

Assembly Hearing Slip

(Please print plainly)

Date: 11-17-99  
Bill No. Or Subject: ABS31  
Name: Charity Eagon  
Street Address or Route Number: 210 MLK Jr. Blvd.  
City & Zip Code: Madison, WI 53707  
Representing: Done County

- Speaking in favor:
- Speaking against:
- Registering in favor:
- Registering against:
- Speaking for information only:
- Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms:  
Room 411 West  
State Capitol  
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 11/17/99  
Bill No. Or Subject: COUNT PAYMENT  
Name: RICK STADELMAN  
Street Address or Route Number: W7686 CR B MMM  
City & Zip Code: SHAWANO WI 53466  
Representing: WIS TOURS ASSOC

- Speaking in favor:
- Speaking against:
- Registering in favor:
- Registering against:
- Speaking for information only:
- Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms:  
Room 411 West  
State Capitol  
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 11-17-99  
Bill No. Or Subject: AB 531  
Name: Rep Skindrud  
Street Address or Route Number:  
City & Zip Code:  
Representing:

- Speaking in favor:
- Speaking against:
- Registering in favor:
- Registering against:
- Speaking for information only:
- Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms:  
Room 411 West  
State Capitol  
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 11-17-99

Bill No. AB 531  
or  
Subject

(Name) Ed Hick

(Street Address or Route Number) 74 W. Main St.

(City & Zip Code) MADISON, WI

(Representing) W. Hillside & Curtis

Speaking in favor:

Speaking against:

Registering in favor:

Registering against:

Speaking for information only:  
Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms  
Room 411 West  
State Capitol  
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 11/2/99

Bill No. AB 531  
or  
Subject

(Name) Tom Orada

(Street Address or Route Number)

(City & Zip Code)

(Representing)

Speaking in favor:

Speaking against:

Registering in favor:

Registering against:

Speaking for information only:  
Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms  
Room 411 West  
State Capitol  
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 11/17/99  
Bill No. AB531  
Or  
Subject

SENATOR JON ERPENBAEK  
(Name)

(Street Address or Route Number)

(City & Zip Code)

(Representing)

- Speaking in favor:
- Speaking against:
- Registering in favor:
- Registering against:
- Speaking for information only:  
Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms  
Room 411 West  
State Capitol  
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: AB531  
Bill No. \_\_\_\_\_  
Or  
Subject \_\_\_\_\_

Mr Barry Bateman, Director  
MIL Co. International Airport  
5300 S. Howell Ave.

(Street Address or Route Number)

(City & Zip Code)

(Representing)

- Speaking in favor:
- Speaking against:
- Registering in favor:
- Registering against:
- Speaking for information only:  
Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms  
Room 411 West  
State Capitol  
Madison, WI 53702

# Assembly Committee on Ways and Means

DATE \_\_\_\_\_  
 Moved by Goet Seconded by Spill  
 AB 531 SB \_\_\_\_\_ Clearinghouse Rule \_\_\_\_\_  
 AJR \_\_\_\_\_ SJR \_\_\_\_\_  
 A \_\_\_\_\_ SR \_\_\_\_\_ Other \_\_\_\_\_  
 A/S Amdt \_\_\_\_\_  
 A/S Amdt \_\_\_\_\_ to A/S Amdt \_\_\_\_\_  
 A/S Sub Amdt \_\_\_\_\_  
 A/S Amdt \_\_\_\_\_ to A/S Sub Amdt \_\_\_\_\_  
 A/S Amdt \_\_\_\_\_ to A/S Amdt \_\_\_\_\_ to A/S Sub Amdt \_\_\_\_\_

- Be recommended for:
- Passage
  - Introduction
  - Adoption
  - Rejection
  - Indefinite Postponement
  - Tabling
  - Concurrence
  - Nonconcurrence

	Committee Member	Aye	No	Absent	Not voting
1.	Rep. Mickey Lehman, chair	1			
2.	Rep. Tom Sykora, vice-chair	2			
3.	Rep. Bob Goetsch	3			
4.	Rep. Mike Huebsch	4			
5.	Rep. Frank Lasee	5			
6.	Rep. John Ainsworth				
7.	Rep. Suzanne Jeskewitz				
8.	Rep. Carol Owens	6			
9.	Rep. Joan Spillner	7			
10.	Rep. Wayne Wood		1		
11.	Rep. John La Fave	8			
12.	Rep. Lee Meyerhofer	9			
13.	Rep. Johnie Morris-Tatum	10			
14.	Rep. Jeffrey Plale	11			
15.	Rep. Bob Turner				
16.	Rep. Bob Ziegelbauer		2		
	Totals				

