



1995 ASSEMBLY BILL 704

November 29, 1995 - Introduced by Representatives F. LASEE, HUTCHISON, WIRCH and SPRINGER, cosponsored by Senator C. POTTER. Referred to Committee on Ways and Means.

1 **AN ACT to amend** 79.04 (1) (intro.), 79.04 (1) (a), 79.04 (1) (c) 3. and 79.04 (4) (a)
2 of the statutes; **relating to:** the shared revenue utility payment.

Analysis by the Legislative Reference Bureau

Under current law, municipalities and counties receive shared revenue for certain utility plants that are located within their boundaries. Those plants are exempt from the local property tax because they are subject to a state tax. These payments partially offset the reduction of tax base that results.

This bill makes the following changes to these payments:

1. Authorizes payments for decommissioned plants for 5 years at a decreasing percentage of the last payment before the decommissioning.
2. Establishes payments to municipalities that have natural gas production facilities within their boundaries.
3. Extends the current payments for spent nuclear fuel storage facilities to municipalities that are within one mile of such a facility.

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

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

3 **SECTION 1.** 79.04 (1) (intro.) of the statutes is amended to read:
4 79.04 (1) (intro.) Annually the department of administration, upon
5 certification by the department of revenue, shall distribute to a municipality having
6 within its boundaries a production plant or a general structure, including production

1 plants and general structures under construction, used by a natural gas company
2 that is assessed under s. 76.07 (4g) (c) or used by a light, heat or power company
3 assessed under s. 76.28 (2), except property described in s. 66.069 (2) unless the
4 production plant is owned or operated by a local governmental unit located outside
5 of the municipality, or used by an electric cooperative assessed under ss. 76.07 and
6 76.48, respectively, or used by a municipal electric company under s. 66.073 the
7 amount determined as follows:

8 **SECTION 2.** 79.04 (1) (a) of the statutes is amended to read:

9 79.04 (1) (a) An amount from the shared revenue account determined by
10 multiplying by 3 mills in the case of a town, and 6 mills in the case of a city or village,
11 the first \$125,000,000 of the value of a natural gas production plant or general
12 structure, as determined by the department of revenue, of the amount shown in the
13 account, plus leased property, of each public utility other than a natural gas company
14 on December 31 of the preceding year for either “production plant, exclusive of land”
15 and “general structures”, or “work in progress” for production plants and general
16 structures under construction, in the case of light, heat and power companies,
17 electric cooperatives or municipal electric companies, for all property within a
18 municipality in accordance with the system of accounts established by the public
19 service commission or rural electrification administration, less depreciation thereon
20 as determined by the department of revenue and less the value of treatment plant
21 and pollution abatement equipment, as defined under s. 70.11 (21) (a), as determined
22 by the department of revenue. The total of amounts, as depreciated, from the
23 accounts of all public utilities for the same production plant is also limited to not
24 more than \$125,000,000. The amount distributable to a municipality in any year
25 shall not exceed \$300 times the population of the municipality.

1 **SECTION 3.** 79.04 (1) (c) 3. of the statutes is amended to read:

2 79.04 (1) (c) 3. If a production plant with a nominal rated capacity of 200
3 megawatts or more is decommissioned or becomes nonutility property, the \$75,000
4 ~~minimum guaranteed payment under subd. 1. shall continue but diminish by \$7,500~~
5 ~~annually, except that the minimum guaranteed payment under this subdivision~~
6 ~~shall cease in the year following the first year in which the property becomes taxable~~
7 ~~by the taxation district town, city or village shall receive; for the first year after the~~
8 ~~decommissioning 100%, for the 2nd year after the decommissioning 80%, for the 3rd~~
9 ~~year after the decommissioning 60%, for the 4th year after the decommissioning 40%~~
10 ~~and for the 5th year after the decommissioning 20%; of the payment that it received~~
11 ~~under this section during the year before the decommissioning.~~ In this subdivision,
12 “nonutility property” has the meaning set forth in the uniform system of accounts
13 established by the public service commission.

14 **SECTION 4.** 79.04 (4) (a) of the statutes is amended to read:

15 79.04 (4) (a) Annually, in addition to the amount distributed under sub. (1), the
16 department of administration shall distribute \$50,000 to a municipality if spent
17 nuclear fuel is stored within the municipality on December 31 of the preceding year.
18 If a spent nuclear fuel storage facility is located at a production plant located in more
19 than one municipality, the payment shall be apportioned according to the formula
20 under sub. (1) (c) 2. Annually, in addition to the amount distributed under sub. (1),
21 the department of administration shall distribute \$50,000 to a municipality if spent
22 nuclear fuel is stored within one mile of the municipality but in another municipality.
23 The payment to each municipality under this paragraph may not be less than
24 \$10,000 annually.

25 **SECTION 5. Initial applicability.**

