

**DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION**

HOUSE BILL NO. [BILL NUMBER]

Cities and towns-abandoned and nuisance buildings.

Sponsored by: Joint Corporations, Elections & Political
Subdivisions Interim Committee

A BILL

for

1 AN ACT relating to cities and towns; providing a tax credit
2 for expenditures to incentivize the improvement of
3 abandoned and nuisance buildings; authorizing cities and
4 towns to designate abandoned and nuisance buildings for
5 purposes of the tax credit; authorizing cities and towns to
6 assess a fee for costs to abate a nuisance or to repair,
7 remove or destroy a dangerous building; and providing for
8 an effective date.

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10 *Be It Enacted by the Legislature of the State of Wyoming:*

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12 **Section 1.** W.S. 15-9-301 is created to read:

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ARTICLE 3

ABANDONED AND NUISANCE BUILDINGS

15-9-301. Abandoned and nuisance buildings.

(a) The governing body of a city or town may designate a property within the limits of the city or town as abandoned or as a nuisance for the purposes of this section if the property has been vacant for not less than six (6) months or if the property has been neglected and contains a significantly deteriorated or deteriorating structure as determined by the governing body. The governing body of a city or town with less than fifteen thousand (15,000) residents shall not designate more than three (3) abandoned or nuisance buildings concurrently. The governing body of a city or town with not less than fifteen thousand (15,000) and not more than fifty thousand (50,000) residents shall not designate more than six (6) abandoned or nuisance buildings concurrently. The governing body of a city or town with not less than fifty thousand and one (50,001) residents shall not designate more than ten (10) abandoned or nuisance buildings concurrently. Nothing in

1 this section shall be construed to require the owner of an
2 abandoned or nuisance building or property to sell the
3 building or property.

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7 STAFF COMMENT

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9 Property/building. The bill draft uses the terms "property"
10 and "building." The Committee may wish to consider
11 streamlining the terminology by using one of those terms or
12 by consistently referring to both property and buildings.

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14 Number designated at one time. The language regarding how
15 many abandoned or nuisance buildings may be designated
16 "concurrently" may be unclear as to how many buildings may
17 be designated total. The Committee may wish to consider
18 revising the language to clarify.

19

20 For example:

21

22 (a) The governing body of a city or town may
23 designate a property within the limits of the city or town
24 as abandoned or as a nuisance for the purposes of this
25 section if the property has been vacant for not less than
26 six (6) months or if the property has been neglected and
27 contains a significantly deteriorated or deteriorating
28 structure as determined by the governing body. The
29 governing body of a city or town with less than fifteen
30 thousand (15,000) residents shall not have more than three
31 (3) buildings designated as abandoned or as a nuisance at
32 the same time. The governing body of a city or town with
33 not less than fifteen thousand (15,000) and not more than
34 fifty thousand (50,000) residents shall not have more than
35 six (6) buildings designated as abandoned or as a nuisance
36 at the same time. The governing body of a city or town with
37 not less than fifty thousand and one (50,001) residents
38 shall not have more than ten (10) abandoned or nuisance
39 buildings designated as abandoned or as a nuisance at the
40 same time. Nothing in this section shall be construed to

1 require the owner of an abandoned or nuisance building or
2 property to sell the building or property.

3
4 City/town size. The bill draft has been updated to
5 reference the governing body of a city or town with not
6 less than 15,000 and not more than 50,000 residents instead
7 of between 15,001 and 50,000 residents, to ensure that a
8 city or town with exactly 15,000 residents is included and
9 to conform to drafting conventions.

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12 *****
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14 (b) In determining whether a property is abandoned
15 under subsection (a) of this section, a city or town shall
16 examine the property and determine whether the property is
17 occupied by the property owner or by permission of the
18 property owner. In determining whether a property is a
19 nuisance under subsection (a) of this section, a city or
20 town shall consider whether an unreasonable or unlawful use
21 or condition of the property has resulted or may result in
22 **injury** to a neighboring property owner or endangers the
23 life, health or safety of the community.

