.** 20.115 (3) (im) of the statutes is created to read:

19 20.115 (3) (im) *Renewable fuel program.* The amounts in the schedule for the
20 administration and enforcement of the renewable fuel program under s. 100.60 (5). All

1 monies received from the fees authorized by s. 100.60 (5) (f) shall be credited to this
2 appropriation account.

COMMENT: This provision creates an annual program revenue appropriation to the department for the administration and enforcement of the renewable fuel sales program created by this act under s. 100.60 (5). Thus, the appropriation will be funded only if and when the department creates this program by rule under s. 100.60 (5).

3 **SECTION 14.** 26.42 of the statutes is created to read:

4 **26.42 Forestry diversification.** (1) The department shall establish a forestry
5 diversification program and shall promote and assist the development and use of industrial and
6 commercial products from forestry products, including:

7 (a) Alternative fuels, including fuels subject to the renewable fuel program under 42
8 USC 7545 (o).

9 (b) Heat.

10 (c) Electricity, including electricity subject to s. 196.378 (2).

11 (d) Marketable credits for reducing emissions of greenhouse gases, as defined in s.
12 285.78 (1) (c), derived from appropriate management practices used in the production of
13 timber.

14 (2) The department shall promote and assist the development and use of the products
15 identified in sub. (1) (a) to (d) in cooperation with and with the assistance of the department
16 of agriculture, trade and consumer protection and the University of Wisconsin–Extension.

COMMENT: The department referenced in SECTION 14 is DNR.

17 **SECTION 15.** 36.25 (49) of the statutes is created to read:

18 36.25 (49) BIOFUELS TRAINING ASSESSMENT. (a) The University of
19 Wisconsin–Extension, in cooperation with other programs of the University of Wisconsin
20 System designated by the board, the department of workforce development, the office of

1 energy independence, and the technical college system, shall assess educational needs in this
2 state related to the production of biofuels and educational needs in this state related to the
3 development and production of feedstocks for the production of biofuels.

4 (b) The extension shall report the findings from its assessment under par. (a) within 18
5 months of the effective date of this subsection [LRB inserts date] to the governor and the
6 standing committees of the legislature that oversee issues related to renewable energy and
7 agriculture under s. 13.172 (3).

8 **SECTION 16.** 66.1103 (2) (k) 18. of the statutes is repealed.

NOTE: This provision affects the definition of “projects” eligible for financing with industrial revenue bonds. Current subd. 18. includes in these projects “alcohol fuel production facilities”. The repeal of subd. 18. clarifies that biorefineries that produce other types of fuel are eligible “projects”, as all biorefineries are included in the projects covered under current subd. 1.

9 **SECTION 17.** 70.32 (2) (c) 1i. of the statutes is created to read:

10 70.32 (2) (c) 1i. “Agricultural use” shall be defined by the department by rule and
11 includes the growing of short rotation woody crops, including poplars and willows, using
12 agronomic practices.

13 **SECTION 18.** 70.32 (2) (c) 1k. of the statutes is created to read:

14 70.32 (2) (c) 1k. “Agronomic practices” are agricultural practices generally associated
15 with field–crop production such as soil management, cultivation, or row cropping.

COMMENT: The preceding two SECTIONS direct the DOR to apply the use value assessment method to all short rotation woody crops that meet these definitions regardless of the end use of such crops.

16 **SECTION 19.** 71.01 (1n) of the statutes is renumbered 71.01 (1r).

17 **SECTION 20.** 71.01 (1p) of the statutes is created to read:

1 71.01 **(1p)** “Diesel–replacement renewable fuel” includes biodiesel and any other fuel
2 derived from a renewable resource that meets all of the applicable requirements of the
3 American Society for Testing and Materials for that fuel and that the department of commerce
4 designates as a diesel–replacement renewable fuel by rule.

5 **SECTION 21.** 71.01 (5k) of the statutes is created to read:

6 71.01 **(5k)** “Gasoline–replacement renewable fuel” includes ethanol and any other fuel
7 derived from a renewable resource that meets all of the applicable requirements of the
8 American Society for Testing and Materials for that fuel and that the department of commerce
9 designates as a gasoline–replacement renewable fuel by rule.

