

2001 DRAFTING REQUEST

Bill

Received: 12/04/2000

Received By: jkreye

Wanted: Soon

Identical to LRB:

For: Administration-Budget 6-7597

By/Representing: Wong

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Alt. Drafters:

Subject: Tax - property
Environment - env. cleanup

Extra Copies:

Pre Topic:

DOA:.....Wong -

Topic:

Sale of tax delinquent brownfield properties

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	jkreye 12/06/2000	hhagen 12/06/2000	martykr 12/07/2000	_____	lrb_docadmin 12/07/2000		Local
	jkreye 01/16/2001	gilfokm 01/16/2001		_____			
/2			kfollet 01/16/2001	_____	lrb_docadmin 01/17/2001		Local

FE Sent For:

<END>

2001 DRAFTING REQUEST

Bill

Received: 12/04/2000

Received By: jkreye

Wanted: Soon

Identical to LRB:

For: Administration-Budget 6-7597

By/Representing: Wong

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Alt. Drafters:

Subject: Tax - property
Environment - env. cleanup

Extra Copies:

Pre Topic:

DOA:.....Wong -

Topic:

Sale of tax delinquent brownfield properties

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	jkreye 12/06/2000	hhagen 12/06/2000	martykr 12/07/2000		lrb_docadmin 12/07/2000		Local

FE Sent For:

12-1/ King
1/6-01

1/16

1/16
<END>

2001 DRAFTING REQUEST

Bill

Received: 12/04/2000

Received By: jkreye

Wanted: Soon

Identical to LRB:

For: Administration-Budget 6-7597

By/Representing: Wong

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Alt. Drafters:

Subject: Tax - property
Environment - env. cleanup

Extra Copies:

Pre Topic:

DOA:.....Wong -

Topic:

Sale of tax delinquent brownfield properties

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
1/?	jkreye	11 kmh 12/16/00	12/17	12/17 kmh			

FE Sent For:

<END>

Issue: Modify Negotiated Sale In Lieu Of Bidding For Tax Delinquent Brownfields Properties

Background

Currently, a county or city of the first class must hold a competitive bidding process for the transfer of property that was acquired through the tax foreclosure process. The competitive bidding process and property transfer becomes complicated when a property is contaminated.

Often, an LGU works with a prospective purchaser to plan for the remediation and redevelopment of a contaminated property, and when the competitive bidding process is used, it is possible that the purchaser who has been cooperating with the LGU will not receive the property. The process also can result in a party acquiring the property and not completing the environmental remediation.

Proposal

The Study Group proposes the following:

- create a statutory amendment to s. 75.69(2), Wis. Stats., that would allow for a county or city of the first class to transfer tax delinquent property it owns, without using the competitive bidding process, if environmental pollution is present and the property meets the definition of a brownfield under s. 292.75(1)(a) Wis. Stats.; and
- create language similar to provisions in s. 75.106(2)[1999 Act 121] to:
 - provide a 15-day notice of the sale to the city, town or village where the parcel is located;
 - require an environmental site assessment of the property be completed and results sent to the DNR; and
 - require the purchaser to enter into an agreement with the DNR to clean up the parcel to the extent practicable; to minimize the harmful effects from the hazardous substance; and to maintain and monitor the parcel, all pursuant to rules promulgated by DNR.

this is the definition for "eligible not a facility"

see 75.06 - county includes 1st class city

Type of Change

Statutory

Resources

None

Comments

create sec. 75.69 (em) not to be amended sub. (1)

amend s. 75.69(4)



JK:.....
hnh

DOA:.....Wong – Sale of tax delinquent brownfield properties

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

SOON

DN

m 12-6-00

Do not generate

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

✓ ENVIRONMENT

✓ HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Under current law, a county may commence an action in court to foreclose a tax lien on property for which taxes are delinquent. If the county prevails in the action, the court enters a judgment which grants the county ownership of the property. The county may then sell the property by using a competitive bidding process by which the county may accept the best bid, but must reject any bid that is less than the property's appraised value. Under current law, rather than take possession of the property, the county may assign to a person its right to the foreclosure judgment related to the property, if the county provides written notice of the assignment to the municipality in which the property is located at least 15 days before the governing body of the county meets to consider approving the assignment; the property is a brownfield; an environmental assessment is conducted on the property and DNR is given the results of that assessment; and, if the property is contaminated by a hazardous substance, the person to whom the judgment is assigned agrees to clean up, maintain and monitor the property according to rules that are established by DNR.

