

2001 DRAFTING REQUEST**Bill**Received: **01/03/2001**Received By: **jkreye**Wanted: **Soon**

Identical to LRB:

For: **Administration-Budget 6-5468**By/Representing: **Ziegler**This file may be shown to any legislator: **NO**Drafter: **jkreye**

May Contact:

Alt. Drafters: **shoveme**Subject: **Tax - property**
Munis - miscellaneous

Extra Copies:

Pre Topic:

DOA:.....Ziegler -

Topic:

Property tax exemption for regional planning commissions; allow regional planning commissions to own property

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 01/03/2001	hhagen 01/04/2001	kfollet 01/04/2001	_____	lrb_docadmin 01/04/2001		S&L Tax
/2	shoveme 02/01/2001	hhagen 02/01/2001	jfrantze 02/02/2001	_____	lrb_docadmin 02/02/2001		S&L Tax

FE Sent For:

<END>

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12 MES 2/1/01
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 12 hnh 2/1/01
 Jo 2/2
 Jo/KM
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 2/2

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??	jkreye	1. kmh 1/4/01	kjf 1/4	ksj 1/4	sf		

FE Sent For:

<END>

STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION
101 East Wilson Street, Madison, Wisconsin

TOMMY G. THOMPSON
GOVERNOR

GEORGE LIGHTBOURN
SECRETARY



Division of Executive Budget and Finance
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1736
Fax (608) 267-0372
TTY (608) 267-9629

1754

Date: December 29, 2000

To: Steve Miller, Chief
Legislative Reference Bureau

From: Paul Ziegler, Policy and Budget Analyst
State Budget Office, DOA

Subject: Drafting requests for 2001-03 Biennial Budget Bill

A handwritten signature in black ink, appearing to be 'PZ', located to the right of the 'From:' field.

Please have the following item drafted for possible inclusion in the 2001-03 biennial budget bill:

Regional planning commissions. Exempt the property of regional planning commissions from the property tax.

Please contact me at 266-5468 or by email at paul.ziegler@doa.state.wi.us with any questions.

Thank you.

called Paul 1-3-01

66.0309 (8)

southern RPC - is building a building
which they will own

appropriate d-v to address the power of

RPC ... ?

no explicit authority to acquire property

lease provisions should be the same as with other

"municipal" property see; 70.11(2)



State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-17547

JK&MES:...

Handwritten initials/signature

DOA:.....Ziegler - Property tax exemption for regional planning commissions

FOR 2001-03 BUDGET - NOT READY FOR INTRODUCTION

m 1-3-01

do not gen

SOON

D-N

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

Analysis by the Legislative Reference Bureau

TAXATION

PROPERTY TAXATION

Under current law, property owned by municipalities or by certain districts, such as school districts, technical college districts, and metropolitan sewerage districts, is exempt from the property tax. Under this bill, property owned by a regional planning commission is also exempt from the property tax.

This bill will be referred to the joint survey committee on tax exemptions for a detailed analysis, which will be printed as an appendix to this bill.

For further information see the *state and 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:

2 SECTION 1. 70.11 (2) of the statutes is amended to read:

3 70.11 (2) MUNICIPAL PROPERTY AND PROPERTY OF CERTAIN DISTRICTS, EXCEPTION.

4 Property owned by any county, city, village, town, school district, technical college

1 district, public inland lake protection and rehabilitation district, metropolitan
2 sewerage district, municipal water district created under s. 198.22, joint local water
3 authority created under s. 66.0823, regional planning commission created under s.
4 66.0309, family care district under s. 46.2895^A or town sanitary district; lands
5 belonging to cities of any other state used for public parks; land tax-deeded to any
6 county or city before January 2; but any residence located upon property owned by
7 the county for park purposes that is rented out by the county for a nonpark purpose
8 shall not be exempt from taxation. Except as to land acquired under s. 59.84 (2) (d),
9 this exemption shall not apply to land conveyed after August 17, 1961, to any such
10 governmental unit or for its benefit while the grantor or others for his or her benefit
11 are permitted to occupy the land or part thereof in consideration for the conveyance.
12 Leasing the property exempt under this subsection, regardless of the lessee and the
13 use of the leasehold income, does not render that property taxable.

