



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

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| 2015 Senate Bill 51 | Senate Amendment 1 |
| <i>Memo published: May 4, 2015</i> | <i>Contact: Scott Grosz, Principal Attorney (266-1307)</i> |

2015 Senate Bill 51 was prepared for the Joint Legislative Council's Study Committee on Review of Tax Incremental Financing.

2015 SENATE BILL 51

2015 Senate Bill 51 amends the process by which the annual reports of tax incremental districts (TIDs) are reviewed, including annual reporting of industry-specific town TIDs and environmental remediation TIDs. The bill also repeals the process by which the Department of Revenue (DOR) may be requested to review and make a determination as to whether the money expended, or debt incurred by an industry-specific town TID in the prior year complied with current law. Specifically, the bill does all of the following:

- Requires a city, village, town, or county to submit an annual report by July 1, describing the status of each existing TID to each overlying taxing jurisdiction as well as to DOR.
- Provides a list of information that must be included in the annual report, including information about any developer who is named in a developer's agreement or receives financial assistance from tax increments generated by the TID, when the TID is expected to terminate, and a financial analysis of the TID.
- Requires every Joint Review Board (JRB) to exist continually during the life of a TID and requires the JRB to meet annually on July 1, or as soon as the annual report becomes available.
- Requires DOR to post on its official Internet site the annual reports describing the status of a TID and allows DOR to grant an extension of time. The bill also requires

DOR to post a list of municipalities that have not submitted annual TID reports to the JRB or to DOR.

- Requires DOR to charge a fee of \$100 per day for each day that the annual report is past due.
- Repeals the process by which DOR may be requested to review and make a determination as to whether the money expended, or debt incurred by an industry-specific town TID complies with current law. A request may be made by various parties located either inside or outside of the town. This process is not available for any other type of TID.

SENATE AMENDMENT 1

With regard to the posting by DOR of TID annual reports on the DOR Internet site, and the posting of a list of municipalities that have not submitted annual reports, Senate Amendment 1 to Senate Bill 51 clarifies that DOR must post the list of municipalities that have not submitted annual reports to DOR, rather than acting based on whether annual reports were submitted to each JRB.

Generally, Senate Amendment 1 to Senate Bill 51 specifies an effective date for the bill of October 1, 2016. For the provisions of the bill that relate to industry-specific town TIDs, Senate Amendment 1 specifies an effective date of October 1, 2015.

BILL HISTORY

Senate Amendment 1 was offered by Senator Gudex on April 2, 2015. On April 28, 2015, the Senate Committee on Economic Development and Commerce recommended adoption of the amendment and passage of Senate Bill 51, as amended, on consecutive votes of Ayes, 5; Noes, 0.

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