

Sen. Cowles: New law promotes private sustainability efforts

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MADISON– Senator Robert Cowles (R-Green Bay) released the following statement after 2021 Senate Bill 692, which he authored with Representative Jeremy Thiesfeldt (R-Fond du Lac), was signed into law today as 2021 Wisconsin Act 175:

“Local governments are constantly trying to find ways to partner with local businesses to promote economic development in their region, but few ways can be as effective as PACE and even fewer ways can happen without putting the taxpayers at risk. With the changes in Act 175, we can help to attach private financing for more beneficial projects to the property, not the person, helping to close more financing gaps and promote more cost-saving energy efficiency and alternative energy improvements, better preparation for severe weather events, and more EV charging station infrastructure which can drive consumers to local establishments. It was a pleasure to work with Representative Thiesfeldt on this important effort, and I want to thank the supporters of this effort, including Slipstream, the Wisconsin Economic Development Corporation, the League of Wisconsin Municipalities, the U.S. Green Building Council, Clean Wisconsin, and many others.”

[2021 Wisconsin Act 175](#) makes updates to [Wisconsin’s Property Assessed Clean Energy \(PACE\) program](#). PACE allows a private property owner of a commercial, industrial, agricultural, health care, or multi-dwelling unit parcel to finance certain improvements such as renewable energy applications and energy or water efficiency improvements by attaching the financing to the parcel, not the person, meaning that financing may easily transfer between entities and resulting in a lower default rate. PACE still uses private contractors and private financiers – it just attaches the financing differently than traditional loans. Through the end of 2021, PACE Wisconsin had financed more than \$100 million in projects across the 47

participating counties.

Act 175 makes a number of changes to Wisconsin's PACE statutes, most notably allowing for more projects to be funded, including electric vehicle charging stations, resiliency improvements to prepare for floods or other severe weather events, energy reliability improvements such as battery storage or microgrids, and stormwater control measures. Act 175 also makes other changes to the PACE statutes, including clarifying the maximum repayment period and easing the requirements for the burdensome energy assessments needed prior to funding. This legislation was introduced based on stakeholder experiences from previously-financed projects, including many projects in Northeast Wisconsin.