

FISCAL ESTIMATE FORM

1999 Session

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB # 99-4758/2

INTRODUCTION # AB 939

Admin. Rule #

Subject

Changes to the Aidable Revenues Entitlement Under Shared Revenue

Fiscal Effect

State: No State Fiscal Effect
 Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

- Increase Existing Appropriation Increase Existing Revenues
 Decrease Existing Appropriation Decrease Existing Revenues
 Create New Appropriation

Increase Costs - May be Possible to Absorb
 Within Agency's Budget Yes No

Decrease Costs

Local: No Local Government Costs

1. Increase Costs
 Permissive Mandatory
 2. Decrease Costs
 Permissive Mandatory

3. Increase Revenues
 Permissive Mandatory
 4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:
 Towns Villages Cities
 Counties Others _____
 School Districts WTCS Districts

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

20.835 (1)(d)

Assumptions Used in Arriving at Fiscal Estimate:

This bill changes the amount of local purpose revenues used to calculate aidable revenues payments under the shared revenue formula. Local purpose revenues include the municipality's or county's own-purpose property tax levy, selected local fees, the state payment for exempt computers, and the aidable revenues entitlement. For payments in 2000, the average of local purpose revenues for 1996, 1997, and 1998 is used.

Current Law

Payments under the aidable revenues component of shared revenues are calculated as follows: For a municipality, its 3-year average of local purpose revenues X its tax base weight. For a county, its 3-year average of local purpose revenues X 85% X its tax base weight.

Proposal


Under the bill, payments under the aidable revenues component of shared revenues are calculated as follows: For a municipality, the lesser of (a) its 3-year average of local purpose revenues X 90% X its tax base weight or (b) the statewide average local purpose revenues per capita for municipalities (about \$507 for payments in 2000) X 90% X its population X its tax base weight. For a county, the lesser of (a) its 3-year average of local purpose revenues X 90% X its tax base weight or (b) the statewide average local purpose revenues per capita for counties (about \$271 for payments in 2000) X 90% X its population X its tax base weight.

If this bill had been in effect for 2000 shared revenue payments, a shift in payments would have occurred.

For municipalities, about \$17.0 million would have been shifted, with 1162 municipalities experiencing increased payments, 105 experiencing decreased payments, and 583 experiencing no change. The

(continued on page two)

Long-Range Fiscal Implications:

<p>Agency/Prepared by: (Name & Phone No.) Wisconsin Department of Revenue Daniel P. Huegel, (608) 266-5705</p>	<p>Authorized Signature/Telephone No. Yeang-Eng Braun (608) 266-2700 </p>	<p>Date 4/3/00</p>
---	---	--

FISCAL ESTIMATE FORM

AB 939 (LRB 4758/2)

Page 2

municipalities with the largest payment increases are: City of Madison (\$1,149,000), City of Eau Claire (\$947,000), and the City of Manitowoc (\$579,000). The municipalities with the largest payment decreases are: City of Milwaukee (\$7,671,000), City of Racine (\$2,459,000), and the City of Beloit (\$1,421,000).

For counties, about \$1.1 million would have been shifted, with 9 counties experiencing increased payments, 24 experiencing decreased payments, and 39 experiencing no change. The counties with the largest payment increases are: Racine (\$258,000), Winnebago (\$216,000), and Outagamie (\$193,000). The counties with the largest payment decreases are Milwaukee (\$515,000), Barron (\$91,000), and Menominee (\$69,000).

4B 4/3/00

FISCAL ESTIMATE WORKSHEET

Detailed Estimate of Annual Fiscal Effect

1999 Session

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB # 99-4758/2
INTRODUCTION # AB 939

Admin. Rule #

Subject

Changes to the Aidable Revenues Entitlement Under Shared Revenue

I. One-Time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringe	\$	\$ -
(FTE Position Changes)	(FTE)	(- FTE)
State Operations-Other Costs		-
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$	\$ -
B. State Costs by Source of Funds		
GPR	\$	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		
	Increased Rev.	Decreased Rev.
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
TOTAL State Revenues	\$	\$ -

NET ANNUALIZED FISCAL IMPACT

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS	\$ _____	\$ _____
NET CHANGE IN REVENUES	\$ _____	\$ see text of fiscal note

Agency/Prepared by: (Name & Phone No.)	Authorized Signature/Telephone No.	Date
Wisconsin Department of Revenue Daniel P. Huegel, (608) 266-5705	Yeang-Eng Braun <i>Yeang Eng Braun</i> (608) 266-2700	2/13/00