

1        **AN ACT** *to amend* 281.98 (1); and *to create* 14.95, 20.370 (4) (bm), 281.343 and  
2        281.344 of the statutes; **relating to:** ratifying and implementing the Great Lakes–St.  
3        Lawrence River Basin Water Resources Compact, creating statewide registration and  
4        reporting requirements for water withdrawals and diversions, creating a statewide  
5        water conservation and efficiency program, creating a statewide water supply  
6        planning process, granting rule–making authority, and providing a penalty.

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

**JOINT LEGISLATIVE COUNCIL PREFATORY NOTE:** This bill draft was developed by the joint legislative council’s special committee on great lakes water resources compact. The draft ratifies the Great Lakes–St. Lawrence River Basin Water Resources Compact (the “compact”) in s. 281.343 and implements and interprets the state’s duties under the compact in ss. 14.95 and 281.344 and in nonstatutory provisions.

The draft creates the compact in s. 281.343, stats., and includes the following subsections in this section:

- (1) Ratification.
- (1e) Definitions.
- (1m) Findings and purposes.
- (1s) Science.
- (2) Organization of the Great Lakes–St. Lawrence River Basin Water Resources Council.
- (3) General powers and duties.
- (4) Water management and regulation; water resources inventory, registration, and reporting.
  - (4b) Water management and regulation; water conservation and efficiency programs.
  - (4d) Water management and regulation; party powers and duties.

- (4f) Water management and regulation; requirement for originating party approval.
- (4h) Water management and regulation; regional review.
- (4j) Water management and regulation; proposals subject to prior notice.
- (4L) Water management and regulation; council actions.
- (4m) Water management and regulation; prohibition of new or increased diversions.
- (4n) Water management and regulation; exceptions to the prohibition of diversions.
- (4p) Water management and regulation; management and regulation of new or increased withdrawals and consumptive uses.
- (4r) Water management and regulation; decision-making standard.
- (4t) Water management and regulation; applicability.
- (4v) Water management and regulation; exemptions.
- (4x) Water management and regulation; U.S. Supreme Court decree in *Wisconsin et al. v. Illinois et al.*
- (4z) Water management and regulation; assessment of cumulative impacts.
- (5) Consultation with tribes.
- (6) Public participation.
- (7) Dispute resolution and enforcement; good faith implementation.
- (7g) Dispute resolution and enforcement; alternative dispute resolution.
- (7r) Dispute resolution and enforcement; enforcement.
- (8) Additional provisions.
- (9) Effectuation.

The draft implements and interprets the compact by creating ss. 14.95 and 281.344, stats., and nonstatutory provisions. The subsections in these sections are identified below.

The draft creates s. 14.95, and includes the following subsections in this section:

- (1) Great Lakes–St. Lawrence river Basin Water Resources Council (the council).

- (2) The governor's alternate on the council.
- (3) The governor's advisor to the council.
- (4) The governor's voting authority on the council regarding the standard of review and decision.

The draft creates s. 281.344, stats., and includes the following subsections in this section:

- (1) Definitions.
- (2) Determinations concerning applicability of requirements.
- (3) Registration and reporting.
- (4) Diversions.
- (5) Withdrawals and consumptive uses.
- (6) Decision-making standard.
- (7) Exemptions.
- (8) Water conservation and efficiency.
- (9) Integrated review.
- (10) Water supply plans.
- (11) Water supply permits.
- (12) Tribal consultation and public participation.
- (13) Information, reports, and assessments.
- (14) Dispute resolution and penalties.
- (15) Rule-making; fees.

The draft creates nonstatutory provisions which create a water conservation advisory committee comprised of members appointed from specified groups and charged with advising the department of natural resources (DNR) regarding the development of the state's water conservation and efficiency goals and objectives and programs created in the draft.

**PREFATORY COMMENT:**

The bill draft is composed of the text of WLC: 0141/P3, as amended by the committee at its September 4, 2007 meeting and WLC: 0150/1.

The bill draft contains notes and comments following specific provisions in the draft, as well as a prefatory note and a prefatory comment. All of

the notes in this draft are notes under joint legislative rule 59. Under this rule, proposals introduced by the joint legislative council may include explanatory notes. Typically, these notes appear in the original version of the proposal and, if enacted, the session law or act, but not the statutes. The notes are only explanatory and do not constitute any part of the proposed act. Notes throughout this draft are used to indicate how and in which provisions in ss. 14.95 and 281.344 the committee is implementing and interpreting specific provisions in the compact.

The comments in the bill draft are temporary and are used by committee staff to communicate various types of information, including the origin of drafting instructions and background information. Staff comments are not included in the final version of any joint legislative council study committee's recommended bill draft.

In addition, this version of the bill draft does not contain provisions that reconcile requirements for registration and reporting of, and new approvals for, diversions, withdrawals, and consumptive uses required under s. 281.344, as created by this draft, with registration, reporting, and approvals for these activities required under existing law, including ss. 281.34 and 281.35. This version also does not contain appropriate references in existing law to the new statutes created by the draft.

1           **SECTION 1.** 14.95 of the statutes is created to read:

2           14.95 (1) GREAT LAKES-ST. LAWRENCE RIVER BASIN WATER RESOURCES COUNCIL. There  
3 is created a Great Lakes-St. Lawrence River basin water resources council under s. 281.343  
4 (2) (a). The governor may take such actions as are necessary for the initial organization and  
5 operation of the Great Lakes-St. Lawrence River basin water resources council.

**NOTE:** This provision implements s. 281.343 (2) (a) and (9) (b).

6           (2) The governor shall serve as this state's representative on the Great Lakes-St.  
7 Lawrence River basin water resources council. In discharging his or her responsibilities under  
8 s. 281.343 (2) and (3), the governor may designate the secretary of natural resources, or the  
9 secretary's designee, as the governor's alternate to attend all meetings of the Great Lakes-St.  
10 Lawrence River basin water resources council and to vote at all meetings of the Great  
11 Lakes-St. Lawrence River Basin Water Resources Council in the absence of the governor.

1 If the secretary chooses to specify a designee, the designee shall have knowledge of and  
2 experience with great lakes water management issues. If the secretary of natural resources  
3 chooses to specify a designee, his or her designee shall be nominated by the governor, and with  
4 the advice and consent of the senate be appointed to serve at the pleasure of the governor.

**NOTE:** This provision implements s. 281.343 (2) (c).

5 **(3)** In discharging his or her responsibilities under s. 281.343 (2) and (3), the governor  
6 may appoint an advisor to attend all meetings of the Great Lakes–St. Lawrence River Basin  
7 Water Resources Council and its committees. The governor’s advisor may not vote at  
8 meetings of the council. The advisor shall have knowledge of and experience with Great  
9 Lakes water management issues. The advisor shall be nominated by the governor, and with  
10 the advice and consent of the senate be appointed to serve at the pleasure of the governor.

**NOTE:** This section implements s. 281.343 (2) (e).

11 **(4)** (a) For purposes of this subsection, “standard of review and decision” means the  
12 exception standard under s. 281.343 (4n) (d), the decision–making standard under s. 281.343  
13 (4r) and reviews as outlined under s. 281.343 (4) to (4z) that do not deal solely with the internal  
14 management of the council.

15 (b) The governor or the governor’s alternate may not vote on a regulation that amends  
16 the standard of review and decision under s. 281.343 (3) (a) 2. unless the legislature has  
17 adopted a bill expressing the legislature’s approval of the regulation. The governor or the  
18 governor’s alternate may only cast a vote in accordance with the bill.

**NOTE:** This provision implements and interprets s. 281.343 (3) (a) 2. by specifying that the governor or the governor’s alternate may not cast a vote on the council regarding an amendment to the standard of review and decision, as defined in sub. (4) (a), unless the full legislature has passed a bill that approves of the vote.

**COMMENT:** Paragraph (b) was amended based on drafting instructions provided at the September 4, 2007 committee meeting.

1           **SECTION 2.** 20.370 (4) (bm) of the statutes is created to read:

2           20.370 (4) (bm) Water resources regulation and conservation – fees. From the general  
3 fund, the amount in this schedule for the administration of s. 281.344. All monies received  
4 from the fees under s. 281.344 (15) shall be credited to this appropriation.

**NOTE:** This provision creates an appropriation in ch. 20 in which the DNR must deposit any fees the department collects under the rule promulgated by the department under s. 281.344 (15).

**COMMENT:** This provision was created based on drafting instructions provided at the September 4, 2007 committee meeting. The creation of this appropriation does not authorize the DNR to expend funds under this appropriation or create any position authorizations for the DNR. These authorizations require additional legislation or approval from the joint committee on finance under ss. 16.505 and 16.515.

5           **SECTION 3.** 281.343 of the statutes is created to read:

6           **281.343 Great Lakes—St. Lawrence River Basin Water Resources Compact. (1)**

7           **RATIFICATION.** The Great Lakes—St. Lawrence River Basin Water Resources Compact,  
8 contained in subs. (1e) to (9), is ratified and approved, as implemented and interpreted in ss.  
9 14.95, 281.344, and 2007 Wisconsin Act ... (this Act), SECTION 6.

**NOTE:** This provision identifies the legislation that implements and interprets the compact.

10          **(1e) DEFINITIONS.** In this section, except as otherwise required by the context:

11          (a) “Adaptive management” means a water resources management system that provides  
12 a systematic process for evaluation, monitoring, and learning from the outcomes of  
13 operational programs and adjustment of policies, plans, and programs based on experience  
14 and the evolution of scientific knowledge concerning water resources and water dependent  
15 natural resources.

16          (am) “Agreement” means the Great Lakes—St. Lawrence River Basin Sustainable  
17 Water Resources Agreement.

1 (b) “Applicant” means a person who is required to submit a proposal that is subject to  
2 management and regulation under this compact. “Application” has a corresponding meaning.

3 (c) “Basin” or “Great Lakes—St. Lawrence River Basin” means the watershed of the  
4 Great Lakes and the St. Lawrence River upstream from Trois–Rivieres, Quebec within the  
5 jurisdiction of the parties.

6 (cm) “Basin ecosystem” or “Great Lakes—St. Lawrence River Basin ecosystem”  
7 means the interacting components of air, land, water, and living organisms, including  
8 humankind, within the basin.

9 (d) “Community within a straddling county” means any incorporated city, town, or the  
10 equivalent thereof, that is located outside the basin but wholly within a county that lies partly  
11 within the basin and that is not a straddling community.

12 (dm) “Compact” means this compact.

13 (e) “Consumptive use” means that portion of the water withdrawn or withheld from the  
14 basin that is lost or otherwise not returned to the basin due to evaporation, incorporation into  
15 products, or other processes.

16 (em) “Council” means the Great Lakes—St. Lawrence River Basin Water Resources  
17 Council, created by this compact.

18 (f) “Council review” means the collective review by the council members as described  
19 in subs. (4) to (4z).

20 (fm) “County” means the largest territorial division for local government in a state. The  
21 county boundaries shall be defined as those boundaries that exist as of December 13, 2005.

22 (g) “Cumulative impacts” means the impact on the basin ecosystem that results from  
23 incremental effects of all aspects of a withdrawal, diversion, or consumptive use in addition  
24 to other past, present, and reasonably foreseeable future withdrawals, diversions, and

1 consumptive uses regardless of who undertakes the other withdrawals, diversions, and  
2 consumptive uses. Cumulative impacts can result from individually minor but collectively  
3 significant withdrawals, diversions, and consumptive uses taking place over a period of time.

4 (gm) “Decision–making standard” means the decision–making standard established by  
5 sub. (4r) for proposals subject to management and regulation in sub. (4p).

6 (h) “Diversion” means a transfer of water from the basin into another watershed, or from  
7 the watershed of one of the Great Lakes into that of another by any means of transfer, including  
8 but not limited to a pipeline, canal, tunnel, aqueduct, channel, modification of the direction  
9 of a water course, a tanker ship, tanker truck, or rail tanker but does not apply to water that  
10 is used in the basin or a Great Lake watershed to manufacture or produce a product that is then  
11 transferred out of the basin or watershed. “Divert” has a corresponding meaning.

12 (i) “Environmentally sound and economically feasible water conservation measures”  
13 mean those measures, methods, technologies, or practices for efficient water use and for  
14 reduction of water loss and waste or for reducing a withdrawal, consumptive use, or diversion  
15 that are environmentally sound, reflect best practices applicable to the water use sector, are  
16 technically feasible and available, are economically feasible and cost effective based on an  
17 analysis that considers direct and avoided economic and environmental costs, and consider  
18 the particular facilities and processes involved, taking into account the environmental impact,  
19 age of equipment and facilities involved, the processes employed, energy impacts, and other  
20 appropriate factors.

21 (im) “Exception” means a transfer of water that is excepted under sub. (4n) from the  
22 prohibition against diversions in sub. (4m).

23 (j) “Exception standard” means the standard for exceptions established in sub. (4n) (d).

1 (jm) "Intra-basin transfer" means the transfer of water from the watershed of one of the  
2 Great Lakes into the watershed of another Great Lake.

3 (k) "Measures" means any legislation, law, regulation, directive, requirement,  
4 guideline, program, policy, administrative practice, or other procedure.

5 (km) "New or increased diversion" means a new diversion, an increase in an existing  
6 diversion, or the alteration of an existing withdrawal so that it becomes a diversion.

7 (L) "New or increased withdrawal or consumptive use" means a new withdrawal or  
8 consumptive use or an increase in an existing withdrawal or consumptive use.

9 (Lm) "Originating party" means the party within whose jurisdiction an application or  
10 registration is made or required.

11 (n) "Party" means a state that is a party to this compact.

12 (nm) "Person" means a human being or a legal person, including a government or a  
13 nongovernmental organization, including any scientific, professional, business, nonprofit, or  
14 public interest organization or association that is neither affiliated with, nor under the direction  
15 of a government.

16 (o) 1. "Product" means something produced in the basin by human or mechanical effort  
17 or through agricultural processes and used in manufacturing, commercial, or other processes  
18 or intended for intermediate or end use consumers.

19 2. Water used as part of the packaging of a product shall be considered to be part of the  
20 product.

21 3. Other than water used as part of the packaging of a product, water that is used  
22 primarily to transport materials in or out of the basin is not a product or part of a product.

23 4. Except as provided in subd. 2., water that is transferred as part of a public or private  
24 supply is not a product or part of a product.

1           5. Water in its natural state such as in lakes, rivers, reservoirs, aquifers, or water basins  
2 is not a product.

3           (om) “Proposal” means a withdrawal, diversion, or consumptive use of water that is  
4 subject to this compact.

5           (p) “Province” means Ontario or Quebec.

6           (pm) “Public water supply purposes” means water distributed to the public through a  
7 physically connected system of treatment, storage, and distribution facilities serving a group  
8 of largely residential customers that may also serve industrial, commercial, and other  
9 institutional operators. Water withdrawn directly from the basin and not through such a  
10 system shall not be considered to be used for public water supply purposes.

11           (q) “Regional body” means the members of the council and the premiers of Ontario and  
12 Quebec or their designee as established by the agreement.

13           (qm) “Regional review” means the collective review by the regional body as described  
14 in sub. (4h).

15           (r) “Source watershed” means the watershed from which a withdrawal originates. If  
16 water is withdrawn directly from a Great Lake or from the St. Lawrence River, then the source  
17 watershed shall be considered to be the watershed of that Great Lake or the watershed of the  
18 St. Lawrence River, respectively. If water is withdrawn from the watershed of a stream that  
19 is a direct tributary to a Great Lake or a direct tributary to the St. Lawrence River, then the  
20 source watershed shall be considered to be the watershed of that Great Lake or the watershed  
21 of the St. Lawrence River, respectively, with a preference to the direct tributary stream  
22 watershed from which it was withdrawn.

23           (rm) “Standard of review and decision” means the exception standard,  
24 decision-making standard, and reviews as outlined in subs. (4) to (4z).

1 (s) "State" means one of the states of Illinois, Indiana, Michigan, Minnesota, New York,  
2 Ohio, or Wisconsin or the Commonwealth of Pennsylvania.

3 (t) "Straddling community" means any incorporated city, town, or the equivalent  
4 thereof, wholly within any county that lies partly or completely within the basin, whose  
5 corporate boundary existing as of the effective date of this compact is partly within the basin  
6 or partly within 2 Great Lakes watersheds.

7 (u) "Technical review" means a detailed review conducted to determine whether or not  
8 a proposal that requires regional review under this compact meets the standard of review and  
9 decision following procedures and guidelines as set out in this compact.

10 (v) "Water" means groundwater or surface water contained within the basin.

11 (w) "Water dependent natural resources" means the interacting components of land,  
12 water, and living organisms affected by the waters of the basin.

13 (x) "Waters of the basin" or "basin water" means the Great Lakes and all streams, rivers,  
14 lakes, connecting channels, and other bodies of water, including tributary groundwater, within  
15 the basin.

16 (y) "Withdrawal" means the taking of water from surface water or groundwater.  
17 "Withdraw" has a corresponding meaning.

