

**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2003 SENATE BILL 428**

1 **AN ACT** *to amend* 66.1105 (6) (a) 4., 66.1105 (6) (a) 7., 66.1105 (6) (a) 8., 66.1105
2 (7) (am) 1. and 66.1105 (7) (am) 2.; *to create* 66.1105 (6) (a) 4m., 66.1105 (7) (ak),
3 66.1105 (7) (am) 3. and 66.1105 (8) (e) of the statutes; and *to affect* 2003
4 Wisconsin Act 126, section 44 (2) and 2003 Wisconsin Act 126, section 45 (1);
5 **relating to:** the lifespan of tax incremental financing districts and the period
6 during which tax increments may be allocated to such districts.

Analysis by the Legislative Reference Bureau

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

7 **SECTION 1.** 66.1105 (6) (a) 4. of the statutes, as affected by 2003 Wisconsin Act
8 126, is amended to read:
9 66.1105 **(6)** (a) 4. ~~Twenty-three~~ Twenty-seven years after the tax incremental
10 district is created if the district is created after September 30, 1995, and before

1 October 1, 2004, and if the district is a district about which a finding is made under
2 sub. (4) (gm) 4. a. that not less than 50 percent, by area, of the real property within
3 the district is a blighted area or an area in need of rehabilitation or conservation
4 work, except that if the life of the district is extended under sub. (7) (am) 1., an
5 allocation under this subdivision may be made 31 years after such a district is
6 created.

7 **SECTION 2.** 66.1105 (6) (a) 4m. of the statutes is created to read:

8 66.1105 **(6)** (a) 4m. Twenty–three years after the tax incremental district is
9 created if the district is created after September 30, 1995, and before October 1, 2004,
10 and if the district is a district about which a finding is made under sub. (4) (gm) 4.
11 a. that not less than 50 percent, by area, of the real property within the district is
12 suitable for industrial sites.

13 **SECTION 3.** 66.1105 (6) (a) 7. of the statutes, as created by 2003 Wisconsin Act
14 126, is amended to read:

15 66.1105 **(6)** (a) 7. Twenty years after the tax incremental district is created if
16 the district is created on or after October 1, 2004, and if the district is at least
17 predominantly suitable for mixed–use development or industrial sites under sub. (4)
18 (gm) 6., except that if the life of the district is extended under sub. (7) (am) 2. an
19 allocation under this subdivision may be made 23 years after such a district is
20 created.

21 **SECTION 4.** 66.1105 (6) (a) 8. of the statutes, as created by 2003 Wisconsin Act
22 126, is amended to read:

23 66.1105 **(6)** (a) 8. Twenty–seven years after the tax incremental district is
24 created if the district is created on or after October 1, 2004, and if the district is a
25 district specified under sub. (4) (gm) 6. other than a district specified under subd. 7.,

1 except that if the life of the district is extended under sub. (7) (am) 3. an allocation
2 under this subdivision may be made 30 years after such a district is created.

3 **SECTION 5.** 66.1105 (7) (ak) of the statutes is created to read:

4 66.1105 (7) (ak) 1. Except as provided in par. (am) 1., for a district about which
5 a finding is made under sub. (4) (gm) 4. a. that not less than 50 percent, by area, of
6 the real property within the district is a blighted area or an area in need of
7 rehabilitation or conservation work, and if the district to which the plan relates is
8 created after September 30, 1995, and before October 1, 2004, 27 years after the
9 district is created.

10 2. For a district that is created after September 30, 1995, and before October
11 1, 2004, and that is not subject to subd. 1., 23 years after the district was created, and
12 for a district that is created before October 1, 1995, 27 years after the district is
13 created.

14 **SECTION 6.** 66.1105 (7) (am) 1. of the statutes, as affected by 2003 Wisconsin
15 Act 126, is amended to read:

16 66.1105 (7) (am) 1. ~~For a district about which a finding is made under sub. (4)~~
17 ~~(gm) 4. a. that not less than 50 percent, by area, of the real property within the district~~
18 ~~is a blighted area or in need of rehabilitation or conservation work, 27 years after the~~
19 ~~district is created~~ described under par. (ak) 1., the time period specified in that
20 subdivision, except that the city that created the district may, subject to sub. (8) (e),
21 request that the joint review board extend the life of the district for an additional 4
22 years. Along with its request for a 4-year extension, the city may provide the joint
23 review board with an independent audit that demonstrates that the district is unable
24 to pay off its project costs within the 27 years after the district is created. The joint
25 review board may deny or approve a request to extend the life of the district for 4

1 years if the request does not include the independent audit, and the board shall
2 approve a request to extend the life of the district for 4 years if the request includes
3 the audit. If the joint review board extends the district's life, the district shall
4 terminate at the earlier of the end of the extended period or the period specified in
5 par. (a).