MOTION CARRIED

MOTION FAILED

# Assembly Committee on Ways and Means

DATE \_\_\_\_\_

Moved by LaFaw Seconded by Goet

AB 531 SB \_\_\_\_\_ Clearinghouse Rule \_\_\_\_\_

AJR \_\_\_\_\_ SJR \_\_\_\_\_

A \_\_\_\_\_ SR \_\_\_\_\_ Other \_\_\_\_\_

A/S Amdt 1162

A/S Amdt \_\_\_\_\_ to A/S Amdt \_\_\_\_\_

A/S Sub Amdt \_\_\_\_\_

A/S Amdt \_\_\_\_\_ to A/S Sub Amdt \_\_\_\_\_

A/S Amdt \_\_\_\_\_ to A/S Amdt \_\_\_\_\_ to A/S Sub Amdt \_\_\_\_\_

Be recommended for:

- Passage
- Introduction
- Adoption
- Rejection

- Indefinite Postponement
- Tabling
- Concurrence
- Nonconcurrence

*intro*

	Committee Member	Aye	No	Absent	Not voting
1.	Rep. Mickey Lehman, chair	1			
2.	Rep. Tom Sykora, vice-chair	2			
3.	Rep. Bob Goetsch	3			
4.	Rep. Mike Huebsch	4			
5.	Rep. Frank Lasee	5			
6.	Rep. John Ainsworth				
7.	Rep. Suzanne Jeskewitz				
8.	Rep. Carol Owens	6			
9.	Rep. Joan Spillner	7			
10.	Rep. Wayne Wood	8			
11.	Rep. John La Fave	9			
12.	Rep. Lee Meyerhofer	10			
13.	Rep. Johnie Morris-Tatum	11			
14.	Rep. Jeffrey Plale	12			
15.	Rep. Bob Turner				
16.	Rep. Bob Ziegelbauer	13			
	Totals				

MOTION CARRIED

MOTION FAILED



# DANE COUNTY

**Kathleen M. Falk**  
County Executive

**Legislative Lobbyist**

**Charity Eleson**

November 3, 1999

Representative Michael Lehman  
P.O. Box 8953  
Madison, WI 53708-8953

Dear Rep. Lehman,

Thank you for the time you took recently to meet with me regarding Assembly Bill 531 that permits counties to make payments in lieu of taxes on land purchased for conservation purposes. I also appreciated your willingness to schedule this bill for a hearing in your committee. If possible, I would appreciate your staff giving me advance notice of the hearing date once it's been scheduled.

Thank you once again.

Sincerely,

A handwritten signature in cursive script that reads "Charity Eleson", followed by a horizontal line extending to the right.

Charity Eleson

Zuleger, Chad

**From:** Mark Heyde [maheyde@mail.co.marathon.wi.us]  
**Sent:** Tuesday, November 16, 1999 5:01 PM  
**To:** Rep.Petrowski@legis.state.wi.us  
**Cc:** Rep.Huber@legis.state.wi.us; Rep.Seratti@legis.state.wi.us;  
Rep.Suder@legis.state.wi.us; Rep.Waukau@legis.state.wi.us;  
Sen.Breske@legis.state.wi.us; Sen.Decker@legis.state.wi.us;  
Sen.Zien@legis.state.wi.us  
**Subject:** AB 531 Hearing (Companion bill SB 252)

**I will be attending the hearing tomorrow on this bill that you have cosponsored. I am county forest administrator for Marathon County and I'm concerned about the potential impacts of this bill on the ability of counties to maintain forest and park systems.**

**I'm concerned that the bill may create an expectation that counties will or should make payments in lieu of taxes for forests and parks. Rather than making payments in lieu of taxes shouldn't the system of state aid based on equalized value be allowed to work?**

**County forest lands are another issue. There are over 2.3 million acres of land entered under the county forest law s. 28.11. Local towns and school districts are compensated for lands entered under this law. Every analysis by the Department of Revenue shows that the county forest law works for compensating local taxpayers. As an example, we recently purchased a 275 acre farm to add to the Marathon County Forest. The impact on the average Town of Hewitt taxpayer is an increase of 30 cents per year, not 30 cents per thousand assessed valuation, but 30 cents per year total.**

