

Fiscal Estimate Narratives

DOR 3/14/2017

LRB Number 17-0909/1	Introduction Number AB-0127	Estimate Type Original
Description Prohibiting local ordinances, resolutions, and policies that prohibit immigration status inquiries and reports to, and cooperation with, other units of government about the presence of illegal aliens, authorizing a resident of this state to commence an enforcement action, and providing a reduction in shared revenue payments		

Assumptions Used in Arriving at Fiscal Estimate

The bill prohibits a political subdivision (city, village, town, or county) from enacting an ordinance, adopting a resolution, or establishing a policy that prohibits an employee from performing the following: (1) inquiring whether an individual seeking or receiving public services has a satisfactory immigration status, (2) notifying the federal government of the presence of illegal aliens in the political subdivision, (3) inquiring whether a lawfully detained individual has a satisfactory immigration status, (4) sending, receiving, or requesting information on a lawfully detained individual's immigration status, (5) assisting or cooperating with a federal immigration officer, and (6) permitting a federal immigration officer to enter and conduct enforcement activities in a facility under the control of the political subdivision.

Upon the bill's effective date, ordinances, resolutions, or policies inconsistent with the bill may not be enforced. State residents, who suspect noncompliance, may file a writ of mandamus with the circuit court in the county where the alleged violations occurred. If a circuit court concludes a violation occurred, the Department of Revenue must reduce Chapter 79, Subchapter I, payments based the following penalty schedule.

Population (Penalty amount)
0 - 10,000 (\$500 each day)
10,000 - 100,000 (1,000 each day)
100,000- 250,000 (\$2,000 each day)
250,000 and above (\$5,000 each day)

90 Day Penalty
\$ 45,000 (\$500 each day)
\$ 90,000 (\$1,000 each day)
\$180,000 (\$2,000 each day)
\$450,000 (\$5,000 each day)

365 Day Penalty
\$ 182,500 (\$500 each day)
\$ 365,000 (\$1,000 each day)
\$ 730,000 (\$2,000 each day)
\$1,825,000 (\$5,000 each day)

Fiscal Effect

Under current law, political subdivisions receive shared revenue payments under Chapter 79, Subchapter I, for county and municipal aid, public utility aids, payments for the expenditure restraint program, and payments for computers exempt from local property taxes. A court determined violation under the bill's penalty provision creates varying fiscal impacts due the allocation of Subchapter I shared revenue payments.

The actual fiscal effect of the bill is indeterminate and dependent on the actions of municipalities and circuit court decisions.

Political subdivisions with smaller populations generally receive smaller shared revenue payments, while

more populated political subdivisions receive higher shared revenue payments. The penalty provision impacts local governments differently based on the total shared revenue payments. A 90 day penalty of \$45,000 would reduce shared revenue payments for 956 political subdivisions with populations under 10,000 to \$0. The average 90 day penalty for the top 10 populated cities in Wisconsin equals 1.00% of their total shared revenue payments, while the average 365 day penalty equals 4.05%.

Any payment reductions due to the penalty would reduce State GPR costs. The administrative costs for implementing the bill can be absorbed within existing budget authority.

Long-Range Fiscal Implications