

FISCAL ESTIMATE FORM

1999 Session

ORIGINAL

UPDATED

LRB # - 0044/1

CORRECTED

SUPPLEMENTAL

INTRODUCTION # AB-202

Admin. Rule #

Subject

Authorizing the creation of charter towns by certain town boards

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

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

Increase Existing Appropriation

Increase Existing Revenues

Decrease Existing Appropriation

Decrease Existing Revenues

Decrease Costs

Create New Appropriation

Local: No local government costs

1. Increase Costs

Permissive Mandatory

3. Increase Revenues

Permissive Mandatory

5. Types of Local Governmental Units Affected:

Towns Villages Cities

2. Decrease Costs

Permissive Mandatory

4. Decrease Revenues

Permissive Mandatory

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:

Under current law, towns may be authorized by the residents to exercise certain powers of a village, with the exception of powers that conflict with the statutes governing towns. Some of the powers that cannot be exercised include (1) creation of a tax incremental financing district; (2) annexation of territory; (3) exercise of extraterritorial zoning; or (4) enactment of zoning ordinances without county board approval, if there is a county zoning ordinance. Even if a town board exercises village powers, the town is still subject to annexation and extraterritorial zoning by a city or village.

This bill allows a town that exercises village powers to pass a resolution, subject to referendum approval, to declare itself a charter town. As a charter town, a town may create a tax incremental financing district, exercise certain zoning powers, and exempts the town from being subject to certain city and village extraterritorial powers.

In order to be granted the powers of a charter town, the town must meet the following criteria: (1) the population must be at least 2,500; (2) the town board must create a town plan commission and adopt a comprehensive land use plan; (3) the town must enact and enforce building code ordinances; and (4) the town board must enact a construction site erosion control and storm water management zoning ordinance. In addition, certain charter towns are exempt from being subject to city and village annexation powers if certain conditions are met: (1) the towns equalized value exceeds \$100,000,000; (2) at least 10% of the town residents receive either water or sewage disposal from a municipal type system; and (3) the town provides law enforcement services 24 hours a day.

Approximately 121 towns in 42 counties meet the requirements to become a charter town. Most would have to enact and enforce additional land use planning measures, however. Direct costs to towns that wish to become charter towns could range from modest to substantial depending on the adequacy of existing plans and ordinances. All direct costs would be discretionary. The department can not reliably estimate how many towns will choose to become charter towns or how much it will cost to do so.

There could also be significant indirect costs to both the towns that wish to become charter towns and the village and cities around them. For example, a city, village or county, may lose an investment in an oversized sewage treatment plant that was intended to service annexable areas.

Long-Range Fiscal Implications:

Unknown

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