LRBs0052

2003 DRAFTING REQUEST

Assembly Substitute Amendment (ASA-AB136)

Received: **04/02/2003**

Received By: **mshovers**

Wanted: **As time permits**

Identical to LRB:

For: **Carol Owens (608) 267-7990**

By/Representing: **Jacque**

This file may be shown to any legislator: **NO**

Drafter: **mshovers**

May Contact:

Addl. Drafters:

Subject: **Munis - miscellaneous**
Munis - tax incrmntal financing

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Owens@legis.state.wi.us**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Authorize the creation of charter towns, powers of certain towns

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Instructions:

Same as AB 136, LRB -0558/1, except limit TIF authority to charter towns

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Drafting History:

Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required
/?	mshovers 04/02/2003	kgilfoy 04/02/2003		_____ _____			
/1			jfrantze 04/03/2003	_____ _____	amentkow 04/03/2003	amentkow 04/03/2003	

FE Sent For:

<END>

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/?	mshovers	/1 - 4/2 KMG	JD 4/3	JD pg 4/3			

/1 MES 4/2/03

FE Sent For:

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State of Wisconsin
2003 – 2004 LEGISLATURE

LRBs0052/1
MES...:/:...
KMG
RMJR

~~PRELIMINARY DRAFT – NOT READY FOR INTRODUCTION~~

ASSEMBLY SUBSTITUTE AMENDMENT ,

TO 2003 ASSEMBLY BILL 136

SOON: IN 4/2

AN ACT ...; **relating to:** ???

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

(END)

2003 ASSEMBLY BILL 136

March 6, 2003 – Introduced by Representatives OWENS, AINSWORTH, ALBERS, BIES, FREESE, GUNDERSON, HAHN, HINES, KERKMAN, KRAWCZYK, LADWIG, F. LASEE, MCCORMICK, MUSSER, PETTIS, POWERS, SERATTI and TOWNS, cosponsored by Senators A. LASEE and SCHULTZ. Referred to Committee on Rural Affairs.

Gen. Cat.

AN ACT ***to amend*** 27.08 (2) (b), 27.08 (2) (c), 28.20, 59.69 (3) (a), 59.69 (3) (b), 59.69 (3) (e), 60.61 (2) (intro.), 60.61 (3) (intro.), 60.62 (2), 60.62 (3), 61.34 (3), 62.22 (1), 62.22 (1e), 62.23 (7a) (a), 66.0105, 66.0217 (3) (intro.), 66.0219 (intro.), 66.0223, 70.99 (8), 196.58 (7) (a) and 236.02 (5); ***to create*** 60.10 (1) (h), 60.225 and 60.23 (32) of the statutes; and ***to affect*** Laws of 1975, chapter 105, section 1 (1) and (2); **relating to:** the powers of certain towns, ~~and~~ authorizing the creation of charter towns by certain town boards, and authorizing charter towns to create tax incremental financing districts.

Analysis by the Legislative Reference Bureau

Under current law, if a town meeting authorizes a town board to do so, the town board may exercise powers relating to villages and conferred on village boards by statute, except those powers that conflict with statutes relating to towns and town boards. For example, a town board exercising village powers may not create a tax incremental financing (TIF) district, annex territory, exercise extraterritorial zoning jurisdiction over another town, or, in counties that have adopted a county zoning ordinance, enact a town zoning ordinance unless it is approved by the county board. If a town board exercises village powers, the town is still subject to annexation by a city or village and may be subject to extraterritorial zoning powers exercised by a city or village.

This substitute amendment authorizes a town board that is authorized to exercise village powers to adopt a resolution, that is subject to ratification in a referendum that the town

ASSEMBLY BILL 136

substitute amendment

The substitute amendment also

board must call, declaring that it is a "charter town," and that, under certain circumstances and subject to several limitations, allows the town board to create a TIF district. The bill also allows a charter town board to exercise certain zoning powers, and exempts the town from being subject to certain city and village extraterritorial powers. This bill does not allow such towns to annex territory or to engage in extraterritorial zoning or plat approval.

of a charter town

The powers granted to towns in this bill apply only if certain conditions are met on the date on which the board adopts the resolution. Some of the conditions that must be satisfied include the following:

1. The population of the town must be at least 2,500.

; and it

2. The town board creates a town plan commission and adopts a comprehensive land use plan.

3. The town board enacts and enforces building code ordinances.

4. The town board enacts a construction site erosion control and storm water management zoning ordinance.

In addition, certain charter towns are exempt from being subject to city and village annexation powers and land acquisition powers if certain conditions are met, and counties must recognize a charter town's official map in the same way that it recognizes city and village official maps. Some of the conditions that must be met include the following:

1. At least 10% of the town residents receive water supply or sewage disposal services, or both, from one of several entities, such as a town sanitary district, a town utility district, a metropolitan sewerage district, or another city, village, or town.