18 **(1m)** FINDINGS AND PURPOSES. The legislative bodies of the respective parties hereby  
19 find and declare:

20 (a) Findings:

21 1. The waters of the basin are precious public natural resources shared and held in trust  
22 by the states;

23 2. The waters of the basin are interconnected and part of a single hydrologic system;

1           3. The waters of the basin can concurrently serve multiple uses. Such multiple uses  
2 include municipal, public, industrial, commercial, agriculture, mining, navigation, energy  
3 development and production, recreation, the subsistence, economic, and cultural activities of  
4 native peoples, water quality maintenance, and the maintenance of fish and wildlife habitat  
5 and a balanced ecosystem. And, other purposes are encouraged, recognizing that such uses  
6 are interdependent and must be balanced;

7           4. Future diversions and consumptive uses of basin water resources have the potential  
8 to significantly impact the environment, economy, and welfare of the Great Lakes—St.  
9 Lawrence River region;

10          5. Continued sustainable, accessible, and adequate water supplies for the people and  
11 economy of the basin are of vital importance; and

12          6. The parties have a shared duty to protect, conserve, restore, improve, and manage  
13 the renewable but finite waters of the basin for the use, benefit, and enjoyment of all their  
14 citizens, including generations yet to come. The most effective means of protecting,  
15 conserving, restoring, improving, and managing the basin waters is through the joint pursuit  
16 of unified and cooperative principles, policies, and programs mutually agreed upon, enacted,  
17 and adhered to by all parties.

18           (b) Purposes:

19           1. To act together to protect, conserve, restore, improve, and effectively manage the  
20 waters and water dependent natural resources of the basin under appropriate arrangements for  
21 intergovernmental cooperation and consultation because current lack of full scientific  
22 certainty should not be used as a reason for postponing measures to protect the basin  
23 ecosystem;

24           2. To remove causes of present and future controversies;

1           3. To provide for cooperative planning and action by the parties with respect to such  
2 water resources;

3           4. To facilitate consistent approaches to water management across the basin while  
4 retaining state management authority over water management decisions within the basin;

5           5. To facilitate the exchange of data, strengthen the scientific information base upon  
6 which decisions are made, and engage in consultation on the potential effects of proposed  
7 withdrawals and losses on the waters and water dependent natural resources of the basin;

8           6. To prevent significant adverse impacts of withdrawals and losses on the basin's  
9 ecosystems and watersheds;

10          7. To promote interstate and state-provincial comity; and

11          8. To promote an adaptive management approach to the conservation and management  
12 of basin water resources that recognizes, considers, and provides adjustments for the  
13 uncertainties in, and evolution of, scientific knowledge concerning the basin's waters and  
14 water dependent natural resources.

15          **(1s) SCIENCE.** (a) The parties commit to provide leadership for the development of a  
16 collaborative strategy with other regional partners to strengthen the scientific basis for sound  
17 water management decision making under this compact.

18          (b) The strategy shall guide the collection and application of scientific information to  
19 support:

20           1. An improved understanding of the individual and cumulative impacts of withdrawals  
21 from various locations and water sources on the basin ecosystem and to develop a mechanism  
22 by which impacts of withdrawals may be assessed;

23           2. The periodic assessment of cumulative impacts of withdrawals, diversions, and  
24 consumptive uses on a Great Lake and St. Lawrence River watershed basis;

1           3. Improved scientific understanding of the waters of the basin;

2           4. Improved understanding of the role of groundwater in basin water resources  
3 management; and

4           5. The development, transfer, and application of science and research related to water  
5 conservation and water use efficiency.

6           (2) ORGANIZATION. (a) *Council created.* The Great Lakes—St. Lawrence River Basin  
7 Water Resources Council is hereby created as a body politic and corporate, with succession  
8 for the duration of this compact, as an agency and instrumentality of the governments of the  
9 respective parties.

10           (b) *Council membership.* The council shall consist of the governors of the parties, ex  
11 officio.

12           (c) *Alternates.* Each member of the council shall appoint at least one alternate who may  
13 act in his or her place and stead, with authority to attend all meetings of the council and with  
14 power to vote in the absence of the member. Unless otherwise provided by law of the party  
15 for which he or she is appointed, each alternate shall serve during the term of the member  
16 appointing him or her, subject to removal at the pleasure of the member. In the event of a  
17 vacancy in the office of alternate, it shall be filled in the same manner as an original  
18 appointment for the unexpired term only.

19           (d) *Voting.* 1. Each member is entitled to one vote on all matters that may come before  
20 the council.

21           2. Unless otherwise stated, the rule of decision shall be by a simple majority.

22           3. The council shall annually adopt a budget for each fiscal year and the amount required  
23 to balance the budget shall be apportioned equitably among the parties by unanimous vote of

1 the council. The appropriation of such amounts shall be subject to such review and approval  
2 as may be required by the budgetary processes of the respective parties.

3 4. The participation of council members from a majority of the parties shall constitute  
4 a quorum for the transaction of business at any meeting of the council.

5 (e) *Organization and procedure.* The council shall provide for its own organization and  
6 procedure, and may adopt rules and regulations governing its meetings and transactions, as  
7 well as the procedures and timeline for submission, review, and consideration of proposals that  
8 come before the council for its review and action. The council shall organize, annually, by  
9 the election of a chairperson and vice chairperson from among its members. Each member  
10 may appoint an advisor, who may attend all meetings of the council and its committees, but  
11 shall not have voting power. The council may employ or appoint professional and  
12 administrative personnel, including an executive director, as it may deem advisable, to carry  
13 out the purposes of this compact.

14 (f) *Use of existing offices and agencies.* It is the policy of the parties to preserve and  
15 utilize the functions, powers, and duties of existing offices and agencies of government to the  
16 extent consistent with this compact. Further, the council shall promote and aid the  
17 coordination of the activities and programs of the parties concerned with water resources  
18 management in the basin. To this end, but without limitation, the council may:

19 1. Advise, consult, contract, assist, or otherwise cooperate with any and all such  
20 agencies;

21 2. Employ any other agency or instrumentality of any of the parties for any purpose;  
22 and

23 3. Develop and adopt plans consistent with the water resources plans of the parties.

1           (g) *Jurisdiction.* The council shall have, exercise, and discharge its functions, powers,  
2 and duties within the limits of the basin. Outside the basin, it may act in its discretion, but only  
3 to the extent such action may be necessary or convenient to effectuate or implement its powers  
4 or responsibilities within the basin and subject to the consent of the jurisdiction wherein it  
5 proposes to act.

6           (h) *Status, immunities, and privileges.* 1. The council, its members and personnel in  
7 their official capacity and when engaged directly in the affairs of the council, its property, and  
8 its assets, wherever located and by whomsoever held, shall enjoy the same immunity from suit  
9 and every form of judicial process as is enjoyed by the parties, except to the extent that the  
10 council may expressly waive its immunity for the purposes of any proceedings or by the terms  
11 of any contract.

12           2. The property and assets of the council, wherever located and by whomsoever held,  
13 shall be considered public property and shall be immune from search, requisition,  
14 confiscation, expropriation, or any other form of taking or foreclosure by executive or  
15 legislative action.

16           3. The council, its property and its assets, income, and the operations it carries out  
17 pursuant to this compact shall be immune from all taxation by or under the authority of any  
18 of the parties or any political subdivision thereof; provided, however, that in lieu of property  
19 taxes the council may make reasonable payments to local taxing districts in annual amounts  
20 that shall approximate the taxes lawfully assessed upon similar property.

21           (i) *Advisory committees.* The council may constitute and empower advisory  
22 committees, which may be comprised of representatives of the public and of federal, state,  
23 tribal, county, and local governments, water resources agencies, water-using industries and  
24 sectors, water-interest groups, and academic experts in related fields.

1           **(3) GENERAL POWERS AND DUTIES.** (a) *General.* 1. The waters and water dependent  
2 natural resources of the basin are subject to the sovereign right and responsibilities of the  
3 parties, and it is the purpose of this compact to provide for joint exercise of such powers of  
4 sovereignty by the council in the common interests of the people of the region, in the manner  
5 and to the extent provided in this compact. The council and the parties shall use the standard  
6 of review and decision and procedures contained in or adopted pursuant to this compact as the  
7 means to exercise their authority under this compact.

8           2. The council may revise the standard of review and decision, after consultation with  
9 the provinces and upon unanimous vote of all council members, by regulation duly adopted  
10 in accordance with par. (c) and in accordance with each party's respective statutory authorities  
11 and applicable procedures.

12           3. The council shall identify priorities and develop plans and policies relating to basin  
13 water resources. It shall adopt and promote uniform and coordinated policies for water  
14 resources conservation and management in the basin.

15           (b) *Council powers.* The council may plan; conduct research and collect, compile,  
16 analyze, interpret, report, and disseminate data on water resources and uses; forecast water  
17 levels; conduct investigations; institute court actions; design, acquire, construct, reconstruct,  
18 own, operate, maintain, control, sell, and convey real and personal property and any interest  
19 therein as it may deem necessary, useful, or convenient to carry out the purposes of this  
20 compact; make contracts; receive and accept such payments, appropriations, grants, gifts,  
21 loans, advances, and other funds, properties, and services as may be transferred or made  
22 available to it by any party or by any other public or private agency, corporation, or individual;  
23 and exercise such other and different powers as may be delegated to it by this compact or

1 otherwise pursuant to law, and have and exercise all powers necessary or convenient to carry  
2 out its express powers or that may be reasonably implied therefrom.

3 (c) *Rules and regulations.* 1. The council may promulgate and enforce such rules and  
4 regulations as may be necessary for the implementation and enforcement of this compact. The  
5 council may adopt by regulation, after public notice and public hearing, reasonable  
6 application fees with respect to those proposals for exceptions that are subject to council  
7 review under sub. (4n). Any rule or regulation of the council, other than one that deals solely  
8 with the internal management of the council or its property, shall be adopted only after public  
9 notice and hearing.

10 2. Each party, in accordance with its respective statutory authorities and applicable  
11 procedures, may adopt and enforce rules and regulations to implement and enforce this  
12 compact and the programs adopted by such party to carry out the management programs  
13 contemplated by this compact.

14 (d) *Program review and findings.* 1. Each party shall submit a report to the council and  
15 the regional body detailing its water management and conservation and efficiency programs  
16 that implement this compact. The report shall set out the manner in which water withdrawals  
17 are managed by sector, water source, quantity, or any other means, and how the provisions of  
18 the standard of review and decision and conservation and efficiency programs are  
19 implemented. The first report shall be provided by each party one year from the effective date  
20 of this compact and thereafter every 5 years.

21 2. The council, in cooperation with the provinces, shall review its water management  
22 and conservation and efficiency programs and those of the parties that are established in this  
23 compact and make findings on whether the water management program provisions in this

1 compact are being met, and if not, recommend options to assist the parties in meeting the  
2 provisions of this compact. Such review shall take place:

- 3 a. Thirty days after the first report is submitted by all parties; and
- 4 b. Every 5 years after the effective date of this compact; and
- 5 c. At any other time at the request of one of the parties.

6 3. As one of its duties and responsibilities, the council may recommend a range of  
7 approaches to the parties with respect to the development, enhancement, and application of  
8 water management and conservation and efficiency programs to implement the standard of  
9 review and decision reflecting improved scientific understanding of the waters of the basin,  
10 including groundwater, and the impacts of withdrawals on the basin ecosystem.

11 **(4) WATER MANAGEMENT AND REGULATION; WATER RESOURCES INVENTORY, REGISTRATION,**  
12 **AND REPORTING.** (a) Within 5 years of the effective date of this compact, each party shall  
13 develop and maintain a water resources inventory for the collection, interpretation, storage,  
14 retrieval, exchange, and dissemination of information concerning the water resources of the  
15 party, including but not limited to information on the location, type, quantity, and use of those  
16 resources and the location, type, and quantity of withdrawals, diversions, and consumptive  
17 uses. To the extent feasible, the water resources inventory shall be developed in cooperation  
18 with local, state, federal, tribal, and other private agencies and entities, as well as the council.  
19 Each party's agencies shall cooperate with that party in the development and maintenance of  
20 the inventory.

21 (b) The council shall assist each party to develop a common base of data regarding the  
22 management of the water resources of the basin and to establish systematic arrangements for  
23 the exchange of those data with other states and provinces.

1           (c) To develop and maintain a compatible base of water use information, within 5 years  
2 of the effective date of this compact any person who withdraws water in an amount of 100,000  
3 gallons per day or greater average in any 30–day period, including consumptive uses, from  
4 all sources, or diverts water of any amount, shall register the withdrawal or diversion by a date  
5 set by the council unless the person has previously registered in accordance with an existing  
6 state program. The person shall register the withdrawal or diversion with the originating party  
7 using a form prescribed by the originating party that shall include, at a minimum and without  
8 limitation: the name and address of the registrant and date of registration; the locations and  
9 sources of the withdrawal or diversion; the capacity of the withdrawal or diversion per day and  
10 the amount withdrawn or diverted from each source; the uses made of the water; places of use  
11 and places of discharge; and such other information as the originating party may require. All  
12 registrations shall include an estimate of the volume of the withdrawal or diversion in terms  
13 of gallons per day average in any 30–day period.

14           (d) All registrants shall annually report the monthly volumes of the withdrawal,  
15 consumptive use, and diversion in gallons to the originating party and any other information  
16 requested by the originating party.

17           (e) Each party shall annually report the information gathered pursuant to this subsection  
18 to a Great Lakes—St. Lawrence River water use data base repository and aggregated  
19 information shall be made publicly available, consistent with the confidentiality requirements  
20 in sub. (8) (c).

21           (f) Information gathered by the parties pursuant to this subsection shall be used to  
22 improve the sources and applications of scientific information regarding the waters of the  
23 basin and the impacts of the withdrawals and diversions from various locations and water  
24 sources on the basin ecosystem and to better understand the role of groundwater in the basin.

1 The council and the parties shall coordinate the collection and application of scientific  
2 information to further develop a mechanism by which individual and cumulative impacts of  
3 withdrawals, consumptive uses, and diversions shall be assessed.

4 **(4b)** WATER MANAGEMENT AND REGULATION; WATER CONSERVATION AND EFFICIENCY  
5 PROGRAMS. (a) The council commits to identify, in cooperation with the provinces,  
6 basin-wide water conservation and efficiency objectives to assist the parties in developing  
7 their water conservation and efficiency programs. These objectives are based on the goals of:

- 8 1. Ensuring improvement of the waters and water dependent natural resources;
- 9 2. Protecting and restoring the hydrologic and ecosystem integrity of the basin;
- 10 3. Retaining the quantity of surface water and groundwater in the basin;
- 11 4. Ensuring sustainable use of waters of the basin; and
- 12 5. Promoting the efficiency of use and reducing losses and waste of water.

13 (b) Within 2 years of the effective date of this compact, each party shall develop its own  
14 water conservation and efficiency goals and objectives consistent with the basin-wide goals  
15 and objectives and shall develop and implement a water conservation and efficiency program,  
16 either voluntary or mandatory, within its jurisdiction based on the party's goals and objectives.  
17 Each party shall annually assess its programs in meeting the party's goals and objectives,  
18 report to the council and the regional body, and make this annual assessment available to the  
19 public.

20 (c) Beginning 5 years after the effective date of this compact, and every 5 years  
21 thereafter, the council, in cooperation with the provinces, shall review and modify as  
22 appropriate the basin-wide objectives, and the parties shall have regard for any such  
23 modifications in implementing their programs. This assessment will be based on examining

1 new technologies, new patterns of water use, new resource demands and threats, and  
2 cumulative impact assessment under sub. (4z).

3 (d) Within 2 years of the effective date of this compact, the parties commit to promote  
4 environmentally sound and economically feasible water conservation measures such as:

5 1. Measures that promote efficient use of water;

6 2. Identification and sharing of best management practices and state of the art  
7 conservation and efficiency technologies;

8 3. Application of sound planning principles;

9 4. Demand-side and supply-side measures or incentives; and

10 5. Development, transfer, and application of science and research.

11 (e) Each party shall implement in accordance with par. (b) a voluntary or mandatory  
12 water conservation program for all, including existing, basin water users. Conservation  
13 programs need to adjust to new demands and the potential impacts of cumulative effects and  
14 climate.

15 **(4d) WATER MANAGEMENT AND REGULATION; PARTY POWERS AND DUTIES.** (a) Each party,  
16 within its jurisdiction, shall manage and regulate new or increased withdrawals, consumptive  
17 uses, and diversions, including exceptions, in accordance with this compact.

18 (b) Each party shall require an applicant to submit an application in such manner and  
19 with such accompanying information as the party shall prescribe.

20 (c) No party may approve a proposal if the party determines that the proposal is  
21 inconsistent with this compact or the standard of review and decision or any implementing  
22 rules or regulations promulgated thereunder. The party may approve, approve with  
23 modifications, or disapprove any proposal depending on the proposal's consistency with this  
24 compact and the standard of review and decision.

1 (d) Each party shall monitor the implementation of any approved proposal to ensure  
2 consistency with the approval and may take all necessary enforcement actions.

3 (e) No party shall approve a proposal subject to council or regional review, or both,  
4 pursuant to this compact unless it shall have been first submitted to and reviewed by either the  
5 council or regional body, or both, and approved by the council, as applicable. Sufficient  
6 opportunity shall be provided for comment on the proposal's consistency with this compact  
7 and the standard of review and decision. All such comments shall become part of the party's  
8 formal record of decision, and the party shall take into consideration any such comments  
9 received.

10 **(4f)** WATER MANAGEMENT AND REGULATION; REQUIREMENT FOR ORIGINATING PARTY  
11 APPROVAL. No proposal subject to management and regulation under this compact shall  
12 hereafter be undertaken by any person unless it shall have been approved by the originating  
13 party.

