

WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2017 Assembly Bill 480	Assembly Substitute Amendment 2, as Amended
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2017 ASSEMBLY BILL 480

2017 Assembly Bill 480 makes changes to state law relating to vested rights, tax incremental financing (TIF), impact fees, the forestry mill tax, easements, the electrical wiring code, highway weight limitations, housing impact reports for bills and rules, and permits for placement of riprap.

ASSEMBLY SUBSTITUTE AMENDMENT 2, AS AMENDED

Generally, compared to 2017 Assembly Bill 480, Assembly Substitute Amendment 2, as amended by Assembly Amendment 1 to the substitute amendment, removes provisions of the bill relating to the forestry mill tax and riprap, for which duplicative provisions were enacted in the 2017 Biennial Budget Act, and removes all provisions relating to TIF. The substitute amendment also adds new provisions relating to: (1) authority to challenge a tax assessment; and (2) shoreland zoning. Key provisions of the substitute amendment are summarized below.

Freezing of Political Subdivision Requirements Upon Initial Application

Under **current law**, as affected by 2013 Wisconsin Act 74, if a project requires more than one approval¹ from more than one political subdivision (city, village, county, or town), the requirements that applied in those political subdivisions at the time the first application for an approval is filed apply to all subsequent approvals for the project, if the applicant identifies the

¹ In this context, "approval" means a permit or authorization before building, zoning, driveway, stormwater, or other activity related to a project. [s. 66.10015 (1) (a), Stats.]

full scope of the project at the time it files the first application, and unless the applicant and a political subdivision agree otherwise. [s. 66.10015 (2) (b), Stats.]

The **substitute amendment** similarly "freezes" regulations in place at the time of an initial filing if multiple approvals are required by the same jurisdiction.

Authorization of Reduced Impact Fees for Workforce Housing

Current law generally authorizes cities, villages, and towns to enact ordinances that impose impact fees on developers to offset the cost of infrastructure improvements required to accommodate new land developments. However, an impact fee ordinance may provide an exemption from, or reduction in the amount of, impact fees on land development that provides low-income housing, if costs are not shifted to other land developments. [s. 66.0617 (2) and (7), Stats.]

The **substitute amendment** similarly authorizes cities, villages, and towns to provide exemptions from or reductions of impact fees for land developments that provide "workforce housing," as defined for purposes of the TIF law, above.

Recording of Easements for Sewer Maintenance

Current law generally requires a document submitted for recording by a county register of deeds to include a full legal description of the property to which the document relates, if the document is intended to relate to a particular parcel of land. However, the requirement to include a full legal description does not apply to descriptions of easements for the construction, operation, or maintenance of electric, gas, railroad, water, telecommunications, or telephone lines or facilities. [s. 706.05 (2m) (a) and (b) 1., Stats.]

The **substitute amendment** provides a similar exception from the requirement to provide a full legal description for recording descriptions of easements for the construction, operation, or maintenance of sewers.

Periodic Review of Certain Provisions of the Electrical Wiring Code

Current law requires the Department of Safety and Professional Services (DSPS) to promulgate, by rule, a state electrical wiring code that establishes standards for installing, repairing, and maintaining electrical wiring. [s. 101.82 (1), Stats.]

The **substitute amendment** requires DSPS to review certain portions of the electrical wiring code every six years. Specifically, DSPS must review the portions of the code that apply to buildings that contain one or two dwelling units. In its review, DSPS must consult with the Uniform Dwelling Code Council and any council or committee created by the Secretary of DSPS to advise the department regarding the electrical wiring code.

Exemption from Highway Weight Limitations for Certain Vehicles Transporting Propane

With some exceptions, **current law** provides weight limitations applicable to vehicles on class "B" highways.² Current law also authorizes the state, county highway committees, and municipal highway officers to impose special weight limitations on the highways they maintain when needed to prevent serious damage or destruction to a highway. [ss. 348.16 (2) and 349.16 (1) (a), Stats.]

The **substitute amendment** exempts certain motor vehicles that are being operated to deliver propane for heating purposes from the vehicle weight limitations described above. Specifically, such vehicles are exempt from the above weight limitations if both of the following criteria apply:

- The gross weight imposed on the highway by the vehicle does not exceed 30,000 pounds, for a vehicle with a single rear axle, or 40,000 pounds for a vehicle with tandem rear axles.
- If the motor vehicle is a tank vehicle, the tank is loaded to no more than 50% of the capacity of the tank.

The substitute amendment also requires a tank vehicle operating under the exceptions to be equipped with a gauge on the tank that shows the amount of propane in the tank as a percent of the tank's capacity and to carry documentation of the tank's capacity either on the cargo tank or in the cab of the vehicle.

Housing Impact Analyses for Proposed Legislation and Administrative Rules

Under **current law**, the Department of Administration (DOA) must prepare a report on any introduced bill or proposed administrative rule that directly or substantially affects the development, construction, cost, or availability of housing in this state. Those reports must contain specified findings. [ss. 13.099 (2) and (3) and 227.115 (2) (a) and (3), Stats.]