History: 1971 c. 152, 154, 312; 1973 c. 90; 1973 c. 333 s. 201m; 1973 c. 335 s. 13; 1975 c. 39; 1975 c. 94 s. 91-(10); 1975 c. 199; 1977 c. 29 ss. 745m, 1646 (3), 1647 (5),
(7); 1977 c. 83 s. 26; 1977 c. 273, 282, 391, 418, 447; 1979 c. 34 s. 2102 (39) (g); 1979 c. 221, 225; 1979 c. 310 s. 12; 1981 c. 20; 1983 a. 27 ss. 1177, 1178, 1179f; 1983 a. 189
s. 329 (16); 1983 a. 201, 327; 1985 a. 26, 29, 316, 332; 1987 a. 10, 27, 395, 399; 1987 a. 403 s. 256; 1989 a. 25, 31, 307; 1991 a. 37, 39, 269; 1993 a. 263, 307, 399, 400; 1995
a. 21 ss. 3344 to 3348m, 9126 (19); 1995 a. 201, 227, 247, 366; 1997 a. 27, 35, 134, 147, 164, 184, 237; 1999 a. 9, 32, 63, 65; 1999 a. 150 ss. 624, 672; 1999 a. 167, 185; s. 13.93
(1) (b).

14 SECTION 9344. Initial applicability; revenue.

15 (1) PROPERTY TAX EXEMPTION FOR REGIONAL PLANNING COMMISSIONS. The
16 treatment of section 70.11 (2) of the statutes first applies to the property tax
17 exemptions as of January 1, 2001.

18 (END)

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

LRB-1754/dn
SUMMER.....
nmh

Deadline

Paul Ziegler (S)

This bill is drafted according to your instructions in that it creates a property tax exemption for property owned by regional planning commissions, but an argument can be made that RPCs can't own property under current law. And because RPCs have no specific statutory authority to own property under s. 66.0309, I'm not sure if the bill is necessary.

RPCs have only advisory and informational functions under s. 66.0309 (8). While it is true that RPCs are authorized under s. 66.0309 (6) to appoint a director and employees to carry out their functions and such an authorization clearly implies the right to obtain office space, there is no specific authorization for an RPC to own property.

In contrast, towns, which under various rulings of the state Supreme Court are empowered only to do the things that they are specifically authorized to do by statute or things that are necessarily implied by a specific grant of statutory authority, are specifically authorized under s. 60.01 (2) (b) to acquire and hold real property for public use.

Consequently, it seems to me that a strong argument can be made that if the legislature thought that a town, which is a political subdivision of this state, needs specific statutory authorization to acquire and hold property an RPC would also need such specific statutory authorization to do so. In any event, I just thought that you should be aware that an argument could be made that the bill may be unnecessary because RPCs may not be authorized to own property under current law.

Marc E. Shovers
Senior Legislative Attorney
Phone: (608) 266-0129
E-mail: marc.shovers@legis.state.wi.us

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1754/1dn
MES:hmh:kjf

January 4, 2001

Paul Ziegler:

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RMR

DOA:.....Ziegler - Property tax exemption for regional planning commissions

FOR 2001-03 BUDGET - NOT READY FOR INTRODUCTION

SOON

do not
gen

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

Analysis by the Legislative Reference Bureau

TAXATION

PROPERTY TAXATION

INS
ANL

Under current law, property owned by municipalities or by certain districts, such as school districts, technical college districts, and metropolitan sewerage districts, is exempt from the property tax. Under this bill, property owned by a regional planning commission is also exempt from the property tax.

This bill will be referred to the joint survey committee on tax exemptions for a detailed analysis, which will be printed as an appendix to this bill.

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

INS
1-2

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

- 2 SECTION 70.11 (2) of the statutes is amended to read:
- 3 70.11 (2) MUNICIPAL PROPERTY AND PROPERTY OF CERTAIN DISTRICTS, EXCEPTION.
- 4 Property owned by any county, city, village, town, school district, technical college

1 district, public inland lake protection and rehabilitation district, metropolitan
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3 authority created under s. 66.0823, regional planning commission created under s.
4 66.0309, family care district under s. 46.2895, or town sanitary district; lands
5 belonging to cities of any other state used for public parks; land tax-deeded to any
6 county or city before January 2; but any residence located upon property owned by
7 the county for park purposes that is rented out by the county for a nonpark purpose
8 shall not be exempt from taxation. Except as to land acquired under s. 59.84 (2) (d),
9 this exemption shall not apply to land conveyed after August 17, 1961, to any such
10 governmental unit or for its benefit while the grantor or others for his or her benefit
11 are permitted to occupy the land or part thereof in consideration for the conveyance.
12 Leasing the property exempt under this subsection, regardless of the lessee and the
13 use of the leasehold income, does not render that property taxable.