14 **(4h)** WATER MANAGEMENT AND REGULATION; REGIONAL REVIEW. (a) *General*. 1. It is the  
15 intention of the parties to participate in regional review of proposals with the provinces, as  
16 described in this compact and the agreement.

17 2. Unless the applicant or the originating party otherwise requests, it shall be the goal  
18 of the regional body to conclude its review no later than 90 days after notice under par. (b) of  
19 such proposal is received from the originating party.

20 3. Proposals for exceptions subject to regional review shall be submitted by the  
21 originating party to the regional body for regional review and, where applicable, to the council  
22 for concurrent review.

23 4. The parties agree that the protection of the integrity of the Great Lakes—St.  
24 Lawrence River Basin ecosystem shall be the overarching principle for reviewing proposals

1 subject to regional review, recognizing uncertainties with respect to demands that may be  
2 placed on basin water, including groundwater, levels and flows of the Great Lakes and the St.  
3 Lawrence River, future changes in environmental conditions, the reliability of existing data,  
4 and the extent to which diversions may harm the integrity of the basin ecosystem.

5 5. The originating party shall have lead responsibility for coordinating information for  
6 resolution of issues related to evaluation of a proposal and shall consult with the applicant  
7 throughout the regional review process.

8 6. A majority of the members of the regional body may request regional review of a  
9 regionally significant or potentially precedent setting proposal. Such regional review must  
10 be conducted, to the extent possible, within the time frames set forth in this subsection. Any  
11 such regional review shall be undertaken only after consulting the applicant.

12 (b) *Notice from originating party to the regional body.* 1. The originating party shall  
13 determine if a proposal is subject to regional review. If so, the originating party shall provide  
14 timely notice to the regional body and the public.

15 2. Such notice shall not be given unless and until all information, documents, and the  
16 originating party's technical review needed to evaluate whether the proposal meets the  
17 standard of review and decision have been provided.

18 3. An originating party may:

19 a. Provide notice to the regional body of an application, even if notification is not  
20 required; or

21 b. Request regional review of an application, even if regional review is not required.

22 Any such regional review shall be undertaken only after consulting the applicant.

23 4. An originating party may provide preliminary notice of a potential proposal.

1           (c) *Public participation.* 1. To ensure adequate public participation, the regional body  
2 shall adopt procedures for the review of proposals that are subject to regional review in  
3 accordance with subs. (4) to (4z).

4           2. The regional body shall provide notice to the public of a proposal undergoing regional  
5 review. Such notice shall indicate that the public has an opportunity to comment in writing  
6 to the regional body on whether the proposal meets the standard of review and decision.

7           3. The regional body shall hold a public meeting in the state or province of the  
8 originating party in order to receive public comment on the issue of whether the proposal  
9 under consideration meets the standard of review and decision.

10          4. The regional body shall consider the comments received before issuing a declaration  
11 of finding.

12          5. The regional body shall forward the comments it receives to the originating party.

13           (d) *Technical review.* 1. The originating party shall provide the regional body with its  
14 technical review of the proposal under consideration.

15          2. The originating party's technical review shall thoroughly analyze the proposal and  
16 provide an evaluation of the proposal sufficient for a determination of whether the proposal  
17 meets the standard of review and decision.

18          3. Any member of the regional body may conduct the member's own technical review  
19 of any proposal subject to regional review.

20          4. At the request of the majority of its members, the regional body shall make such  
21 arrangements as it considers appropriate for an independent technical review of a proposal.

22          5. All parties shall exercise their best efforts to ensure that a technical review undertaken  
23 under subd. 3. or 4. does not unnecessarily delay the decision by the originating party on the  
24 application. Unless the applicant or the originating party otherwise requests, all technical

1 reviews shall be completed no later than 60 days after the date the notice of the proposal was  
2 given to the regional body.

3 (e) *Declaration of finding.* 1. The regional body shall meet to consider a proposal. The  
4 applicant shall be provided with an opportunity to present the proposal to the regional body  
5 at such time.

6 2. The regional body, having considered the notice, the originating party's technical  
7 review, any other independent technical review that is made, any comments or objections  
8 including the analysis of comments made by the public and first nations and federally  
9 recognized tribes, and any other information that is provided under this compact shall issue  
10 a declaration of finding that the proposal under consideration:

11 a. Meets the standard of review and decision;

12 b. Does not meet the standard of review and decision; or

13 c. Would meet the standard of review and decision if certain conditions were met.

14 3. An originating party may decline to participate in a declaration of finding made by  
15 the regional body.

16 4. The parties recognize and affirm that it is preferable for all members of the regional  
17 body to agree whether the proposal meets the standard of review and decision.

18 5. If the members of the regional body who participate in the declaration of finding all  
19 agree, they shall issue a written declaration of finding with consensus.

20 6. In the event that the members cannot agree, the regional body shall make every  
21 reasonable effort to achieve consensus within 25 days.

22 7. Should consensus not be achieved, the regional body may issue a declaration of  
23 finding that presents different points of view and indicates each party's conclusions.

24 8. The regional body shall release the declarations of finding to the public.

1           9. The originating party and the council shall consider the declaration of finding before  
2 making a decision on the proposal.

3           **(4j)** WATER MANAGEMENT AND REGULATION; PROPOSALS SUBJECT TO PRIOR NOTICE. (a)  
4 Beginning no later than 5 years after the effective date of this compact, the originating party  
5 shall provide all parties and the provinces with detailed and timely notice and an opportunity  
6 to comment within 90 days on any proposal for a new or increased consumptive use of  
7 5,000,000 gallons per day or greater average in any 90-day period. Comments shall address  
8 whether or not the proposal is consistent with the standard of review and decision. The  
9 originating party shall provide a response to any such comment received from another party.

10           (b) A party may provide notice, an opportunity to comment, and a response to  
11 comments even if this is not required under par. (a). Any provision of such notice and  
12 opportunity to comment shall be undertaken only after consulting the applicant.

13           **(4L)** WATER MANAGEMENT AND REGULATION; COUNCIL ACTIONS. (a) Proposals for  
14 exceptions subject to council review shall be submitted by the originating party to the council  
15 for council review, and where applicable, to the regional body for concurrent review.

16           (b) The council shall review and take action on proposals in accordance with this  
17 compact and the standard of review and decision. The council shall not take action on a  
18 proposal subject to regional review pursuant to this compact unless the proposal shall have  
19 been first submitted to and reviewed by the regional body. The council shall consider any  
20 findings resulting from such review.

21           **(4m)** WATER MANAGEMENT AND REGULATION; PROHIBITION OF NEW OR INCREASED  
22 DIVERSIONS. All new or increased diversions are prohibited, except as provided for in sub. (4n).

23           **(4n)** WATER MANAGEMENT AND REGULATION; EXCEPTIONS TO THE PROHIBITION OF  
24 DIVERSIONS. (a) *Straddling communities*. A proposal to transfer water to an area within a

1 straddling community but outside the basin or outside the source Great Lake watershed shall  
2 be excepted from the prohibition against diversions and be managed and regulated by the  
3 originating party provided that, regardless of the volume of water transferred, all of the water  
4 so transferred shall be used solely for public water supply purposes within the straddling  
5 community, and:

6 1. All water withdrawn from the basin shall be returned, either naturally or after use,  
7 to the source watershed less an allowance for consumptive use. No surface water or  
8 groundwater from outside the basin may be used to satisfy any portion of this criterion except  
9 if it:

10 a. Is part of a water supply or wastewater treatment system that combines water from  
11 inside and outside of the basin;

12 b. Is treated to meet applicable water quality discharge standards and to prevent the  
13 introduction of invasive species into the basin;

14 c. Maximizes the portion of water returned to the source watershed as basin water and  
15 minimizes the surface water or groundwater from outside the basin;

16 2. If the proposal results from a new or increased withdrawal of 100,000 gallons per day  
17 or greater average over any 90-day period, the proposal shall also meet the exception standard;  
18 and

19 3. If the proposal results in a new or increased consumptive use of 5,000,000 gallons  
20 per day or greater average over any 90-day period, the proposal shall also undergo regional  
21 review.

22 (b) *Intra-basin transfer.* A proposal for an intra-basin transfer that would be  
23 considered a diversion under this compact, and not already excepted pursuant to par. (a), shall  
24 be excepted from the prohibition against diversions, provided that:

1           1. If the proposal results from a new or increased withdrawal of less than 100,000  
2 gallons per day average over any 90–day period, the proposal shall be subject to management  
3 and regulation at the discretion of the originating party.

4           2. If the proposal results from a new or increased withdrawal of 100,000 gallons per day  
5 or greater average over any 90–day period and if the consumptive use resulting from the  
6 withdrawal is less than 5,000,000 gallons per day average over any 90–day period:

7           a. The proposal shall meet the exception standard and be subject to management and  
8 regulation by the originating party, except that the water may be returned to another Great  
9 Lake watershed rather than the source watershed;

10          b. The applicant shall demonstrate that there is no feasible, cost effective, and  
11 environmentally sound water supply alternative within the Great Lake watershed to which the  
12 water will be transferred, including conservation of existing water supplies; and

13          c. The originating party shall provide notice to the other parties prior to making any  
14 decision with respect to the proposal.

15          3. If the proposal results in a new or increased consumptive use of 5,000,000 gallons  
16 per day or greater average over any 90–day period:

17          a. The proposal shall be subject to management and regulation by the originating party  
18 and shall meet the exception standard, ensuring that water withdrawn shall be returned to the  
19 source watershed;

20          b. The applicant shall demonstrate that there is no feasible, cost effective, and  
21 environmentally sound water supply alternative within the Great Lake watershed to which the  
22 water will be transferred, including conservation of existing water supplies;

23          c. The proposal undergoes regional review; and

1           d. The proposal is approved by the council. Council approval shall be given unless one  
2 or more council members vote to disapprove.

3           (c) *Straddling counties.* 1. A proposal to transfer water to a community within a  
4 straddling county that would be considered a diversion under this compact shall be excepted  
5 from the prohibition against diversions, provided that it satisfies all of the following  
6 conditions:

7           a. The water shall be used solely for the public water supply purposes of the community  
8 within a straddling county that is without adequate supplies of potable water;

9           b. The proposal meets the exception standard, maximizing the portion of water returned  
10 to the source watershed as basin water and minimizing the surface water or groundwater from  
11 outside the basin;

12           c. The proposal shall be subject to management and regulation by the originating party,  
13 regardless of its size;

14           d. There is no reasonable water supply alternative within the basin in which the  
15 community is located, including conservation of existing water supplies;

16           e. Caution shall be used in determining whether or not the proposal meets the conditions  
17 for this exception. This exception should not be authorized unless it can be shown that it will  
18 not endanger the integrity of the basin ecosystem;

19           f. The proposal undergoes regional review; and

20           g. The proposal is approved by the council. Council approval shall be given unless one  
21 or more council members vote to disapprove.

22           2. A proposal must satisfy all of the conditions listed above. Further, substantive  
23 consideration will also be given to whether or not the proposal can provide sufficient

1 scientifically based evidence that the existing water supply is derived from groundwater that  
2 is hydrologically interconnected to waters of the basin.

3 (d) *Exception standard.* Proposals subject to management and regulation in this  
4 subsection shall be declared to meet this exception standard and may be approved as  
5 appropriate only when the following criteria are met:

6 1. The need for all or part of the proposed exception cannot be reasonably avoided  
7 through the efficient use and conservation of existing water supplies;

8 2. The exception will be limited to quantities that are considered reasonable for the  
9 purposes for which it is proposed;

10 3. All water withdrawn shall be returned, either naturally or after use, to the source  
11 watershed less an allowance for consumptive use. No surface water or groundwater from  
12 outside the basin may be used to satisfy any portion of this criterion except if it:

13 a. Is part of a water supply or wastewater treatment system that combines water from  
14 inside and outside of the basin; and

15 b. Is treated to meet applicable water quality discharge standards and to prevent the  
16 introduction of invasive species into the basin;

17 4. The exception will be implemented so as to ensure that it will result in no significant  
18 individual or cumulative adverse impacts to the quantity or quality of the waters and water  
19 dependent natural resources of the basin with consideration given to the potential cumulative  
20 impacts of any precedent-setting consequences associated with the proposal;

21 5. The exception will be implemented so as to incorporate environmentally sound and  
22 economically feasible water conservation measures to minimize water withdrawals or  
23 consumptive use;

1           6. The exception will be implemented so as to ensure that it is in compliance with all  
2 applicable municipal, state, and federal laws as well as regional interstate and international  
3 agreements, including the Boundary Waters Treaty of 1909; and

4           7. All other applicable criteria in this subsection have also been met.

5           **(4p)** WATER MANAGEMENT AND REGULATION; MANAGEMENT AND REGULATION OF NEW OR  
6 INCREASED WITHDRAWALS AND CONSUMPTIVE USES. (a) Within 5 years of the effective date of  
7 this compact, each party shall create a program for the management and regulation of new or  
8 increased withdrawals and consumptive uses by adopting and implementing measures  
9 consistent with the decision-making standard. Each party, through a considered process, shall  
10 set and may modify threshold levels for the regulation of new or increased withdrawals in  
11 order to assure an effective and efficient water management program that will ensure that uses  
12 overall are reasonable, that withdrawals overall will not result in significant impacts to the  
13 waters and water dependent natural resources of the basin, determined on the basis of  
14 significant impacts to the physical, chemical, and biological integrity of source watersheds,  
15 and that all other objectives of the compact are achieved. Each party may determine the scope  
16 and thresholds of its program, including which new or increased withdrawals and  
17 consumptive uses will be subject to the program.

18           (b) Any party that fails to set threshold levels that comply with par. (a) any time before  
19 10 years after the effective date of this compact shall apply a threshold level for management  
20 and regulation of all new or increased withdrawals of 100,000 gallons per day or greater  
21 average in any 90-day period.

22           (c) The parties intend programs for new or increased withdrawals and consumptive uses  
23 to evolve as may be necessary to protect basin waters. Pursuant to sub. (3) (d), the council,  
24 in cooperation with the provinces, shall periodically assess the water management programs

1 of the parties. Such assessments may produce recommendations for the strengthening of the  
2 programs, including, without limitation, establishing lower thresholds for management and  
3 regulation in accordance with the decision-making standard.

4 **(4r)** WATER MANAGEMENT AND REGULATION; DECISION-MAKING STANDARD. Proposals  
5 subject to management and regulation in sub. (4p) shall be declared to meet this  
6 decision-making standard and may be approved as appropriate only when the following  
7 criteria are met:

8 (a) All water withdrawn shall be returned, either naturally or after use, to the source  
9 watershed less an allowance for consumptive use;

10 (b) The withdrawal or consumptive use will be implemented so as to ensure that the  
11 proposal will result in no significant individual or cumulative adverse impacts to the quantity  
12 or quality of the waters and water dependent natural resources and the applicable source  
13 watershed;

14 (c) The withdrawal or consumptive use will be implemented so as to incorporate  
15 environmentally sound and economically feasible water conservation measures;

16 (d) The withdrawal or consumptive use will be implemented so as to ensure that it is  
17 in compliance with all applicable municipal, state, and federal laws as well as regional  
18 interstate and international agreements, including the Boundary Waters Treaty of 1909; and

19 (e) The proposed use is reasonable, based upon a consideration of the following factors:

20 1. Whether the proposed withdrawal or consumptive use is planned in a fashion that  
21 provides for efficient use of the water and will avoid or minimize the waste of water;

22 2. If the proposal is for an increased withdrawal or consumptive use, whether efficient  
23 use is made of existing water supplies;

1           3. The balance between economic development, social development, and  
2 environmental protection of the proposed withdrawal and use and other existing or planned  
3 withdrawals and water uses sharing the water source;

4           4. The supply potential of the water source, considering quantity, quality, and reliability  
5 and safe yield of hydrologically interconnected water sources;

6           5. The probable degree and duration of any adverse impacts caused or expected to be  
7 caused by the proposed withdrawal and use, under foreseeable conditions, to other lawful  
8 consumptive or nonconsumptive uses of water or to the quantity or quality of the waters and  
9 water dependent natural resources of the basin, and the proposed plans and arrangements for  
10 avoidance or mitigation of such impacts; and

11           6. If a proposal includes restoration of hydrologic conditions and functions of the source  
12 watershed, the party may consider that.

13           **(4t) WATER MANAGEMENT AND REGULATION; APPLICABILITY.** (a) *Minimum standard.* This  
14 standard of review and decision shall be used as a minimum standard. Parties may impose a  
15 more restrictive decision-making standard for withdrawals under their authority. It is also  
16 acknowledged that although a proposal meets the standard of review and decision it may not  
17 be approved under the laws of the originating party that has implemented more restrictive  
18 measures.

19           (b) *Baseline.* 1. To establish a baseline for determining a new or increased diversion,  
20 consumptive use, or withdrawal, each party shall develop either or both of the following lists  
21 for the party's jurisdiction:

22           a. A list of existing withdrawal approvals as of the effective date of the compact.

23           b. A list of the capacity of existing systems as of the effective date of this compact. The  
24 capacity of the existing systems should be presented in terms of withdrawal capacity,

1 treatment capacity, distribution capacity, or other capacity limiting factors. The capacity of  
2 the existing systems must represent the state of the systems. Existing capacity determinations  
3 shall be based upon approval limits or the most restrictive capacity information.

4 2. For all purposes of this compact, volumes of diversions, consumptive uses, or  
5 withdrawals of water set forth in the lists prepared by each party in accordance with this  
6 paragraph shall constitute the baseline volume.

