2013 DRAFTING REQUEST

Bill

Received:	**11/18/2013**	Received By:	**emueller**
Wanted:	**As time permits**	Same as LRB:	
For:	**Scott Krug (608) 266-0215**	By/Representing:	**Randy Thorson**
May Contact:		Drafter:	**emueller**
Subject:	**Local Gov't - tax incr financing**	Addl. Drafters:	
		Extra Copies:	**MES**

Submit via email: **YES**
Requester's email: **Rep.Krug@legis.wisconsin.gov**
Carbon copy (CC) to:

Pre Topic:

No specific pre topic given

Topic:

Allow village of Biron to transfer surplus tax increments to another TID

Instructions:

See attached

Drafting History:

Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required
/?	emueller 1/23/2014	scalvin 1/23/2014		_____ _____			
/P1	emueller 1/31/2014		jmurphy 1/24/2014	_____ _____	sbasford 1/24/2014		Local
/1		scalvin 1/31/2014	rschluet 1/31/2014	_____	lparisi 1/31/2014	lparisi 1/31/2014	Local

LRB-3662
1/31/2014 2:32:19 PM
Page 2

FE Sent For:

At Intro.

<END>

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/1	EM 1/31/14	/1 suc 01/31/2014	/1 suc 01/31/2014				

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/?	emueller						
/P1	EVM 1/23/14	/P1 sac 01/23/14	/P1 sac 01/23/2014				

FE Sent For:

<END>

From:	Thorson, Randy
Sent:	Thursday, November 14, 2013 1:52 PM
To:	Mueller, Eric; Shovers, Marc
Cc:	Knickelbine, Mark
Subject:	FW: TIF fix drafting instructions

Erik and Mark,

I respectfully request, with Sen. Lassa's office permission, that Representative Krug will draft the Assembly companion legislation.

Thank you for your attention.

Sincerely,

Randy Thorson
Research Assistant to
Scott Krug
State Representative
72nd Assembly District

From: Knickelbine, Mark
Sent: Thursday, November 14, 2013 1:44 PM
To: Mueller, Eric; Shovers, Marc
Cc: Thorson, Randy
Subject: TIF fix drafting instructions

Mark and Eric:

I was told to contact both of you with this request. Sen. Lassa would like a bill drafted that would enable the Village of Biron in Wood County to transfer surplus increment revenue from its TID 2 to its TID 3. Let me know what additional information you'll need to draft this. Representative Krug's office will be requesting and Assembly companion to this bill.

Mark Knickelbine
Policy Analyst
Office of State Senator Julie Lassa
24th Senate District
P.O. Box 7882
Madison, WI 53707-7882
(608) 266-3123

1	AN ACT *to create* 66.1105 (6) (e) 1. f. of the statutes; **relating to:** authorizing the
2	village of Biron to allocate positive tax increments from Tax Incremental
3	District Number 2 in the village to Tax Incremental District Number 3 in the
4	village.

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. Before a city or village may create a TID, several steps and plans are required. These steps and plans include public hearings on the proposed TID within specified time frames, preparation and adoption by the local planning commission of a proposed project plan for the TID, approval of the proposed project plan by the common council or village board, and adoption of a resolution by the common council or village board that creates the TID as of a date provided in the resolution.

Also under current law, once a TID has been created, the Department of Revenue (DOR) 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. 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, may include public works such as sewers, streets, and lighting systems; financing costs; site preparation costs; and professional service costs. DOR authorizes the allocation of the tax increments until the TID terminates or, generally, 20 years, 23 years, or 27 years after the TID is created, depending on the type of TID and the year in which it was created.

Under certain limited circumstances, a TID that has paid off all of its project costs but has not reached its mandatory termination date may become a donor TID, continue to receive tax increments, and forward those increments to a recipient TID created by the same city or village.

This bill creates an exception that allows TID Number 2 in the village of Biron to allocate its positive tax increments to TID Number 3 in the village.

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. f. of the statutes is created to read:

2   66.1105 **(6)** (e) 1. f. Notwithstanding subd. 1. b. and subject to subd. 1. a. and

3   d., the planning commission of the village of Biron may amend, under sub. (4) (h), the

4   project plan of Tax Incremental District Number 2 in the village to allocate positive

5   tax increments generated by that district to Tax Incremental District Number 3 in

6   the village.

7   **(END)**

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-8661/P1dn 3662 /Plan
EVM:sac:jm

Stays

December 20, 2013
— date —

ATTN: Sen. Julie Lassa   Rep. Scott Krug

Please review the attached draft carefully to ensure that it is consistent with your intent. In particular, please review s. 66.1105 (6) (e) 1. a. and d. and 3. to ensure that application of these provisions in the village of Biron context is acceptable.

Please let me know if you would like any changes made to the attached draft or if you have any questions. If the attached draft meets with your approval, let me know and I will convert it to an introducible "/1" draft.

Eric V. Mueller
Legislative Attorney
Phone: (608) 261–7032
E–mail: eric.mueller@legis.wisconsin.gov

January 24, 2014

ATTN: Rep. Scott Krug

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Legislative Attorney
Phone: (608) 261–7032
E–mail: eric.mueller@legis.wisconsin.gov

PRELIMINARY DRAFT – NOT READY FOR INTRODUCTION

No Changes

1/ 31 /14

RMR

Today

/gen cat

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