

ASSEMBLY BILL 1008 (LRB -4225)

An Act to amend 66.1105 (6) (e) 1. b.; and to create 66.1105 (6) (e) 1. e. of the statutes; relating to: authorizing the city of Monroe to allocate positive tax increments from one or more of its tax incremental financing districts to another such district created by the city. (FE)

2006

03-07.	A.	Introduced by Representatives Davis and Freese ; cosponsored by Senators Erpenbach and Schultz .	
02-10.	A.	Read first time and referred to committee on Ways and Means	799
02-15.	A.	Fiscal estimate received.	
02-15.	A.	Public hearing held.	
02-28.	A.	Executive action taken.	
03-02.	A.	Report passage recommended by committee on Ways and Means, Ayes 11, Noes 2	880
03-02.	A.	Referred to committee on Rules	880
03-02.	A.	Placed on calendar 3-7-2006 by committee on Rules.	
03-02.	A.	Made a special order of business at 11:28 A.M. on 3-7-2006 pursuant to Assembly Resolution 50	899
03-07.	A.	Read a second time	927
03-07.	A.	Referred to joint committee on Finance	927
03-07.	A.	Withdrawn from joint committee on Finance and taken up	927
03-07.	A.	Ordered to a third reading	927
03-07.	A.	Rules suspended	927
03-07.	A.	Read a third time and passed , Ayes 71, Noes 23	927
03-07.	A.	Ordered immediately messaged	927
03-07.	S.	Received from Assembly.	
03-07.	S.	Read first time and referred to committee on Senate Organization.	
03-07.	S.	Available for scheduling.	
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 concurred in , Ayes 33, Noes 0.	
03-09.	S.	Ordered immediately messaged.	
03-14.	A.	Received from Senate concurred in.	

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2005
ENROLLED BILL

05en AB-1008

ADOPTED DOCUMENTS:

Orig Engr SubAmdt

05-4225/1

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

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

Topic Rel

3-17-06
Date

J. Phelan
Enrolling Drafter

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2005 ASSEMBLY BILL 1008

February 10, 2006 – Introduced by Representatives DAVIS and FREESE, cosponsored by Senators ERPENBACH and SCHULTZ. Referred to Committee on Ways and Means.

1 **AN ACT** *to amend* 66.1105 (6) (e) 1. b.; and *to create* 66.1105 (6) (e) 1. e. of the
2 statutes; **relating to:** authorizing the city of Monroe to allocate positive tax
3 increments from one or more of its tax incremental financing districts to
4 another such district created by the city.

Analysis by the Legislative Reference Bureau

Under the current tax incremental financing program, a city or village may create a tax incremental district (TID) in part of its territory to foster development if at least 50 percent of the area to be included in the TID is blighted, in need of rehabilitation or conservation, suitable for industrial sites, or suitable for mixed-use development.

Also under current law, once a TID has been created, the Department of Revenue calculates the “tax increment base value” of the TID, which is the equalized value of all taxable property within the TID at the time of its creation. If the development in the TID increases the value of the property in the TID above the base value, a “value increment” is created and that portion of taxes collected on the value increment in excess of the base value is called a “tax increment.” The tax increment is placed in a special fund that may be used only to pay back the project costs of the TID.

The project costs of a TID, which are initially incurred by the creating city or village, include public works such as sewers, streets, and lighting systems; financing costs; site preparation costs; and professional service costs. Generally under current

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law, but subject to one exception, project costs are required to be expended within the boundaries of a TID.

The TIDs are required to terminate, under current law and with some exceptions, once these project costs are paid back. Under one of the exceptions, which is limited to certain circumstances, after a TID pays off its project costs, but not later than the date on which it must otherwise terminate, the planning commission may allocate positive tax increments generated by the TID (the “donor” TID) to another TID (donee TID) that has been created by the planning commission.

Similar to the current law exception that allows a donor TID to allocate its positive tax increments to a donee TID if certain conditions are met, this bill authorizes the city of Monroe to transfer tax increments from one of its existing TIDs to its TID number 4 if the other current law requirements are met.

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.** 66.1105 (6) (e) 1. b. of the statutes is amended to read:

2 66.1105 (6) (e) 1. b. Except as provided in subd. 1. c. and e., the donor tax
3 incremental district and the recipient tax incremental district have been created
4 before October 1, 1995.

5 **SECTION 2.** 66.1105 (6) (e) 1. e. of the statutes is created to read:

6 66.1105 (6) (e) 1. e. With respect to a tax incremental district that has been
7 created by a 4th class city incorporated in 1882 that is located in the Pecatonica River
8 watershed, the recipient tax incremental district has been created before October 1,
9 1996, and the donor tax incremental district has been created before October 1, 2003.

10

(END)