



## 2023 ASSEMBLY BILL 854

December 22, 2023 - Introduced by Representatives C. ANDERSON, JACOBSON, PALMERI, RATCLIFF, BALDEH, CONSIDINE, J. ANDERSON and SINICKI, cosponsored by Senators SPREITZER and AGARD. Referred to Committee on Government Accountability and Oversight.

1     **AN ACT** *to repeal* 79.05 (4); *to amend* 20.835 (1) (s), 25.491 (3), 79.015, 79.02 (2)  
2           (b) and 79.02 (3); and *to create* 79.05 (8) and 79.06 of the statutes; **relating to:**  
3           replacing the expenditure restraint incentive program with a municipality  
4           payment program and making an appropriation.

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### *Analysis by the Legislative Reference Bureau*

This bill ends payments to municipalities for the expenditure restraint incentive program in 2023 and begins payments to municipalities for the municipality payment program in 2024. The municipality payment program, created by the bill, provides payments to municipalities that received an expenditure restraint incentive program payment in 2021, 2022, or 2023. A municipality's payment each year is equal to the highest expenditure restraint incentive program payment that the municipality received during the period from 2021 to 2023. Under current law, generally, a municipality is eligible to receive an expenditure restraint incentive program payment if its property tax levy is greater than 5 mills and if the annual increase in its municipal budget is less than the sum of factors based on inflation and the increased value of property in the municipality as a result of new construction.

**ASSEMBLY BILL 854**

For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill.

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

1           **SECTION 1.** 20.835 (1) (s) of the statutes, as affected by 2023 Wisconsin Act 19,  
2 is amended to read:

3           20.835 (1) (s) ~~Expenditure restraint incentive~~ Municipality payment program  
4 *account*. From the local government fund, a sum sufficient to make the payments  
5 under s. ~~79.05 (3)~~, plus the amounts under s. ~~79.05 (7)~~ 79.06.

6           **SECTION 2.** 25.491 (3) of the statutes, as affected by 2023 Wisconsin Act 19, is  
7 amended to read:

8           25.491 (3) There is established in the local government fund a separate account  
9 that is designated the “~~expenditure restraint incentive~~ municipality payment  
10 program account” to make the payments under s. ~~79.05~~ 79.06.

11           **SECTION 3.** 79.015 of the statutes, as affected by 2023 Wisconsin Act 12, is  
12 amended to read:

13           **79.015 Statement of estimated payments.** The department of revenue, on  
14 or before September 15 of each year, shall provide to each municipality and county  
15 a statement of estimated payments to be made in the next calendar year to the  
16 municipality or county under ss. 79.035, 79.036, 79.037, 79.038, 79.039, 79.04, and  
17 ~~79.05~~ 79.06.

18           **SECTION 4.** 79.02 (2) (b) of the statutes, as affected by 2023 Wisconsin Act 12,  
19 is amended to read:

20           79.02 (2) (b) Subject to ss. 59.605 (4) and 70.995 (14) (b), payments in July shall  
21 equal 15 percent of the municipality’s or county’s estimated payments under ss.

**ASSEMBLY BILL 854****SECTION 4**

1 79.035, 79.036, 79.037, 79.038, 79.039, and 79.04 and 100 percent of the  
2 municipality's estimated payments under s. ~~79.05~~ 79.06. Upon certification by the  
3 department of revenue, the estimated payment under s. ~~79.05~~ 79.06 may be  
4 distributed before the 4th Monday in July.

5 **SECTION 5.** 79.02 (3) of the statutes, as affected by 2023 Wisconsin Act 12, is  
6 amended to read:

7 79.02 (3) Subject to s. 59.605 (4), payments to each municipality and county in  
8 November shall equal that municipality's or county's entitlement under ss. 79.035,  
9 79.036, 79.037, 79.038, 79.039, 79.04, and ~~79.05~~ 79.06 for the current year, minus the  
10 amount distributed to the municipality or county under sub. (2) (b).

11 **SECTION 6.** 79.05 (4) of the statutes, as created by 2023 Wisconsin Act 12, is  
12 repealed.

13 **SECTION 7.** 79.05 (8) of the statutes is created to read:

14 79.05 (8) Notwithstanding subs. (2) and (3), beginning in 2024, no payments  
15 shall be made under this section.

16 **SECTION 8.** 79.06 of the statutes is created to read:

17 **79.06 Municipality payment program.** For the distribution in 2024 and in  
18 subsequent years, each municipality that received a payment under s. 79.05 in 2021,  
19 2022, or 2023 shall receive in each year a payment under this section equal to the  
20 amount it received under s. 79.05 in 2021, 2022, or 2023, whichever is greatest.

21 **SECTION 9. Effective dates.** This act takes effect on the day after publication,  
22 except as follows:

23 (1) The treatment of ss. 20.835 (1) (s), 25.491 (3), 79.015, and 79.02 (2) (b) and  
24 (3) takes effect on July 1, 2024.

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(END)