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26 *****

27 **STAFF COMMENT**

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29 Injury. The Committee may wish to consider specifying the
30 type of injury that has resulted or may result to the
31 neighboring property. For example, the Committee may wish
32 to specify that the injury may be economic or physical:
33

1 In determining whether a property is a nuisance
 2 under subsection (a) of this section, a city or
 3 town shall consider whether an unreasonable or
 4 unlawful use or condition of the property has
 5 resulted or may result in an economic or physical
 6 injury to a neighboring property owner or
 7 endangers the life, health or safety of the
 8 community.
 9

10 *****
 11 *****
 12

13 (c) If the owner of an abandoned or nuisance building
 14 makes an expenditure to demolish the building and remove
 15 all demolished material within two (2) years after the
 16 building is designated as abandoned or as a nuisance under
 17 subsection (a) of this section and submits proof of the
 18 expenditure to the governing body of the city or town for
 19 approval under subsection (f) of this section, the owner
 20 shall be eligible for a tax credit as provided in W.S. 39-
 21 13-109(d) (ii) in an amount not to exceed fifty percent
 22 (50%) of the expenditures to demolish the building and
 23 remove all demolished material.

24
 25 (d) If the owner of an abandoned or nuisance building
 26 makes an expenditure to bring the building into substantial
 27 compliance with applicable codes within two (2) years after
 28 the building is designated as abandoned or as a nuisance

1 under subsection (a) of this section and submits proof of
2 the expenditure to the governing body of the city or town
3 for approval under subsection (f) of this section, the
4 owner shall be eligible for a tax credit as provided in
5 W.S. 39-13-109(d)(ii) in an amount not to exceed the amount
6 expended to bring the building into substantial compliance
7 with applicable codes.

8

9 (e) Any person who purchases or takes ownership of an
10 abandoned or nuisance property after the property has been
11 designated as abandoned or as a nuisance under subsection
12 (a) of this section and who demolishes the building and
13 removes all demolished material or brings the building into
14 substantial compliance with applicable codes within five
15 (5) years after the person initially purchased or took
16 ownership of the property shall be eligible for a tax
17 credit as provided in W.S. 39-13-109(d)(ii) in an amount
18 not to exceed the amount expended to demolish the building
19 and remove all demolished material or bring the building
20 into substantial compliance with applicable codes.

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 3 STAFF COMMENT
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 5 The Committee may wish to consider whether subsection (e)
 6 should include any tie-back to the date that the building
 7 was designated as abandoned or as a nuisance.
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12 (f) Prior to being eligible for any tax credit under
 13 subsections (c) through (e) of this section, the person
 14 claiming the credit shall document the person's
 15 expenditures related to the improvement of the designated
 16 property and submit proof of the expenditures to the
 17 governing body of the city or town for approval. Only
 18 approved expenditures shall be eligible for a tax credit.
 19 The governing body shall not approve any expenditures that
 20 do not directly benefit the designated property. The
 21 governing body shall not approve any expenditures made
 22 after the applicable time limit specified in subsections
 23 (c) through (e) of this section. The governing body shall
 24 submit any approved expenditures to the department of
 25 revenue as provided in W.S. 39-13-109(d)(ii).
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 3 STAFF COMMENT
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5 The highlighted language may be unclear and could invite
 6 disagreement about what it means for an expenditure to be
 7 "related to the improvement of the designated property" or
 8 to "not directly benefit the designated property." In
 9 addition, an expenditure could, for example, relate to the
 10 improvement of the designated property but not be necessary
 11 to demolish a building or bring a building into substantial
 12 compliance with applicable codes.

13
 14 In both instances, the Committee may wish to cross-
 15 reference subsections (c) through (e) instead.

16
 17 For example:

18
 19 (f) Prior to being eligible for any tax credit under
 20 subsections (c) through (e) of this section, the person
 21 claiming the credit shall document the person's
 22 expenditures resulting from the actions required by
 23 subsections (c) through (e) of this section and submit
 24 proof of the expenditures to the governing body of the city
 25 or town for approval. Only approved expenditures shall be
 26 eligible for a tax credit. The governing body shall not
 27 approve any expenditures that do not directly relate to the
 28 actions required by subsections (c) through (e) of this
 29 section. The governing body shall not approve any
 30 expenditures made after the applicable time limit specified
 31 in subsections (c) through (e) of this section. The
 32 governing body shall submit any approved expenditures to
 33 the department of revenue as provided in W.S.
 34 39-13-109(d) (ii).

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39 Section 2. W.S. 15-1-103(a) by creating a new
 40 paragraph (li) and 39-13-109(d) by creating a new paragraph
 41 (ii) are amended to read:

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15-1-103. General powers of governing bodies.

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(a) The governing bodies of all cities and towns may:

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(li) Assess abatement costs in the same manner as a special assessment pursuant to W.S. 15-6-401 through 15-6-426 against real property on which nuisances are abated under paragraph (xix) of this subsection or on which dangerous buildings or enclosures are repaired, removed or destroyed pursuant to paragraph (xxvi) of this subsection. A lien for abatement costs assessed under this paragraph does not have preference over preexisting indebtedness but shall have priority from and after the date of filing or recording.