2. The equalized value of the town must exceed $100,000,000.

3. The town must provide law enforcement services 24 hours a day.

Under current law, if a city, village, or town (municipality) that operates a water system seeks to serve customers within the municipality but to serve such customers it is necessary or economically prudent for the municipality to install service connections within the boundaries of an adjacent municipality, the municipality may seek the permission of the adjacent municipality to do so. If the adjacent municipality denies permission, the municipality may apply to the Public Service Commission (PSC) for permission to install the service connections. Following a hearing, the PSC may issue an order authorizing the municipality to install service connections within the boundaries of an adjacent municipality.

Under the bill, a municipality may not apply to the PSC for such an order that applies to a town, and the PSC may not issue an order that applies to an adjacent municipality that is a town.

For further information see the ***local*** state and 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.** 27.08 (2) (b) of the statutes is amended to read:

27.08 **(2)** (b) ~~To~~ Except as provided in s. 60.225 (4) and (5), to acquire in the name of the city for park, parkway, boulevard or pleasure drive purposes by gift, devise, bequest or condemnation, either absolutely or in trust, money, real or personal property, or any incorporeal right or privilege. Gifts to any city of money or other property, real or personal, either absolutely or in trust, for park, parkway, boulevard or pleasure drive purposes shall be accepted only after they shall have been recommended by the board to the common council and approved by said council by resolution. Subject to the approval of the common council the board may execute every trust imposed upon the use of property or property rights by the deed, testament or other conveyance transferring the title of such property to the city for park, parkway, boulevard or pleasure drive purposes.

SECTION 2. 27.08 (2) (c) of the statutes is amended to read:

27.08 **(2)** (c) Subject to the approval of the common council to buy or lease lands in the name of the city for park, parkway, boulevard or pleasure drive purposes within or without the city and, with the approval of the common council, to sell or exchange property no longer required for its purposes. Every city is authorized, except as provided in s. 60.225 (4) and (5), upon recommendation of its officers, board or body having the control and management of its public parks, to acquire by condemnation in the name of the city such lands within or without its corporate boundaries as it may need for public parks, parkways, boulevards and pleasure drives.

SECTION 3. 28.20 of the statutes is amended to read:

28.20 Community forests. ~~Any~~ Except as provided in s. 60.225 (4) and (5), any city, village, town or school district may acquire land, engage in forestry and

appropriate funds for such purpose. The forest property may be located outside the city, village, town or school district limits.

SECTION 4. 59.69 (3) (a) of the statutes is amended to read:

59.69 **(3)** (a) The county zoning agency may direct the preparation of a county development plan or parts of the plan for the physical development of the unincorporated territory within the county to which the conditions under s. 60.225 (4) do not apply; areas within a charter town under s. 60.225, or areas within a town to which s. 60.225 (4) applies, whose governing bodies by resolution agree to having their areas included in the county's development plan; and areas within incorporated jurisdictions whose governing bodies by resolution agree to having their areas included in the county's development plan. The plan may be adopted in whole or in part and may be amended by the board and endorsed by the governing bodies of incorporated jurisdictions included in the plan. The county development plan, in whole or in part, in its original form or as amended, is hereafter referred to as the development plan. Beginning on January 1, 2010, if the county engages in any program or action described in s. 66.1001 (3), the development plan shall contain at least all of the elements specified in s. 66.1001 (2).

SECTION 5. 59.69 (3) (b) of the statutes is amended to read:

59.69 **(3)** (b) The development plan shall include the master plan, if any, of any city or village, that was adopted under s. 62.23 (2) or (3), or of any town that was adopted under s. 60.62 (1) or (4) or 62.23 (2) or (3), as described under s. 60.225 (1) (c), and the official map, if any, of such city or village, that was adopted under s. 62.23 (6), or of any town that was adopted under s. 62.23 (6) as described under s. 60.225 (1) (c) in the county, without change.

