



1997 ASSEMBLY BILL 948

March 24, 1998 - Introduced by Representatives GARD, LINTON and SERATTI, cosponsored by Senators JAUCH, DRZEWIECKI and BRESKE. Referred to Committee on Rules.

1 **AN ACT to repeal** 560.71 (1) (c) and 560.73; **to renumber** 560.71 (1) (a); **to amend**
2 560.72 (1) (intro.), 560.72 (1) (b), 560.725 (1), 560.725 (3), 560.74 (1), 560.745 (1)
3 (a), 560.745 (3) (a), 560.75 (5), 560.765 (1) and 560.765 (3) (g); and **to create**
4 560.71 (1) (ac) and 560.715 of the statutes; **relating to:** the application process
5 for the development zone program.

Analysis by the Legislative Reference Bureau

The department of commerce administers the development zone program. Under the program, the department of commerce may designate an area as a development zone if the area fulfills certain criteria and was nominated for designation by a governing body of a city, village, town, county or American Indian tribe or band. After an area is designated as a development zone, any person conducting economic activity in the area is eligible for certain tax credits.

This bill changes the procedure for applying for designation as a development zone. Under current law, a governing body may nominate an area by submitting to the department of commerce an application for designation of the area as a development zone. If the department of commerce approves the application, the governing body must submit a development zone plan that describes such factors as the current economic activity in the area, how the governing body proposes to assist economic development and businesses conducting economic activity in the area, current land use patterns in the area, the effect the designation of the area as a development zone will have on jobs available to targeted populations and any

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changes in ordinances or expenditures that will be required to facilitate economic development. Under the bill, an area may not be designated as a development zone unless the department of commerce has determined that the area has experienced or is about to experience economic distress and has invited governing bodies in the area to nominate the area as a development zone. In addition, the department of commerce may designate as a development zone an area that fulfills the necessary criteria on the basis of the application submitted by the governing body. A governing body is no longer obligated to submit a development zone plan.

For further information see the *state and 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.** 560.71 (1) (a) of the statutes is renumbered 560.71 (1) (am).

2 **SECTION 2.** 560.71 (1) (ac) of the statutes is created to read:

3 560.71 (1) (ac) The department has invited a local governing body to nominate
4 the area under s. 560.715.

5 **SECTION 3.** 560.71 (1) (c) of the statutes is repealed.

6 **SECTION 4.** 560.715 of the statutes is created to read:

7 **560.715 Invitation to nominate area.** If the department determines that
8 an area has experienced or is about to experience economic distress, the department
9 may invite local governing bodies in the area to nominate the area as a development
10 zone.

11 **SECTION 5.** 560.72 (1) (intro.) of the statutes is amended to read:

12 560.72 (1) (intro.) A local governing body may nominate an area as a
13 development zone, if the department has invited the governing body to nominate the
14 area under s. 560.715 and if the governing body does all of the following:

15 **SECTION 6.** 560.72 (1) (b) of the statutes is amended to read:

16 560.72 (1) (b) Adopts a resolution or ordinance authorizing it to nominate the
17 area under this section ~~and to develop a development zone plan under s. 560.73 (1).~~

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1 **SECTION 7.** 560.725 (1) of the statutes is amended to read:

2 560.725 (1) The department shall evaluate applications received under s.
3 560.72 (2) and (3) ~~and development zone plans received under s. 560.73 (1) and (2).~~

4 **SECTION 8.** 560.725 (3) of the statutes is amended to read:

5 560.725 (3) After evaluating an application submitted under s. 560.72 (2) or (3),
6 the department may approve the application, subject to any reduction in the size of
7 the nominated area under sub. (2). If the department approves the application, the
8 department shall designate the area as a development zone, subject to s. 560.71, and
9 notify the local governing body ~~and request the local governing body to submit a~~
10 ~~development zone plan under s. 560.73 (1) or (2), whichever is applicable.~~

11 **SECTION 9.** 560.73 of the statutes, as affected by 1997 Wisconsin Acts 3 and 27,
12 is repealed.

13 **SECTION 10.** 560.74 (1) of the statutes is amended to read:

14 560.74 (1) At any time after a development zone is designated by the
15 department, a local governing body may submit an application to change the
16 boundaries of the development zone. ~~The local governing body shall submit a revised~~
17 ~~development zone plan, described in s. 560.73 (1), with its application for a boundary~~
18 ~~change.~~ If the boundary change reduces the size of a development zone, the local
19 governing body shall explain why the area excluded should no longer be in a
20 development zone. The department may require the local governing body to submit
21 additional information.

22 **SECTION 11.** 560.745 (1) (a) of the statutes is amended to read:

23 560.745 (1) (a) The designation of an area as a development zone shall be
24 effective for 84 months, beginning on the day the department notifies the local
25 governing body under s. ~~560.73~~ 560.725 (3) of the designation.

