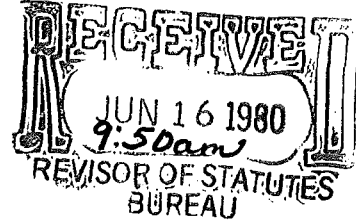


Tax 13

CERTIFICATE



STATE OF WISCONSIN)
MINING INVESTMENT AND LOCAL IMPACT FUND BOARD) SS

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Laurence Lewis, Chairman of the Mining Investment and Local Impact Fund Board and custodian of the official records of said board, do hereby certify that the amendments to rules relating to the distribution of discretionary payments, were duly approved and adopted by this board on May 2, 1980.

I further certify that said copy has been compared by me with the original on file in this board and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand at the Capitol in the city of Madison, this 11 day of JUNE A.D. 1980.

Laurence O. Lewis - Chairman
(Officer)

Handwritten notes:
Cert. 108. 5. 11

ORDER OF THE Mining Investment and Local Impact Fund Board AMENDING RULES
pertaining to the distribution of discretionary payments by the Board.

Analysis prepared by the Mining Investment and Local Impact Fund Board.

By Rule, the Board inadvertently limited itself to making discretionary payments to municipalities only in January of each year. This arrangement severely restricts the way the Board can disburse its grant monies. This arrangement also poses a financial problem to the municipality who covers a mining-related bill in July, for instance, and has to wait until the next January for reimbursement from the Board. The Board has amended Tax 13.05 Certification and Distribution, so that it may issue discretionary payments, in installments, over the course of any year. The revised rule means that:

- 1) In December, the Board will establish a payment schedule for each discretionary award; and
- 2) In the following year, the Board will make payments to a grant recipient on the basis of the pre-established payment schedule.

This change enables the Board to tailor the payment of each award more closely to the needs of the grant recipient. This change also enables the Board to not have to pay out funds until they are actually required.

Also by Rule, the Board has an ability to respond to emergency situations which may not fit neatly within the time framework of the annual discretionary payment program. As originally written, Tax 13.06 (3)(c) 7 Use of Emergency Reserve Monies did not clearly indicate that the Board can use some of its \$2 million general fund loan for emergency situations. Accordingly, the Board has amended this section, in order to specify that emergency reserve monies can include any discretionary funds available to the Board.

Pursuant to authority vested in the Mining Investment and Local Impact Fund Board by sections 15.431, 15.435, and 70.395, Wis. Stats., the Mining Investment and Local Impact Fund Board hereby amends rules interpreting sections 20.566 (2)(fz) and 70.395, Wis. Stats., as follows:

Section Tax 13.05 (4) of the Wis. Adm. Code is repealed.

Section Tax 13.05 (5) of the Wis. Adm. Code is amended to read:

~~(5)~~ (4) Each May, the board shall also determine the amount of funds to be invested with the state investment board. The board may designate a portion of these funds as emergency reserve monies, to be used by the board in the manner described in s. Tax 13.06 (3) (c) 7.. Factors entering into these annual investment decisions shall include the following:

(a) Record of net proceeds occupational tax revenues deposited into the fund.

(b) Record of board payments to municipalities.

(c) Record of board investments with the state investment board.

(d) Mining-related costs anticipated by municipalities.

Section Tax 13.05 (6) of the Wis. Adm. Code is amended to read:

~~(6)~~ (5) By May 31, the board shall certify to the department the amount of its investment. The department shall thereupon make the certified investment no later than June 30.

Section Tax 13.05 (6) of the Wis. Adm. Code is adopted to read:

(6) Each December, the board shall certify to the department the specific payments to be made according to s. Tax 13.06 (2). The department shall make these certified payments on the first Monday in January of the following year.

Section Tax 13.05 (7) of the Wis. Adm. Code is adopted to read:

(7) Each December, the board shall also establish a payment schedule for each award under s. Tax 13.06 (3). During the year following, the board shall certify to the department the specific payment

or payments to be made according to each schedule. Upon receipt of such certifications, the department shall process the payments within 21 days.

Section Tax 13.06 (3) (c) 7. is amended to read:

7. Use of Emergency Reserve Monies. A portion of the emergency reserve monies invested with the state investment board, or a portion of any other discretionary funds available to the board, may be withdrawn and distributed by the board, at any time, to any municipality which demonstrates its need for financial assistance in alleviating a mining-related cost which is deemed by the board to be sudden and unforeseeable. The policies and procedures presented in s. Tax 13.06 (3) shall apply to the distribution and use of emergency reserve monies, except for the specified deadline dates.

The rules, amendments, and repeals contained in this order shall take effect pursuant to authority granted by s. 227.026 (1) (b), Stats.

Dated: May 3 - 1980 Agency: Mining Investment and Local Impact Fund Board

Lawrence O. Lewis - Chairman
(Officer)

Administrative Rule
FISCAL NOTE

Agency Mining Investment and Local Impact Fund Board	Rule No. Wis. Adm. Code Section Tax 13.05 and 13.06 (3)(c)7. Subsection
Subject (Title) of Rule Distribution of Discretionary Payments Investment and Local Impact Fund -- and Availability of Emergency Reserve Monies	

Local Fiscal Effect

- Local: Increase/decrease Existing Fiscal Liability No Local Fiscal Effect
 Create New Fiscal Liability
 Increase/Decrease Existing Revenues
 Adjust the timing of discretionary payments and clarify the availability of

Types of Local Governmental Units Affected: any discretionary funds for emergency grants.
 (X) Towns (X) Villages (X) Cities (X) Counties (X) Others School Districts and Federally Recognized Tribal Councils.

Is Fiscal Effect: (X) Permissive () Mandatory

Assumptions and methodology used in arriving at local fiscal impact or rationale for concluding that there is no fiscal impact.

The Mining Impact Board makes annual discretionary awards to municipalities (defined above by "Types of Local Governmental Units Affected") which apply for mining impact funds and demonstrate that they can effectively use such funds to alleviate some or all of their mining-related costs. These discretionary payments are currently made only in January of each year. The proposed rule change pertaining to Tax 13.05 will enable a discretionary payment to be made in installments over the course of a year, as funds are needed by the grant recipient. The amount of grant monies available to a municipality is not affected.

The emergency reserve monies of the Board currently are, by Rule, to be derived only from the net proceeds tax. This tax is not expected to generate revenue until at least 1983. The proposed rule change pertaining to Tax 13.06 (3)(c) 7 will enable the Board to make other types of discretionary funds (such as its \$2 million general fund loan) available for emergency grants to municipalities.

Long-Range Fiscal Implications

Doris L. Fischer
Agency Head Signature

2/11/80
Date