7 3. The lists shall be furnished to the regional body and the council within one year of  
8 the effective date of this compact.

9 (c) *Timing of additional applications.* Applications for new or increased withdrawals,  
10 consumptive uses, or exceptions shall be considered cumulatively within 10 years of any  
11 application.

12 (d) *Change of ownership.* Unless a new owner proposes a project that shall result in  
13 a proposal for a new or increased diversion or consumptive use subject to regional review or  
14 council approval, the change of ownership in and of itself shall not require regional review  
15 or council approval.

16 (e) *Groundwater.* The basin surface water divide shall be used for the purpose of  
17 managing and regulating new or increased diversions, consumptive uses, or withdrawals of  
18 surface water and groundwater.

19 (f) *Withdrawal systems.* The total volume of surface water and groundwater resources  
20 that supply a common distribution system shall determine the volume of a withdrawal,  
21 consumptive use, or diversion.

22 (g) *Connecting channels.* The watershed of each Great Lake shall include its upstream  
23 and downstream connecting channels.

1           (h) *Transmission in water lines.* Transmission of water within a line that extends outside  
2 the basin as it conveys water from one point to another within the basin shall not be considered  
3 a diversion if none of the water is used outside the basin.

4           (i) *Hydrologic units.* The Lake Michigan and Lake Huron watersheds shall be  
5 considered to be a single hydrologic unit and watershed.

6           (j) *Bulk water transfer.* A proposal to withdraw water and to remove it from the basin  
7 in any container greater than 5.7 gallons shall be treated under this compact in the same manner  
8 as a proposal for a diversion. Each party shall have the discretion, within its jurisdiction, to  
9 determine the treatment of proposals to withdraw water and to remove it from the basin in any  
10 container of 5.7 gallons or less.

11           **(4v)** WATER MANAGEMENT AND REGULATION; EXEMPTIONS. Withdrawals from the basin  
12 for the following purposes are exempt from the requirements of subs. (4) to (4z):

13           (a) To supply vehicles, including vessels and aircraft, whether for the needs of the  
14 persons or animals being transported or for ballast or other needs related to the operation of  
15 the vehicles.

16           (b) To use in a noncommercial project on a short-term basis for fire fighting,  
17 humanitarian, or emergency response purposes.

18           **(4x)** WATER MANAGEMENT AND REGULATION; U.S. SUPREME COURT DECREE IN WISCONSIN  
19 ET AL. V. ILLINOIS ET AL. (a) Notwithstanding any terms of this compact to the contrary, with  
20 the exception of par. (e), current, new, or increased withdrawals, consumptive uses, and  
21 diversions of basin water by the state of Illinois shall be governed by the terms of the United  
22 States Supreme Court decree in *Wisconsin et al. v. Illinois et al.* and shall not be subject to the  
23 terms of this compact nor any rules or regulations promulgated pursuant to this compact. This  
24 means that, with the exception of par. (e), for purposes of this compact, current, new, or

1 increased withdrawals, consumptive uses, and diversions of basin water within the state of  
2 Illinois shall be allowed unless prohibited by the terms of the United States Supreme Court  
3 decree in *Wisconsin et al. v. Illinois et al.*

4 (b) The parties acknowledge that the United States Supreme Court decree in *Wisconsin*  
5 *et al. v. Illinois et al.* shall continue in full force and effect, that this compact shall not modify  
6 any terms thereof, and that this compact shall grant the parties no additional rights,  
7 obligations, remedies, or defenses thereto. The parties specifically acknowledge that this  
8 compact shall not prohibit or limit the state of Illinois in any manner from seeking additional  
9 basin water as allowed under the terms of the United States Supreme Court decree in  
10 *Wisconsin et al. v. Illinois et al.*, any other party from objecting to any request by the state of  
11 Illinois for additional basin water under the terms of said decree, or any party from seeking  
12 any other type of modification to said decree. If an application is made by any party to the  
13 Supreme Court of the United States to modify said decree, the parties to this compact who are  
14 also parties to the decree shall seek formal input from the Canadian Provinces of Ontario and  
15 Quebec with respect to the proposed modification, shall use best efforts to facilitate the  
16 appropriate participation of said provinces in the proceedings to modify the decree, and shall  
17 not unreasonably impede or restrict such participation.

18 (c) With the exception of par. (e), because current, new, or increased withdrawals,  
19 consumptive uses, and diversions of basin water by the state of Illinois are not subject to the  
20 terms of this compact, the state of Illinois is prohibited from using any term of this compact,  
21 including sub. (4n), to seek new or increased withdrawals, consumptive uses, or diversions  
22 of basin water.

23 (d) With the exception of par. (e), because subs. (4d), (4f), (4h), (4j), (4L), (4m), (4n),  
24 (4p), (4r), (4t) (a), (b), (c), (d), (f), and (j), and (4v) all relate to current, new, or increased

1 withdrawals, consumptive uses, and diversions of basin waters, said provisions do not apply  
2 to the state of Illinois. All other provisions of this compact not listed in the preceding sentence  
3 shall apply to the state of Illinois, including the water conservation programs provision of sub.  
4 (4b).

5 (e) In the event of a proposal for a diversion of basin water for use outside the territorial  
6 boundaries of the parties to this compact, decisions by the state of Illinois regarding such a  
7 proposal would be subject to all terms of this compact, except pars. (a), (c), and (d).

8 (f) For purposes of the state of Illinois' participation in this compact, the entirety of this  
9 subsection is necessary for the continued implementation of this compact and, if severed, this  
10 compact shall no longer be binding on or enforceable by or against the state of Illinois.

11 **(4z) WATER MANAGEMENT AND REGULATION; ASSESSMENT OF CUMULATIVE IMPACTS.** (a)  
12 The parties in cooperation with the provinces shall collectively conduct within the basin, on  
13 a lake watershed and St. Lawrence River basin basis, a periodic assessment of the cumulative  
14 impacts of withdrawals, diversions, and consumptive uses from the waters of the basin, every  
15 5 years or each time the incremental basin water losses reach 50,000,000 gallons per day  
16 average in any 90-day period in excess of the quantity at the time of the most recent  
17 assessment, whichever comes first, or at the request of one or more of the parties. The  
18 assessment shall form the basis for a review of the standard of review and decision, council  
19 and party regulations, and their application. This assessment shall:

20 1. Utilize the most current and appropriate guidelines for such a review, which may  
21 include but not be limited to council on environmental quality and environment Canada  
22 guidelines;

23 2. Give substantive consideration to climate change or other significant threats to basin  
24 waters and take into account the current state of scientific knowledge, or uncertainty, and

1 appropriate measures to exercise caution in cases of uncertainty if serious damage may result;  
2 and

3 3. Consider adaptive management principles and approaches, recognizing, considering,  
4 and providing adjustments for the uncertainties in, and evolution of, science concerning the  
5 basin's water resources, watersheds, and ecosystems, including potential changes to  
6 basin-wide processes, such as lake level cycles and climate.

7 (b) The parties have the responsibility of conducting this cumulative impact  
8 assessment. Applicants are not required to participate in this assessment.

9 (c) Unless required by other statutes, applicants are not required to conduct a separate  
10 cumulative impact assessment in connection with an application but shall submit information  
11 about the potential impacts of a proposal to the quantity or quality of the waters and water  
12 dependent natural resources of the applicable source watershed. An applicant may, however,  
13 provide an analysis of how the applicant's proposal meets the no significant adverse  
14 cumulative impact provision of the standard of review and decision.

15 **(5) CONSULTATION WITH TRIBES.** (a) In addition to all other opportunities to comment  
16 pursuant to sub. (6) (b), appropriate consultations shall occur with federally recognized tribes  
17 in the originating party for all proposals subject to council or regional review pursuant to this  
18 compact. Such consultations shall be organized in the manner suitable to the individual  
19 proposal and the laws and policies of the originating party.

20 (b) All federally recognized tribes within the basin shall receive reasonable notice  
21 indicating that they have an opportunity to comment in writing to the council or the regional  
22 body, or both, and other relevant organizations on whether the proposal meets the  
23 requirements of the standard of review and decision when a proposal is subject to regional  
24 review or council approval. Any notice from the council shall inform the tribes of any meeting

1 or hearing that is to be held under sub. (6) (b) and invite them to attend. The parties and the  
2 council shall consider the comments received under this subsection before approving,  
3 approving with modifications, or disapproving any proposal subject to council or regional  
4 review.

5 (c) In addition to the specific consultation mechanisms described above, the council  
6 shall seek to establish mutually agreed upon mechanisms or processes to facilitate dialogue  
7 with, and input from, federally recognized tribes on matters to be dealt with by the council;  
8 and the council shall seek to establish mechanisms and processes with federally recognized  
9 tribes designed to facilitate ongoing scientific and technical interaction and data exchange  
10 regarding matters falling within the scope of this compact. This may include participation of  
11 tribal representatives on advisory committees established under this compact or such other  
12 processes that are mutually agreed upon with federally recognized tribes individually or  
13 through duly authorized intertribal agencies or bodies.

14 **(6) PUBLIC PARTICIPATION.** (a) *Meetings, public hearings, and records.* 1. The parties  
15 recognize the importance and necessity of public participation in promoting management of  
16 the water resources of the basin. Consequently, all meetings of the council shall be open to  
17 the public, except with respect to issues of personnel.

18 2. The minutes of the council shall be a public record open to inspection at its offices  
19 during regular business hours.

20 (b) *Public participation.* It is the intent of the council to conduct public participation  
21 processes concurrently and jointly with processes undertaken by the parties and through  
22 regional review. To ensure adequate public participation, each party or the council shall  
23 ensure procedures for the review of proposals subject to the standard of review and decision  
24 consistent with the following requirements:

1           1. Provide public notification of receipt of all applications and a reasonable opportunity  
2 for the public to submit comments before applications are acted upon.

3           2. Assure public accessibility to all documents relevant to an application, including  
4 public comment received.

5           3. Provide guidance on standards for determining whether to conduct a public meeting  
6 or hearing for an application, time and place of such a meeting or hearing, and procedures for  
7 conducting of the same.

8           4. Provide the record of decision for public inspection including comments, objections,  
9 responses, and approvals, approvals with conditions, and disapprovals.

10           **(7)** DISPUTE RESOLUTION AND ENFORCEMENT; GOOD FAITH IMPLEMENTATION. Each of the  
11 parties pledges to support implementation of all provisions of this compact, and covenants that  
12 its officers and agencies shall not hinder, impair, or prevent any other party carrying out any  
13 provision of this compact.

14           **(7g)** DISPUTE RESOLUTION AND ENFORCEMENT; ALTERNATIVE DISPUTE RESOLUTION. (a)  
15 Desiring that this compact be carried out in full, the parties agree that disputes between the  
16 parties regarding interpretation, application, and implementation of this compact shall be  
17 settled by alternative dispute resolution.

18           (b) The council, in consultation with the provinces, shall provide by rule procedures for  
19 the resolution of disputes pursuant to this subsection.

20           **(7r)** DISPUTE RESOLUTION AND ENFORCEMENT; ENFORCEMENT. (a) Any person aggrieved  
21 by any action taken by the council pursuant to the authorities contained in this compact shall  
22 be entitled to a hearing before the council. Any person aggrieved by a party action shall be  
23 entitled to a hearing pursuant to the relevant party's administrative procedures and laws. After  
24 exhaustion of such administrative remedies, any aggrieved person shall have the right to

1 judicial review of a council action in the United States district court for the District of  
2 Columbia or the district court in which the council maintains offices, provided such action is  
3 commenced within 90 days; and any aggrieved person shall have the right to judicial review  
4 of a party's action in the relevant party's court of competent jurisdiction, provided that an  
5 action or proceeding for such review is commenced within the time frames provided for by  
6 the party's law. For the purposes of this paragraph, a state or province is deemed to be an  
7 aggrieved person with respect to any party action pursuant to this compact.

8 (b) 1. Any party or the council may initiate actions to compel compliance with the  
9 provisions of this compact, and the rules and regulations promulgated hereunder by the  
10 council. Jurisdiction over such actions is granted to the court of the relevant party, as well as  
11 the United States district court for the District of Columbia and the district court in which the  
12 council maintains offices. The remedies available to any such court shall include, but not be  
13 limited to, equitable relief and civil penalties.

14 2. Each party may issue orders within its respective jurisdiction and may initiate actions  
15 to compel compliance with the provisions of its respective statutes and regulations adopted  
16 to implement the authorities contemplated by this compact in accordance with the provisions  
17 of the laws adopted in each party's jurisdiction.

18 (c) 1. Any aggrieved person, party, or the council may commence a civil action in the  
19 relevant party's courts and administrative systems to compel any person to comply with this  
20 compact should any such person, without approval having been given, undertake a new or  
21 increased withdrawal, consumptive use, or diversion that is prohibited or subject to approval  
22 pursuant to this compact.

23 2. No action under this paragraph may be commenced if:

1           a. The originating party or council approval for the new or increased withdrawal,  
2 consumptive use, or diversion has been granted; or

3           b. The originating party or council has found that the new or increased withdrawal,  
4 consumptive use, or diversion is not subject to approval pursuant to this compact.

5           3. No action under this paragraph may be commenced unless:

6           a. A person commencing such action has first given 60 days prior notice to the  
7 originating party, the council, and person alleged to be in noncompliance; and

8           b. Neither the originating party nor the council has commenced and is diligently  
9 prosecuting appropriate enforcement actions to compel compliance with this compact.

10           (d) The available remedies shall include equitable relief, and the prevailing or  
11 substantially prevailing party may recover the costs of litigation, including reasonable  
12 attorney and expert witness fees, whenever the court determines that such an award is  
13 appropriate.

14           (e) Each of the parties may adopt provisions providing additional enforcement  
15 mechanisms and remedies including equitable relief and civil penalties applicable within its  
16 jurisdiction to assist in the implementation of this compact.

17           **(8) ADDITIONAL PROVISIONS.** (a) *Effect on existing rights.* 1. Nothing in this compact  
18 shall be construed to affect, limit, diminish, or impair any rights validly established and  
19 existing as of the effective date of this compact under state or federal law governing the  
20 withdrawal of waters of the basin.

21           2. Nothing contained in this compact shall be construed as affecting or intending to  
22 affect or in any way to interfere with the law of the respective parties relating to common law  
23 water rights.

1           3. Nothing in this compact is intended to abrogate or derogate from treaty rights or rights  
2 held by any tribe recognized by the federal government of the United States based upon its  
3 status as a tribe recognized by the federal government of the United States.

4           4. An approval by a party or the council under this compact does not give any property  
5 rights, nor any exclusive privileges, nor shall it be construed to grant or confer any right, title,  
6 easement, or interest in, to, or over any land belonging to or held in trust by a party; neither  
7 does it authorize any injury to private property or invasion of private rights, nor infringement  
8 of federal, state, or local laws or regulations; nor does it obviate the necessity of obtaining  
9 federal assent when necessary.

10           (b) *Relationship to agreements concluded by the United States of America.* 1. Nothing  
11 in this compact is intended to provide nor shall be construed to provide, directly or indirectly,  
12 to any person any right, claim, or remedy under any treaty or international agreement nor is  
13 it intended to derogate any right, claim, or remedy that already exists under any treaty or  
14 international agreement.

15           2. Nothing in this compact is intended to infringe nor shall be construed to infringe upon  
16 the treaty power of the United States of America, nor shall any term hereof be construed to  
17 alter or amend any treaty or term thereof that has been or may hereafter be executed by the  
18 United States of America.

19           3. Nothing in this compact is intended to affect nor shall be construed to affect the  
20 application of the Boundary Waters Treaty of 1909 whose requirements continue to apply in  
21 addition to the requirements of this compact.

22           (c) *Confidentiality.* 1. Nothing in this compact requires a party to breach confidentiality  
23 obligations or requirements prohibiting disclosure or to compromise security of commercially  
24 sensitive or proprietary information.

1           2. A party may take measures, including but not limited to deletion and redaction,  
2 deemed necessary to protect any confidential, proprietary, or commercially sensitive  
3 information when distributing information to other parties. The party shall summarize or  
4 paraphrase any such information in a manner sufficient for the council to exercise its  
5 authorities contained in this compact.

6           (d) *Additional laws.* Nothing in this compact shall be construed to repeal, modify, or  
7 qualify the authority of any party to enact any legislation or enforce any additional conditions  
8 and restrictions regarding the management and regulation of waters within its jurisdiction.

9           (e) *Amendments and supplements.* The provisions of this compact shall remain in full  
10 force and effect until amended by action of the governing bodies of the parties and consented  
11 to and approved by any other necessary authority in the same manner as this compact is  
12 required to be ratified to become effective.

13           (f) *Severability.* Should a court of competent jurisdiction hold any part of this compact  
14 to be void or unenforceable, it shall be considered severable from those portions of the  
15 compact capable of continued implementation in the absence of the voided provisions. All  
16 other provisions capable of continued implementation shall continue in full force and effect.

17           (g) *Duration of compact and termination.* 1. Once effective, the compact shall continue  
18 in force and remain binding upon each and every party unless terminated.

19           2. This compact may be terminated at any time by a majority vote of the parties. In the  
20 event of such termination, all rights established under it shall continue unimpaired.

21           **(9) EFFECTUATION.** (b) *Effectuation by chief executive.* The governor is authorized to  
22 take such action as may be necessary and proper in his or her discretion to effectuate the  
23 compact and the initial organization and operation thereunder.

