2007 ASSEMBLY BILL 386

May 31, 2007 - Introduced by Representatives FRISKE, MURSAU, PETROWSKI, LEMAHIEU, VOS, NASS, BIES, ALBERS and MUSSER, cosponsored by Senators SCHULTZ and OLSEN. Referred to Committee on State Affairs.

AN ACT to create 20.9145 of the statutes; relating to: restrictions on the purchase price of land acquired from nonprofit organizations by certain agencies and authorities.

Analysis by the Legislative Reference Bureau

Current law gives specific authority to certain bodies in state government (state agencies) and to certain state-owned authorities to purchase land. This bill prohibits those state agencies and authorities from purchasing land from any nonprofit organization for an amount that exceeds the amount that the nonprofit organization paid to purchase that land or the fair market value of the land at the time of the agency’s or authority’s acquisition, whichever is lower. The bill also provides that, if a nonprofit organization owns land acquired by gift, donation, or devise, a state agency or authority may only acquire that land from the nonprofit organization if the land is given or donated to the state agency or authority by the nonprofit organization. The payment restriction created in the bill does not apply to land acquired by a state agency or authority by condemnation.

For further information see the state 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:
SECTION 1. 20.9145 of the statutes is created to read:

20.9145 Land acquired from nonprofit organizations. (1) In this section:

(a) “Agency” means an office, department, agency, institution of higher education, association, society, or other body in state government created or authorized to be created by the constitution or any law, that is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority.

(b) “Authority” means a body created under subch. II of ch. 114 or subch. III of ch. 149 or under ch. 231, 232, 233, 234, 235, or 237.

(c) “Nonprofit organization” means an organization that is described in section 501 (c) (3) of the Internal Revenue Code and that is exempt from federal income tax under section 501 (a) of the Internal Revenue Code.

(2) (a) No agency or authority may acquire land from a nonprofit organization by purchasing the land for an amount that exceeds the lower of the following:

1. The amount that the nonprofit organization paid to acquire the land.

2. The fair market value of the land at the time that the agency or authority acquires the land.

(b) If a nonprofit organization owns land acquired by gift, donation, or devise, an agency or authority may only acquire that land from the nonprofit organization if the land is given or donated to the agency or authority by the nonprofit organization at no cost.

(c) This subsection does not apply to land acquired by an agency or authority by condemnation.

SECTION 2. Initial applicability.
(1) This act first applies to land that is acquired under a contract or other agreement entered into on the effective date of this subsection.

(END)