SENATE BILL 637 (LRB -4723)

An Act to create 66.1106 (1) (be) and 66.1106 (14) of the statutes; relating to: authorizing the town of Madison to reduce the territory of an environmental remediation tax incremental district. (FE)

2006

03-08.	S.	Introduced by Senator **Kanavas**; cosponsored by Representative **Nischke**.
02-27.	S.	Read first time and referred to committee on Job Creation, Economic Development and Consumer Affairs.
03-01.	S.	Public hearing held.
03-01.	S.	Executive action taken.
03-04.	S.	Report passage recommended by committee on Job Creation, Economic Development and Consumer Affairs, Ayes 4, Noes 0.
03-04.	S.	Available for scheduling.
03-07.	S.	Fiscal estimate received.
03-08.	S.	Fiscal estimate received.
03-08.	S.	Placed on calendar 3-9-2006 by committee on Senate Organization.
03-09.	S.	Read a second time.
03-09.	S.	Ordered to a third reading.
03-09.	S.	Rules suspended.
03-09.	S.	Read a third time and **passed**.
03-09.	S.	Ordered immediately messaged.
03-09.	A.	Received from Senate 966
03-09.	A.	Read 968
03-09.	A.	Rules suspended and taken up 968
03-09.	A.	Read a second time 968
03-09.	A.	Ordered to a third reading 968
03-09.	A.	Rules suspended 968
03-09.	A.	Read a third time and **concurred in** 968
03-09.	A.	Ordered immediately messaged 968
03-10.	S.	Received from Assembly concurred in.

LN

2005
ENROLLED BILL

05en S B- 637

ADOPTED DOCUMENTS:

☒ Orig ☐ Engr ___ SubAmdt ___ 05 - 4723/1

Amendments to above (if none, write "NONE"): None

Corrections – show date (if none, write "NONE"): None

Topic Rel

3-17-06
Date

Enrolling Drafter

ELECTRONIC PROCEDURE:

Follow automatic or manual enrolling procedures in *TEXT2000 Reference Guide*, Document Specific Procedures, Ch. 20, Engrossing and Enrolling

DISTRIBUTION:

HOUSE OF ORIGIN:

- 11 copies plus bill jacket
- Secretary of State's envelope containing 4 copies plus newspaper notice

REVISOR OF STATUTES:

- 5 copies

DEPARTMENT OF ADMINISTRATION:

- 2 copies

LRB:

- Drafting file ..... original
- Drafting attorney ..... 1 copy
- Legislative editors ..... 1 copy each
- Reference section ..... 1 copy
- Bill index librarian ..... 1 copy

2005 SENATE BILL 637

February 27, 2006 – Introduced by Senator KANAVAS, cosponsored by Representative NISCHKE. Referred to Committee on Job Creation, Economic Development and Consumer Affairs.

1 AN ACT ***to create*** 66.1106 (1) (be) and 66.1106 (14) of the statutes; **relating to:**
2 authorizing the town of Madison to reduce the territory of an environmental
3 remediation tax incremental district.

Analysis by the Legislative Reference Bureau

Under current law, the environmental remediation tax incremental financing program permits a city, village, town, or county (political subdivision) to recoup the costs of remediating contaminated property that is owned by the political subdivision from property taxes that are levied on the remediated property. The mechanism for financing remediation costs is very similar to the mechanism for financing project costs under the tax incremental financing (TIF) program.

A political subdivision that has incurred "eligible costs" to remediate environmental pollution on a parcel of property may apply to the Department of Revenue (DOR) to certify the "environmental remediation tax incremental base" of the parcel. DOR is required to certify the environmental remediation tax incremental base if the political subdivision submits to DOR all of the following: 1) a statement that the political subdivision has incurred some eligible costs, together with a detailed proposed remedial action plan approved by the Department of Natural Resources (DNR) that contains cost estimates for anticipated eligible costs, a schedule for the design and implementation that is needed to complete the remediation, and certification from DNR that it has approved the site investigation report that relates to the parcel; 2) a statement that all taxing jurisdictions with authority to levy general property taxes on the parcel of property have been notified

that the political subdivision intends to recover its environmental remediation costs by using an "environmental remediation tax increment"; and 3) a statement that the political subdivision has attempted to recover its environmental remediation costs from the person who is responsible for the environmental pollution that is being remediated.

Currently, the maximum life of an environmental remediation tax incremental district (ERTID) is 16 years, and no expenditure for an eligible cost may be made by a political subdivision later than 15 years after the environmental remediation tax incremental base is certified by DOR.

This bill authorizes the town of Madison to modify the boundaries of its ERTID once during the life of the district by subtracting territory from the district, subject to approval from a joint review board. To subtract territory from the district, the bill requires the town to act before October 2, 2006, and requires that the parcels in the district remain contiguous after the subtraction. If the town does modify its ERTID in the manner authorized by the bill, DOR must redetermine the environmental remediation tax incremental base of the district as of January 1, 2006.

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:

1 **SECTION 1.** 66.1106 (1) (be) of the statutes is created to read:

2 66.1106 **(1)** (be) "District" means an environmental remediation tax
3 incremental district created under this section that consists of the parcels of property
4 described in a written proposal developed under sub. (2) (a) that is approved by a joint
5 review board under sub. (3).

6 **SECTION 2.** 66.1106 (14) of the statutes is created to read:

7 66.1106 **(14)** SUBTRACTING TERRITORY FROM A DISTRICT. (a) If the department has
8 certified before January 2, 2001, the environmental remediation tax incremental
9 base of a district that is created by a town, the town may modify the district's
10 boundaries, not more than once during the period of certification, by subtracting
11 territory from the district, if all of the following apply:

1. Before October 2, 2006, the town adopts an amendment to the proposal adopted under sub. (2) (a), which modifies the district's boundaries. The amendment shall specify the parcel that is to be subtracted from the district.

2. The parcels in the district, after subtracting the parcel described in subd. 1., remain contiguous.

3. A joint review board, following the procedures in sub. (3), approves the amendment.

(b) If a town subtracts territory from a district by acting under par. (a) and submits a written application to the department under sub. (4), the department shall redetermine the environmental remediation tax incremental base of the district as of January 1, 2006.

(END)