10 **SECTION 22.** 71.07 (5j) (b) of the statutes is amended to read:

11 71.07 **(5j)** (b) *Filing claims.* Subject to the limitations provided in this subsection, for
12 taxable years beginning after December 31, 2007, and before January 1, 2018, a claimant may
13 claim as a credit against the taxes imposed under s. 71.02, up to the amount of the taxes, an
14 amount that is equal to 25 percent of the amount that the claimant paid in the taxable year to
15 install or retrofit pumps located in this state that dispense motor vehicle fuel consisting of at
16 least 85 percent ethanol or at least 20 percent biodiesel fuel, or pumps that mix fuels from
17 separate storage tanks and allow the end–user to choose the percentage of
18 gasoline–replacement renewable fuel or diesel–replacement renewable fuel in the motor
19 vehicle fuel dispensed.

20 **SECTION 23.** 71.28 (5j) (b) of the statutes is amended to read:

21 71.28 **(5j)** (b) *Filing claims.* Subject to the limitations provided in this subsection, for
22 taxable years beginning after December 31, 2007, and before January 1, 2018, a claimant may
23 claim as a credit against the taxes imposed under s. 71.23, up to the amount of the taxes, an
24 amount that is equal to 25 percent of the amount that the claimant paid in the taxable year to

1 install or retrofit pumps located in this state that dispense motor vehicle fuel consisting of at
2 least 85 percent ethanol or at least 20 percent biodiesel fuel, or pumps that mix fuels from
3 separate storage tanks and allow the end-user to choose the percentage of
4 gasoline-replacement renewable fuel or diesel-replacement renewable fuel in the motor
5 vehicle fuel dispensed.

6 **SECTION 24.** 71.47 (5j) (b) of the statutes is amended to read:

7 71.47 **(5j)** (b) *Filing claims.* Subject to the limitations provided in this subsection, for
8 taxable years beginning after December 31, 2007, and before January 1, 2018, a claimant may
9 claim as a credit against the taxes imposed under s. 71.43, up to the amount of the taxes, an
10 amount that is equal to 25 percent of the amount that the claimant paid in the taxable year to
11 install or retrofit pumps located in this state that dispense motor vehicle fuel consisting of at
12 least 85 percent ethanol or at least 20 percent biodiesel fuel, or pumps that mix fuels from
13 separate storage tanks to allow the end user to choose the percentage of gasoline-replacement
14 renewable fuel or diesel-replacement renewable fuel in the motor vehicle fuel dispensed.

15 **SECTION 25.** 73.03 (50) of the statutes is amended to read:

16 73.03 **(50)** With the approval of the joint committee on finance, to establish fees for
17 obtaining a business tax registration certificate, which, except as provided in s. 73.0302, is
18 valid for 2 years, and for renewing that certificate and, except as provided in s. ~~73.0302 ss.~~
19 73.0302 and 73.0303, shall issue and renew those certificates if the person who wishes to
20 obtain or renew a certificate does all of the following:

21 **SECTION 26.** 73.0303 of the statutes is created to read:

22 **73.0303** The department may not require a person to obtain a business tax registration
23 certificate related to the production or use of renewable fuel exempt under s. 78.01 (2f) from
24 the tax under s. 78.01 (1).

1 **SECTION 27.** 78.005 (13j) of the statutes is created to read:

2 78.005 (13j) “Renewable fuel” means fuel that is produced from renewable biomass
3 and that is used to replace or reduce the quantity of fossil fuel present in a motor vehicle fuel.

4 **SECTION 28.** 78.01 (2f) of the statutes is created to read:

5 78.01 (2f) HOME RENEWABLE FUEL PRODUCER EXEMPTION. No tax is imposed under sub.
6 (1) on the first 1,000 gallons of renewable fuel produced or converted from another purpose
7 each year by a person and used by that person in that person’s personal motor vehicle, if that
8 person sells no renewable fuel during that year.