**I am told that this bill has been drafted to address a specific problem in Dane County. If you must proceed with this bill, please amend the language to exempt lands entered under Wis. Stat. 28.11. The county forest law works and additional payments in lieu of taxes are not needed.**

**Our county park director is also concerned with future impacts of this legislation. All county taxpayers support the county park system. Payments in lieu of taxes would make the park system unaffordable. In many cases county parks fulfill local park needs. For example, the Town of Rib Mountain has developed very little for town recreation facilities because they have a large county park, Bluegill Bay Park in the middle of their town.**

**I hope to be able to stop at your office tomorrow after the hearing to talk about my concerns.**

**Mark Heyde**

**Marathon County Forest Administrator**

# Proposal Issue Page

For use at public hearings and any other forum of debate

Date 11-17-99 Proposal 531 Lead Author(s) Skindrud

**Pros:** Optional for counties (permissive)  
Same provisions as currently available for improved land.  
Avg inc for avg city home: 12 cents  
Allow co. to off-set tax base loss experienced by municipalities when land purchased by Co.

**Cons:** Payments in lieu of taxes as prescribed by statutes is intended to off-set costs incurred by munis to provide services on those lands. Since the land is unimproved, there should be no services required.

It is a tax shift. Towns to Villages & Cities

The premise that it is okay to shift town taxes to cities & villages because the tax shift would be "minimal."

Zuleger, Chad

**From:** Mark Heyde [maheyde@mail.co.marathon.wi.us]  
**Sent:** Wednesday, November 17, 1999 9:10 AM  
**To:** Rep.Lehman@legis.state.wi.us  
**Cc:** Rep.Huber@legis.state.wi.us; Rep.Petrowski@legis.state.wi.us;  
Rep.Seratti@legis.state.wi.us; Rep.Suder@legis.state.wi.us;  
Rep.Waukau@legis.state.wi.us; Sen.Breske@legis.state.wi.us;  
Sen.Decker@legis.state.wi.us; Sen.Zien@legis.state.wi.us  
**Subject:** Hearing on AB 531

**I will be unable to attend the hearing before the Ways and Means Committee this morning. Please accept my comments as opposed to the bill as currently drafted. Can you please let me know how to have my comments entered into the record.**

**I am County Forest Administrator for Marathon County responsible for managing 28,000 acres of county owned forest land. I am concerned about the potential impacts of this bill on the ability of counties to maintain forest and park systems. The bill as currently drafted may create the expectation that counties will or should make payments in lieu of taxes. Rather than making payments in lieu of taxes we would prefer that the system of state aid based on equalized value be allowed to work.**

**The County forest law is a good example of a state law (Wis. Stat. 28.11) that works. Local towns and school districts are compensated for lands entered under this law. There are over 2.3 million acres of land in 29 counties entered under this law. Every analysis by the Department of Revenue shows that the county forest law compensates local units of government at very close to the same level as what would have been received from full payment under private ownership. As an example, we recently purchased a 275 acre farm and buildings to add to the Marathon county Forest. The impact on the average Town of Hewitt taxpayer is an increase of 30 cents per year, not 30 cents per thousand dollars of assessed valuation, but 30 cents per year total.**

**Our county park director is also concerned with future impacts of this legislation. All county taxpayers support the county park system. Payments in lieu of taxes would make the park system unaffordable. In many cases county parks fulfill local park needs. For example, the Town of Rib Mountain has developed very little for town recreation facilities because they have a large county park, Bluegill Bay Park in the middle of their town.**

**I am told that this bill has been drafted to address a specific problem in Dane County. If you must proceed with this bill, we would like to work with you to amend the language so that it does not negatively affect the future of forest and park systems in other counties. At the least lands entered under Wis. Stat. 28.11 should be exempt.**

**I am sorry that I am unable to attend the hearing as I had planned. I am happy to work with you to review drafts of suitable language. You can also contact:**

**Colette Mathews, Executive Secretary  
Wisconsin County Forests Association  
W7300 Ridge Road  
Tomahawk, WI 54487  
(715)453-9125 office  
[wca@newnorth.net](mailto:wca@newnorth.net) email**

Thank you!