SECTION 6. 59.69 (3) (e) of the statutes is amended to read:

59.69 **(3)** (e) A master plan adopted under s. 62.23 (2) and (3) and an official map that is established under s. 62.23 (6) shall control in unincorporated territory in a county affected thereby, other than in areas within a charter town under s. 60.225, or areas within a town to which s. 60.225 (4) applies, whether or not such action occurs before the adoption of a development plan.

SECTION 7. 60.10 (1) (h) of the statutes is created to read:

60.10 **(1)** (h) *Approval of resolutions.* Approve a resolution adopted by the town board under s. 60.225 (1).

SECTION 8. 60.225 of the statutes is created to read:

60.225 Charter towns. (1) PROCEDURE. If a town board is authorized to exercise village powers under s. 60.10 (2) (c), and subject to sub. (2), a town board may adopt a resolution declaring its town to be a charter town that is subject to this section if, on the date of adoption of the resolution, all of the following conditions are satisfied:

(a) The population of the town is at least 2,500.

(b) The town board creates and maintains a town plan commission under s. 62.23.

(c) The town board enacts a comprehensive zoning ordinance under s. 60.61, 60.62, or 62.23, and establishes an official town map under s. 62.23 (6).

(d) The town board adopts a comprehensive land use plan under s. 66.1001.

(e) The town board enacts a construction site erosion control and storm water management zoning ordinance under s. 60.627.

(f) The town board enacts a subdivision ordinance under s. 236.45.

(g) The town board enacts and enforces building code ordinances under s. 60.61 (1m).

1 **(2)** RATIFICATION. (a) If a town board adopts a resolution under sub. (1), the
2 town board shall call a referendum to ratify the resolution at the next spring primary
3 or election or September primary or general election, to be held not sooner than 45
4 days after the ratification referendum is called by the town board. The referendum
5 question shall be: "Do you approve the town board resolution declaring .... [name of
6 town] to be a charter town?".

7 (b) A resolution adopted by a town board under sub. (1) may not take effect until
8 the resolution is approved by the electors in a ratification referendum under par. (a).
9 If the resolution is ratified, the town clerk shall certify that fact to the secretary of
10 state. The secretary of state shall issue a certificate of charter town status and shall
11 record that status in a book kept for that purpose.

12 (c) If a resolution adopted by a town board under sub. (1) takes effect under par.
13 (b), the town board may adopt a resolution, not sooner than 4 years after the effective
14 date of the resolution declaring the town to be a charter town, that revokes the town's
15 charter town status. The revocation resolution may not take effect until the
16 resolution is approved by the electors in a ratification referendum called by the town
17 board for that purpose. The referendum shall comply with the requirements for a
18 ratification referendum that is held under par. (a), except that the referendum
19 question shall be: "Do you approve the town board resolution that revokes the status
20 of .... [name of town] as a charter town?". If the referendum revoking charter town
21 status is approved, county zoning ordinances that did not apply to the town because
22 of its former charter town status apply to the town on the effective date of the
23 revocation resolution. If a county ordinance conflicts with an ordinance enacted by
24 the former charter town board, the county ordinance shall take precedence over the
25 former charter town ordinance on the effective date of the revocation resolution.

1 **(3)** ZONING. (a) 1. Except for a wetlands in shorelands zoning ordinance, no
2 town may be subject to any county zoning ordinance that is enacted by a county board
3 after a town board adopts a resolution under sub. (1) unless the town board approves
4 the ordinance or until the resolution adopted by the town board under sub. (1) is
5 defeated in a ratification vote by the referendum under sub. (2).

6 2. If a town board adopts a resolution under sub. (1) and the resolution is
7 ratified under sub. (2), a town board may adopt a resolution revoking its approval of
8 any county zoning ordinance, other than a wetlands in shorelands zoning ordinance,
9 if the town board notifies the county board in writing at least 60 days before the
10 resolution revoking approval of a county zoning ordinance takes effect. On the
11 effective date of the resolution revoking town approval of a county zoning ordinance,
12 the town board may act under s. 60.61 (2) or 60.62 (1).

13 (b) No town may be subject to the extraterritorial zoning jurisdiction or
14 extraterritorial plat approval jurisdiction of a city or village during the period
15 beginning after a town board adopts a resolution under sub. (1) and before a
16 ratification vote under sub. (2) or at any time after the electors of the town approve
17 the resolution under sub. (2).