Under this bill, a county that acquires tax delinquent property may sell the property without using a competitive bidding process, if the county provides written notice of the sale to the municipality in which the property is located at least 15 days

* before the sale; the property is contaminated by a hazardous substance; the property is a brownfield; an environmental assessment is conducted on the property and DNR is given the results of that assessment; and the purchaser of the property agrees to clean up, maintain, and monitor the property according to rules that are established by DNR.

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. 75.69 (1m) (c) of the statutes is created to read:

2 75.69 (1m) (c) Notwithstanding sub. (1), a county may sell tax delinquent real
 3 property acquired by the county without using a competitive bidding process, if all
 4 of the following apply:

5 1. The county provides written notice of the sale to the clerk of the municipality
 6 in which the property is located at least 15 days before the sale.

7 2. The property is contaminated by a hazardous substance as defined in s.
 8 292.01 (5).

9 3. The property is an eligible site or facility as defined in s. 292.75 (1) (a).

10 4. An environmental assessment of the property is conducted and the results
 11 of that assessment are provided to the department of natural resources.

12 5. The purchaser of the property enters into an agreement with the department
 13 of natural resources to, pursuant to rules the department promulgates, clean up the
 14 property to the extent practicable; minimize any harmful effects from the hazardous
 15 substance; and maintain and monitor the property.

16 SECTION 2. 75.69 (4) of the statutes is amended to read:

17 75.69 (4) ~~No~~ Except as provided in sub. (1m) (c) 1., no tax delinquent real estate
 18 may be sold by a county under this section unless notice of such sale is mailed to the

1 clerk of the municipality in which the real estate is located at least 3 weeks prior to
2 the time of the sale. Any county may sell tax delinquent real estate by open or closed
3 bid.

4 (END)

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1315/1dn

JK:.....

hmk

December 6, 2000

Manyee Wong:

Please review this draft carefully to ensure that it is consistent with your intent. I did not explicitly include 1st class cities in this bill because under section 75.06 of the statutes, for purposes of chapter 75 of the statutes, the term "county" also includes a 1st class city and provides that all powers granted to counties under that chapter are also granted to 1st class cities.

Joseph T. Kreye
Legislative Attorney
Phone: (608) 266-2263
E-mail: joseph.kreye@legis.state.wi.us

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-1315/1dn
JK:hmh:km

December 7, 2000

Manyee Wong:

Please review this draft carefully to ensure that it is consistent with your intent. I did not explicitly include 1st class cities in this bill because under section 75.06 of the statutes, for purposes of chapter 75 of the statutes, the term "county" also includes a 1st class city and provides that all powers granted to counties under that chapter are also granted to 1st class cities.

Joseph T. Kreye
Legislative Attorney
Phone: (608) 266-2263
E-mail: joseph.kreye@legis.state.wi.us

DATE: January 16, 2001

FILE REF: [Click here and type file ref.]

TO: Lance Potter, MB/5

FROM: Darsi Foss, RR/3

SUBJECT: Comments on LRB 1315/1 – Competitive Bidding with Sale of tax delinquent brownfields properties.

Thank you for the opportunity to comment on this draft. Our single comment is based on the rationale that we would like this statutory provision to be as consistent as possible with two existing statutory provisions, ss. 75.105 and 75.106, Wis. Stats. In comparing this bill draft with those existing, related provisions, we recommend the following substantive, but minor changes to make this consistent with those provisions:

☛ Modify s. 75.69(1m)(c) (4), Stats., to be consistent with s. 75.106:

“An environmental assessment of the property is has been conducted and the results of that assessment are provided to the department of natural resources.”

☛ Modify s. 75.69(1m)(c) (5), Stats., to be consistent with s. 75.106:

Insert the phrase “investigate and” into this section, line 13, prior to the word “clean up”. Thus, the party is required to investigate and clean up.

Thank you for the opportunity to comment.

Cc:

Judy Ohm, LS/5

Dan Kolberg, RR/3



State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-1315/1

JK:hmb/km

2
C
KMJ

DOA:.....Wong - Sale of tax delinquent brownfield properties

FOR 2001-03 BUDGET - NOT READY FOR INTRODUCTION

in 1-16-01

SOON

1 AN ACT ^{DON'T} _{EN. CAT.} relating to: the budget.

Analysis by the Legislative Reference Bureau

ENVIRONMENT

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Under current law, a county may commence an action in court to foreclose a tax lien on property for which taxes are delinquent. If the county prevails in the action, the court enters a judgment which grants the county ownership of the property. The county may then sell the property by using a competitive bidding process by which the county may accept the best bid, but must reject any bid that is less than the property's appraised value. Under current law, rather than take possession of the property, the county may assign to a person its right to the foreclosure judgment related to the property, if the county provides written notice of the assignment to the municipality in which the property is located at least 15 days before the governing body of the county meets to consider approving the assignment; the property is a brownfield; an environmental assessment is conducted on the property and DNR is given the results of that assessment; and, if the property is contaminated by a hazardous substance, the person to whom the judgment is assigned agrees to clean up, maintain and monitor the property according to rules that are established by DNR.