**Mark Heyde**

**Marathon County Forest Administrator 500 Forest St.**

**Wausau, WI 54403-5568**

**(715)261-1585 office**

**(715)261-4164 fax**

**(715)573-1195 mobile**

**[maheyde@mail.co.marathon.wi.us](mailto:maheyde@mail.co.marathon.wi.us) email**

## Halverson, Vicky

---

**From:** Mark Heyde [maheyde@mail.co.marathon.wi.us]  
**Sent:** Wednesday, November 17, 1999 9:24 AM  
**To:** Rep.LehmanM@legis.state.wi.us  
**Cc:** Rep.Huber@legis.state.wi.us; Rep.Petrowski@legis.state.wi.us;  
Rep.Seratti@legis.state.wi.us; Rep.Suder@legis.state.wi.us; Rep.Waukau@legis.state.wi.us;  
Sen.Breske@legis.state.wi.us; Sen.Decker@legis.state.wi.us; Sen.Zien@legis.state.wi.us  
**Subject:** Hearing on AB 531

I am unable to attend the hearing before the Ways and Means Committee this morning. Please accept my comments in opposition to the bill as currently drafted.

I am County Forest Administrator for Marathon County responsible for managing 28,000 acres of county owned forest land. I am concerned about the potential impacts of this bill on the ability of counties to maintain forest and park systems. The bill as currently drafted may create the expectation that counties will or should make payments in lieu of taxes. Rather than making payments in lieu of taxes we would prefer that the system of state aid based on equalized value be allowed to work.

The County forest law is a good example of a state law (Wis. Stat. 28.11) that works. Local towns and school districts are compensated for lands entered under this law. There are over 2.3 million acres of land in 29 counties entered under this law. Every analysis by the Department of Revenue shows that the county forest law compensates local units of government at very close to the same level as what would have been received from full payment under private ownership. As an example, we recently purchased a 275 acre farm and buildings to add to the Marathon County Forest. The impact on the average Town of Hewitt taxpayer is an increase of 30 cents per year, not 30 cents per thousand dollars of assessed valuation, but 30 cents per year total.

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Colette Mathews, Executive Secretary  
Wisconsin County Forests Association  
W7300 Ridge Road  
Tomahawk, WI 54487  
(715)453-9125 office  
wcfa@newnorth.net email

Thank you!

Mark Heyde  
Marathon County Forest Administrator  
500 Forest St.  
Wausau, WI 54403-5568  
(715)261-1585 office  
(715)261-4164 fax  
(715)573-1195 mobile  
maheyde@mail.co.marathon.wi.us email



# State of Wisconsin • DEPARTMENT OF REVENUE

125 SOUTH WEBSTER STREET • P.O. BOX 8933 • MADISON, WISCONSIN 53708-8933 • 608-266-6466 • FAX 608-266-5718 • <http://www.dor.state.wi.us>

*Tommy G. Thompson*  
Governor

*Cate Zeuske*  
Secretary of Revenue

## Assembly Ways and Means Committee Hearing, November 17, 1999

### **AB 531 – Allow payments in lieu of tax for county-owned unimproved land.**

Under current law, a county may make a payment in lieu of property taxes to a municipality and school district for the following types of property:

1. a county or municipal airport
2. a county or state charitable or penal institution
3. a county or state hospital
4. a county farm
5. state-owned land used for agricultural purposes

A county may not make a payment for county-owned unimproved land.

Under AB 531, a county may make a payment in lieu of taxes for county-owned unimproved land.

County land purchases reduce the property tax base of specific municipalities and school districts within the county. The bill would enable the county to offset the reductions in municipal and school district tax bases due to county land purchases. As this is a voluntary payment, the impact to any particular county would be at the discretion of county officials and not imposed by the state. This proposal would have no technical or administrative problems for the Department of Revenue.

It is important to note however, payments allowed under current law may be viewed as compensation for services rendered. Municipalities provide few, if any, services to county-owned unimproved land. It could be argued that payments in lieu of taxes are not warranted on such property. In addition, the payments allowed under current law are a means for a county to share with underlying jurisdictions, revenue generated by an enterprise, such as an airport, or distributed by the state, such as a state hospital. County-owned unimproved land does not generate revenue.

In those counties that choose to make a payment as allowed under the bill, the fiscal effect is calculated by multiplying the total municipal and school tax rates by the assessed value of the unimproved property. Most county-owned unimproved land is located in towns. The 1998 statewide average tax rate in towns was \$2.52 per \$1000 of valuation and the average school district tax rate was \$10.63 per \$1000 of town value. For each \$100,000 of county-owned unimproved land, payments in lieu of taxes would be \$252 to towns and \$1063 to school districts.