18 **(4)** PROTECTED STATUS. If all of the following apply, no town territory may be
19 acquired by a city or village by any of the methods described under sub. (5) during
20 the period beginning after a town board adopts a resolution under sub. (1) and before
21 a ratification vote under sub. (2) or at any time after the electors of the town approve
22 such a resolution under sub. (2), unless the town board approves the proposed
23 acquisition:

24 (a) The equalized value of the town exceeds $100,000,000, according to the most
25 recent assessment.

1 (b) At least 10% of the town residents receive either water supply or sewage
2 disposal services, or both, from one of the following:
3 1. A town sanitary district created by the town under subch. IX.
4 2. A town utility district created under s. 66.0827.
5 3. A metropolitan sewerage district created under ss. 200.01 to 200.15 or under
6 ss. 200.21 to 200.65.
7 4. A public utility, as defined in s. 196.01 (5).
8 5. A town sanitary district created by another town under subch. IX.
9 6. A city or village.
10 (c) The town provides law enforcement services, 24 hours a day, by establishing
11 a town police department or by creating a joint police department with another city,
12 village, or town under s. 60.56.
13 **(5)** LIMITS ON LAND ACQUISITION. If the conditions described under sub. (4) apply,
14 the following city or village methods of acquiring territory in a town are limited as
15 provided under sub. (4):
16 (a) Annexation under s. 66.0217, 66.0219, or 66.0223.
17 (b) Acquisition of real or personal property for park–related purposes as
18 described in s. 27.08 (2) (b) or (c).
19 (c) Acquisition of land for community forest purposes under s. 28.20.
20 (d) Acquisition of real or personal property for any of the purposes described
21 under s. 61.34 (3).
22 (e) Acquisition of real or personal property for any of the purposes described
23 under s. 62.22 (1) or (1e).
24 **SECTION 9.** 60.23 (32) of the statutes is created to read:

If the town is a charter town under s. 60.225,

60.23 **(32)** TOWN TAX INCREMENT POWERS. Exercise all powers of cities under s. 66.1105. If the town board exercises the powers of a city under s. 66.1105, it is subject to the same duties as a common council under s. 66.1105 and the town is subject to the same duties and liabilities as a city under s. 66.1105.

SECTION 10. 60.61 (2) (intro.) of the statutes is amended to read:

60.61 **(2)** EXTENT OF AUTHORITY. (intro.) ~~Subject~~ If a town board revokes its approval of a county zoning ordinance under s. 60.225 (3) (a) 2. or, subject to subs. (3) and (3m), if a town is located in a county which has not enacted a county zoning ordinance under s. 59.69, the town board, by ordinance, may:

SECTION 11. 60.61 (3) (intro.) of the statutes is amended to read:

60.61 **(3)** EXERCISE OF AUTHORITY. (intro.) Before exercising authority under sub. (2), the town board of a town that is located in a county that has not adopted a county zoning ordinance under s. 59.69 shall petition the county board to initiate, at any regular or special meeting, action to enact a county zoning ordinance under s. 59.69. The town board may proceed under sub. (2) if:

SECTION 12. 60.62 (2) of the statutes is amended to read:

60.62 **(2)** If the county in which the town is located has enacted a zoning ordinance under s. 59.69, the exercise of the authority under sub. (1) is subject to approval by the town meeting or by a referendum vote of the electors of the town held at the time of any regular or special election, except that this subsection does not apply if a town board revokes its approval of a county zoning ordinance under s. 60.225 (3) (a) 2. The question for the referendum vote shall be filed as provided in s. 8.37.

SECTION 13. 60.62 (3) of the statutes is amended to read:

60.62 **(3)** In counties having a county zoning ordinance, no zoning ordinance or amendment of a zoning ordinance may be adopted under this section unless approved by the county board, except that this subsection does not apply if a town board revokes its approval of a county zoning ordinance under s. 60.225 (3) (a) 2.

SECTION 14. 61.34 (3) of the statutes is amended to read:

61.34 **(3)** ACQUISITION AND DISPOSAL OF PROPERTY. ~~The~~ Except as provided in s. 60.225 (4) and (5), the village board may acquire property, real or personal, within or outside the village, for parks, libraries, recreation, beautification, streets, water systems, sewage or waste disposal, harbors, improvement of watercourses, public grounds, vehicle parking areas, and for any other public purpose; may acquire real property within or contiguous to the village, by means other than condemnation, for industrial sites; may improve and beautify the same; may construct, own, lease and maintain buildings on such property for instruction, recreation, amusement and other public purposes; and may sell and convey such property. Condemnation shall be as provided by ch. 32.

