

1999 SENATE BILL 449

March 7, 2000 – Introduced by Senator BURKE, cosponsored by Representative DUFF. Referred to Committee on Agriculture, Environmental Resources and Campaign Finance Reform.

1 **AN ACT** *to create* 75.106 of the statutes; **relating to:** assigning a judgment in a
2 tax foreclosure action.

Analysis by the Legislative Reference Bureau

Under current law, if a county prevails in an action to foreclose a tax lien on property for which taxes are delinquent, the court enters a judgment which grants the county ownership of the property. Under this bill, a county may assign to a person its right to a judgment with respect to any parcel that is subject to the county's foreclosure action, if the parcel is a brownfield; an environmental assessment is conducted on the parcel and the department of natural resources (DNR) is given the results of that assessment; and, if the parcel is contaminated by a hazardous substance, the person to whom the judgment is assigned agrees to clean up, maintain and monitor the parcel according to rules established by DNR.

Under the bill, if a county assigns a judgment to a person and the county is entitled to a judgment in the county's foreclosure action, the court that is presiding over the foreclosure action will enter a judgment which grants the ownership of the parcel that is the subject of the assignment to the person to whom the judgment is assigned and will enter a separate judgment which grants the ownership of the other parcels that are the subject of the foreclosure action to the county.

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:

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1 **SECTION 1.** 75.106 of the statutes is created to read:

2 **75.106 Assignment of property contaminated by hazardous**
3 **substances. (1) DEFINITIONS.** In this section:

4 (a) “Brownfield” has the meaning given in s. 560.13 (1) (a).

5 (b) “Department” means the department of natural resources.

6 (c) “Discharge” has the meaning given in s. 292.01 (3).

7 (d) “Hazardous substance” has the meaning given in s. 292.01 (5).

8 **(2) ASSIGNMENT AUTHORIZED.** Before a judgment is issued under s. 75.521, the
9 governing body of a county may assign to a person the county’s right to take judgment
10 with respect to any parcel that is subject to the county’s foreclosure action under s.
11 75.521, if all of the following apply:

12 (a) The governing body of the county provides written notice to the governing
13 body of the city, town or village in which the parcel that is subject to the county’s
14 foreclosure action is located at least 15 days before the governing body of the county
15 meets to consider the approval of the assignment.

16 (b) The governing body of the county produces a written assignment that is
17 signed on behalf of the county, the assignee and the city, town or village in which the
18 parcel that is subject to the county’s foreclosure action is located.

19 (c) The assignment identifies the parcel for which a judgment is assigned.

20 (d) The parcel for which a judgment is assigned is a brownfield.

21 (e) The assignment requires an environmental assessment of the parcel and
22 requires that the department be provided the results of that assessment before a
23 final judgment under s. 75.521 related to the parcel is granted to the assignee.

24 (f) The assignment requires that, if the parcel is contaminated by the discharge
25 of a hazardous substance, as determined by the assessment under par. (e), and if the

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1 assignee elects to accept the judgment assigned under this subsection regardless of
2 the contamination, the assignee enter into an agreement with the department,
3 before a final judgment is issued under s. 75.521 related to the parcel, to clean up the
4 parcel to the extent practicable; to minimize any harmful effects from the hazardous
5 substance pursuant to rules the department promulgates; and to maintain and
6 monitor the parcel pursuant to rules the department promulgates.

7 (g) The assignment and an affidavit from the county treasurer that attests to
8 the county governing body's approval of the assignment are filed with the court that
9 is presiding over the county's foreclosure action under s. 75.521.

10 **(3) JUDGMENT.** If a county assigns a judgment under sub. (2) and the county is
11 entitled to a final judgment in the county's foreclosure action under s. 75.521, the
12 court that is presiding over the foreclosure action shall grant a judgment to the
13 assignee under sub. (2) on the parcel that is the subject of the assignment and shall
14 grant a separate judgment to the county for parcels that are not the subjects of an
15 assignment. The court shall enter a judgment ordering and adjudging that the
16 assignee is vested with an estate in fee simple absolute in the parcel that is the
17 subject of the assignment and the court shall enter a judgment ordering and
18 adjudging that the county is vested with an estate in fee simple absolute in all parcels
19 that are not the subjects of an assignment. A judgment under this subsection is
20 subject to all unpaid taxes and charges that are subsequent to the latest dated tax
21 lien appearing on the list specified in s. 75.521 (3) (b) and to recorded restrictions as
22 provided by s. 75.14.

23 **(4) OWNERSHIP.** An assignee who is granted a judgment under sub. (3) shall take
24 title to, and is the owner of, the parcel that is the subject of the assignment, except
25 that a person who commences an action under s. 75.521 (14a) related to the parcel

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1 shall commence the action against only the county that assigned judgment to the
2 parcel under sub. (2). An assignment under sub. (2) may provide that an assignee
3 under sub. (2) shall indemnify the county that makes the assignment and hold the
4 county harmless against any loss, expense, liability or damage that the county may
5 incur as a result of an action under s. 75.521 (14a).

6 (END)