9 **SECTION 29.** 78.07 (5) of the statutes is created to read:

10 78.07 (5) Renewable fuel exempt under s. 78.01 (2f) from the tax under s. 78.01 (1) is
11 not received for the purposes of this section.

12 **SECTION 30.** 93.07 (26) of the statutes is created to read:

13 93.07 (26) ALTERNATIVE FUEL REFUELING FACILITIES. To pursue in cooperation with the
14 office of energy independence, the establishment of additional fuel refueling facilities at
15 public retail outlets.

COMMENT: The treatment of ss. 16.956 (3) (f) and 93.07 (26) implement
 item 3. in Executive Order #141. Section 93.07 (26) specifies a new
 duty of the department of agriculture, trade, and consumer protection.

16 **SECTION 31.** 93.46 (1) (d) of the statutes is renumbered 93.46 (1) (d) (intro.) and
17 amended to read:

18 93.46 (1) (d) Promote and assist the development and use of industrial and commercial
19 products from agricultural commodities and forestry products and from the production of
20 these commodities, including ~~alternative fuels produced from agricultural source stocks.~~

COMMENT: Section 93.46 (1) contains the agricultural diversification
 program.

21 **SECTION 32.** 93.46 (1) (d) 1. to 4. of the statutes are created to read:

1 93.46 (1) (d) 1. Alternative fuels, including fuels subject to the renewable fuel program
2 under 42 USC 7545 (o).

3 2. Heat.

4 3. Electricity, including electricity subject to s. 196.378 (2).

5 4. Marketable credits for reducing emissions of greenhouse gases, as defined in s.
6 285.78 (1) (c), derived from appropriate management practices used in the production of the
7 agricultural commodity.

COMMENT: The renewable fuel program referenced in subd. 1. is the federal renewable fuels standard. The reference in subd. 3. is to the state renewable portfolio standard applicable to electricity sold by retail electric utilities and cooperatives.

8 **SECTION 33.** 93.46 (1e) of the statutes is created to read:

9 93.46 (1e) The department shall promote and assist the development and use of the
10 products identified in sub. (1) (d) 1. to 4. in cooperation with and with the assistance of the
11 department of natural resources and the University of Wisconsin–Extension.

12 **SECTION 34.** 93.46 (2) (a) of the statutes is amended to read:

13 93.46 (2) (a) The department shall make agricultural and forestry research and
14 development grants. The department may provide grants to fund demonstration projects,
15 feasibility analyses and applied research directed toward new or alternative technologies and
16 practices that will stimulate agricultural and forestry development and economic activity.

COMMENT: This provision expands the agricultural diversification grant program to include forestry–related research and development grants and authority. DATCP may only award grants under this subsection if the grant is for a project conducted in this state that meets one or more of the purposes specified in sub. (2) (b).

17 **SECTION 35.** 93.46 (2) (b) 4m. and 5m. and (f) of the statutes are created to read:

1 93.46 (2) (b) 4m. Diversification and expansion of the production, processing and
2 distribution of forestry products that are used to produce alternative fuels, heat, or electricity.

3 5m. Commercial application of new technologies or practices related to the production
4 of alternative fuels, heat, or electricity from forestry products.

COMMENT: This SECTION establishes two types of forestry-related projects that are eligible for an agricultural diversification grant. These new purposes are based on the following two purposes for grants under this program under current law relating to agricultural products:

93.46 (2) (b) (intro.) The department may not award a grant under this subsection unless the grant is for a project conducted in this state that has at least one of the following purposes:

...

4. Diversification and expansion of the production, processing, and distribution of agricultural products.

5. Commercial application of new technologies or practices related to agricultural products.

5 (f) If the department receives an application under this subsection for grant for a
6 forestry-related project, analyses or applied research, the department shall do all of the
7 following:

- 8 1. Consult with the department of natural resources in evaluating the grant application.
9 2. If the department awards the grant, require the grant recipient to coordinate its
10 activities under the grant with forestry-related programs identified by the department of
11 natural resources in the consultation under subd. 1.

