



1995 SENATE BILL 264

June 28, 1995 - Introduced by Senators A. LASEE, MOEN, DECKER, ANDREA, C. POTTER, ZIEN and WEEDEN, cosponsored by Representatives F. LASEE, KREIBICH, HUTCHISON, LORGE, HAHN, SPRINGER, OTTE and WILDER. Referred to Committee on Environment and Energy.

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. Increases the mill rate used to calculate the payments from 3 mills to 4 mills for towns and from 6 mills to 7 mills for cities and villages.
2. Increases the upper limit for the payments from \$300 per person to \$400 per person.
3. Authorizes payments for decommissioned plants for 5 years at the amount of the last payment before the decommissioning.
4. Establishes payments to municipalities that have natural gas production facilities within their boundaries.
5. 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

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

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

10 79.04 (1) (a) An amount from the shared revenue account determined by
11 multiplying by ~~3~~ 4 mills in the case of a town, and ~~6~~ 7 mills in the case of a city or
12 village, the first \$125,000,000 of the value of a natural gas production plant or
13 general structure, as determined by the department of revenue, of the amount shown
14 in the account, plus leased property, of each public utility other than a natural gas
15 company on December 31 of the preceding year for either “production plant,
16 exclusive of land” and “general structures”, or “work in progress” for production
17 plants and general structures under construction, in the case of light, heat and power
18 companies, electric cooperatives or municipal electric companies, for all property
19 within a municipality in accordance with the system of accounts established by the
20 public service commission or rural electrification administration, less depreciation
21 thereon as determined by the department of revenue and less the value of treatment
22 plant and pollution abatement equipment, as defined under s. 70.11 (21) (a), as
23 determined by the department of revenue. The total of amounts, as depreciated,
24 from the accounts of all public utilities for the same production plant is also limited

1 to not more than \$125,000,000. The amount distributable to a municipality in any
2 year shall not exceed ~~\$300~~ \$400 times the population of the municipality.

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

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

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

14 79.04 (4) (a) Annually, in addition to the amount distributed under sub. (1), the
15 department of administration shall distribute \$50,000 to a municipality if spent
16 nuclear fuel is stored within the municipality on December 31 of the preceding year.
17 If a spent nuclear fuel storage facility is located at a production plant located in more
18 than one municipality, the payment shall be apportioned according to the formula
19 under sub. (1) (c) 2. Annually, in addition to the amount distributed under sub. (1),
20 the department of administration shall distribute \$50,000 to a municipality if spent
21 nuclear fuel is stored within one mile of the municipality but in another municipality.
22 The payment to each municipality under this paragraph may not be less than
23 \$10,000 annually.

24 **SECTION 5. Initial applicability.**