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STAFF COMMENT

The Committee may wish to revise paragraph (li) to consistently reference liens and to replace "does" with "shall."

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(li) Assess abatement costs and create liens in the same manner as a special assessment pursuant to W.S. 15-6-401 through 15-6-426 against real property on which nuisances are abated under paragraph (xix) of this subsection or on which dangerous buildings or enclosures

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1 are repaired, removed or destroyed pursuant to paragraph
2 (xxvi) of this subsection. A lien for abatement costs
3 assessed under this paragraph shall not have preference
4 over preexisting indebtedness but shall have priority from
5 and after the date of filing or recording.
6

7 In addition, the Committee may wish to specify who can be
8 assessed abatement costs (e.g., only the owner of the
9 property, the owner of the property and neighboring
10 property owners, the entire city/town). W.S. 15-6-404(a)
11 states that "[t]he assessment district shall include all
12 property benefited by the improvement or improvements as
13 determined by the governing body, including municipal and
14 other public property, except that of the United States
15 government or any agency, instrumentality or corporation
16 thereof in the absence of the consent of congress."
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21 39-13-109. Taxpayer remedies.

22
23 (d) Credits. The following shall apply:

24
25 (ii) The following shall apply to the abandoned
26 and nuisance property tax credit provided by W.S. 15-9-301:
27

28 (A) A property owner who improves
29 designated abandoned or nuisance property as provided in
30 W.S. 15-9-301 may apply for a property tax credit in the
31 amount provided by subparagraph (B) of this paragraph. A
32 property owner applying for a property tax credit under

1 this paragraph shall submit a certificate from the city or
2 town that designated a property as abandoned or as a
3 nuisance under W.S. 15-9-301(a) attesting that the property
4 is eligible for the credit. The credit shall be applicable
5 only against future tax payments, for a period not to
6 exceed ten (10) years, on the designated property that is
7 improved by the taxpayer. No refund of taxes shall be
8 authorized due to a credit under this paragraph;

9
10 (B) The credit under this paragraph shall
11 be limited to the amount of expenditures made for
12 improvement of the abandoned property as provided in W.S.
13 15-9-301(d) and (e) or the amount not to exceed fifty
14 percent (50%) of the expenditures made to demolish the
15 building and remove demolished material as provided in W.S.
16 15-9-301(c) that are approved by the governing body of the
17 city or town and submitted to the department as provided in
18 W.S. 15-9-301(f);

19
20 (C) A person claiming a credit under this
21 paragraph may reserve a credit to use in a later tax year,
22 provided that the person shall not be entitled to use any
23 credit more than ten (10) years after the person is first

1 eligible for the tax credit under W.S. 15-9-301(c) through
2 (e);

3
4 (D) A property owned by the same person
5 shall not be eligible for more than one (1) credit under
6 this paragraph in any ten (10) year period.

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10 STAFF COMMENT

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12 A reference to W.S. 15-9-301 has been added to subsection
13 (d) (ii) (intro).

14
15 For simplicity, the Committee may wish to revise subsection
16 (d) (ii) to state the following:

17
18 (d) Credits. The following shall apply:

19
20 (ii) The following shall apply to the abandoned
21 and nuisance property tax credit provided by W.S. 15-9-301:

22
23 (A) A property owner who improves
24 designated abandoned or nuisance property as provided in
25 W.S. 15-9-301 may apply for a property tax credit in the
26 amount approved by the governing body of the city or town
27 under W.S. 15-9-301(c) through (f). A property owner
28 applying for a property tax credit under this paragraph
29 shall submit a certificate from the city or town that
30 designated the property as abandoned or as a nuisance under
31 W.S. 15-9-301(a) attesting that the property is eligible
32 for the credit and attesting to the amount of the credit
33 approved by the city or town. The credit shall be
34 applicable only against future tax payments, for a period
35 not to exceed ten (10) years, on the designated property
36 that is improved by the taxpayer. No refund of taxes shall
37 be authorized due to a credit under this paragraph;
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(B) A person claiming a credit under this paragraph may reserve a credit to use in a later tax year, provided that the person shall not be entitled to use any credit more than ten (10) years after the person is first eligible for the tax credit under W.S. 15-9-301(c) through (e);

(C) A property owned by the same person shall not be eligible for more than one (1) credit under this paragraph in any ten (10) year period.

Section 3. This act is effective July 1, 2025.

(END)