



2015 SENATE BILL 203

June 26, 2015 – Introduced by Senator STROEBEL, cosponsored by Representatives J. OTT, R. BROOKS, E. BROOKS, KOOYENGA, MACCO and MURPHY. Referred to Committee on Elections and Local Government.

- 1 **AN ACT to create** 66.1109 (5) (d) of the statutes; **relating to:** changing the
2 assessment method for business improvement districts.

Analysis by the Legislative Reference Bureau

This bill changes the special assessment method used in business improvement districts (BIDs).

Under current law, based on the receipt of a petition from certain business owners in a designated area of a city, village, or town (municipality), a municipality may create a BID, which consists of contiguous parcels of land. A BID is governed by a board, whose members are appointed by the creating municipality's chief executive officer (mayor, city manager, village president, or town board chair). The board is required to adopt an initial operating plan for the BID, and may make changes to the operating plan each year, subject to the approval of the municipality's governing body.

The creating municipality may impose special assessments on the property in the BID and may appropriate other money to the BID. All such funds must be placed in a segregated account. Generally, the funds in the account must be spent for the benefit of the BID to put into effect its operating plan and to pay for certain required audits. Generally, the board determines how such funds are spent. The creating municipality may terminate the BID by following certain procedures that are specified in the statutes.

Under this bill, if a municipality specially assesses a mixed-use property in a BID, which is real property that is partly taxable, and partly tax-exempt or residential, the special assessment may be imposed only on the percentage of the property that is not tax-exempt or residential.

