



State of Wisconsin
2025 - 2026 LEGISLATURE

LRB-3036/1
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2025 ASSEMBLY BILL 365

July 17, 2025 - Introduced by Representatives HONG, TENORIO, SNODGRASS, RIVERA-WAGNER, BROWN, PALMERI, BARE, ROE, DESMIDT and ARNEY, cosponsored by Senators ROYS, RATCLIFF, WALL and KEYESKI. Referred to Committee on Housing and Real Estate.

- 1 **AN ACT** *to create* 59.69 (16), 60.61 (3o), 62.23 (7) (j), 710.18 (8) and 710.26 of the
2 statutes; **relating to:** local and private regulation of accessory dwelling units.

Analysis by the Legislative Reference Bureau

This bill requires political subdivisions with zoning ordinances to allow as a use permitted by right at least one accessory dwelling unit (ADU) on each parcel on which single-family or multi-family residential use is a use permitted by right. The bill also prohibits political subdivisions from doing any of the following:

1. Charging fees, other than standard building permit fees, related to the addition of an ADU to a parcel.
2. Providing dimensional, physical, design, or locational requirements that apply to ADUs, but do not apply to single-family dwellings.
3. Providing standards, other than standards relating to habitability, that apply to ADUs but do not apply to other accessory structures.
4. Imposing any additional parking requirements to parcels on the basis of the existence of an ADU.
5. Requiring the installation of a separate utility connection to an ADU.

The bill also provides that any covenant, restriction, or condition contained in a deed or other instrument affecting real property that prohibits or unreasonably restricts the construction, maintenance, or use of an ADU is void and unenforceable and prohibits a homeowners' association from restricting or preventing the construction, maintenance, or use of an ADU, except to the extent necessary to protect public health and safety.

ASSEMBLY BILL 365**SECTION 1**

Because this bill may increase or decrease, directly or indirectly, the cost of the development, construction, financing, purchasing, sale, ownership, or availability of housing in this state, the Department of Administration, as required by law, will prepare a report to be printed as an appendix to this bill.

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.** 59.69 (16) of the statutes is created to read:

2 **59.69 (16) ACCESSORY DWELLING UNITS.** (a) In this subsection, “accessory
3 dwelling unit” means a residential dwelling unit that is located on the same parcel
4 as an existing single-family or multi-family dwelling and that provides complete
5 independent living facilities for one or more persons. An accessory dwelling unit
6 may be within, attached to, or detached from an existing or planned single-family or
7 multi-family dwelling.

8 (b) Notwithstanding sub. (4) and subject to par. (c), an ordinance under this
9 section shall allow as a use permitted by right at least one accessory dwelling unit
10 on each parcel on which single-family or multi-family residential use is a use
11 permitted by right. In this paragraph, “use permitted by right” does not include a
12 use that is subject to a conditional use permit.

13 (c) For accessory dwelling units located on the same parcel as another single-
14 family dwelling, an ordinance under this section may limit the size of an accessory
15 dwelling unit to not larger than 75 percent of the existing square footage of the
16 existing single-family dwelling on the same parcel.

17 (d) Except as provided in par. (c), an ordinance under this section may not do
18 any of the following:

ASSEMBLY BILL 365**SECTION 1**

1 1. Charge fees, other than standard building permit fees, related to the
2 addition of an accessory dwelling unit to a parcel.

3 2. Provide dimensional, physical, design, or locational requirements that
4 apply to accessory dwelling units, but do not apply to single-family dwellings.

5 3. Provide standards, other than standards relating to habitability, that apply
6 to accessory dwelling units but do not apply to other accessory structures.

7 4. Impose any additional parking requirements to parcels on the basis of the
8 existence of an accessory dwelling unit.

9 5. Require the installation of a separate utility connection to an accessory
10 dwelling unit.

11 **SECTION 2.** 60.61 (3o) of the statutes is created to read:

12 60.61 (3o) ACCESSORY DWELLING UNITS. (a) In this subsection, “accessory
13 dwelling unit” means a residential dwelling unit that is located on the same parcel
14 as an existing single-family or multi-family dwelling and that provides complete
15 independent living facilities for one or more persons. An accessory dwelling unit
16 may be within, attached to, or detached from an existing or planned single-family or
17 multi-family dwelling.

18 (b) Notwithstanding sub. (2) and subject to par. (c), a town with a zoning
19 ordinance under this section shall allow as a use permitted by right at least one
20 accessory dwelling unit on each parcel on which single-family or multi-family
21 residential use is a use permitted by right. In this paragraph, “use permitted by
22 right” does not include a use that is subject to a conditional use permit.

23 (c) For accessory dwelling units located on the same parcel as another single-
24 family dwelling, a town with a zoning ordinance under this section may limit the

ASSEMBLY BILL 365**SECTION 2**

size of an accessory dwelling unit to not larger than 75 percent of the existing square footage of the existing single-family dwelling on the same parcel.