14 **SECTION 9344. Initial applicability; revenue.**

15 (1) PROPERTY TAX EXEMPTION FOR REGIONAL PLANNING COMMISSIONS. The
16 treatment of section 70.11 (2) of the statutes first applies to the property tax
17 exemptions as of January 1, 2001.

18 (END)



2001 BILL

INS
ANL

1 AN ACT ~~to amend~~ 70.11 (2); and ~~to create~~ 66.0309 (8m) of the statutes; relating
2 to: authorizing regional planning commissions to own real property and incur
3 debt and creating a property tax exemption.

Analysis by the Legislative Reference Bureau

Under current law, regional planning commissions (RPCs) may be created by the governor, or by a state agency or official that the governor designates, upon the submission of a petition in the form of a resolution by the governing body of a city, village, town, or county (local governmental unit (LGU)). ~~A hearing on the petition is also required unless the governing bodies of all of the LGUs in the proposed region join in the petition. The governor may also create a RPC if the governing bodies of LGUs that, in combination include more than 50% of the region's population and equalized assessed valuation of property, consent to such a creation.~~ Currently, there are eight multicounty RPCs in the state, one RPC that consists only of Dane County, and five counties that are adjacent to Dane County and are not in a RPC.

NOTE

An RPC may conduct research studies; collect and analyze data; prepare maps; make plans for the physical, social, and economic development of the region; provide advisory services to LGUs and other public and private agencies on regional planning problems; and coordinate local programs that relate to the RPC's objectives. Projects developed or assisted by RPCs include air, rail, and highway transportation; waste disposal and recycling; and outdoor recreation.

~~RPCs are authorized to accept aid in any form from all local, state, or federal governmental agencies, as well as gifts and grants from public or private individuals.~~

If this bill authorizes RPCs to acquire and hold real property for public use. The bill also authorizes RPCs to convey and dispose of such property

BILL

or agencies. To meet its expenses, an RPC is required annually to approve a budget reflecting the cost of its operation and services to the LGUs within its region. The amount of the budget charged to each LGU must be in the proportion of the equalized value of the property of the LGU to the total equalized value within the region. The amount of service charges to an LGU may not exceed .003% of equalized value under its jurisdiction and within the region, unless the governing body of the LGU expressly approves the amount in excess of that percentage. An LGU, if it believes that the service charges it has been assessed by an RPC are unreasonable, may submit the issue to arbitration or institute a proceeding for judicial review.

This bill authorizes RPCs to acquire and hold real property for public use, and to issue promissory notes for the sole purpose of acquiring such property. Under current law, before a unit of government may issue promissory notes, it must levy an irrevocable property tax for the express purpose of paying the interest on the note and to discharge the principal of the note at maturity.

Under the bill, RPCs may pay the interest and principal due on its promissory notes only from the service charge revenues it receives from LGUs within the region or from the proceeds realized from the sale of the real property for which the note was issued. The bill prohibits an RPC from levying a property tax or any other tax.

Also under the bill, real property that is owned by an RPC is exempt from property taxation.

This bill will be referred to the joint survey committee on tax exemptions for a detailed analysis, which will be printed as an appendix to this bill.

For further information see the *state and 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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SECTION 1. 66.0309 (8m) of the statutes is created to read:

66.0309 (8m) AUTHORITY TO ACQUIRE REAL PROPERTY ~~ISSUE DEBT~~ (a) A regional planning commission may acquire and hold real property for public use and may convey and dispose of the property.

~~(b) A regional planning commission may issue promissory notes as evidence of indebtedness for the sole public purpose of acquiring real property under par. (a). A regional planning commission that acts under this paragraph shall issue promissory notes under s. 67.12 (12), and s. 67.12 (12) (a), (c), (cc), and (d), as it~~



State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-1754/2
JK&MES:hmh:jf

DOA:.....Ziegler - Property tax exemption for regional planning commissions; allow regional planning commissions to own property

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

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This bill authorizes RPCs to acquire and hold real property for public use. The bill also authorizes RPCs to convey and dispose of such property.

Under current law, property owned by municipalities or by certain districts, such as school districts, technical college districts, and metropolitan sewerage

districts, is exempt from the property tax. Under this bill, property owned by a regional planning commission is also exempt from the property tax.

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2 **66.0309 (8m) AUTHORITY TO ACQUIRE REAL PROPERTY.** A regional planning
3 commission may acquire and hold real property for public use and may convey and
4 dispose of the property.

5 **SECTION 2.** 70.11 (2) of the statutes is amended to read:

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7 (END)