The **substitute amendment** terms such reports "housing impact analyses" and expands the scope of their application. Specifically, under the substitute amendment, DOA must prepare a housing impact analysis for any introduced bill that may increase or decrease, either directly or indirectly, the cost of the development construction, financing, purchasing, sale, ownership, or availability of housing in this state. The substitute amendment requires an agency promulgating a rule, rather than DOA, to prepare a housing impact analysis for a proposed rule promulgation, if those same criteria apply.

The substitute amendment also makes several modifications to the findings required to be contained in a housing impact analysis. Specifically, the substitute amendment adds a new finding regarding the density, location, setback, size, or height of development on a lot, parcel,

² Class "B" highways include portions of county trunk highways, town highways, and city and village streets that have been designated as class "B" highways by the relevant local authorities. [s. 348.16 (1), Stats.]

land division, or subdivision, and it modifies a finding regarding purchase price to specify that an analysis must contain a finding regarding the purchase price of new homes or the fair market value of existing homes. The substitute amendment also specifies that a housing impact analysis must provide reasonable estimates in dollar figures (or a statement setting forth the reasons why such estimates are not possible) and include descriptions of both immediate and long-term effects, if ascertainable. In addition, the substitute amendment specifies that a housing impact analysis must be prepared on the basis of a median-priced single-family residence but may include estimates for larger developments as an analysis of the long-term effect or the bill or rule.

Challenging Tax Assessments

Under **current law**, an assessor may not enter upon a person's real property to conduct an assessment more than once a year, unless the owner consents. Additionally, the statute specifies that a property owner may deny entry to the assessor if the owner has given prior notice that the assessor may not enter the property without the owner's permission. However, state statutes also specify that the review and appeal procedures before the board of review and circuit court relating to property assessment are not available to a property owner if that owner has denied the assessor entry to the property. [ss. 70.47 (7) (aa) and 74.37 (4) (a), Stats.]

In *Milewski v. Town of Dover*, 2017 WI 79, the Wisconsin Supreme Court considered the question of whether a property owner's constitutional rights under the Fourth and Fourteenth Amendments of the U.S. Constitution were violated when state statutes relating to the property tax assessment process deny the property owner the ability to appear before the board of review and subsequently seek other judicial review of an assessment following the owner's refusal to allow the assessor to inspect the interior of the property owner's residence. In separate opinions, a majority of the justices concluded that the statutory prohibition on appearance before the board of review is a majority of the constitutional rights of the property owner.

The **substitute amendment** repeals the prohibition on appearing before the board of review to object to an assessment when a property owner has refused to allow the assessor to enter the interior of the owner's residence. Because appearing before the board of review is a condition precedent for judicial review, the substitute amendment also has the effect of permitting a taxpayer to file a claim for excessive assessment in circuit court in those circumstances. For residential property owners, the substitute amendment specifies that an assessor must provide written notice to the property owner of the owner's rights regarding the inspection of the interior of the owner's residence.

The substitute amendment also specifies that an assessor may not increase a property's valuation based solely on an owner's refusal to allow entry to the assessor, and specifies that an

assessor may enter property to conduct an exterior view of the real or personal property being assessed.

Shoreland Zoning Exemption

Current law generally requires county shoreland zoning ordinances to establish a setback of 75 feet from the ordinary highwater mark. However, if a structure³ within the shoreland setback area is nonconforming (i.e., if it was constructed before the setback requirement took effect), or if it was placed pursuant to a variance granted before July 13, 2015, then a county (and the state) generally cannot prohibit the landowner from maintaining, repairing, replacing, restoring, rebuilding, or remodeling the structure under its shoreland zoning ordinance, if the activity does not expand the structure's original footprint. [s. 59.692 (1n) (am) and (1k) (a) 2., Stats.]

The **substitute amendment** also prohibits state and county regulation of the maintenance, repair, replacement, restoration, rebuilding, or remodeling of structures for which the county and state did not bring an enforcement action for at least 10 years after the structure was constructed.

BILL HISTORY

Representative Jarchow offered Assembly Substitute Amendment 2 on October 19, 2017. On October 26, 2017, the Assembly Committee on Housing and Real Estate voted unanimously to recommend adoption of the substitute amendment and passage of the bill, as amended.

On November 1, 2017, Representative Jarchow offered Assembly Amendment 1 to the substitute amendment. On November 7, 2017, the Assembly adopted Assembly Amendment 1 to Assembly Substitute Amendment 2, and Assembly Substitute Amendment 2, as amended, on voice votes. The Assembly then passed the bill, as amended, also on a voice vote. On the same day, the Senate concurred in the passage of the bill, as amended, on a vote of Ayes, 25; Noes, 8.

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³ For purposes of shoreland zoning, "structure" means a principal structure or any accessory structure including a garage, shed, boathouse, sidewalk, stairway, walkway, patio, deck, retaining wall, porch, or fire pit. [s. 59.692 (1) (e), Stats.]