1           (c) *Entire agreement.* The parties consider this compact to be complete and an integral  
2 whole. Each provision of this compact is considered material to the entire compact, and failure  
3 to implement or adhere to any provision may be considered a material breach. Unless  
4 otherwise noted in this compact, any change or amendment made to the compact by any party  
5 in its implementing legislation or by the U.S. Congress when giving its consent to this compact  
6 is not considered effective unless concurred in by all parties.

7           (d) *Effective date and execution.* This compact shall become binding and effective  
8 when ratified through concurring legislation by the states of Illinois, Indiana, Michigan,  
9 Minnesota, New York, Ohio, and Wisconsin and the Commonwealth of Pennsylvania and  
10 consented to by the U.S. Congress.

11           **SECTION 4.** 281.344 of the statutes is created to read:

12           **281.344 Water resources regulation and conservation. (1) DEFINITIONS.** In this  
13 section:

**COMMENT:** This subsection does not include certain definitions provided in s. 281.343 (1e). These definitions are the following:

“Adaptive management” is not included because that term is not used in connection with the implementation of the compact.

“Agreement” is not included because the name of the agreement is included in the definition of “regional body under sub. (1) (q) of this draft.

“Applicant” is not included because of the way the word is used in s. 281.344.

“Council review” is not included because council review is described in the relevant regulatory sections of s. 281.344.

“Decision-making standard” is not included because s. 281.344 uses cross-references to the provision containing the standard under sub. (6).

“Exception” is not included because the word is not used in s. 281.344 except as part of the term “exception standard”.

The terms “measures”, “new or increased diversion”, and “originating party” do not need to be defined in s. 281.344.

“Proposal” is not included because of the way the word is used in s. 281.344.

“Province” is not needed in s. 281.344.

“Standard of review and decision” is not needed in s. 281.344; see s. 14.95.

“State” is not needed in s. 281.344.

“Water”, as defined in s. 281.343 (1e) (r), is not included in s. 281.344 because the word is used also to refer to water that is not in the basin.

- 1 (c) “Basin” means the watershed of the Great Lakes and the St. Lawrence River  
2 upstream from Trois-Rivieres, Quebec within the jurisdiction of the parties.

**NOTE:** This provision is identical to s. 281.343 (1e) (c) except that it does not include “Great Lakes–St. Lawrence River Basin” as an alternate term being defined, as it is contrary to Wisconsin drafting practices to define 2 terms to mean the same thing.

- 3 (cm) “Basin ecosystem” means the interacting components of air, land, water, and  
4 living organisms, including humans, within the basin.

**NOTE:** This provision clarifies s. 281.343 (1e) (cm) and is substantively identical to the compact’s provision.

- 5 (d) “Community within a straddling county” means any city, village, town, or the  
6 equivalent thereof, that is not a straddling community, that is located outside the basin, and  
7 for which a majority of the amount of water distributed or provided in it by public and other  
8 water supply systems is distributed or provided within a county that lies partly within the  
9 basin.

**NOTE:** This provision interprets s. 281.343 (1e) (d). The reference to “the equivalent thereof” includes in this definition other entities that provide a public water supply, such as a town sanitary district.

**COMMENT:** This definition was amended based on drafting instructions provided at the September 4, 2007 committee meeting.

1 (dm) "Compact" means the Great Lakes–St. Lawrence River Basin Water Resources  
2 Compact under s. 281.343.

**NOTE:** This provision clarifies s. 281.343 (1e) (dm) and is substantively identical to the compact's provision.

3 (dr) "Compact's effective date" means the effective date of the compact under s.  
4 281.343 (9) (d).

**NOTE:** This provision adds a new definition for purposes of implementing the compact under s. 281.344.

5 (e) "Consumptive use" means water that is withdrawn or withheld from the basin and  
6 that is lost or otherwise not returned to the basin due to evaporation, incorporation into  
7 products, or other processes, or water that is withdrawn or withheld from the upper Mississippi  
8 river basin and that is lost or otherwise not returned to the upper Mississippi river basin due  
9 to evaporation, incorporation into products, or other processes.

**NOTE:** This provision clarifies s. 281.343 (1e) (e) by conforming the definition to its principal use in s. 281.343 as a type of water use, rather than an amount of water use, and expands the compact's definition to also apply outside of the "basin" in the upper Mississippi river basin. This expanded applicability is necessary since some of the provisions in s. 281.343 that use the term "consumptive use" apply statewide, including the reporting requirements in s. 281.343 (4) (e).

10 (ed) "Cost-effective analysis" means a systematic comparison of alternative means of  
11 providing a water supply in order to identify the alternative which will minimize the total  
12 resources costs over the planning period.

**NOTE:** This provision adds a new definition for purposes of implementing and interpreting the compact under s. 281.344.

**COMMENT:** This definition is based upon the definition of "cost-effective analysis" in the DNR's wastewater program rules in ss. NR 110.03 (11) and 121.03 (5), Wis. Adm. Code. The term is used in s. 281.344 (9) (b) and (c) and (10) (c) 4.

1 (em) “Council” means the Great Lakes–St. Lawrence River Basin Water Resources  
2 Council, created under s. 281.343 (2) (a).

**NOTE:** This provision clarifies s. 281.343 (1e) (em) and is substantively identical to the compact’s provision.

3 (fm) “County” has the meaning specified in ch. 2 with the boundaries that exist as of  
4 December 13, 2005.

**NOTE:** This provision implements s. 281.343 (1e) (fm) and is substantively identical to the compact’s provision.

5 (g) “Cumulative impacts” means the impacts on the basin ecosystem that result from  
6 incremental effects of all aspects of a withdrawal, diversion, or consumptive use in addition  
7 to other past, present, and reasonably foreseeable future withdrawals, diversions, and  
8 consumptive uses regardless of who undertakes the other withdrawals, diversions, and  
9 consumptive uses, including individually minor but collectively significant withdrawals,  
10 diversions, and consumptive uses taking place over a period of time.

**NOTE:** This provision is substantively identical to s. 281.343 (1e) (g).

11 (h) “Diversion” means a transfer of water from the basin into a watershed outside the  
12 basin, or from the watershed of one of the Great Lakes into that of another, by any means of  
13 transfer, including a pipeline, canal, tunnel, aqueduct, channel, modification of the direction  
14 of a water course, tanker ship, tanker truck, or rail tanker, except that “diversion” does not  
15 include any of the following:

16 1. The transfer of a product produced in the basin or in the watershed of one of the Great  
17 Lakes, using waters of the basin, out of the basin or out of that watershed.

18 2. The transmission of water within a line that extends outside the basin as it conveys  
19 water from one point to another within the basin if no water is used outside the basin.

1 (hm) “Divert” means to transfer water from the basin into a watershed outside the basin,  
2 or from the watershed of one of the Great Lakes into that of another, by any means of transfer,  
3 including a pipeline, canal, tunnel, aqueduct, channel, modification of the direction of a water  
4 course, tanker ship, tanker truck, or rail tanker, except that “divert” does not include any of  
5 the following:

6 1. The transfer of a product produced in the basin or in the watershed of one of the Great  
7 Lakes, using waters of the basin, out of the basin or out of that watershed.

8 2. The transmission of water within a line that extends outside the basin as it conveys  
9 water from one point to another within the basin if no water is used outside the basin.

**NOTE:** Paragraphs (h) and (hm) implement s. 281.343 (1e) (h) and incorporate s. 281.343 (4t) (h). These provisions clarify s. 281.343 (1e) (h) by creating separate definitions of “diversion” and “divert” and are substantively identical to the compact’s provisions.

10 (i) “Environmentally sound and economically feasible water conservation measures”  
11 mean those measures, methods, or technologies for efficient water use and for reducing water  
12 loss and waste or for reducing a withdrawal, consumptive use, or diversion that are, taking into  
13 account environmental impact, the age and nature of equipment and facilities involved, the  
14 processes employed, the energy impacts, and other appropriate factors, all of the following:

15 1. Environmentally sound.

16 2. Reflective of best practices applicable to the water use sector.

17 3. Technically feasible and available.

18 4. Economically feasible and cost-effective based on an analysis that considers direct

19 and avoided economic and environmental costs.

**NOTE:** This provision clarifies and reorders s. 281.343 (1e) (i) and is substantively identical to the compact’s provision.

1 (jm) “intra-basin transfer” means the transfer of water from the watershed of one of the  
2 Great Lakes into the watershed of another of the Great Lakes.

**NOTE:** This provision is substantively identical to s. 281.343 (1e) (n).

3 (m) “Local governmental unit” means a city, village, town, town sanitary district, water  
4 utility district, municipal water district, or a public inland lake protection and rehabilitation  
5 district that has town sanitary district powers under s. 33.22 (3).

**NOTE:** This provision adds a new definition for purposes of implementing the compact under s. 281.344.

**COMMENT:** This definition was added as part of the interpretation of drafting instructions provided at the September 4, 2007 committee meeting. The item is used in s. 281.344 (4) (bg).

6 (n) “Party” means a state that is a party to the compact.

**NOTE:** This provision is substantively identical to s. 281.343 (1e) (jm).

7 (nm) Notwithstanding s. 281.01 (9), “person” means an individual or other entity,  
8 including a government or a nongovernmental organization, including any scientific,  
9 professional, business, nonprofit, or public interest organization or association that is neither  
10 affiliated with, nor under the direction of a government.

**NOTE:** This provision implements s. 281.343 (1e) (nm) and is substantively identical to the compact’s provision.

11 (o) “Product” means something produced by human or mechanical effort or through  
12 agricultural processes and used in manufacturing, commercial, or other processes or intended  
13 for intermediate or ultimate consumers, subject to all of the following:

- 14 1. Water used as part of the packaging of a product is part of the product.
- 15 2. Other than water used as part of the packaging of a product, water that is used  
16 primarily to transport materials in or out of the basin is not a product or part of a product.
- 17 3. Except as provided in subd. 1., water that is transferred as part of a public or private  
18 supply is not a product or part of a product.

1           4. Water in its natural state, such as in lakes, rivers, reservoirs, aquifers, or water basins,  
2 is not a product.

**NOTE:** This provision is substantively identical to s. 281.343 (1e) (o), except that the compact's definition requires the product to be "produced in the basin" and this definition does not. This phrase was deleted from this definition because it would duplicate the use of "produced in the basin" in the definitions of "diversion" and "divert" in pars. (h) and (hm) and would inappropriately restrict the use of the definition of "consumptive use" in par. (e), where "consumptive use" is used in provisions in s. 281.344 affecting areas of the state outside of the basin, such as the statewide reporting requirements in s. 281.344 (3) (e).

3           (pm) "Public water supply" means water distributed to the public through a physically  
4 connected system of treatment, storage, and distribution facilities that serve a group of largely  
5 residential customers and that may also serve industrial, commercial, and other institutional  
6 customers.

**NOTE:** This provision interprets s. 281.343 (1e) (pm) by using "customers" instead of "operators" because the term "customers" is clearer and omits "purposes" from the term being defined because the compact's definition defines a substance (a type of water) rather than a purpose. Also, it does not include the exclusion in the second sentence in s. 281.343 (1e) (pm) as that exclusion is already implied by the requirement in the first sentence that the water must be distributed through the specified physically connected system to be a public water supply.

7           (q) "Regional body" means the body consisting of the governors of the parties and the  
8 premiers of Ontario and Quebec or their designees as established by the Great Lakes–St.  
9 Lawrence River Basin Sustainable Water Resources Agreement.

**NOTE:** This provision clarifies s. 281.343 (1e) (q) and is substantively identical to the compact's provision.

10           (qd) "Regional declaration of finding" means a declaration of finding issued by the  
11 regional body under s. 281.343 (4h) (e).

**NOTE:** This provision adds a new definition for purposes of implementing the compact under s. 281.344.

1 (qm) "Regional review" means the review by the regional body as described in s.  
2 281.343 (4h).

**NOTE:** This provision clarifies s. 281.343 (1e) (qm) and is substantively identical to the compact's provision.

3 (r) "Source watershed" means the watershed from which a withdrawal originates. If  
4 water is withdrawn directly from a Great Lake or from the St. Lawrence River, then the source  
5 watershed shall be considered to be the watershed of that Great Lake or the watershed of the  
6 St. Lawrence River, respectively. If water is withdrawn from the watershed of a stream that  
7 is a direct tributary to a Great Lake or a direct tributary to the St. Lawrence River, then the  
8 source watershed shall be considered to be the watershed of that Great Lake or the watershed  
9 of the St. Lawrence River, respectively, with a preference to the direct tributary stream  
10 watershed from which it was withdrawn.

**NOTE:** This provision is identical to s. 281.343 (1e) (r).

11 (t) "Straddling community" means any city, village, town, or the equivalent thereof,  
12 wholly within any county that lies partly or completely within the basin, whose boundary  
13 existing as of the effective date of this compact is partly within the basin or partly within 2  
14 Great Lakes watersheds.

**NOTE:** This provision interprets s. 281.343 (1e) (t). The reference to "the equivalent thereof" includes in this definition other entities that provide a public water supply, such as a town sanitary district.

**COMMENT:** This definition was amended based on drafting instructions provided at the September 4, 2007 committee meeting.

15 (u) "Technical review" means a thorough analysis and evaluation conducted to  
16 determine whether a proposal that is subject to regional review under this section meets the  
17 criteria for approval under sub. (4), (5), or (6).

**NOTE:** This provision adds a new definition for purposes of implementing the compact under s. 281.344 by combining s. 281.343 (1e) (u) and (4h) (d) 2.

1 (ud) “Total resources costs” include monetary costs and environmental as well as other  
2 non–monetary costs.

**NOTE:** This provision adds a new definition for purposes of implementing and interpreting the compact under s. 281.344.

**COMMENT:** This definition is used in the definition of “cost–effective analysis” in par. (ed) and in s. 281.344 (9) (b) and is taken from the definition of “cost–effective analysis” in ss. NR 110.03 (11) and 121.03 (5).

3 (um) “Upper Mississippi river basin” means the watershed of the Mississippi river  
4 upstream from Cairo, Illinois.

**NOTE:** This provision adds a new definition for purposes of implementing the compact under s. 281.344. This term is used in the definition of “consumptive use” in par. (e) and is taken from s. 281.35 (1) (j).

5 (w) “Water dependent natural resources” means the interacting components of land,  
6 water, and living organisms affected by the waters of the basin.

**NOTE:** This provision is identical to s. 281.343 (1e) (w).

7 (wr) “Water utility” means a public utility, as defined in s. 196.01 (5), that furnishes  
8 water.

**NOTE:** This provision adds a new definition for purposes of implementing the compact under s. 281.344.

9 (x) “Waters of the basin” means the Great Lakes and all streams, rivers, lakes,  
10 connecting channels, and other bodies of water, including tributary groundwater, within the  
11 basin.

**NOTE:** This provision is identical to s. 281.343 (1e) (t), except that it does include “basin water” as an alternative term being defined, as it is contrary to Wisconsin drafting practice to define 2 terms to mean the same thing.

1 (y) “Withdraw” means to take water from surface water or groundwater.

2 (z) “Withdrawal” means the taking of water from surface water or groundwater.

**NOTE:** Paragraphs (y) and (z) clarify s. 281.343 (1e) (y) by creating separate definitions of “withdraw” and “withdrawal” and are substantively identical to the compact’s provision under s. 281.343 (y).

3 (2) DETERMINATIONS CONCERNING APPLICABILITY OF REQUIREMENTS. (a) *Use of surface*  
4 *water divide.* For the purposes of this section, the surface water divide is used to determine  
5 whether a new or increased withdrawal, consumptive use, or diversion of surface water or  
6 groundwater is from the basin.

**NOTE:** This provision implements s. 281.343 (4t) (e) and is substantively identical to the compact’s provision.

7 (b) *Diversions and withdrawals from more than one source.* For the purposes of this  
8 section, the diversion or withdrawal of water from more than one source within the basin to  
9 supply a common distribution system is considered one diversion or withdrawal.

**NOTE:** This provision implements s. 281.343 (4t) (f) and is substantively identical to the compact’s provision.

10 (c) *Timing of additional applications.* In determining the applicability of a requirement  
11 in this section to a proposed new or increased diversion, withdrawal, or consumptive use, the  
12 amount of the new or increased diversion, withdrawal, or consumptive use shall be the sum  
13 of the proposed amount and the amounts of all new or increased diversions, withdrawals, or  
14 consumptive uses supplying or used by the same common distribution system made after the  
15 later of the following:

- 16 1. The date that the baseline volume is established under par. (d).  
17 2. The date that is 10 years before the date on which the proposed new or increased  
18 diversion, withdrawal, or consumptive use is applied for under sub. (4) or (5).

**NOTE:** Paragraph (c) implements and interprets s. 281.343 (4t) (c).

1           (d) *Baseline volumes.* 1. Use. The department shall use the baseline volumes  
2 established under this paragraph to determine whether a new or increased withdrawal, any  
3 portion of a withdrawal that is a new or increased consumptive use, or a new or increased  
4 diversion is subject to this section.

5           2. 'Requirement.' The department shall specify baseline volumes of a withdrawal from  
6 the waters of the basin and any portion of a withdrawal that is a consumptive use of the waters  
7 of the basin, or a diversion for the following:

8           a. Any of these withdrawals, consumptive uses, and diversions reported on the  
9 compact's effective date under sub. (3) (e).

10           b. Any of these withdrawals, consumptive uses, and diversions not identified in subpar.  
11 a. that are subject to the reporting requirements under sub. (3) (e) after the compact's effective  
12 date.

