

**2001 DRAFTING REQUEST**

**Assembly Amendment (AA-AB664)**

Received: 01/02/2002

Received By: jkreye

Wanted: Today

Identical to LRB:

For: Robert Ziegelbauer (608) 266-0315

By/Representing: luanne

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Addl. Drafters:

Subject: Shared Revenue

Extra Copies: MES

Submit via email: NO

---

**Pre Topic:**

No specific pre topic given

---

**Topic:**

Definition of "municipal budget" for purposes of the expenditure restraint program

---

**Instructions:**

See Attached

---

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	jkreye 01/02/2002	gilfokm 01/02/2002	pgreensl 01/02/2002	_____	lrb_docadmin 01/02/2002	lrb_docadmin 01/02/2002	

FE Sent For:

<END>

**2001 DRAFTING REQUEST**

**Assembly Amendment (AA-AB664)**

Received: 01/02/2002

Received By: jkreye

Wanted: Today

Identical to LRB:

For: Robert Ziegelbauer (608) 266-0315

By/Representing: luanne

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Addl. Drafters:

Subject: Shared Revenue

Extra Copies: MES

Submit via email: NO

---

**Pre Topic:**

No specific pre topic given

---

**Topic:**

Definition of "municipal budget" for purposes of the expenditure restraint program

---

**Instructions:**

See Attached

---

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	jkreye	11-1/2/02 Kmg	1/2/02 P8	1/2/02 SELE			

FE Sent For:

<END>

## **Kreye, Joseph**

---

**From:** Kostelic, Luanne  
**Sent:** Wednesday, January 02, 2002 10:45 AM  
**To:** Kreye, Joseph; Shovers, Marc  
**Subject:** AB 664 (eligibility for expenditure restraint shared revenue payments)

**Importance:** High

January 2, 2002

Dear Joe or Marc:

For tomorrow, **Thursday, January 3, 10:00 a.m.**, Bob would like an amendment to AB 664 (eligibility for expenditure restraint shared revenue payments.)

Currently, the bill only applies to the general fund of cities. Under GFOA, Bob would like it to apply to all governmental funds.

If you have any questions, please do not hesitate to call.

Thanks,

Luanne  
6-0315

### **Office of Rep. Bob Ziegelbauer**

#### **Staff**

Luanne Wavrunek Kostelic  
Thomas M. Kelly III

#### **State Capitol**

207-North, PO Box 8953; Madison, WI 53708-8953  
Phone: (608) 266-0315  
Toll Free: 1-888-529-0025  
Fax: (608) 266-0316  
Website: [www.legis.state.wi.us](http://www.legis.state.wi.us)

#### **In the District**

1213 S. 8th Street, PO Box 325  
Manitowoc, WI 54221-0325  
Office: (920) 684-6783  
Home: (920) 684-4362

## 2001 ASSEMBLY BILL 664

December 3, 2001 - Introduced by Representatives LEIBHAM, KESTELL, DUFF, STASKUNAS, F. LASEE, STARZYK, AINSWORTH, PETROWSKI, GUNDERSON, PLALE, JESKEWITZ, HINES, HUNDERTMARK, MILLER, MEYERHOFER, RYBA, TOWNSEND, OWENS, NASS, GROTHMAN, LASSA, LOEFFELHOLZ and KRAWCZYK, cosponsored by Senators HUELSMAN, S. FITZGERALD, BAUMGART and PLACHE. Referred to Committee on State and Local Finance (Select).

- 1 **AN ACT** *to amend* 79.05 (2) (c); and *to create* 66.0602 of the statutes; **relating**  
2 **to:** the eligibility for expenditure restraint shared revenue payments.

---

### *Analysis by the Legislative Reference Bureau*

Under current law, a municipality that imposes a property tax levy rate of more than five mills receives a payment under the expenditure restraint program, if any increase in the municipality's budget for the year; less principal and interest on long-term debt, shared revenue payments, and recycling fee payments; as compared to its budget for the previous year; less principal and interest on long-term debt, shared revenue payments, and recycling fee payments; is no more than the allowable increase under the program. The allowable increase is based, generally, on the property value in the municipality and the inflation rate.

Under this bill, a municipality may create a segregated reserve fund to be used to purchase a capital asset that is expected to last several years, to construct or repair public infrastructure, or to pay or finance recovery or rebuilding costs that are necessitated by a natural disaster. Amounts paid from such a fund are not considered in the calculation of payments under the expenditure restraint program. Also, under the bill, if the increase in a municipality's adopted budget for the year is less than the allowable increase under the expenditure restraint program, the municipality may increase its budget in the following year by an amount equal to the allowable increase, plus 25% of the difference between its adopted budget in the previous year and the allowable increase in the previous year, and still be eligible for a payment under the expenditure restraint program.

**ASSEMBLY BILL 664**

For further information see the *state and 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:*

1           **SECTION 1.** 66.0602 of the statutes is created to read:

2           **66.0602 Accumulation of reserves for specified purposes.** (1) Any city,  
3 village, or town may accumulate cash or other liquid assets in nonlapsing reserve  
4 funds for any of the purposes specified in sub. (2) if the reserve funds are kept in  
5 segregated accounts in the municipal treasury. Each reserve fund must have a  
6 designated, specific purpose for which the cash or other assets are being  
7 accumulated, and may be spent only for the specified purpose.

8           (2) Cash or other liquid assets in reserve funds may be accumulated for any of  
9 the following purposes:

- 10           (a) The purchase of a capital asset that is expected to last at least several years.  
11           (b) The construction or repair of public infrastructure.  
12           (c) The payment or financing of recovery or rebuilding costs that are  
13 necessitated by a natural disaster.

14           **SECTION 2.** 79.05 (2) (c) of the statutes, as affected by 2001 Wisconsin Act 16,  
15 is amended to read:

16           79.05 (2) (c) Its municipal budget; exclusive of principal and interest on  
17 long-term debt and exclusive of revenue sharing payments under s. 66.0305,  
18 amounts paid from a segregated account under s. 66.0602, and recycling fee  
19 payments under s. 289.645; for the year of the statement under s. 79.015 increased  
20 over its municipal budget as adjusted under sub. (6); exclusive of principal and  
21 interest on long-term debt and exclusive of revenue sharing payments under s.

**ASSEMBLY BILL 664**

1     66.0305, amounts paid from a segregated account under s. 66.0602, and recycling fee  
2     payments under s. 289.645; for the year before that year by less than the sum of the  
3     inflation factor and the valuation factor, rounded to the nearest 0.10% plus 25% of  
4     the difference between the municipality's allowable budget to be eligible for a  
5     payment under this section, as determined in the prior year, and the municipality's  
6     adopted budget, as determined in the prior year.

7             **SECTION 3. Initial applicability.**

8             (1) The treatment of section 79.05 (2) (c) of the statutes first applies to the  
9     eligibility for a payment in 2003.

10

(END)



State of Wisconsin  
2001 - 2002 LEGISLATURE

LRBa1023/1

JKy:....

*kmg*

ASSEMBLY AMENDMENT,  
TO 2001 ASSEMBLY BILL 664

*in 1-2-02*  
*TODAY*

1 At the locations indicated, amend the bill as follows:

2 ✓ 1. Page 2, line 13: after that line insert:

3 "SECTION 1m. 79.05 (1) (b) of the statutes is amended to read:

4 79.05 (1) (b) "Municipal budget" means the municipality's ~~general fund~~  
5 governmental funds."

6 History: 1989 a. 336; 1991 a. 39, 61; 1993 a. 16; 1999 a. 9; 1999 a. 150 s. 672; 2001 a. 16.  
(END)