SECTION 15. 62.22 (1) of the statutes is amended to read:

62.22 **(1)** PURPOSES. ~~The~~ Except as provided in s. 60.225 (4) and (5), the governing body of any city may by gift, purchase or condemnation acquire property, real or personal, within or outside the city, for parks, recreation, water systems, sewage or waste disposal, airports or approaches thereto, cemeteries, vehicle parking areas, and for any other public purpose; may acquire real property within or contiguous to the city, by means other than condemnation, for industrial sites; may improve and beautify the same; may construct, own, lease and maintain buildings on such property for public purposes; and may sell and convey such property. The power of condemnation for any such purpose shall be as provided by ch. 32.

1 **SECTION 16.** 62.22 (1e) of the statutes is amended to read:

2 62.22 **(1e)** CERTAIN INDUSTRIAL SITES. ~~The~~ Except as provided in s. 60.225 (4) and
3 (5), the governing body of a 2nd class city which is adjacent to Lake Michigan and
4 which is located in a county with a population of less than 110,000, according to the
5 most recent estimate by the department of administration, may acquire real
6 property by gift outside the city boundaries for industrial sites; may improve and
7 beautify the same; may construct, own, lease and maintain buildings on such
8 property for public purposes; and may sell and convey such property.

9 **SECTION 17.** 62.23 (7a) (a) of the statutes is amended to read:

10 62.23 **(7a)** (a) Extraterritorial zoning jurisdiction means the unincorporated
11 area, except as provided in s. 60.225 (3) (b), within 3 miles of the corporate limits of
12 a first, second or third class city, or 1 1/2 miles of a fourth class city or a village.
13 Wherever extraterritorial zoning jurisdictions overlap, the provisions of s. 66.0105
14 shall apply and any subsequent alteration of the corporate limits of the city by
15 annexation, detachment or consolidation proceedings shall not affect the dividing
16 line as initially determined under s. 66.0105. The governing body of the city shall
17 specify by resolution the description of the area to be zoned within its extraterritorial
18 zoning jurisdiction sufficiently accurate to determine its location and such area shall
19 be contiguous to the city. The boundary line of such area shall follow government lot
20 or survey section or fractional section lines or public roads, but need not extend to
21 the limits of the extraterritorial zoning jurisdiction. Within 15 days of the adoption
22 of the resolution the governing body shall declare its intention to prepare a
23 comprehensive zoning ordinance for all or part of its extraterritorial zoning
24 jurisdiction by the publication of the resolution in a newspaper having general
25 circulation in the area proposed to be zoned, as a class 1 notice, under ch. 985. The

city clerk shall mail a certified copy of the resolution and a scale map reasonably showing the boundaries of the extraterritorial jurisdiction to the clerk of the county in which the extraterritorial jurisdiction area is located and to the town clerk of each town, any part of which is included in such area.

SECTION 18. 66.0105 of the statutes is amended to read:

66.0105 Jurisdiction of overlapping extraterritorial powers. The extraterritorial powers granted to cities and villages by statute, including ss. 30.745, 62.23 (2) and (7a), 66.0415, 236.10, and 254.57, may not be exercised within the corporate limits of another city or village and may not be exercised within the corporate limits of a town whose board has adopted a resolution under s. 60.225 (1) unless a majority of the votes cast in the ratification vote on the resolution do not approve the resolution. Wherever these statutory extraterritorial powers overlap, the jurisdiction over the overlapping area shall be divided on a line all points of which are equidistant from the boundaries of each municipality concerned so that not more than one municipality shall exercise power over any area.

SECTION 19. 66.0217 (3) (intro.) of the statutes is amended to read:

66.0217 **(3)** OTHER METHODS OF ANNEXATION. (intro.) Subject to s. 66.0307 (7) and except as provided in s. 60.225 (4) and (5), territory contiguous to a city or village may be annexed to the city or village in the following ways:

SECTION 20. 66.0219 (intro.) of the statutes is amended to read:

66.0219 Annexation by referendum initiated by city or village. (intro.) As a complete alternative to any other annexation procedure, and subject to s. 66.0307 (7) and except as provided in s. 60.225 (4) and (5), unincorporated territory which contains electors and is contiguous to a city or village may be annexed to the

city or village under this section. The definitions in s. 66.0217 (1) apply to this section.