COMMENT: This SECTION requires DATCP to engage in the specified activities if an application under the agricultural diversification grant program is for a forestry-related purpose.

12 **SECTION 36.** 93.46 (3) of the statutes is repealed.

COMMENT: This SECTION repeals s. 93.46 (3), as agricultural diversification grants are no longer made under this subsection.

13 **SECTION 37.** 96.01 (3) of the statutes is amended to read:

1 96.01 (3) “Agricultural commodity” means any agricultural, horticultural (excepting
2 floricultural), viticultural, vegetable, poultry, and livestock products produced in this state,
3 including for use as a bioenergy feedstock, including milk and milk products, bees and honey,
4 or any class, variety or utilization thereof, either in their natural state or as processed by a
5 producer for the purpose of marketing such product or by a processor, but not including timber
6 and wood products, except timber and wood products used as a bioenergy feedstock.

7 **SECTION 38.** 96.01 (4m) of the statutes is created to read:

8 96.01 (4m) “Bioenergy feedstock” means biomass used to produced energy, including
9 transportation fuel, heat, or electricity.

10 **SECTION 39.** 96.02 of the statutes is amended to read:

11 **96.02 Policy.** It is declared to be the policy of this state to promote orderly and efficient
12 marketing of agricultural commodities and to prevent economic waste of the agricultural
13 wealth of this state. Unfair methods of competition, lack of uniform grading and classification
14 of agricultural commodities, and the inability of individual producers to obtain present
15 markets or to develop new or larger markets for Wisconsin agricultural commodities result in
16 disorderly marketing of such commodities. As a result agricultural producers are prevented
17 from receiving a fair return for the products which they market. Such conditions jeopardize
18 the continued production of an adequate food and energy supply supplies for this and other
19 states, and may result in unemployment with its attendant burdens on the citizens of this state.
20 The production, processing and marketing of agricultural commodities within this state is
21 hereby declared to be affected with a public interest and this chapter is enacted for the purpose
22 of protecting the health, peace, safety and general welfare of the people of this state.

23 **SECTION 40.** 96.05 (1m) of the statutes is created to read:

1 96.05 **(1m)** If the secretary, based on periodic assessments of markets for bioenergy
2 feedstocks, determines that the issuance of a marketing order or agreement for bioenergy
3 feedstocks will effectuate the declared policy of this chapter, the secretary shall propose the
4 issuance of a marketing order or agreement under sub. (1) for bioenergy feedstocks.

COMMENT: The previous 4 SECTIONS affect the Agricultural Marketing Act.

5 **SECTION 41.** 100.51 (6) of the statutes is created to read:

6 100.51 **(6)** UNBLENDED GASOLINE SALES REQUIREMENT. (a) A motor fuel grantor that
7 provides gasoline to a motor fuel dealer under a motor fuel dealership agreement shall offer
8 gasoline to the motor fuel dealer that is not preblended with ethanol, that is suitable for
9 subsequent blending with ethanol and subsequent sale. For purposes of this subsection,
10 unblended gasoline is not suitable for subsequent sale if the price charged for the unblended
11 gasoline by the motor fuel grantor does not fairly reflect the average posted terminal price, as
12 defined in s. 100.30 (2) (a).

13 (b) No motor fuel dealership agreement or contract between a motor fuel dealer and a
14 motor fuel grantor may require a motor fuel dealer to purchase ethanol for blending purposes
15 only from the motor fuel grantor.

16 (c) Nothing in this subsection prohibits a motor fuel dealership agreement from
17 requiring the motor fuel dealer to blend gasoline received under par. (a) with a specified
18 amount of ethanol by volume prior to the sale of the gasoline to the end-user.

19 (d) Nothing in this subsection prohibits a motor fuel dealership agreement from
20 providing for the transfer of credits under 42 USC 7545 (o) (2) between the motor fuel dealer
21 and the motor fuel grantor.

