



2011 SENATE BILL 425

1 **AN ACT** *to renumber and amend* 66.0627 (8); and *to create* 66.0627 (8) (b),
2 66.0627 (8) (c), 66.0627 (8) (d) and 66.0627 (8) (e) of the statutes; **relating to:**
3 loans and repayment assistance by a political subdivision for energy and water
4 improvements to premises and collection of the debt by special charge.

Analysis by the Legislative Reference Bureau

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

5 **SECTION 1.** 66.0627 (8) of the statutes is renumbered 66.0627 (8) (a) and
6 amended to read:
7 66.0627 **(8)** (a) A political subdivision may make a loan, or enter into an
8 agreement regarding loan repayments to a 3rd party for owner-arranged or
9 lessee-arranged financing, to an owner or lessee of a premises located in the political
10 subdivision for making or installing an energy efficiency improvement, a water

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1 efficiency improvement, or a renewable resource application to the premises, ~~or enter~~
2 ~~into an agreement with the owner or lessee regarding loan repayments to a 3rd party~~
3 ~~for owner-arranged or lessee-arranged financing for such purposes.~~ If a political
4 subdivision makes ~~such~~ a loan or enters into ~~such~~ an agreement under this
5 paragraph, the political subdivision may collect the loan repayment as a special
6 charge under this section. Notwithstanding ~~the provisions of sub. (4),~~ a special
7 charge imposed under this ~~subsection~~ paragraph may be collected in installments
8 and may be included in the current or next tax roll for collection and settlement under
9 ch. 74 even if the special charge is not delinquent.

10 **SECTION 2.** 66.0627 (8) (b) of the statutes is created to read:

11 66.0627 **(8)** (b) A political subdivision that imposes a special charge under par.
12 (a) may permit special charge installments to be collected by a 3rd party that has
13 provided financing for the improvement or application and may require that the 3rd
14 party inform the political subdivision if a special charge installment is delinquent.

15 **SECTION 3.** 66.0627 (8) (c) of the statutes is created to read:

16 66.0627 **(8)** (c) An installment payment authorized under par. (a) that is
17 delinquent becomes a lien on the property that benefits from the improvement or
18 application as of the date of delinquency. A lien under this paragraph has the same
19 priority as a special assessment lien.

20 **SECTION 4.** 66.0627 (8) (d) of the statutes is created to read:

21 66.0627 **(8)** (d) A political subdivision that, under par. (a), makes a loan to, or
22 enters an agreement with, an owner for making or installing an improvement or
23 application that costs \$250,000 or more shall require the owner to obtain a written
24 guarantee from the contractor or project engineer that the improvement or
25 application will achieve a savings-to-investment ratio of greater than 1.0 and that

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1 the contract or engineer will annually pay the owner any shortfall in savings below
2 this level. The political subdivision may determine the method by which a guarantee
3 under this paragraph is enforced.

4 **SECTION 5.** 66.0627 (8) (e) of the statutes is created to read:

5 66.0627 **(8)** (e) If the making or installing of an improvement or application
6 under par. (a) costs less than \$250,000, the political subdivision may require a
7 3rd-party technical review of the projected savings of the improvement or
8 application as a condition of making a loan or entering into an agreement under par.
9 (a).

10 **SECTION 6. Initial applicability.**

11 (1) This act first applies to loans made or agreements entered into on the
12 effective date of this subsection.

13

(END)