13           3. 'Determinations for a withdrawal and consumptive use.' The department shall  
14 determine a baseline volume for a withdrawal or consumptive use identified in subd. 2. using  
15 the following procedure.

16           a. The department shall estimate the baseline volume for the withdrawal based on the  
17 maximum withdrawal capacity of the intake facility in the water supply system supplied by  
18 the withdrawal using information available to the department.

19           b. The department shall estimate the baseline volume for any consumptive use based  
20 on the portion of the withdrawal that is a consumptive use of waters of the basin. As part of  
21 the specification of a baseline volume of consumptive use under subd. 2 a., the department,  
22 to the extent feasible and to the extent relevant data is available to the department, shall base  
23 the estimate under this subparagraph on the maximum consumptive use occurring within the  
24 10-year period preceding the compact's effective date.

1           c. The department shall provide the estimates under subpars. a. and b. to the person  
2 making the withdrawal or consumptive use and provide an opportunity for the person to  
3 provide other information relevant to the determinations under this paragraph. Relevant  
4 information on the withdrawal shall relate to the current state of the components in the water  
5 supply system, including information on seasonal variations in the amount of water supplied  
6 by the water supply system.

7           d. The department shall specify the baseline volumes of the withdrawal and any  
8 consumptive use based on the estimates under subpars. a. and b. and any information provided  
9 under subpar. c.

10           4. 'Determination for a diversion.' The department shall determine the baseline volume  
11 for a diversion based on the amount of the diversion authorized in any permit or approval  
12 issued by the department.

13           5. 'Permit term.' The department shall specify each baseline volume established under  
14 this paragraph as a term in a water supply permit issued under sub. (11).

15           6. 'Modification.' The department shall modify any baseline volume specified under  
16 this paragraph to reflect any approval under sub. (9) and any adjustment required under par.  
17 (c).

18           7. 'Report.' The department shall provide a list of the baseline volumes specified in  
19 subd. 2. a. to the council and the regional body no later than 12 months after the compact's  
20 effective date.

**NOTE:** Paragraph (d) implements and interprets s. 281.343 (4t) (b).

**COMMENT:** Subdivision 3. a. and b. were modified based on the drafting instructions provided at the September 4, 2007 committee meeting.

21           (e) *Change of ownership.* Unless a new owner proposes a project that results in a  
22 proposal for a new or increased diversion or consumptive use subject to regional review or

1 council approval, the change of ownership may not require regional review or council  
2 approval.

**NOTE:** This provision implements s. 281.343 (4t) (d) and is substantively identical to the compact's provision.

3 (f) *Hydrologic units.* The Lake Michigan and Lake Huron watershed shall be  
4 considered to be a single hydrologic unit and watershed.

**NOTE:** This provision is identical to s. 281.343 (4t) (i).

5 (g) *Effect.* Nothing in this section implementing s. 281.343 may be interpreted to make  
6 the public trust doctrine under article IX, section 1 of the Wisconsin Constitution applicable  
7 to groundwater in this state.

**NOTE:** This provision specifies that nothing in the compact affects the application of the public trust doctrine in Wisconsin. Under current law, the public trust doctrine does not apply to groundwater.

8 (h) *Consumptive use determinations.* 1. For purposes of determining who a  
9 consumptive use of a withdrawal of waters of the basin should be attributed to under this  
10 section, the department shall use the following standards:

11 1. If waters of the basin are withdrawn by a public water supply system and distributed  
12 to the public by the public water supply system, the consumptive use of the withdrawal shall  
13 be attributed to the public water supply system.

14 2. If waters of the basin are withdrawn by a person other than a public waters supply  
15 system and the person uses the water or sells the water directly or through an intermediary to  
16 a person other than a public water supply who uses the water, the consumptive use of the  
17 withdrawal shall be attributed to the person withdrawing the water.

18 3. If waters of the basin are withdrawn by any person and that person sells the water  
19 directly or through an intermediary to a public water supply system that distributes the water

1 to the public, the consumptive use of the withdrawal shall be attributed to the public water  
2 supply system.

**NOTE:** This provision provides guidance on the implementation of the compact's provisions relating to consumptive use.

3 **(3) REGISTRATION AND REPORTING.** (a) 1. Except as provided in par. (d), any person who  
4 on the effective date of this subdivision ... [revisor inserts date], has the capacity to make a  
5 withdrawal from the waters of the state averaging 100,000 gallons per day or more in any  
6 30–day period, or is making any diversion, shall register the withdrawal or diversion with the  
7 department.

8 2. Any person who after the effective date of this subdivision ... [revisor inserts date]  
9 proposes to begin a withdrawal from the waters of the state that will have the capacity to  
10 average 100,000 gallons per day or more in any 30–day period, to increase a withdrawal from  
11 the waters of the state that began on or before the effective date of this subdivision ... [revisor  
12 inserts date] so that it will have the capacity to average 100,000 gallons per day or more in any  
13 30–day period, or to begin a diversion shall register the proposed withdrawal or diversion with  
14 the department.

**NOTE:** Paragraph (a) implements the registration requirement in s. 281.343 (4) (c) on a statewide basis. The phrase “including consumptive uses” following references to a withdrawal in s. 281.343 (4) (c) was deleted in this par. (a), above, as redundant and ambiguous, since a consumptive use is one use of a withdrawal. Under par. (b) 10., the DNR may request information on the portion of a registered withdrawal that is used in a consumptive use.

15 (b) A person to whom par. (a) applies shall register on a form prescribed by the  
16 department and provide all of the following information:

- 17 1. The name and address of the registrant and the date of registration.
- 18 2. The locations and sources of the withdrawal or diversion.

1           3. The daily capacity of the withdrawal or diversion and the amount withdrawn or  
2 diverted from each source.

3           4. An estimate of the volume of the withdrawal or diversion in terms of gallons per day  
4 average in any 30-day period.

5           5. The uses made of the water.

6           6. The places at which the water is used.

7           7. The places at which any of the water is discharged.

8           8. Whether the water use is continuous or intermittent.

9           9. Whether the person holds a permit under s. 283.31.

10          10. Other information required by the department by rule if the information is related  
11 to the purposes of the compact.

**NOTE:** Paragraph (b) implements the requirements in s. 281.343 (4) (c)  
relating to the content of a registration.

12          (c) The department may consider homeland security concerns when determining  
13 whether information regarding locations of withdrawals and diversions contained in the  
14 registry under par (b) may be released to the public.

**NOTE:** This paragraph creates a new provision that is not contained in s.  
281.343.

15          (d) Paragraph (a) 1. does not apply to a person who registered a withdrawal under ss.  
16 30.18, 281.17, 2001 stats., 281.34, 281.35 (3), or 281.41 before the effective date of this  
17 subdivision ... [revisor inserts date] until 3 years after the date of this subdivision ... [revisor  
18 inserts date].

**NOTE:** This provision implements s. 281.343 (4) (c).

19          (e) 1. Each person who withdraws from the waters of the state 100,000 gallons per day  
20 or more in any 30-day period or diverts any amount and who has registered the withdrawal

1 or diversion under par. (a) shall annually report to the department the monthly volumes of  
2 withdrawal, including consumptive uses, or diversion.

3 2. In addition to the information required under subd. 1., the department may, by rule,  
4 create different reporting frequencies or require additional information from each person who  
5 registers a withdrawal, or diversion under par. (a) based upon the type or category of water  
6 use. The department may require additional information under this subdivision only if the  
7 information is related to the purposes of the compact.

**NOTE:** Paragraph (e) implements the reporting requirement in s. 281.343  
(4) (d) on a statewide basis. Under s. 281.344 (10) (b), the DNR must  
report to the council only withdrawals and consumptive uses in the basin  
and diversions and not withdrawals and consumptive uses in the rest of  
the state.

8 **(4) DIVERSIONS.** (a) *Prohibition.* Beginning on the first day of the first month after the  
9 compact's effective date, no person may begin a diversion or increase the amount of a  
10 diversion, except as authorized under par. (c), (d), or (e).

11 (b) *Application.* A person who proposes under par. (c), (d), or (e) to begin a diversion  
12 or to increase the amount of a diversion over the person's diversion baseline volume specified  
13 under sub. (2) (d) shall apply to the department for approval. The person shall provide  
14 information about the potential impacts of the diversion on the waters of the basin and water  
15 dependent natural resources of the applicable source watershed. The department may by rule  
16 require additional information from the person.

**NOTE:** Paragraphs (a) and (b) implement and interpret s. 281.343 (4d)  
(b), (4m), (4n), and (4z) (c). Under the rules of statutory construction in  
s. 990.001 (1), the singular includes the plural, and the plural includes  
the singular. Thus, an application may be submitted under this  
paragraph by multiple persons.

**COMMENT:** Paragraph (b) was amended based on drafting instructions  
provided at the September 4, 2007 committee meeting.

1 (bg) *Determinations*. 1. For purposes of determining whether a proposal under par. (b)  
2 is subject to par. (c) or (e), the department shall use the following standards:

3 a. If the proposal provides water for a public water supply for a single local  
4 governmental unit, the proposal shall be subject to par. (c) if the local governmental unit is a  
5 straddling community and to par. (e) if the local governmental unit is a community within a  
6 straddling county.

7 b. If the proposal provides water for public water supplies for multiple local  
8 governmental units, the portion of the proposal that provides public water supplies for local  
9 governmental units that are straddling communities shall be subject to par. (c), and the portion  
10 of the proposal that provides public water supplies for local governmental units that are  
11 communities within a straddling county shall be subject to par. (e).

12 2. For purposes of determining the application of requirements in pars. (c), (e), and (f)  
13 and sub. (9) under a proposal under par.(c) or (e), the department shall use, as appropriate, the  
14 current or planned service area of the public water supply system or systems receiving water  
15 under the proposal. The planned service area shall be the service area of the system or systems  
16 at the end of any planning period authorized by the department in a facility plan approved  
17 under s. 281.41 or a water supply plan approved under sub. (10).

**NOTE:** Paragraph (bg) implements and interprets s. 281.343 (4n).

**COMMENT:** Paragraph (bg) 1. was amended based on drafting instructions provided at the September 4, 2007 committee meeting.

18 (br) *Review*. The department shall determine whether an application under par. (b)  
19 meets the requirements of this subsection based on the review in sub. (9).

**NOTE:** Paragraph (bm) implements and interprets s. 281.343 (4n).

20 (c) *Straddling communities*. The department may approve a proposal under sub. (9) to  
21 begin a diversion, or to increase the amount of a diversion, to an area within a straddling

1 community but outside the basin or outside the source watershed if the water diverted will be  
2 used solely for public water supply purposes in the straddling community and all of the  
3 following apply:

**NOTE:** This provision is reworded from s. 281.343 (4n) (a) (intro.) for purposes of clarity and to incorporate the approval process in sub. (9) but is substantively identical to the compact's provision.

4 1. Except as provided in subd. 2., all water withdrawn from the basin shall be returned,  
5 either naturally or after use, to the source watershed less an allowance for consumptive use.

**NOTE:** The exception clause in this provision clarifies the relation of the sentences in s. 281.343 (4n) (a) 1. (intro.)

6 2. No surface water or groundwater from outside the basin may be used to satisfy any  
7 portion of subd. 1. except if it:

8 a. Is part of a water supply or wastewater treatment system that combines water from  
9 inside and outside of the basin.

10 b. Is treated to meet applicable permit requirements under s. 283.31 and to prevent the  
11 introduction of invasive species into the basin.

12 c. Maximizes the amount of water returned to the source watershed as basin water and  
13 minimizes the surface water or groundwater from outside the basin.

**NOTE:** Subdivision 2. is identical to the last sentence in s. 281.343 (4n) (a) 1. (intro.) and s. 281.343 (4n) (a) 1. a. to c., except that sub. (4) (c) 2. b. substitutes “permit requirements under s. 283.31” for “applicable water quality discharge standards” and subd. 2. clarifies the relationship between subds. 1 and 2.

14 3. If the proposal results from a new withdrawal or an increase in a withdrawal that will  
15 average 100,000 gallons or more per day in any 90–day period, the proposal meets the  
16 exception standard under par. (f).

1           4. If the proposal results in a new consumptive use or an increase in a consumptive use  
2 that would average 5,000,000 gallons or more per day in any 90-day period, all of the  
3 following apply:

- 4           a. The department conducts a technical review.  
5           b. The proposal undergoes regional review.  
6           c. The department considers the regional declaration of finding in determining whether  
7 to approve the proposal.

**NOTE:** Subdivision 4. implements and is substantively identical to s. 281.343 (4n) (a) 3. The requirements in this subdivision are from the regional review requirements in proposed s. 281.343 (4h) (d) and (e) 9., and (4n) (a) 3. and are set forth in this provision for purposes of clarity.

8           (d) *intra-basin transfer*. 1. The department may approve a proposal for a new  
9 intra-basin transfer, or for an increase in an intra-basin transfer, to which par. (c) does not  
10 apply that would average less than 100,000 gallons per day in every 90-day period, if the  
11 proposal meets the applicable requirements in s. 30.18, 281.34, or 281.41.

**NOTE:** The compact affords an originating party discretion in how the party manages and regulates these transfers under proposed s. 281.343 (4n) (b) 1. This provision in the compact is interpreted to mean that these transfers will be subject to the appropriate regulatory standards under s. 30.18, 281.34, or 281.41.

12           2. The department may approve a proposal under sub. (9) for a new intra-basin transfer  
13 or an increase in an intra-basin transfer to which par. (c) does not apply that would average  
14 100,000 gallons per day or more in any 90-day period with a consumptive use that would  
15 average less than 5,000,000 gallons per day in every 90-day period, if all of the following  
16 apply:

- 17           a. The proposal meets the exception standard under par. (f), except that the water may  
18 be returned to a watershed within the basin other than the source watershed.

1           b. The applicant demonstrates that there is no feasible, cost-effective, and  
2 environmentally sound water supply alternative within the watershed to which the water will  
3 be transferred, including conservation of existing water supplies under par. (g).

4           c. The department provides notice of the proposal to the other parties.

5           3. The department may approve a proposal under sub. (9) for a new intra-basin transfer  
6 or an increase in an intra-basin transfer to which par. (c) does not apply with a new or increased  
7 consumptive use that would average 5,000,000 gallons per day or more in any 90-day period,  
8 if all of the following apply:

9           a. The proposal meets the exception standard under par. (f).

10          b. The applicant demonstrates that there is no feasible, cost-effective, and  
11 environmentally sound water supply alternative within the watershed to which the water will  
12 be transferred, including conservation of existing water supplies under par. (g).

13          c. The department conducts a technical review.

14          d. The proposal undergoes regional review.

15          e. The department considers the regional declaration of finding in determining whether  
16 to approve the proposal.

17          f. The proposal is approved by the council.

**NOTE:** Paragraph (d) is reworded from s. 281.343 (4n) (b) 2. and 3. but is substantively identical to the compact's provision. The requirements in subd. 3. c. to e. are from the regional review requirements in proposed s. 281.343 (4h) (d) and (e) 9. and (4n) (b) 3. c. and are set forth in this provision for purposes of clarity.

18          (e) *Straddling counties.* 1. The department may approve a proposal under sub. (9) for  
19 a new diversion or an increase in a diversion if the water diverted will be used solely for public  
20 water supply purposes in a community within a straddling county and all of the following  
21 apply:

1           a. The community does not have a water supply that is economically and  
2 environmentally sustainable in the long term to meet reasonable demands for a water supply  
3 in the quantity and quality that complies with applicable drinking water standards, is  
4 protective of public health, is economically feasible at a reasonable cost, and has no adverse  
5 environmental impacts greater than those likely to result from the new or increased diversion.

**NOTE:** Subparagraph a. interprets s. 281.343 (4n) (c) 1. a.

6           b. The proposal meets the exception standard under par. (f).

7           c. The proposal maximizes the portion of water returned to the source watershed as  
8 waters of the basin and minimizes the surface water or groundwater from outside the basin.

**NOTE:** Subparagraphs b. and c. are combined in the corresponding provision in the compact in proposed s. 283.343 (4n) c. 1. b. The subparagraphs are substantively identical to the compact's provision.

9           d. There is no reasonable water supply alternative within the basin in which the  
10 community is located, including conservation of existing water supplies under par. (g).

11           e. The proposal will not endanger the integrity of the basin ecosystem, based upon the  
12 proposal having no significant adverse impact to the basin ecosystem.

**NOTE:** Subparagraph e. interprets s. 281.343 (4n) (c) 1. e.

13           f. The department conducts a technical review.

14           g. The proposal undergoes regional review.

15           h. The department considers the regional declaration of finding in determining whether  
16 to approve the proposal.

17           i. The proposal is approved by the council.

**NOTE:** The requirements in subd. 1. f. to h. are from the regional review requirements in proposed s. 281.343 (4h) (d) and (e) 9. and (4n) (c) f. and are reorganized in this section for purposes of clarity. Subdivision 1. is substantively identical to the compact's provision.

1           2. The department shall also give substantive consideration to whether or not the  
2 proposal under this paragraph provides sufficient scientifically based evidence that the  
3 applicant's existing water supply is derived from groundwater that is hydrologically  
4 interconnected to waters of the basin.

5           3. A proposal for a new diversion or an increase in a diversion may include information  
6 regarding restoration of hydrologic conditions and function of the source watershed. The  
7 department may consider information regarding restoration of hydrologic conditions and  
8 function of the source watershed if the proposal includes this information.