COMMENT: There is not a specific penalty that applies to the existing motor fuel dealership requirements under s. 100.51, stats. Therefore, the

default statutory penalty, a forfeiture of \$200, would apply to violations of the requirements in this SECTION. [s. 939.61, stats.]

1 **SECTION 42.** 100.60 of the statutes is created to read:

2 **100.60 State renewable fuels goal. (1) DEFINITIONS.** In this section:

3 (a) “Biodiesel” means any of the following fuels:

4 1. A fuel that is comprised of monoalkyl esters of long chain fatty acids derived from
5 vegetable oils or animal fats and that meets all of the applicable requirements of the American
6 Society for Testing and Materials.

7 2. Any fuel not described in subd. 1. that can substitute for petroleum-based diesel fuel,
8 is derived from a renewable resource, that meets all of the applicable requirements of the
9 American Society for Testing and Materials, and that the department of commerce designates
10 as biodiesel.

11 (b) “Diesel fuel” includes biodiesel and petroleum-based diesel fuel.

12 (c) “Diesel-replacement renewable fuel” includes biodiesel and any other fuel derived
13 from a renewable resource that meets all of the applicable requirements of the American
14 Society for Testing and Materials for that fuel and that the department of commerce designates
15 as a diesel-replacement renewable fuel by rule.

16 (d) “Gasoline-replacement renewable fuel” includes ethanol and any other fuel derived
17 from a renewable resource that meets all of the applicable requirements of the American
18 Society for Testing and Materials for that fuel and that the department of commerce designates
19 as a gasoline-replacement renewable fuel by rule.

20 (e) “Motor vehicle fuel” means gasoline, diesel fuel, ethanol, or any other substance
21 used to fuel vehicles used for transportation on public roadways.

1 (f) “Renewable fuel” means a gasoline–replacement renewable fuel or a
2 diesel–replacement renewable fuel.

3 (2) STANDARDS. (a) *Gasoline–replacement renewable fuels sales volume*. The state goal
4 for the minimum annual volume of gasoline–replacement renewable fuels sold in motor
5 vehicle fuel in the state is an amount calculated as follows:

- 6 1. Multiply the federal gasoline–replacement renewable fuel volume for the year by 1.1.
7 2. Multiply the amount determined under subd. 1 by the state percentage of motor
8 vehicle fuel sold nationally for the year.

9 (b) *Diesel–replacement renewable fuels sales volume*. The state goal for the minimum
10 annual volume of diesel–replacement renewable fuels sold in motor vehicle fuel in the state
11 is an amount calculated as follows:

- 12 1. Multiply the federal diesel–replacement renewable fuel volume for the year by 1.1.
13 2. Multiply the amount determined under subd. 1 by the state percentage of motor
14 vehicle fuel sold nationally for the year.

15 (c) *Calculations*. For purposes of the calculations in par. (a) and (b):

16 1. “Federal advanced biofuel volume” means the volume for the year listed under 47
17 USC 7545 (o) (2) (B) (i) (II) for “advanced biofuel”, except as provided under par. (d).

18 2. “Federal biomass–based diesel volume” means the volume for the year listed or
19 determined by the U.S. environmental protection agency under 47 USC 7545 (o) (2) (B) (i)
20 (IV) for “biomass–based diesel”, except as provided under par. (d).

21 3. “Federal cellulosic biofuel volume” means the volume for the year listed under 47
22 USC 7545 (o) (2) (B) (i) (III) for “cellulosic biofuel”, except as provided under par. (d).

23 4. “Federal diesel–replacement renewable fuel percentage” is calculated as follows:

1 a. Subtract the sum of the federal cellulosic biofuel volume and the federal
2 biomass–based diesel volume from the federal advanced biofuel volume.

3 b. Subtract the amount determined under subpar. a. from the federal renewable fuel
4 volume.

5 c. Divide the federal biomass–based diesel volume by the amount determined under
6 subpar. b.

7 5. “Federal diesel–replacement renewable fuel volume” is calculated as follows:

8 a. Subtract the sum of the federal cellulosic biofuel volume and the federal
9 biomass–based diesel volume from the federal advanced biofuel volume.

