



2013 SENATE BILL 636

February 26, 2014 – Introduced by Senator LASEE, cosponsored by Representative STEINEKE. Referred to Committee on Government Operations, Public Works, and Telecommunications.

AUTHORS SUBJECT TO CHANGE

1 **AN ACT** *to renumber and amend* 236.13 (2) (a); and *to create* 236.13 (2) (a) 2.
2 of the statutes; **relating to:** limiting the security a town or municipality may
3 require as a condition of plat approval.

Analysis by the Legislative Reference Bureau

Under current law, a county, town, city, or village (approving authority) has the right to approve or object to plat. A plat is a map of a subdivision, which is defined under current law as a division of a unit of land by an owner for the purpose of a sale or development and the sale or development results in at least five individual parcels or building sites. Generally, the location of the subdivision determines which approving authority or authorities have the right to approve or reject the plat.

Under current law, as a condition of approval, an approving authority may require a subdivider to execute a surety bond or provide other security to ensure that certain public improvements are made in connection with a project or a phase of a project. This bill explicitly allows the subdivider to choose whether to satisfy such a requirement with a performance bond or a letter of credit. Additionally, under the bill, upon substantial completion of required public improvements, an approving authority may not require a subdivider to maintain security in an amount that is more than the total cost to complete any public improvements that are not completed plus ten percent of the total cost of the completed public improvement and may not require the subdivider to maintain the security for more than 12 months from the date the public improvements are substantially completed. The bill defines substantial completion as when the binder coat is installed on roads to be dedicated

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or, in a case where no roads are to be dedicated, when 90 percent of the public improvements by cost are completed.

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

1 **SECTION 1.** 236.13 (2) (a) of the statutes is renumbered 236.13 (2) (a) 1. and
2 amended to read:

3 236.13 (2) (a) 1. As a further condition of approval, the governing body of the
4 town or municipality within which the subdivision lies may require that the
5 subdivider make and install any public improvements reasonably necessary or that
6 the subdivider ~~execute a surety bond or provide other security~~ to ensure that he or
7 she will make those improvements within a reasonable time. It is the subdivider's
8 option whether to execute a performance bond or whether to provide a letter of credit
9 to satisfy the governing body's requirement that the subdivider provide security to
10 ensure that the public improvements are made within a reasonable time. The
11 subdivider may construct the project in such phases as the governing body approves,
12 which approval may not be unreasonably withheld. If the subdivider's project will
13 be constructed in phases, the amount of ~~any surety bond or other security~~ required
14 by the governing body shall be limited to the phase of the project that is currently
15 being constructed. The governing body may not require that the subdivider provide
16 any security for improvements sooner than is reasonably necessary before the
17 commencement of the installation of the improvements. If the governing body of the
18 town or municipality requires a subdivider to provide security under this paragraph,
19 the governing body may not require the subdivider to provide the security for more
20 than 12 months after the date the public improvements for which the security is
21 provided are substantially completed and upon substantial completion of the public

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1 improvements, the amount of the security the subdivider is required to provide may
2 be no more than an amount equal to the total cost to complete any uncompleted
3 public improvements plus 10 percent of the total cost of the completed public
4 improvements.

5 **SECTION 2.** 236.13 (2) (a) 2. of the statutes is created to read:

6 236.13 (2) (a) 2. For purposes of subd. 1., public improvements reasonably
7 necessary for a project or a phase of a project are considered to be substantially
8 completed at the time the binder coat is installed on roads to be dedicated or, if the
9 required public improvements do not include a road to be dedicated, at the time that
10 90 percent of the public improvements by cost are completed.

11 **SECTION 3. Initial applicability.**

12 (1) This act first applies to a preliminary plat or, if no preliminary plat is
13 submitted, a final plat, that is submitted on the effective date of this subsection.

14 (END)