**NOTE:** Subdivisions 2. and 3. implement s. 281.343 (4n) (c) 1. and 2.  
and are reworded and reorganized for purposes of clarity. These  
provisions are substantively identical to the compact's provisions.

9           (f) *Exception standard.* A proposal meets the exception standard if all of the following  
10 apply:

11           1. The need for the proposed diversion cannot be reasonably avoided through the  
12 efficient use and conservation of existing water supplies under par. (g).

**NOTE:** This provision is identical to s. 281.343 (4n) (d) 1.

13           2. The diversion is limited to the amount needed for the anticipated use of the service  
14 life of the project.

**NOTE:** This provision interprets s. 281.343 (4n) (d) 2.

15           3. All water withdrawn from the basin shall be returned, either naturally or after use,  
16 to the source watershed less an allowance for consumptive use.

17           4. No surface water or groundwater from outside the basin will be used to satisfy any  
18 portion of subd. 3. except if it:

19           a. Is part of a water supply or wastewater treatment system that combines water from  
20 inside and outside the basin.

1           b. Is treated to meet applicable permit requirements under s. 283.31 and to prevent the  
2 introduction of invasive species into the basin.

3           5. The diversion will result in no significant adverse individual impacts or cumulative  
4 impacts to the quantity or quality of the waters of the basin or to water dependent natural  
5 resources, with consideration given to the potential cumulative impacts of any  
6 precedent-setting consequences associated with the proposed diversion, based upon the  
7 proposed diversion not having any positive or negative impacts on the sustainable  
8 management of the waters of the basin. The applicant shall include an individual adverse  
9 impact assessment under this section and may include a cumulative adverse impact  
10 assessment as provided under s. 281.343 (4z) (c).

**NOTE:** This provision implements s. 281.343 (4n) (d) and is reworded  
for purposes of clarity. This section is substantively identical to the  
compact provision.

11           6. The applicant commits to implementing the water conservation measures in tier 3  
12 under sub. (8) (d) 3. that are environmentally sound and economically feasible for the  
13 applicant.

**NOTE:** This provision interprets and implements s. 281.343 (4n) (d) 5.

14           7. The diversion will be in compliance with all applicable local, state, and federal laws  
15 and interstate and international agreements, including the Boundary Waters Treaty of 1909.

**NOTE:** This provision is substantively the same as s. 281.343 (4n) (d) b.  
It is reworded for purposes of clarity.

16           (g) *Conservation and efficient use of existing water supplies.* An applicant for a new  
17 or increased diversion subject to par. (f) shall demonstrate the efficient use and conservation  
18 of existing water supplies under pars. (d) 2. b. and 3. b., (e) 4., and (f) 1. by doing all of the  
19 following prior to submitting the application:

20           1. Engaging in water conservation planning that included all of the following:

1 a. Evaluation of the applicant's present and future water uses.

2 b. Setting of a representative amount of the applicant's water use prior to implementing  
3 the measures under subd. 2.

4 c. Determination of the water conservation and efficiency measures in tier 2 and  
5 measures b. and c. in tier 3 under sub. (8) (c) 2. and 3. b. and c. that are environmentally sound  
6 and economically feasible for the applicant.

7 2. Implementing the environmentally sound and economically feasible water  
8 conservation measures identified under subd. 1. c.

**NOTE:** Paragraph (g) is referenced in sub. (4) (d) 2. b. and 3. b., (e) 4.,  
and (f) 1.

9 **(5) WITHDRAWALS AND CONSUMPTIVE USES.** (a) *Approval required.* 1. Beginning on the  
10 first day of the first month after the compact's effective date, no person may withdraw waters  
11 of the basin that are not used in a diversion and that result in a new consumptive use of waters  
12 of the basin averaging more than 2,000,000 gallons per day in any 90-day period without an  
13 approval from the department.

14 2. Beginning on the first day of the first month after the compact's effective date, no  
15 person may withdraw waters of the basin that are not used in a diversion and that result in an  
16 increase in the consumptive use of waters of the basin averaging more than 2,000,000 gallons  
17 per day in any 90-day period over the person's consumptive use baseline volume specified  
18 under sub. (2) (d) without an approval from the department.

19 3. No later than 60 months after the compact's effective date, the department shall  
20 submit to the legislature under s. 13.172 (2) a report that provides an analysis of the impact  
21 of the threshold for consumptive use of 2,000,000 gallons per day in any 90-day period under  
22 subds. 1. and 2., and any recommendations to amend this threshold.

**NOTE:** Paragraph (a) implements s. 281.343 (4p) (a) and establishes, based on a considered process, the threshold level for the regulation of new or increased withdrawals.

**COMMENT:** Paragraph (a) was amended based on drafting instructions provided at the September 4, 2007 committee meeting.

1 (b) *Application.* A person who proposes a withdrawal for which approval is required  
2 under par. (a) shall apply to the department for approval. The person shall provide information  
3 about the potential impacts of the portion of the withdrawal that is a consumptive use on the  
4 waters of the basin and water dependent natural resources of the source watershed. The  
5 department may by rule require additional information from the person.

**NOTE:** This provision implements s. 281.343 (4d) (b) and (4z) (c).

**COMMENT:** Paragraph (b) was amended based on drafting instructions provided at the September 4, 2007 committee meeting.

6 (c) *Standard for approval.* The department may approve a proposal for a new or  
7 increased consumptive use if the proposal meets the decision–making standard under sub. (6)  
8 based on the review in sub. (9).

**NOTE:** This provision implements s. 281.343 (4p) (a).

9 (d) *Prior notice.* Beginning no later than 60 months after the compact’s effective date,  
10 if a proposal for which approval is required under this subsection will result in a new  
11 consumptive use or an increase in a consumptive use that will average more than 5,000,000  
12 gallons per day in any 90–day period, the department shall provide the other parties and the  
13 provinces of Ontario and Quebec, Canada, with detailed notice of the proposal and an  
14 opportunity to comment on the proposal. The department shall provide a response to any  
15 comment received under this paragraph. The department may not grant an approval under this  
16 subsection until at least 90 days after the day on which it provided notice under this paragraph.

**NOTE:** This provision implements s. 281.343 (4j).

1 (e) *Regional review.* If a majority of the members of the regional body request under  
2 s. 281.343 (4h) (a) 6. regional review of a proposal for which approval is required under this  
3 subsection, the department shall conduct a technical review of the proposal and submit the  
4 proposal for regional review. The department may not act on the proposal until the proposal  
5 has undergone regional review and the department has considered the regional declaration of  
6 finding in determining whether to approve the proposal.

**NOTE:** This provision implements s. 281.343 (4h) (a) 6., as this subdivision applies to withdrawals and consumptive uses. Subdivision 6. requires regional review of “a regionally significant or potentially precedent setting proposal” at the request of a majority of the members of the regional body. In s. 281.343 (1e) (om), the compact defines a “proposal” to be a withdrawal, diversion, or consumptive use that is subject to the compact. This provision interprets this definition and the regional review mechanism in the compact to apply only to those consumptive uses requiring approval by the department under s. 281.344 (5).

7 **(6) DECISION-MAKING STANDARD.** A proposal under sub. (5) meets the decision-making  
8 standard if all of the following apply:

9 (a) All of the water withdrawn from waters of the basin that is used to provide water  
10 for a consumptive use will be returned to the source watershed, less the amount of the  
11 consumptive use applied for under sub. (5) and the maximum allowable consumptive use  
12 specified in any applicable water supply permit issued under sub. (11).

**NOTE:** This provision implements s. 281.343 (4r) (a).

**COMMENT:** This provision was amended based on drafting instructions provided at the September 4, 2007 committee meeting.

13 (b) The new consumptive use or increase of an existing consumptive use will result in  
14 no significant adverse individual impacts or cumulative impacts to the quantity or quality of  
15 the waters of the basin, to water dependent natural resources, or to the source watershed. The

1 applicant shall include an individual adverse impact assessment under this section and may  
2 include a cumulative adverse impact assessment as provided under s. 281.343 (4z) (c).

**NOTE:** This provision interprets s. 281.343 (4r) (b) and was drafted to be consistent with the comparable provision in the exception standard under s. 281.344 (4) (f) 5.

3 (cg) Subject to par. (cr), for a proposal for a new or increased consumptive use that  
4 exceeds a percentage of the applicant's annual withdrawal specified by the department by rule,  
5 the applicant commits to implementing the water conservation measures in tier 1 under sub.  
6 (8) (d) 1. that are environmentally sound and economically feasible for the applicant. If the  
7 applicant is a water utility, the applicant shall identify these measures in a water conservation  
8 planning process that includes the elements in sub. (4) (g) 1. a. and b.

9 (cr) Paragraph (cg) applies only if the department determines there is a need for  
10 additional water conservation under the basin water conservation and efficiency program to  
11 meet the basin water conservation and efficiency goals and objectives specified by the  
12 department under sub. (8) (a).

**NOTE:** Paragraphs (cg) and (cr) interpret s. 281.343 (4r) (c).

13 (d) The new consumptive use or increase of an existing consumptive use will be in  
14 compliance with all applicable local, state, and federal laws and interstate and international  
15 agreements, including the Boundary Waters Treaty of 1909.

**NOTE:** This provision is substantively the same as s. 281.343 (4r) (d) as it relates to a consumptive use. It is reworded for purposes of clarity.

16 (e) The proposed use of the water is reasonable, based on a consideration of all of the  
17 following:

18 1. Whether the proposed consumptive use is planned in a way that provides for efficient  
19 use of the water and will avoid or minimize the waste of water.

1           2. If the proposal is for an increased consumptive use, whether efficient use is made of  
2 existing water supplies.

3           3. The balance between the effects of the proposed consumptive use on economic  
4 development, social development, and environmental protection and the effects of other  
5 existing or planned withdrawals and water uses sharing the water source.

6           4. The supply potential of the water source, considering quantity, quality, reliability, and  
7 safe yield of hydrologically interconnected water sources.

8           5. The probable degree and duration of any adverse impacts caused or expected to be  
9 caused by the proposed consumptive use, under foreseeable conditions, to other lawful  
10 consumptive uses or nonconsumptive uses of water or to the quantity or quality of the waters  
11 of the basin and water dependent natural resources, and the proposed plans and arrangements  
12 for avoidance or mitigation of those impacts.

13           6. Any provisions for restoration of hydrologic conditions and functions of the source  
14 watershed.

**NOTE:** Paragraph (e) interprets s. 281.343 (4r) (e). Portions of it are  
reworded for purposes of clarity or conformity with Wisconsin drafting  
style.

15           **(7) EXEMPTIONS.** Subsections (3) to (6) do not apply to withdrawals from the basin,  
16 consumptive uses of waters of the basin, or diversions for any of the following purposes:

17           (a) To supply vehicles, including vessels and aircraft, for the needs of the persons or  
18 animals being transported or for ballast or other needs related to the operation of the vehicles.

19           (b) To use in a noncommercial project on a short-term basis for fire fighting,  
20 humanitarian, or emergency response purposes.

**NOTE:** This provision implements s. 281.343 (4v). Paragraph (a) is  
substantively the same as s. 281.343 (4v) (a); par. (b) is identical to s.  
281.343 (4v) (b). The exempted subsections relate to registration and

reporting, diversions, withdrawals and consumptive uses, and the decision-making standard.

**COMMENT:** Subsection (7) (intro.) was amended based on drafting instructions provided at the September 4, 2007 committee meeting.

1           **(8) WATER CONSERVATION AND EFFICIENCY.** (a) *Goals and objectives.* 1. The department  
2 shall specify water conservation and efficiency goals and objectives for the waters of the state  
3 and for the waters of the basin. The goals and objectives for the waters of the basin shall be  
4 consistent with the goals under s. 281.343 (4b) (a) and the objectives identified by the council  
5 under s. 281.343 (4b) (a) and (c). In specifying these goals and objectives, the department shall  
6 consult with the department of commerce and public service commission and consider the  
7 water conservation and efficiency goals and objectives developed in any pilot program  
8 conducted by the department in cooperation with the regional body.

**NOTE:** In implementing their state water conservation and efficiency programs, the compact directs the parties to “have regard” for any modifications in the basin-wide water conservation and efficiency objectives made by the council in its 5-year reviews of the basin-wide objectives. See proposed s. 281.343 (4b) (c). This provision interprets this requirement to direct the DNR to make the state water conservation and efficiency objectives consistent with the modified basin-wide objectives.

9           (b) *Statewide program.* In cooperation with the department of commerce and public  
10 service commission, the department shall develop and implement a statewide water  
11 conservation and efficiency program. The program shall include all of the following:

12           1. Promotion of environmentally sound and economically feasible water conservation  
13 measures.

14           2. Water conservation and efficiency measures that the public service commission  
15 requires or authorizes a water utility to implement under ch. 196.

1           3. Water conservation and efficiency measures that the department of commerce  
2 requires or authorizes to be implemented under chs. 101 and 145.

3           (c) *Basin program.* No later than the 24th month after the compact's effective date, the  
4 department shall implement a basin water conservation and efficiency program as part of the  
5 statewide program under par. (b) for all users of the waters of the basin that is designed to  
6 achieve the goals and objectives for the waters of the basin specified under par. (a). The basin  
7 program shall include the activities in par. (b) 1. to 3. applicable in the basin and application  
8 of the water conservation and efficiency tiers specified in par. (d) under subs. (4) (f) 6. and (g)  
9 and (6) (c) and (cm).

10           (d) Water conservation and efficiency tiers.

**COMMENT:** The water conservation measures in these tiers are based on  
the U.S. Environmental Protection Agency's (EPA) *Water Conservation  
Plan Guidelines, Appendix A, Water Conservation Measures* referenced  
in Memo No. 12.

11           1. Tier 1 water conservation and efficiency measures shall consist of all of the  
12 following:

13           a. Metering or comparable measure of water use and related testing, calibration,  
14 maintenance, and replacement of water meters.

15           b. Costing and pricing of water, including related accounting and cost analysis. This  
16 measure applies only to water utilities.

17           c. Accounting and assessment of water flows and losses in a water supply system.

18           d. Information and education on water consumption and conservation, and, as  
19 appropriate, water utility bills.

20           e. Any other water conservation and efficiency measure specified by the department  
21 under subd. 4.

1           2. Tier 2 water conservation and efficiency measures shall consist of all of the  
2 following:

3           a. All tier 1 measures.

4           b. Audits of water use by large-volume and other classes of users.

5           c. Retrofitting existing fixtures, appliances, and equipment to increase the efficiency of  
6 their water use.

7           d. Management of the pressure in a water supply distribution system.

8           e. Efficient use of water for landscaping, irrigation, and other outdoor water usage.

9           f. Any other water conservation and efficiency measure specified by the department  
10 under subd. 4.

11          3. Tier 3 water conservation and efficiency measures shall consist of all of the  
12 following:

13          a. All tier 1 and 2 measures.

14          b. Replacement of inefficient fixtures, appliances, and equipment and promotion of new  
15 water conserving fixtures, appliances, and equipment.

16          c. Reuse and recycling of wastewater.

17          d. Regulations and standards to manage water use during droughts or other  
18 water-supply emergencies and at new developments.

19          e. Water conservation and efficiency measures planned and implemented jointly with  
20 the conservation or efficient use of other resources, considering the interrelationships between  
21 the water and other resources.

**NOTE:** Subparagraph e. sets forth a water conservation and efficiency measure based on “integrated resource management”.

1 f. Any other water conservation and efficiency measure specified by the department  
2 under subd. 4.

3 4. The department may, by rule, amend any of the water conservation and efficiency  
4 measures in subds. 1. a. to d., 2. a. to e., and 3. a. to e. and may add one or more water  
5 conservation and efficiency measures to the water conservation and efficiency tiers in subds.  
6 1. to 3. based on the recommendations of the water conservation advisory committee or the  
7 results of any pilot water conservation program conducted by the department in cooperation  
8 with the regional body.

**NOTE:** Subsection 8 implements s. 281.343 (4b) (b), (d), and (e).

9 **(9) INTEGRATED REVIEW.** (a) The department shall review and approve a proposal to  
10 begin a new diversion or increase an existing diversion under sub. (4) or to begin a new  
11 consumptive use or increase an existing consumptive use under subs. (5) and (6) using the  
12 procedure specified in this subsection.

13 (b) The department shall approve a proposal identified in par. (a) if the department  
14 determines that the proposal is the most cost-effective alternative for meeting the applicable  
15 requirements in subs. (4) to (6). The most cost-effective alternative shall be the alternative  
16 which will result in the minimum total resources costs over the planning period specified by  
17 the department for the proposal, as determined in a cost-effective analysis and an  
18 environmental assessment.

19 (c) The cost-effective analysis and environmental assessment required under par. (b)  
20 may address one or more of the applicable requirements in subs. (4) to (6) by incorporating  
21 by reference relevant findings and recommendations in a water supply plan approved by the  
22 department under sub. (10).

**NOTE:** This subsection creates a new provision that is not contained in s. 281.343. The DNR uses a cost-effective analysis and environmental assessment as part of its review of a proposed sewage treatment facility under s. NR 110.09. "Cost-effective analysis" as defined in s. 281.344 (1) (ed). Paragraph (b) is based on s. NR 110.09 (1) (a). The content of the cost-effective analysis for a sewage treatment facility is specified in s. NR 110.09 (2), and the content of an environmental assessment for a sewage treatment facility is specified in s. NR 110.09 (3).