10 b. Multiply the federal diesel–replacement renewable fuel percentage by the amount
11 determined under subpar. a.

12 c. Add federal biomass–based diesel volume to the amount determined under subpar.
13 b.

14 6. “Federal gasoline–replacement renewable fuel volume” is calculated by subtracting
15 the federal diesel–replacement renewable fuel volume from the federal renewable fuel
16 volume.

17 7. “Federal renewable fuel volume” means the volume for the year listed under 47 USC
18 7545 (o) (2) (B) (i) (I) for “renewable fuel”, except as provided under par. (d).

19 8. “State percentage of motor vehicle fuel sold nationally” is calculated as follows for
20 a year:

21 a. For the three years that preceded the year, divide the total volume of motor vehicle
22 fuel sold in this state by the total volume of motor vehicle fuel sold nationally. If complete
23 information for the most recent year is unavailable, the department may estimate sales for that
24 year.

1 b. Add the quotients calculated in subpar. a. and divide by 3.

2 9. “Year” means the year for which the gasoline–renewable fuel replacement goal or
3 diesel–renewable fuel replacement goal is being determined.

4 (d) *Federal volume adjustments.* 1. The department shall adjust a volume specified in
5 par. (c) 1., 2., 3., or 7., in accordance with any waiver to the volume granted by the federal
6 environmental protection agency under 47 USC 7545 (o) (7).

7 2. The department shall adjust a volume specified in par. (c) 1., 2., 3., or 7., by rule if
8 the department determines that the regulations of the federal environmental protection agency
9 adopted under 47 USC 7545 (o), other than 47 USC 7545 (o) (7), result in the actual volume
10 for one of these types of fuel that is required to be sold under 47 USC 7545 (o) differing from
11 the corresponding volume specified under subd. 1., 2., 3., or 7.

COMMENT: An example of an adjustment under subd. 2 would be if the federal environmental protection agency establishes that for purposes of determining compliance with the federal renewable fuels standard 1 gallon of cellulosic biomass ethanol is considered to be equivalent to 2 gallons of renewable fuel, then the department would reduce the volume of cellulosic biofuels, advanced biofuels, and renewable fuels for purposes of the calculations under pars. (a) and (b).

12 (e) *Greenhouse gas emissions reduction.* A gasoline–replacement renewable fuel or
13 diesel–replacement renewable fuel may not be included in volumes calculated under par. (a)
14 or (b) unless the fuel meets or exceeds applicable requirements for greenhouse gas emissions
15 reduction under 42 USC 7545 (o) (1) (B) (i), (D), (E), and (2) (A) (i) and regulations issued
16 by the federal environmental protection agency under those provisions, as modified under 42
17 USC 7545 (o) (4).

18 (3) **ANNUAL SALES DETERMINATION.** Annually, beginning in the year after publication
19 ... [LRB inserts date], the department, in cooperation with and with assistance from the
20 department of commerce, the department of revenue, and the office of energy independence,

1 shall determine whether the annual volumes of renewable fuels specified in sub. (2) (a) and
2 (b) for the previous year were sold in the state in that year.

3 (4) ASSESSMENT. (a) Except as provided in par. (b), if the department determines under
4 sub. (3) that an annual volume of renewable fuels specified in sub. (2) (a) or (b) was not sold
5 in this state, the department shall assess the cause and report its findings to the governor and
6 the standing committees of the legislature that oversee issues related to renewable fuel under
7 s. 13.172 (3). The assessment shall include:

8 1. A determination of whether renewable fuels are available in sufficient quantities and
9 at prices comparable to the type of fuel that they replace, and if so, whether fluctuations in
10 demand for renewable fuels is a cause of sales below the goal.

11 2. A determination of whether state or federal laws prevent or impede the sale of the
12 renewable fuels at volumes specified in sub. (2).

13 3. An assessment of the motor vehicle fuel production, distribution, and marketing
14 systems in this state to determine how practices could be changed to increase renewable fuel
15 sold in this state.