# DANE COUNTY

Kathleen M. Falk  
County Executive

November 17, 1999

To: Members of the Assembly Ways and Means Committee, Representative Michael Lehman, Chair

From: Dane County Executive Kathleen Falk *Kathleen Falk*  
Dane County Board Chair Kevin Kesterson *Kevin Kesterson*

Re: Assembly Bill 531, Authorizing Counties to Make Payments in Lieu of Taxes on Conservation Land

Thank you for the opportunity to make public comment regarding Assembly Bill 531 that has been introduced at Dane County's request by Representative Rick Skindrud and Senator Jon Erpenbach.

This bill simply authorizes counties to make payments in lieu of taxes on conservation land owned by the county. It is totally optional for counties to do so.

We have requested the change because we wish to respond to the concerns raised by some towns in Dane County about the county's initiative to purchase \$30 million of land for parks and open space over the next 10 years. Dane County voters overwhelmingly approved this in a referendum held last spring. However, some towns have raised specific concerns pertaining to taking that land off the tax rolls and its effect on their property tax revenues.

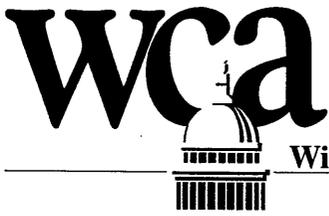
Both the Dane County Board and Dane County Executive have pledged to make payments in lieu of taxes to towns for conservation lands purchased. However, we do not have the current statutory authority to do so. This bill gives us that authority.

In a study Dane County requested be done by Professor Richard Barrows on the impact of the Dane County parks initiative, Professor Barrows found that the land purchases the county plans to make will have almost no impact on other units of local government, including schools, municipalities and technical schools. However, it may have a very modest effect on towns. If Dane County were to make all \$30 million in land purchases in just one year -- which the county does not intend to do -- the study showed that towns, in total, would lose \$28,000 in property tax revenues. The study also showed that conservation land purchases cause land next to it to appreciate in value over a 5-year period. So although property tax revenues would initially decline slightly, lost revenues would be made up within an estimated 5-year period through land values appreciating.

There have been concerns expressed by the Alliance of Cities on the tax shift to cities for the cost of the payments in lieu of taxes. Our analysis of the impact shows that on an average home in Madison in 1999, the payments in lieu of taxes would add 12 cents a year to the county taxes of \$456.13 that the owner of an average price home would pay. That would be only if all \$30 million in purchases were made in one year, which the county is not doing. Further, due to the appreciation in land values, these payments will be time-limited.

Dane County wishes to begin to make payments in lieu of taxes to towns beginning in 2000, associated with our first set of land purchases for the initiative.

It is for these reasons that we are seeking your support of Assembly Bill 531. Thank you.



MEMORANDUM

**TO:** The Honorable Members of the Assembly Ways and Means Committee  
**FROM:** Allison Kujawa, WCA Legislative Associate  
**DATE:** November 17, 1999  
**RE:** Assembly Bill 531

It is our understanding that Assembly Bill 531 (AB 531) was drafted at the request of Dane County. AB 531 states county boards may appropriate money to a municipality and school district in an amount that is equal to the amount which would have been paid in municipal and school tax on unimproved county-owned lands if those lands had been privately owned.

However, some counties have expressed concerns regarding the possible implications this bill may have. They believe it may put some county boards in difficult positions with the other taxing jurisdictions in their county. They have also raised concerns about the inequity between local governments (municipalities and school districts providing payments to overlying taxing jurisdictions for their land purchases).

At the current time WCA does not have a position specifically relating to this issue. Due to some varying opinions that have been raised we plan to bring this up at our December 6, 1999 Taxation and Finance Steering Committee and determine a statewide position.

We respectfully request that you not take executive action today so that we may have an opportunity to share the findings of our Taxation and Finance Steering Committee and the subsequent position of the WCA Board of Directors.

Thank you for considering our comments.