1           **(10) WATER SUPPLY PLANS.** (a) The department shall establish a continuing water supply  
2 planning process which is consistent with applicable state requirements and the compact. The  
3 continuing planning process shall result in a water supply plan for one or more persons owning  
4 or operating public water supply systems who elect to participate in the process.

5           (b) The process under par. (a) shall include procedures for:

6           1. The department to approve a plan.

7           2. The revision of a plan.

8           3. Intergovernmental cooperation.

9           (c) Plans prepared under par. (a) shall include:

10          1. Delineation of the area for which the plan is being prepared.

11          2. An inventory of the sources and quantities of the current water supplies in the area.

12          3. A forecast of the demand for water in the area over the period covered by the plan.

13          4. Identification of the most cost-effective water supply systems in the area for the  
14 period covered by the plan based upon a cost-effective analysis of alternative regional and  
15 individual water supply and water conservation configurations.

16          5. An assessment of the environmental, social, and economic impacts of carrying out  
17 specific significant recommendations of the plan, including an assessment of relevant factors  
18 and requirements in subs. (4), (6), and (8).

19          6. Other information specified by the department.

**NOTE:** This subsection creates a new provision that is not contained in s. 281.343. The water supply planning process in this subsection is based upon the wastewater planning process and plans under s. 283.83 and s. NR 121.05.

**COMMENT:** Under the draft, an inducement to prepare a water supply plan is that a plan may satisfy some of the requirements in the compact for a diversion or consumptive use on a regional basis rather than in a specific project proposal. This linkage is accomplished through the references to the compact's requirements in sub. (10) (c) 5. and to an approved plan in the review of a specific proposal under sub. (9) (c).

1           **(11) WATER SUPPLY PERMITS.** (a) After the compact's effective date, no person may  
2 withdraw water from the waters of the basin, use a portion of a withdrawal for a consumptive  
3 use of the waters of the basin, or divert water for which the department has specified a baseline  
4 volume under sub. (2) (d) unless the department has issued a water supply permit for the  
5 withdrawal, consumptive use, or diversion under this subsection.

6           (b) Each permit issued under this subsection shall contain the following:

7           1. Any applicable baseline volume, as specified under sub. (2) (d), including any  
8 modifications under sub. (2) (d) 6.

9           2. A condition that the permittee may not withdraw, use, or divert more than the  
10 maximum allowable withdrawal, consumptive use, or diversion.

11           3. Other terms and conditions specified by the department by rule.

12           (c) The maximum allowable withdrawal, consumptive use, or diversion under par. (b)  
13 2. shall be the sum of the following:

14           1. The baseline volume for the withdrawal, consumptive use, or diversion specified in  
15 par. (b) 1.

16           2. Except as provided in par. (d), the volume of any increase in the withdrawal,  
17 consumptive use, or diversion authorized in a permit issued under s. 30.18 or an approval

1 under s. 281.17 (1), 2001 stats., or s. 281.34, 281.35 or 281.41 after the compact's effective  
2 date.

3 (d) The volume of any increase in the withdrawal, consumptive use, or diversion under  
4 par. (c) 2. may not include any increase in the volume resulting from a consumptive use or  
5 diversion that is approved under sub. (9).

**NOTE:** This subsection creates a new provision that is not contained in s.  
281.343.

In order to account for a new or increased withdrawal, diversion, or  
consumptive use that is subject to one or more of these existing permits  
or approvals and not to the approval under the compact, this subsection  
establishes the "maximum allowable withdrawal, consumptive use, or  
diversion" as the limit on the amount of a withdrawal, consumptive use,  
or diversion subject to the new permit created by this subdivision.

Increases in a consumptive use or diversion authorized under an  
approval under the compact are accounted for in the "maximum  
allowable withdrawal, consumptive use, or diversion" via a modification  
of the relevant baseline volume under s. 281.344 (2) (d) 6.

**COMMENT:** An example of the type of permit terms and conditions that  
the department could establish under sub. (11) (b) 3. are conditions that  
limit or place responsibilities on the permittee during drought conditions.

6 **(12) TRIBAL CONSULTATION AND PUBLIC PARTICIPATION.** (a) *Tribal consultation.* The  
7 department shall consult with the governing body of each federally recognized American  
8 Indian tribe or band in this state concerning each proposal that is subject to regional review  
9 or council approval under sub. (4) or (5).

**NOTE:** This provision implements s. 281.343 (5) (a).

10 (b) *Public Notice.* 1. The department shall, by rule, create procedures for circulating  
11 to interested and potentially interested members of the public notices of each complete  
12 application for a new or increased diversion or consumptive use under sub. (4) or (5) the  
13 department receives. Procedures for the circulation of public notices shall include at least the  
14 following:

1 a. Publication of the notice as a class I notice under ch. 985;  
2 b. Mailing of the notice to any person, group, or local governmental unit, or state agency  
3 upon request.

4 2. The department shall establish the form and content of a public notice by rule. Every  
5 public notice issued by the department shall include at least the following information:

6 a. The name and address of each applicant.  
7 b. A brief description of the proposal for which the application for a new or increased  
8 diversion or consumptive use is made under sub. (4) or (5), including the amount of the  
9 proposed withdrawal or diversion.

10 c. A brief description of the procedures for the formulation of final determinations on  
11 applications, including the 30-day comment period required under par. (b) 1.

12 (c) *Public comment.* The department shall receive public comments on a proposal for  
13 which it receives an application for a new or increased diversion or consumptive use under  
14 sub. (4) or (5) for a 30-day period beginning when the department gives notice under par. (b)

15 1. All written comments submitted during the period for comment shall be retained by the  
16 department and considered in the formulation of the final determinations for the application.

17 (d) *Public hearing.* 1. The department shall provide an opportunity for any interested  
18 person or group of persons, any affected local governmental unit or state agency to request a  
19 public hearing with respect to a proposal for which the department receives an application for  
20 a new or increased diversion or consumptive use under sub. (4) or (5). A request for a public  
21 hearing shall be filed with the department within 30 days after the department gives notice  
22 under par. (b). A request for a public hearing shall indicate the interest of the party filing the  
23 request and the reasons why a hearing is warranted. The department shall hold a public  
24 hearing on a proposal for which the department receives an application for a new or increased

1 diversion or consumptive use under sub. (4) or (5) if the department determines that there is  
2 a significant public interest in holding a hearing.

3 2. The department shall promulgate, by rule, procedures for the conduct of public  
4 hearings held under this section. A hearing held under this paragraph is not a contested case  
5 hearing under ch. 227.

6 3. Public notice of any hearing held under this section shall be circulated in accordance  
7 with the requirements of par. (b) 1.

8 (e) *Public access to information.* Any records or other information provided to or  
9 obtained by the department regarding a proposal for which an application for a new or  
10 increased diversion or consumptive use under sub. (4) or (5) is received shall be a public record  
11 as provided in subch. II of ch. 19. The department shall make available to and provide facilities  
12 for the public to inspect and copy any records or other information provided to or obtained by  
13 the department regarding a proposal for which an application for a new or increased diversion  
14 or consumptive use under sub. (4) or (5) is received. Any records or other information  
15 provided to the department may be treated as confidential upon a showing to the secretary that  
16 said records or information is entitled to protection as a trade secret as defined in s. 134.90 (1)  
17 (c) or upon a determination by the DNR that homeland security concerns warrant confidential  
18 treatment. Nothing in this subsection shall prevent the use of any confidential records or  
19 information obtained by the department in the administration of this section in compiling or  
20 publishing general analyses or summaries, if the analyses or summaries do not identify a  
21 specific owner or operator.

**NOTE:** Paragraphs (b), (c), (d), and (e) implement s. 281.343 (6) (b) and are based on the public notice, public comment, public hearing, and public access to information sections under the Wisconsin Pollution Discharge Elimination System (WPDES) program, ss. 283.39, 283.43, 283.49, and 283.55 (2) (c), stats. The confidentiality provision under

par. (e) is based on s. 283.55 (2) (c), stats., with an additional provision for withholding access to records based on homeland security concerns.

1 (f) 1. Within 60 days after receipt of an application for a new or increased diversion or  
2 consumptive use under sub. (4) or (5), the department shall either determine the application  
3 is complete or shall notify the applicant in writing that the application is not complete and shall  
4 specify the information which is required to make the application complete.

5 2. Except as provided in par. (g), within 90 days after receipt of a complete application,  
6 the department shall notify the applicant in writing of the approval, conditional approval, or  
7 denial of the application. If the application is denied, the reason for denial shall be included  
8 in the notification.

9 (g) The department may suspend the 90–day period specified in par. (f) 2. for any of the  
10 following periods:

11 1. From the day that the department provides notice under s. 281.343 (4h) (b) that an  
12 application is subject to regional review to the day the department receives either the regional  
13 declaration of finding on the application or, if applicable, notice of the action taken by the  
14 council on the application, whichever is later.

15 2. From the day the department provides notice under s. 281.344 (5) (d) to the last day  
16 of the 90–day comment period under s. 281.344 (5) (d).

17 (h) The department shall take appropriate measures to expedite, to the extent feasible,  
18 applicable reviews by the regional body, council, parties, and the provinces of Ontario and  
19 Quebec of applications submitted under sub. (4) (b) or (5) (b).

20 **(13) INFORMATION, REPORTS, AND ASSESSMENTS.** (a) *Inventory.* 1. The department shall  
21 develop and maintain a water resources inventory consisting of information about the waters  
22 of the state, including information about the location, type, quantity, and uses of water

1 resources and the location, type, and quantity of withdrawals, diversions, and consumptive  
2 uses. The department shall develop the inventory in cooperation with federal and local  
3 governmental entities, agencies of this state and of the other parties, tribal agencies, and  
4 private entities. The department shall use information from the registry under sub. (3) to create  
5 the inventory.

**NOTE:** This provision implements s. 281.343 (4) (a) on a statewide  
basis.

6 2. No later than the first day of the 36th month after the effective date of this subdivision  
7 ... [revisor inserts date], the department shall create the water resources inventory under subd.  
8 1.

**NOTE:** This provision implements s. 281.343 (4) (a) on a statewide  
basis.

9 (b) *Annual report on water resources.* Beginning within 60 months of the compact's  
10 effective date, the department shall annually report to the council the information from par.  
11 (a) regarding withdrawals that average 100,000 gallons per day or more over a 30-day period,  
12 including consumptive uses, in the basin and any diversion, as well as the amounts of the  
13 withdrawals, consumptive uses, and diversions in the basin reported under sub. (3) (e).

**NOTE:** This provision implements s. 281.343 (4) (e).

14 (c) *Program report.* No later than 12 months after the compact's effective date and  
15 every 5 years thereafter, the department shall submit a report to the council and the regional  
16 body describing the implementation of the program under this section, including the manner  
17 in which withdrawals from the basin are managed, how the criteria for approval under subs.  
18 (4), (5), and (6) are applied, and how water conservation and efficiency measures are  
19 implemented.

**NOTE:** This provision implements s. 281.343 (3) (d).

1 (d) *Assessment of water conservation and efficiency program.* The department shall  
2 annually assess the effectiveness of the basin water conservation and efficiency program  
3 under sub. (8) (c) in meeting the basin water conservation and efficiency goals under sub. (8)  
4 (a). In each assessment, the department shall consider whether there is a need to adjust the  
5 basin water conservation and efficiency program in response to new demands for water from  
6 the basin and the potential impacts of the cumulative effects of diversions, withdrawals, and  
7 consumptive uses and climate. The department shall provide the assessment to the council  
8 and the regional body and make it available to the public.

**NOTE:** This provision implements s. 281.343 (4b) (b). The second sentence in this provision interprets the requirement in the compact that “conservation programs need to adjust to new demands and the potential impacts of cumulative effects and climate” in s. 281.343 (4b) (e).

9 (e) *Assessment of cumulative impacts.* The department shall participate in the periodic  
10 assessment of the impacts of withdrawals, diversions, and consumptive uses under s. 281.343  
11 (4z) (a).

**NOTE:** This provision implements s. 281.343 (4z) (a).

12 **(14) DISPUTE RESOLUTION AND PENALTIES.** (a) *Dispute Resolution.* 1. For purposes of  
13 s. 281.343 (7r) (a) and (c), “aggrieved” means substantial interests are adversely affected by  
14 a determination of an agency.

**NOTE:** Under this provision, a “person aggrieved” under proposed s. 281.343 (7r) (a) and (c) is defined to mean an individual or other entity, including a government or a nongovernmental organization whose substantial interests are adversely affected by a determination of an agency.

15 2. The available remedies provided under s. 281.343 (7r) (d) apply only to the actions  
16 specified under s. 281.343 (7r) (c).

**NOTE:** This provision implements s. 281.343 (7r) (d) by clarifying that the available remedies under s. 281.343 (7r) (d), which include equitable

relief, and the prevailing or substantially prevailing party ability to recover the costs of litigation, including reasonable attorney and expert witness fees, whenever the court determines that such an award is appropriate, are only available in actions commenced under s. 281.343 (7r) (c).

1 (b) *Penalties*. 1. Any person who violates this section or any rule promulgated or any  
2 approval issued under this section shall forfeit not less than \$10 nor more than \$10,000 for  
3 each violation. Each day of continued violation is a separate offense. While an order is  
4 suspended, stayed, or enjoined, this penalty does not accrue.

5 2. In addition to the penalties provided under subd. 1., the court may award the  
6 department of justice the reasonable and necessary expenses of the investigation and  
7 prosecution of a violation of this chapter, including attorney fees. The department of justice  
8 shall deposit in the state treasury for deposit into the general fund all moneys that the court  
9 awards to the department or the state under this subsection. The costs of investigation and the  
10 expenses of prosecution, including attorney fees, shall be credited to the appropriation account  
11 under s. 20.455 (1) (gh).

12 3. In addition to the penalties under subd. 1., the court may order the defendant to abate  
13 any nuisance, restore a natural resource or take, or refrain from taking, any other action as  
14 necessary to eliminate or minimize any environmental damage caused by the defendant.

**NOTE:** Subsection (14) (b) is based on s. 281.98 (1), (2), and (3), stats.

15 **(15) RULE-MAKING; FEES.** The department shall promulgate rules establishing a  
16 graduated schedule of fees for the administration of this section and a schedule for collecting  
17 these fees.

**NOTE:** This provision is based upon s. 281.35 (10) (a) 5.

18 **SECTION 5.** 281.98 (1) of the statutes is amended to read:

1           281.98 (1) Except as provided in ss. 281.343 (11) (b) 1., 281.47 (1) (d), 281.75 (19),  
2           and 281.99 (2), any person who violates this chapter or any rule promulgated or any plan  
3           approval, license, special order, or water quality certification issued under this chapter shall  
4           forfeit not less than \$10 nor more than \$5,000 for each violation. Each day of continued  
5           violation is a separate offense. While an order is suspended, stayed, or enjoined, this penalty  
6           does not accrue.

7           **SECTION 6. Nonstatutory provisions.**

8           **(1) WATER CONSERVATION ADVISORY COMMITTEE.** (a) There is created a water  
9           conservation advisory committee. The committee shall be comprised of the following  
10          members appointed for staggered 3-year terms:

- 11           1. Five persons appointed by the governor.
- 12           2. Four persons appointed by the speaker of the assembly.
- 13           3. Four persons appointed by the majority leader of the senate.
- 14           4. One member appointed by the minority leader of the assembly.
- 15           5. One member appointed by the minority leader of the senate.
- 16           6. The secretary of natural resources or the secretary's designee.
- 17           7. The secretary of commerce or the secretary's designee.
- 18           8. The chairperson of the public service commission or the chairperson's designee.

19          (b) 1. The initial members of the water conservation advisory committee shall be  
20          appointed by the first day of the fourth month beginning after the effective date of this  
21          subsection... [revisor inserts date].

22          2. Three of the appointees under par. (a) 1., 2 of the appointees under par. (a) 2., 2  
23          appointees under par. (a) 3., and the appointees under par. (a) 4. and 5. shall be appointed for  
24          terms expiring on July 1, 2011.

1           3. Two of the appointees under par. (a) 1., 2 of the appointees under par. (a) 2., and two  
2 of the appointees under par. (a) 3. shall be appointed for terms expiring on July 1, 2012.

3           (c) Each appointing authority under paragraph (a) 2. and 3. shall appoint one member  
4 representing each of the following interests:

5           1. Industrial.

6           2. Agricultural.

7           3. Environmental.

8           4. Municipal.

9           (d) The governor shall appoint 2 members of the water conservation advisory committee  
10 from names submitted by the federally recognized American Indian tribes or bands in this  
11 state. The governor, the minority leader of the assembly, and the minority leader of the senate  
12 shall consult regarding the other 5 appointees under paragraph (a) 1., 4., and 5. to ensure that  
13 one represents each of the interests under paragraph (c) 1. to 4.

14           (e) The speaker of the assembly and the majority leader of the senate shall each  
15 designate one appointee as cochairperson of the water conservation advisory committee.

16           (f) The water conservation advisory committee shall advise the department of natural  
17 resources on all of the following:

18           1. The development of the initial sets of water conservation and efficiency goals and  
19 objectives for the waters of the state and for the waters of the basin under section 281.344 (8)

20 (a) of the statutes, as created by this act.

21           2. The initial development and implementation of the statewide water conservation and  
22 efficiency program under section 281.344 (8) (b) of the statutes, as created by this act.

23           3. The initial implementation of the basin water conservation and efficiency program  
24 under section 281.344 (8) (c) of the statutes, as created by this act.