16 4. A determination of whether requirements for renewable fuel sales by individual
17 refiners, wholesalers, suppliers, distributors, retailers, or any other person involved in the
18 production, distribution, or marketing of motor vehicle fuel, would likely result in sales of
19 volumes of renewable fuels specified in sub. (2).

20 5. If the department has promulgated rules under sub. (5), a determination of the
21 effectiveness of the rules in stimulating renewable fuel sales in this state that meet or exceed
22 volumes of renewable fuels specified in sub. (2) and an assessment of whether changes to the
23 rules would better promote the goals of this section.

1 (b) If the department determines under sub. (3) that an annual volume of
2 gasoline–replacement renewable fuels or diesel–replacement renewable fuels under sub. (2)
3 (a) or (b) was not sold in a year, the department has conducted an assessment under par. (a)
4 for a previous year for the same category of renewable fuels, and the department determines
5 that another assessment for the same category of renewable fuels will not further the purposes
6 of this section, an assessment and report to the governor and the legislature under par. (a) is
7 not required.

8 **(5) RENEWABLE FUEL SALES REQUIREMENTS.** If the department determines under sub. (4)
9 (a) 4. or 5. that requirements for renewable fuel sales would likely result in sales of volumes
10 of renewable fuels specified in sub. (2), the department shall prescribe requirements by rule
11 to accomplish this purpose. Rules promulgated under this subsection may include any of the
12 following:

13 (a) Reporting, recordkeeping, or testing requirements.

14 (b) Annual sales requirements for sales of renewable fuels in this state.

15 (c) Quarterly or monthly sales requirements for sales of a renewable fuel if the
16 department determines that these requirements are necessary to maintain the availability of
17 the renewable fuel in the state and to prevent harm to markets for the renewable fuel in the state
18 caused by fluctuations in demand for the renewable fuel.

19 (d) A system for persons subject to the requirements to trade credit for prescribed sales
20 of the renewable fuel.

21 (e) Procedures for the department to temporarily suspend a sales requirement.

22 (f) Fees for the administration and enforcement of this subsection.

23 **(6) REPORTING.** (a) The department shall consult with the department of commerce, the
24 department of revenue, and the office of energy independence to determine if information

1 necessary to make a determination under sub. (3) or an assessment under sub. (4) or required
2 to be reported under a rule promulgated under sub. (5) is being collected by these agencies
3 under regulations or authorities in effect on the effective date of this subsection ... [LRB inserts
4 date]. If the necessary or required information is not being collected, the department may
5 request the department of commerce, the department of revenue, or the office of energy
6 independence to collect the information if the collection by one of these agencies is more
7 cost-effective for state government and less burdensome for the persons subject to the
8 reporting requirements than collection of that information by the department.

9 (b) The department may require refiners, wholesalers, suppliers, distributors, retailers,
10 or any other person involved in the production, distribution, or marketing of motor vehicle fuel
11 to report information necessary to make a determination under sub. (3) or an assessment under
12 sub. (4).

13 (c) The department shall require the reporting of information under par. (b) or sub. (5)
14 (a) relating to the feedstocks used to produce a renewable fuel sold in this state unless the
15 department determines that this information is not reasonably available.

16 (d) The department of revenue may collect information requested by the department
17 under par. (a) in the reports under s. 78.12 (1) to (3).

18 **(7) PENALTIES.** (a) Any person who violates any rule adopted under sub.(5) shall forfeit
19 not more than \$5,000 for each violation.

20 (b) Any person who fails to provide to the department information required under
21 sub.(6) (b) shall forfeit not more than \$1,000 for each violation.

22 (c) Each violation of a rule under sub. (5) or a requirement to provide information under
23 sub. (6) (b) constitutes a separate offense, and each day of continued violation is a separate
24 offense.

1 (d) 1. In lieu of any other penalty under this subsection, the department may directly
2 assess a forfeiture by issuing an order against any person who violates a rule under sub. (5)
3 or a requirement to provide information under sub. (6) (b). The department may not assess
4 a forfeiture exceeding \$5,000 for each violation.