(d) Except as provided in par. (c), a town with a zoning ordinance under this section may not do any of the following:

1. Charge fees, other than standard building permit fees, related to the addition of an accessory dwelling unit to a parcel.

2. Provide dimensional, physical, design, or locational requirements that apply to accessory dwelling units, but do not apply to single-family dwellings.

3. Provide standards, other than standards relating to habitability, that apply to accessory dwelling units but do not apply to other accessory structures.

4. Impose any additional parking requirements to parcels on the basis of the existence of an accessory dwelling unit.

5. Require the installation of a separate utility connection to an accessory dwelling unit.

SECTION 3. 62.23 (7) (j) of the statutes is created to read:

62.23 (7) (j) *Accessory dwelling units.* 1. In this paragraph, “accessory dwelling unit” means a residential dwelling unit that is located on the same parcel as an existing single-family or multi-family dwelling and that provides complete independent living facilities for one or more persons. An accessory dwelling unit may be within, attached to, or detached from an existing or planned single-family or multi-family dwelling.

2. Notwithstanding par. (b) and subject to subd. 3., a city that has a zoning ordinance under this subsection shall allow as a use permitted by right at least one accessory dwelling unit on each parcel on which single-family or multi-family

ASSEMBLY BILL 365**SECTION 3**

1 residential use is a use permitted by right. In this subdivision, “use permitted by
2 right” does not include a use that is subject to a conditional use permit.

3 3. For accessory dwelling units located on the same parcel as another single-
4 family dwelling, a city may limit the size of an accessory dwelling unit to not larger
5 than 75 percent of the existing square footage of the existing single-family dwelling
6 on the same parcel.

7 4. Except as provided in subd. 3., a city may not do any of the following:

8 a. Charge fees, other than standard building permit fees, related to the
9 addition of an accessory dwelling unit to a parcel.

10 b. Provide dimensional, physical, design, or locational requirements that
11 apply to accessory dwelling units, but do not apply to single-family dwellings.

12 c. Provide standards, other than standards relating to habitability, that apply
13 to accessory dwelling units but do not apply to other accessory structures.

14 d. Impose any additional parking requirements to parcels on the basis of the
15 existence of an accessory dwelling unit.

16 e. Require the installation of a separate utility connection to an accessory
17 dwelling unit.

18 **SECTION 4.** 710.18 (8) of the statutes is created to read:

19 710.18 (8) LIMITATIONS ON ASSOCIATION REGULATIONS; ACCESSORY DWELLING
20 UNITS. (a) Except as provided in par. (b), the association for a residential planned
21 community may not adopt or enforce covenants and restrictions or any other rule or
22 regulation, and may not enter into an agreement, that restricts or prevents the
23 construction, maintenance, or use of an accessory dwelling unit allowed under s.
24 59.69 (16), 60.61 (3o), or 62.23 (7) (j).

ASSEMBLY BILL 365**SECTION 4**

1 (b) The association for a residential planned community may adopt and
2 enforce covenants and restrictions or any other rule or regulation, or may enter into
3 an agreement, related to accessory dwelling units that is necessary to protect public
4 health and safety.

5 **SECTION 5.** 710.26 of the statutes is created to read:

6 **710.26 Prohibiting accessory dwelling units prohibited.** Any covenant,
7 restriction, or condition contained in a deed or other instrument affecting real
8 property that prohibits or unreasonably restricts the construction, maintenance, or
9 use of an accessory dwelling unit allowed under s. 59.69 (16), 60.61 (3o), or 62.23 (7)
10 (j) is void and unenforceable.

11 **SECTION 6. Nonstatutory provisions.**

12 (1) LEGISLATIVE INTENT STATEMENT. The legislature finds that any private
13 law device such as a covenant, restriction, or condition contained in a deed or other
14 instrument that has the effect of prohibiting the construction of an accessory
15 dwelling unit on a single-family parcel is contrary to public policy.

16 **SECTION 7. Initial applicability.**

17 (1) RETROACTIVE APPLICATION; HOMEOWNERS' ASSOCIATION REGULATIONS.
18 The treatment of s. 710.18 (8) first applies retroactively to covenants and
19 restrictions that are adopted before, or to an agreement that is entered into before,
20 and applies to covenants and restrictions that are adopted on or after, or to an
21 agreement that is entered into on or after, the effective date of this subsection.

22 (2) RETROACTIVE APPLICATION; DEEDS AND OTHER INSTRUMENTS. The
23 treatment of s. 710.26 first applies retroactively to a deed or other instrument that
24 contains a covenant, restriction, or condition described under s. 710.26 and that is

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SECTION 7

1 created before, and applies to a deed or other instrument that contains a covenant,
2 restriction, or condition described under s. 710.26 and that is created on or after,
3 the effective date of this subsection.

4 (END)