Under this bill, a county that acquires tax delinquent property may sell the property without using a competitive bidding process, if the county provides written notice of the sale to the municipality in which the property is located at least 15 days

promulgated

has been

before the sale; the property is contaminated by a hazardous substance; the property is a brownfield; an environmental assessment ~~is~~ conducted on the property and DNR is given the results of that assessment; and the purchaser of the property agrees to clean up, maintain, and monitor the property according to rules that are ~~established~~ *promulgated* by DNR.

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.** 75.69 (1m) (c) of the statutes is created to read:

2 75.69 (1m) (c) Notwithstanding sub. (1), a county may sell tax delinquent real
3 property acquired by the county without using a competitive bidding process, if all
4 of the following apply:

5 1. The county provides written notice of the sale to the clerk of the municipality
6 in which the property is located at least 15 days before the sale.

7 2. The property is contaminated by a hazardous substance ⁽¹⁾ as defined in s.
8 292.01 (5).

9 3. The property is ~~an eligible site or facility~~ *a brownfield* as defined in s. ~~292.75~~ ^{560.13} (1) (a). ✓

10 4. An environmental assessment of the property ~~is~~ *has been* conducted and the results
11 of that assessment are provided to the department of natural resources.

12 5. The purchaser of the property enters into an agreement with the department
13 of natural resources to, pursuant to rules ^{that} the department promulgates, clean up the
14 property to the extent practicable; minimize any harmful effects from the hazardous
15 substance; and maintain and monitor the property.

investigate and

16 **SECTION 2.** 75.69 (4) of the statutes is amended to read:

17 75.69 (4) ~~No~~ Except as provided in sub. (1m) (c) 1., no tax delinquent real estate
18 may be sold by a county under this section unless notice of such sale is mailed to the

1 clerk of the municipality in which the real estate is located at least 3 weeks prior to
2 the time of the sale. Any county may sell tax delinquent real estate by open or closed
3 bid.

4

(END)



DOA:.....Wong – Sale of tax delinquent brownfield properties

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

ENVIRONMENT

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Under current law, a county may commence an action in court to foreclose a tax lien on property for which taxes are delinquent. If the county prevails in the action, the court enters a judgment which grants the county ownership of the property. The county may then sell the property by using a competitive bidding process by which the county may accept the best bid, but must reject any bid that is less than the property's appraised value. Under current law, rather than take possession of the property, the county may assign to a person its right to the foreclosure judgment related to the property, if the county provides written notice of the assignment to the municipality in which the property is located at least 15 days before the governing body of the county meets to consider approving the assignment; the property is a brownfield; an environmental assessment is conducted on the property and DNR is given the results of that assessment; and, if the property is contaminated by a hazardous substance, the person to whom the judgment is assigned agrees to clean up, maintain and monitor the property according to rules that are promulgated by DNR.

Under this bill, a county that acquires tax delinquent property may sell the property without using a competitive bidding process, if the county provides written notice of the sale to the municipality in which the property is located at least 15 days

before the sale; the property is contaminated by a hazardous substance; the property is a brownfield; an environmental assessment has been conducted on the property and DNR is given the results of that assessment; and the purchaser of the property agrees to investigate, clean up, maintain, and monitor the property according to rules that are promulgated by DNR.

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.** 75.69 (1m) (c) of the statutes is created to read:

2 75.69 (1m) (c) Notwithstanding sub. (1), a county may sell tax delinquent real
3 property acquired by the county without using a competitive bidding process, if all
4 of the following apply:

5 1. The county provides written notice of the sale to the clerk of the municipality
6 in which the property is located at least 15 days before the sale.

7 2. The property is contaminated by a hazardous substance, as defined in s.
8 292.01 (5).

9 3. The property is a brownfield, as defined in s. 560.13 (1) (a).

10 4. An environmental assessment of the property has been conducted and the
11 results of that assessment are provided to the department of natural resources.

12 5. The purchaser of the property enters into an agreement with the department
13 of natural resources to, pursuant to rules that the department promulgates,
14 investigate and clean up the property to the extent practicable; minimize any
15 harmful effects from the hazardous substance; and maintain and monitor the
16 property.

17 **SECTION 2.** 75.69 (4) of the statutes is amended to read:

