



2005 SENATE BILL 659

March 6, 2006 - Introduced by Senators HARSDORF and STEPP, cosponsored by Representatives LAMB, KLEEFISCH, RHOADES, MOULTON, GUNDRUM, PETTIS, MUSSER, JESKEWITZ, NEWCOMER, ALBERS, AINSWORTH, KRAWCZYK, KREIBICH, WOOD, J. FITZGERALD, NASS, NISCHKE, F. LASEE, LEMAHIEU and VOS. Referred to Committee on Veterans, Homeland Security, Military Affairs, Small Business and Government Reform.

1 **AN ACT** *to renumber and amend* 66.0617 (9); and *to create* 66.0617 (9) (b) of
2 the statutes; **relating to:** the time period during which impact fees must be
3 used and the refunding of impact fees.

Analysis by the Legislative Reference Bureau

Under current law, a city, village, town, or county (political subdivision) may impose an impact fee on a developer to pay for the capital costs to construct certain public facilities that are necessary to accommodate land development. The definition of "public facilities" includes highways; facilities for treating sewage, storm waters, and surface waters; facilities for pumping, storing, and distributing water; parks; playgrounds; fire protection, emergency medical, and law enforcement facilities; and libraries. Also under current law, an impact fee ordinance must require that an impact fee that is imposed and collected by a political subdivision, but not used within a reasonable time after it is collected, be refunded to the current owner of the property with regard to which the impact fee was imposed.

Under this bill, an impact fee must be used within seven years after it is collected, or the fee must be refunded to the first person who purchased the property from the developer. The bill also allows a political subdivision to extend the seven-year time period for an additional three years if the political subdivision adopts a resolution stating that, due to extenuating circumstances and hardship, it needs an additional three years to use the impact fee that has been collected.

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For further information see the *local* fiscal estimate, which will be printed as an appendix to this bill.

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

1 **SECTION 1.** 66.0617 (9) of the statutes is renumbered 66.0617 (9) (a) and
2 amended to read:

3 66.0617 (9) (a) ~~An~~ Subject to par. (b), an ordinance enacted under this section
4 shall specify that impact fees that are imposed and collected by a political subdivision
5 but are not used within ~~a reasonable period of time~~ 7 years after they are collected
6 to pay the capital costs for which they were imposed shall be refunded to the ~~current~~
7 ~~owner of~~ first person who purchased the property from the developer, with respect
8 to which the impact fees were imposed. The ordinance shall specify, by type of public
9 facility, reasonable time periods within which impact fees must be spent or refunded
10 under this subsection, subject to the 7-year limit in this paragraph and the extended
11 time period specified in par. (b). In determining the length of the time periods under
12 the ordinance, a political subdivision shall consider what are appropriate planning
13 and financing periods for the particular types of public facilities for which the impact
14 fees are imposed.

15 **SECTION 2.** 66.0617 (9) (b) of the statutes is created to read:

16 66.0617 (9) (b) The 7-year time limit for using impact fees that is specified
17 under par. (a) may be extended for 3 years if the political subdivision adopts a
18 resolution stating that, due to extenuating circumstances and hardship in meeting
19 the 7-year limit, it needs an additional 3 years to use the impact fees that were
20 collected. The resolution shall specify the extenuating circumstances and hardship
21 that led to the need to adopt a resolution under this paragraph.

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1 **SECTION 3. Initial applicability.**

2 (1) This act first applies to impact fees that have been imposed under impact
3 fee ordinances that are in effect on the effective date of this subsection.

4 (END)