SECTION 21. 66.0223 of the statutes is amended to read:

66.0223 Annexation of territory owned by a city or village. In addition to other methods provided by law and subject to ss. 59.692 (7) and 66.0307 (7) <u>and except as provided in s. 60.225 (4) and (5)</u>, territory owned by and lying near but not necessarily contiguous to a village or city may be annexed to a village or city by ordinance enacted by the board of trustees of the village or the common council of the city, provided that in the case of noncontiguous territory the use of the territory by the city or village is not contrary to any town or county zoning regulation. The ordinance shall contain the exact description of the territory annexed and the names of the towns from which detached, and attaches the territory to the village or city upon the filing of 7 certified copies of the ordinance in the office of the secretary of state, together with 7 copies of a plat showing the boundaries of the territory attached. Two copies of the ordinance and plat shall be forwarded by the secretary of state to the department of transportation, one copy to the department of administration, one copy to the department of natural resources, one copy to the department of revenue and one copy to the department of public instruction. Within 10 days of filing the certified copies, a copy of the ordinance and plat shall be mailed or delivered to the clerk of the county in which the annexed territory is located. Section 66.0217 (11) applies to annexations under this section.

SECTION 22. 70.99 (8) of the statutes is amended to read:

70.99 **(8)** Each city, town and village assessor duly appointed or elected and qualified to make the assessment for a city, town or village shall continue in office for all purposes of completing the functions of assessor with respect to such current

year's assessment, but is divested of all authority in respect to the January 1 assessment that comes under the jurisdiction of the county assessor, except that a town assessor of any charter town under s. 60.225 is not divested of his or her authority under this subsection and a county assessor does not have jurisdiction in a charter town.

SECTION 23. 196.58 (7) (a) of the statutes is amended to read:

196.58 **(7)** (a) If a municipality operating a water system seeks to serve consumers of an area which is part of the municipality and in the same county, but in order to serve such consumers it is necessary or economically prudent for the municipality to install mains, transmission lines, pipes or service connections through, upon or under a public street, highway, road, public thoroughfare or alley located within the boundaries of any adjacent municipality, the municipality seeking the installation may file a petition with the clerk of the legislative body of the adjacent municipality requesting approval for the installation of the mains, transmission lines, pipes or service connections. The governing body of the adjacent municipality shall act on the petition within 15 days after the petition is filed. If the governing body of the adjacent municipality fails to act within the 15–day period, the petition shall be deemed approved and the municipality may proceed with the installations required for service to its consumers. If, however, the governing body of the adjacent municipality rejects the petition, the municipality may make application to the commission for authority to install within the boundaries of the adjacent municipality, other than a town, the installations necessary to provide service to its consumers. The commission shall hold a hearing upon the application of the municipality. If the commission determines that it is necessary or economically prudent that the municipality seeking to serve its consumers make the installations

within the boundaries of the adjacent municipality, the commission shall promptly issue an order authorizing the municipality to proceed to make the installation in the adjacent municipality, except that the commission may not issue such an order if the adjacent municipality is a town. In the order, the commission may establish the manner of making the installation.

SECTION 24. 236.02 (5) of the statutes is amended to read:

236.02 **(5)** "Extraterritorial plat approval jurisdiction" means the unincorporated area, except as provided in s. 60.225 (3) (b), within 3 miles of the corporate limits of a first, second or third class city, or 1 1/2 miles of a fourth class city or a village.

SECTION 25. Laws of 1975, chapter 105, section 1 (1) and (2) are amended to read:

[Laws of 1975, chapter 105] Section 1 (1) The legislature finds that the existing system of allocating aggregate property tax revenues among tax levying municipalities has resulted in significant inequities and disincentives. The cost of public works or improvements within a city, town, or village has been borne entirely by the city, town, or village, while the expansion of tax base which is stimulated, directly or indirectly, by such improvements, benefits not only the city, town, or village but also all municipalities which share such tax base. This situation is inequitable. Moreover, when the cost to a city, town, or village of a public improvement project exceeds the future benefit to the city, town, or village resulting therefrom, the city, town, or village may decide not to undertake such project. This situation has resulted in the postponement or cancellation of socially desirable projects.

1 (2) The legislature further finds that accomplishment of the vital and beneficial
2 public purposes of sections 66.405 to 66.425, 66.43, 66.431, 66.435 and 66.52 of the
3 statutes~~,~~ is being frustrated because of a lack of incentives and financial resources.
4 The purpose of this act is to create a viable procedure by which a city ~~or~~, village, or
5 town, through its own initiative and efforts, may finance projects which will tend to
6 accomplish these laudable objectives.
7 **(END)**