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## WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

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**2009 Wisconsin Act 66**  
[2009 Assembly Bill 174]

**Authorizing the Sharing of Tax  
Increments by an  
Environmental Remediation TID**

Under *current law*, a county, town, village, or city (local governmental unit) may create an Environmental Remediation Tax Incremental Financing District (ERTID) to recoup the costs of remediating contaminated property in the district. The statutory requirements related to an ERTID are very similar to the requirements for a Tax Incremental Financing District (TID). For example, before an ERTID may be created, a joint review board must approve it. Another example is that the Department of Revenue certifies the ERTID's base value at the date of creation, as well as annually authorizing the environmental remediation value increment during the ERTID's lifespan.

Also under current law, an ERTID is required to terminate after 23 years, or when the governmental unit has received an aggregate amount of tax increments to repay all of the eligible costs spent on remediation, whichever date is earlier.

**2009 Wisconsin Act 66** (the Act) allows a local governmental unit to adopt a resolution that allows the environmental remediation tax increments generated from one ERTID (donor) to be donated to pay for environmental remediation in another ERTID (recipient). Under the Act, the donor and recipient ERTIDs must have been created by the same governmental unit. The joint review board would still be required to approve the resolution. The Act also requires DOR to authorize a positive environmental remediation tax increment generated by the donor ERTID.

The Act specifies that a donor ERTID shall terminate when the recipient ERTID has received enough environmental tax increments to repay all of the eligible costs for remediation, or 23 years after the donor ERTID was created, whichever is earlier. The Act does not extend the maximum lifespan of an ERTID.

**Effective date:** November 26, 2009

**Prepared by:** Melissa Schmidt, Staff Attorney

November 24, 2009

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This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature's Web site at: <http://www.legis.state.wi.us/>.