6 **SECTION 7.** 66.1105 (7) (am) 2. of the statutes, as affected by 2003 Wisconsin
7 Act 126, is amended to read:

8 66.1105 (7) (am) 2. For a district that is created after September 30, 2004, about
9 which a finding is made under sub. (4) (gm) 4. a. that not less than 50 percent, by area,
10 of the real property within the district is suitable for industrial sites or mixed-use
11 development, 20 years after the district is created, except that ~~during the 18th year~~
12 ~~of such a district's existence~~, the city that created the district may, subject to sub. (8)
13 (e), request that the joint review board extend the life of the district for an additional
14 ~~5~~ 3 years. Along with its request for a ~~5-year~~ 3-year extension, the city may provide
15 the joint review board with an independent audit that demonstrates that the district
16 is unable to pay off its project costs within the 20 years after the district is created.
17 The joint review board may deny or approve a request to extend the life of the district
18 for ~~5~~ 3 years if the request does not include the independent audit, and the board
19 shall approve a request to extend the life of the district for ~~5~~ 3 years if the request
20 includes the audit. If the joint review board extends the district's life, the district
21 shall terminate at the earlier of the end of the extended period or the period specified
22 in par. (a).

23 **SECTION 8.** 66.1105 (7) (am) 3. of the statutes is created to read:

24 66.1105 (7) (am) 3. For a district that is created after September 30, 2004, about
25 which a finding is made under sub. (4) (gm) 4. a. that not less than 50 percent, by area,

1 of the real property within the district is a blighted area or in need rehabilitation,
2 27 years after the district is created, except that the city that created the district may,
3 subject to sub. (8) (e), request that the joint review board extend the life of the district
4 for an additional 3 years. Along with its request for a 3–year extension, the city may
5 provide the joint review board with an independent audit that demonstrates that the
6 district is unable to pay off its project costs within the 27 years after the district is
7 created. The joint review board may deny or approve a request to extend the life of
8 the district for 3 years if the request does not include the independent audit, and the
9 board shall approve a request to extend the life of the district for 3 years if the request
10 includes the audit. If the joint review board extends the district’s life, the district
11 shall terminate at the earlier of the end of the extended period or the period specified
12 in par. (a).

13 **SECTION 8m.** 66.1105 (8) (e) of the statutes is created to read:

14 66.1105 (8) (e) A city shall notify the department of revenue at least one year
15 before the date on which a tax incremental district is required to terminate under
16 sub. (7) (am) if a joint review board approves a request to extend the life of the district
17 under sub. (7) (am). If a city does not notify the department of revenue by that date,
18 the department may deny the extension.

19 **SECTION 9.** 2003 Wisconsin Act 126, section 44 (2) is amended to read:

20 [2003 Wisconsin Act 126] Section 44 (2) Except as provided in subsection (3),
21 the treatment of section 66.1105 (2) (f) 1. i. and 2. d., (4) (e) and (gm) 1. and 6., (4m)
22 (a), (ae), (am), and (b) 2., 2m., and 4., (5) (a), (b), (c), and (ce), (6) (a) 4., 7., and 8., (7)
23 (am) 2. and 3., and (8) (title), (a), (c), and (d) of the statutes, the renumbering and
24 amendment of section 66.1105 (2) (f) 3. (as it relates to mixed–use development tax
25 incremental districts) of the statutes, and the creation of 66.1105 (2) (f) 3. a. to c. of

1 the statutes first applies to a tax incremental district that is created on October 1,
2 2004.

3 **SECTION 10.** 2003 Wisconsin Act 126, section 45 (1) is amended to read:

4 [2003 Wisconsin Act 126] Section 45 (1) The treatment of section 66.1105 (2)
5 (f) 1. i. and 2. d., (3) (g), (4) (e), (gm) 1., 4. a. and c., and 6., and (h) 2., (4m) (a), (am),
6 (b) 2., 2m., and 4., (5) (a), (b), (c), and (ce), (6) (a) 4., 7., and 8. and (am) 1., (7) ~~(am)~~,
7 ~~and (ar)~~, and (8) (title), (c), and (d) of the statutes takes effect on October 1, 2004, or
8 on the day after publication, whichever is later.

9 **SECTION 11. Initial applicability.**

10 (1) This act first applies to a tax incremental district that is in existence on the
11 effective date of this subsection or that is created on the effective date of this
12 subsection.

13 **SECTION 12. Effective dates.** This act takes effect on the day after publication,
14 except as follows:

15 (1) The treatment of section 66.1105 (6) (a) 7. of the statutes takes effect on
16 October 1, 2004.

17 (END)