State of Wisconsin

2005 Assembly Bill 156

Date of enactment: **April 19, 2006**
Date of publication*: **May 2, 2006**

2005 WISCONSIN ACT 357

AN ACT *to create* 59.57 (3) of the statutes; and *to affect* Laws of 1975, chapter 105, section 1 (1) and (2); **relating to:** allowing certain counties to create tax incremental financing districts.

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

SECTION 1. 59.57 (3) of the statutes is created to read:

59.57 **(3)** TAX INCREMENTAL FINANCING. (a) *Authority.* Subject to par. (b), a county board of a county in which no cities or villages are located may exercise all powers of cities under s. 66.1105. If the board exercises the powers of a city under s. 66.1105, it is subject to the same duties as a common council under s. 66.1105 and the county is subject to the same duties and liabilities as a city under s. 66.1105.

(b) *Limitations.* 1. A board acting under par. (a) may not create a tax incremental district unless the town board of each town in which the proposed district is to be located adopts a resolution approving of the creation of the district.

2. When a county convenes a joint review board under s. 66.1105 (4m) (a), the county representative specified in that paragraph shall be chosen as specified under s. 66.1105 (4m) (ae) 2., and the city representative specified in s. 66.1105 (4m) (a) and chosen as specified under s. 66.1105 (4m) (ae) 3. shall be a representative of the town where the tax incremental district is located, and shall be the town board chair or his or her designee, consistent with the provisions of s. 66.1105 (4m) (ae) 3.

3. The 25 percent vacant land limitation for a tax incremental district that is not a district suitable for indus-

trial sites, as described in s. 66.1105 (4) (gm) 1., does not apply to a tax incremental district that is created under this subsection.

SECTION 2. Laws of 1975, chapter 105, section 1 (1) and (2) are amended to read:

[Laws of 1975, chapter 105] Section 1 (1) The legislature finds that the existing system of allocating aggregate property tax revenues among tax levying municipalities has resulted in significant inequities and disincentives. The cost of public works or improvements within a city, town, ~~or~~ village, or county has been borne entirely by the city, town, ~~or~~ village, or county, while the expansion of tax base which is stimulated, directly or indirectly, by such improvements, benefits not only the city, town, ~~or~~ village, or county but also all municipalities which share such tax base. This situation is inequitable. Moreover, when the cost to a city, town, ~~or~~ village, or county of a public improvement project exceeds the future benefit to the city, town, ~~or~~ village, or county resulting therefrom, the city, town, ~~or~~ village, or county may decide not to undertake such project. This situation has resulted in the postponement or cancellation of socially desirable projects.

(2) The legislature further finds that accomplishment of the vital and beneficial public purposes of sections 66.405 to 66.425, 66.43, 66.431, 66.435 and 66.52 of the statutes is being frustrated because of a lack of incentives and financial resources. The purpose of this act is to

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create a viable procedure by which a city, village, ~~or~~ town<u>, or county</u>, through its own initiative and efforts, may finance projects which will tend to accomplish these laudable objectives.

SECTION 3m. Effective date.

(1) This act takes effect on October 1, 2005, except that if this act is published after August 1, 2005, this act takes effect on October 1, 2006.

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