## INTERGOVERNMENTAL RELATIONS

Office of the County Executive

TO: State Representative Michael Lehman, Chairman  
& Members of the Assembly Committee on Ways and Means

FROM: Patti Bustle, Legislative Coordinator, Intergovernmental Relations

DATE: December 8, 1999

SUBJECT: Assembly Bill 531 – (Authorizing a county to make payments in lieu of taxes to local units of government for unimproved lands)

Milwaukee County, along with a number of other counties, has several similar concerns regarding Assembly Bill 531 (AB 531). AB 531 would allow a county to make payments to a municipality and school district in an amount that is equal to the amount which would have been paid in taxes on unimproved county-owned land if those lands had been privately owned. The legislation has been introduced at the request of Dane County in response to concerns raised by Dane County towns that the current land purchases the County is embarking on would reduce their tax base.

It is our understanding that Dane County's willingness to make these types of payments to towns was not part of the referendum, which past earlier this year in which Dane County voters strongly supported Dane County's purchase of parks and conservation land over the next decade. In addition, we understand that if this legislation is not approved, Dane County will continue to move forward with their planned land acquisitions.

While Milwaukee County does not argue that Dane County has every right to pursue legislation that is in the best interests of Dane County, this particular legislation may not be in the best interests of other counties. The bill as currently drafted is unclear as to the definition of "unimproved lands" and would appear to cover lands currently owned by counties. For example, in Milwaukee County nearly 50% of the approximately 15,000 acres of Parkland currently owned by the County can be described as unimproved. If the proposed bill applied to existing holdings there would be a significant financial impact on Milwaukee County. We understand Dane County is attempting to address these two concerns with possible amendments to the legislation.

However, AB 531 is problematic for counties for a number of additional reasons. Legislation of this nature puts county boards in a difficult position with other taxing jurisdictions in their county, and the bill does not allow municipalities and school districts to make payments to counties for their land purchases. In addition, the insertion of this permissive language into the State Statutes may be setting a precedent for the language to become mandatory in the future.

Attached please find a copy of the response from the Milwaukee County Parks Department regarding their concerns with AB 531. As adopted by the Milwaukee County Board of Supervisors, the County may eventually acquire over 2,000 acres of land at an estimated cost of almost \$10 million. Almost all of the Parks Department's land acquisition plans involve unimproved sites. Adding an annual payment for tax revenue lost to the municipality in which

Chairman Lehman  
& Members of the Assembly Ways & Means Committee  
Page Two

the land is located, would serve as a major deterrent to the acquisition of additional park and public green space in Milwaukee County.

In closing, as the Parks Department attachment states, while publicly held lands may not generate tax revenue for a municipality, they do provide important quality of life benefits to the general public. It can be argued that these quality of life improvements will increase the value of lands in the vicinity of the publicly held land, thereby replacing the lost tax revenue.

Thank you for considering our comments. Please contact Intergovernmental Relations with any questions or concerns.

**MILWAUKEE COUNTY  
INTER-OFFICE COMMUNICATION**

Date: December 1, 1999  
To: Roy De La Rosa, Intergovernmental Relations  
From: Susan L. Baldwin, Parks Department Director  
Subject: 1999 Senate Bill 252/Assembly Bill 531

The Parks Department opposes the proposed legislation identified above. The reasons for our opposition are set out below.

Nearly 50% of the approximately 15,000 acres of land under the Parks Department's jurisdiction can be described as unimproved (3,850 acres are classified as undeveloped and 3,400 acres are designated as natural area or conservancy lands). Therefore, the proposed bill, if applied to existing holdings, would have a significant financial impact on Milwaukee County. For the Parks Department this could result in a reduction in the availability of funds for park maintenance, development, or operations. It could also necessitate price increases at active recreational facilities such as golf courses, swimming pools, the Domes, etc.

Virtually all of the Parks Department's land acquisition plans involve unimproved sites. The Parks Department's land acquisition program is guided by two documents prepared by the Southeastern Wisconsin Regional Planning Commission (SEWRPC). The first, A Regional Natural Areas and Critical Species Habitat Protection and Management Plan for Southeastern Wisconsin, contains recommendations for the acquisition of 43 natural area sites by Milwaukee County totaling 321 acres and costing an estimated \$500,400. It was adopted by the Parks, Energy & Environment Committee (P.E.E) on October 27, 1998 and by the County Board on November 5, 1998. The Milwaukee County Board of Supervisors adopted the second, A Park and Open Space Plan for Milwaukee County, on June 18, 1992. This plan calls for the acquisition of 1,753 acres at an estimated cost of \$9,376,000 (these estimates may be significantly undervalued).

