

FISCAL ESTIMATE

ORIGINAL     UPDATED  
 CORRECTED     SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.

AB 202                      (99-0044/1)

Amendment No. if Applicable

Subject  
 Charter Towns

Fiscal Effect

State:  No State Fiscal Effect  
 Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

Increase Existing Appropriation     Increase Existing Revenues  
 Decrease Existing Appropriation     Decrease Existing Revenues  
 Create New Appropriation

Increase Costs - May be Possible to Absorb  
 Within Agency's Budget     Yes     No

Decrease Costs

Local:  No Local Government Costs

1.  Increase Costs  
 Permissive     Mandatory  
 2.  Decrease Costs  
 Permissive     Mandatory

3.  Increase Revenues  
 Permissive     Mandatory  
 4.  Decrease Revenues  
 Permissive     Mandatory

5. Types of Local Governmental Units Affected:  
 Towns     Villages     Cities  
 Counties     Others \_\_\_\_\_  
 School Districts     WTCS Districts

Fund Sources Affected

GPR     FED     PRO     PRS     SEG     SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

The bill would authorize a town to declare itself a "charter town", provided that the declaration is approved in a town-wide referendum. A town would have to satisfy the following criteria in order to attain "charter town" status:

- The population of the town must be at least 2,500.
- The town board must be authorized to exercise village powers.
- The town board must create a plan commission and adopt a comprehensive land use plan.
- The town enacts and enforces building code ordinances.
- The town board enacts a construction site erosion control and storm water management zoning ordinance.

According to the 1997-98 Wisconsin Blue Book, 118 towns have populations that exceed 2,500 and would thus satisfy the first criteria for attaining "charter town" status.

A town that attains "charter town" status would be able to create tax incremental financing districts, exercise certain zoning powers, and it would be exempt from being subject to certain city and village extraterritorial powers.

(continued on page two)

Long-Range Fiscal Implications

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3/24/99

## FISCAL ESTIMATE

AB 202

Page 2

In addition, certain "charter towns" would be exempt from annexation by cities or villages if they meet the following criteria:

- At least 10% of the town residents receive water, sewage disposal services, or both, from a town sanitary district, town utility district, metropolitan sewerage district, or another municipality.
- The equalized value of the town exceeds \$100 million.
- The town provides round-the-clock law enforcement services.

A town that attains "charter town" status would likely incur higher costs; however, the information needed to estimate the local fiscal effect of the bill, such as the cost of conducting a referendum and the administrative cost of creating a tax incremental finance district is not available. Furthermore, it is difficult to make an assumption as to how many towns will actually pursue and attain "charter town" status. Given these factors, the local fiscal effect of the bill is indeterminable.