5 2. The department shall promulgate rules specifying the procedures governing the
6 assessment of forfeitures under this paragraph including the following:

7 a. The procedure for issuing an order for an alleged violation.

8 b. The amount of a forfeiture that the department may assess for an alleged violation,
9 subject to the limit under subd. 1. and the considerations in par. (e).

10 c. The procedure for contesting an order issued for an alleged violation.

11 d. The procedure for contesting the assessment of a forfeiture for an alleged violation.

12 3. The department shall remit all forfeitures paid under this paragraph to the secretary
13 of administration for deposit in the school fund.

14 4. All forfeitures that are not paid as required under this paragraph shall accrue interest
15 at the rate of 12 percent per year.

16 5. The attorney general may bring an action in the name of the state to collect any
17 forfeiture imposed, or interest accrued, under this subsection if the forfeiture or interest has
18 not been paid after the exhaustion of all administrative and judicial reviews.

19 (e) A court imposing a forfeiture under par. (a) or (b) or the department imposing a
20 forfeiture under par. (d) shall consider all of the following in determining the amount of the
21 forfeiture:

22 1. The appropriateness of the forfeiture to the volume of business of the person subject
23 to the forfeiture.

24 2. The gravity of the violation.

1 3. Any good faith attempt to achieve compliance after the person receives notice of the
2 violation.

3 **SECTION 43.** 168.05 (6) of the statutes is created to read:

4 168.05 (6) This section does not apply to renewable fuel exempt under s. 78.01 (2f) from
5 the tax under s. 78.01 (1) unless inspection is required by federal law.

6 **SECTION 44.** 168.12 (2) of the statutes is created to read:

7 168.12 (2) The fee under sub. (1) is not imposed on renewable fuel exempt under s.
8 78.01 (2f) from the tax under s. 78.01 (1).

COMMENT: The previous 2 SECTIONS relate to the petroleum inspection
 fee.

9 **SECTION 45.** 560.126 (1) to (4) of the statutes are renumbered 560.126 (2) to (5).

10 **SECTION 46.** 560.126 (1) of the statutes is created to read:

11 560.126 (1) In this section, “biorefinery” means a facility, including equipment and
12 processes, that converts biomass into fuels and products and may produce electricity.

COMMENT: This definition is added to the renewable energy grants and
 loans program, a.k.a., the Wisconsin energy independence fund. It is
 based on the definition of “biorefinery” in sec. 9001 (7) in the 2008
 Farm Bill.

13 **SECTION 47.** 560.126 (1) (d) of the statutes is amended to read:

14 560.126 (1) (d) The construction of one or more ~~cellulosic ethanol production plants~~
15 biorefineries.

COMMENT: This provision establishes that the construction of any type
 of biorefinery is eligible for a grant or loan under the renewable energy
 grants and loan program, irrespective of the type of fuel produced or if
 fuel production is not the primary purpose of the facility.

16 **SECTION 48. Effective dates.** This act takes effect on the day after publication, except
17 as follows:

(1) The creation of section 70.32 (2) (c) 1i. and 1k. of the statutes takes effect on the first day of the 12th month beginning after publication.

(2) The treatment of section 73.03 (50) of the statutes and the creation of sections 73.0303, 78.005 (13j), 78.01 (2f), 78.07 (5), 168.05 (6), and 168.12 (2) of the statutes takes effect on the first day of the 3rd month beginning after publication.

SECTION 49. Initial applicability. (1) The treatment of sections 71.07 (5j) (b), 71.28 (5j) (b), and 71.47 (5j) (b) of the statutes first applies to taxable years beginning on January 1 of the year in which this subsection takes effect, except that if this subsection takes effect after July 31 this treatment first applies to taxable years beginning on January 1 of the year following the year in which this subsection takes effect.

(2) The treatment of section 100.51 (6) of the statutes first applies to a motor vehicle fuel dealership agreement created, renewed, extended, or modified on the effective date of this subsection.

(END)