Costs associated with land acquisitions include more than just the purchase price. Expenditures for the development or improvement of the acquired lands, and for their maintenance and operation will also be required (these costs vary widely depending upon how the land is utilized). Adding an annual fee as payment for tax revenue lost to the municipality in which the land is located, as is permitted by the proposed legislation, would serve as a major deterrent to the implementation of the SEWRPC plans

Additional concerns associated with the proposed bill include:

- The bill could add complexity to the County's annual budgeting process in the form of an annual debate over whether to pay municipalities and over how much to pay them.
- The discretionary aspects of the bill (the provision of counties with the authority to make payments in lieu of taxes on unimproved land if they wish to do so) could become mandatory at some point in the future.
- The bill may set a precedent for the institution of fees such as those relating to the local assessment of stormwater fees.

Finally, we question whether creating legislation that has statewide implications in order to facilitate the implementation of a local initiative is good public policy. Particularly in this situation where the premise behind the proposed legislation, that unimproved land held by a public entity for park and open space or for conservation purposes can be equated to unimproved land held by private interests, is a faulty one. The publicly held lands may not generate tax revenue for a municipality but they do provide important quality of life benefits to the general public. And it's conceivable that these quality of life improvements will increase the value of lands in the vicinity

Page 2  
Roy De La Rosa  
December 1, 1999

of the publicly held land, thereby replacing the lost tax revenue. The privately held lands only benefit the general public through the sale of a product or service. In short, the bill is not needed.

Prepared by:

Approved by:

  
\_\_\_\_\_  
Bill Waldron  
Planning Analyst

  
\_\_\_\_\_  
Susan L. Baldwin  
Parks Director

Cc: Patti Bustle



*Milwaukee County*

INTERGOVERNMENTAL RELATIONS  
OFFICE OF THE COUNTY EXECUTIVE

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COURTHOUSE, RM. 306  
901 N. 9th ST.  
MILWAUKEE, WI 53233

~~AB 321~~

531-

County provided payments just  
to towns.

pg 2 Line 3

Define unimproved

pg 2 line 11

or a hwy right of way

Why require full amt if  
discretionary.

Counties  
League  
Alliance



Andrew

PHONE CALL

FOR	<u>WMAA</u>	DATE	<u>12/13</u>	TIME	<u>4:00 PM</u>
M	<u>All Colvin - Skindrud's Office</u>				
OF					TELEPHONED
PHONE					RETURNED YOUR CALL
	AREA CODE	NUMBER	EXTENSION		PLEASE CALL
FAX#					WILL CALL AGAIN
MESSAGE	<u>Please call re:</u>				CAME TO SEE YOU
	<u>AB 531.</u>				WANTS TO SEE YOU
	<u>Bill on hold for now.</u>				SIGNED



# DANE COUNTY

Kathleen M. Falk  
County Executive

Legislative Lobbyist

Charity Eleson

February 21, 2000

To: Members of the Assembly Ways and Means Committee,  
Representative Michael Lehman, Chair

From: Charity Eleson

Re: Assembly Bill 531, Payments in Lieu of Taxes

This week you will be taking executive action on Assembly Bill 531, which authorizes counties to make payments in lieu of taxes to units of local government on unimproved land. Dane County asked Representative Skindrud and Senator Erpenbach to introduce this bill so that we could respond to the concerns of towns in our county regarding the effect that the county's planned purchases of \$30 million of land over the next decade would have on the town's property tax revenues.

While state law currently specifically prohibits us from making payments in lieu of taxes on unimproved or conservation land, Dane County is interested in addressing the towns' concerns. This bill would authorize the county to make those payments.

During the public hearing on the bill in January, there were some concerns expressed about the effect this legislation would have on counties outside of Dane, including counties with county forest land, who did not wish to exercise this option. Although the language in the bill is strictly permissive, we listened to those concerns and the bill's co-sponsors have had drafted an amendment to have this provision apply only to Dane County.

We appreciate the support many of you have expressed for this legislation, and ask for your support in the executive session this week on the bill and the amendment.

Thank you.



