



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2007 Senate Bill 426

Senate Amendment 1

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Contact: Russ Whitesel, Senior Staff Attorney (266-0292)

Senate Bill 426 authorizes a city or village to extend the life of a tax incremental district (TID) created by the city or village for one year after all of the TID's project costs have been paid. Under the bill, the Department of Revenue is required to continue to authorize the allocation of tax increments for the TID as if its project costs had not been paid off, without regard to whether the TID would otherwise not be eligible to receive the increments, and without regard to whether the TID would otherwise be required to terminate. The bill also authorizes the city or village to use up to 75% of the increments received during the TID's extended life to benefit affordable housing in the city or village. The remainder of the increments must be used to improve the quality of the city's or village's existing housing stock.

Senate Amendment 1 does the following:

1. Defines the term "affordable housing" as used in the bill to mean housing that costs a household no more than 30% of the household's gross monthly income.
2. Defines the term "household" to mean an individual and his or her spouse and all minor dependents.
3. Requires the resolution adopted by the city or village to specify how the city intends to improve its housing stock.
4. Changes the language regarding the use of the increments to require the city or village to use "at least 75%" of the increments, rather than "up to 75%."
5. Sets the effective date for the act as October 1, 2008.
6. Makes two technical cross-reference changes to the bill.

Legislative History

2007 Senate Bill 426 was introduced by Senator Coggs and others; cosponsored by Representative Grigsby and others on January 29, 2008. The Senate Labor Elections and Urban Affairs held a public hearing on the bill on February 20, 2008. Senate Amendment 1 was offered by Senator Coggs on February 25, 2008. The Senate Labor, Elections and Urban Affairs Committee adopted Senate Amendment 1 and recommended passage of the bill, as amended, on February 28, 2008, on a vote of Ayes, 4; Noes, 1.

RW:jal