## WISCONSIN LEGISLATIVE COUNCIL STAFF MEMORANDUM

One East Main Street, Suite 401; P.O. Box 2536; Madison, WI 53701-2536

Telephone: (608) 266-1304

Fax: (608) 266-3830

Email: [leg.council@legis.state.wi.us](mailto:leg.council@legis.state.wi.us)

DATE: February 25, 2000

TO: INTERESTED LEGISLATORS

FROM: Robert J. Conlin, Senior Staff Attorney

SUBJECT: 1999 Assembly Bill 531 and Assembly Amendment 1 to Assembly Bill 531,  
Relating to County Payments in Lieu of Taxes for Unimproved Lands

This memorandum describes 1999 Assembly Bill 531, relating to county payments to local units of government in lieu of taxes for unimproved lands, and describes Assembly Amendment 1 to the bill.

The bill was introduced by Representative Skindrud and others, and was cosponsored by Senator Erpenbach and others. The bill was referred to the Assembly Committee on Ways and Means, which held a public hearing on the bill on November 17, 1999. The committee took executive action on the bill on February 23, 2000. During executive action on the bill, the committee introduced Assembly Amendment 1, and recommended adoption of the amendment on a vote of Ayes, 13; Noes, 0. The committee then recommended passage of the bill, as amended, on a vote of Ayes, 11; Noes, 2.

### **A. CURRENT LAW**

Current law allows any county to make payments in lieu of taxes to any municipality or school district in which certain county or state institutions are located. These institutions include a county farm, hospital, charitable or penal institution or a state hospital, charitable or penal institution, or state-owned lands used for agricultural purposes. The payment amounts equal the amount which would have been paid in municipal and school taxes upon the lands, without buildings, if those lands were privately owned. However, current law does not allow such payments to be made for lands on which a jail or courthouse sit or for unimproved county lands.

### **B. 1999 ASSEMBLY BILL 531**

1999 Assembly Bill 531 would authorize a county to make the above-described payments to a municipality and school district for unimproved county lands.

**C. ASSEMBLY AMENDMENT 1**

Assembly Amendment 1 would modify the bill so that only certain counties could make payments in lieu of taxes for unimproved lands. The amendment provides that a county with a population of at least 300,000 and which was created in 1836 may make payments to a municipality or school district in which unimproved county-owned lands used for parks or conservation purposes are located. (Currently, the amendment only applies to Dane County.) The amendment authorizes payment in an amount of money equal to the amount incurred by the municipality or school district in providing services to such lands, up to the amount of money which would have been paid in municipal or school tax upon such lands without buildings, if those lands had been privately owned.

RJC:ksm;wu



## **BILL SUMMARY**

**AB 531: County Payments in Lieu of Taxes**

**Date:** March 14<sup>th</sup>, 2000

### **BACKGROUND**

Under current law, any county may make payments in lieu of taxes to any municipality or school district in which certain county or state institutions are located. The payments equal the amount of taxes that would have been levied by the municipality and school district on the land, without buildings, if the land had been privately owned. Current law does not allow for such payments for lands on which a jail or courthouse sit or for unimproved county lands.

### **SUMMARY OF AB 531 (AS AMENDED BY COMMITTEE)**

Assembly Bill 531 (as amended) would allow Dane county to make payments in lieu of taxes for unimproved lands.

### **AMENDMENTS**

**Assembly Amendment 1** (offered in committee) to AB 531 made the bill Dane County specific.

### **FISCAL EFFECT**

There is no state fiscal effect.

A fiscal estimate prepared by the Department of Revenue indicates that at the local level, the legislation would have a fiscal effect for [Dane County] equal to the sum of the tax rates for the municipality and school district in which the unimproved land is located times the assessed value of the unimproved property.

### **PROS**

In the case of Dane County, several towns were concerned about the loss of tax revenue after the County's planned purchase of \$30 million in land over the next 10 years. This legislation would allow Dane County to compensate the towns for their lost revenue.

### **CONS**

None apparent.

### **SUPPORTERS**

Rep. Rick Skindrud, author; WI Towns Association, Dane County, Sen. John Erpenbach

### **OPPOSITION**

Alliance of Cities, Milwaukee County International Airport

### **HISTORY**

Assembly Bill 619 was introduced on 10-12-99, and referred to the Assembly Committee on Ways and Means. A public hearing was held on 11-17-99. On 2-23-2000, the Committee voted 11-2 [Rep. Wood and Ziegelbauer voting no; Reps. Ainsworth, Jeskewitz and Turner absent] to recommend passage of AB 619.

**CONTACT:** Andrew Nowlan, Office of Rep. Michael Lehman