

2001 DRAFTING REQUEST

Assembly Amendment (AA-AB664)

Received: **01/31/2002**

Received By: **jkreye**

Wanted: **Today**

Identical to LRB:

For: **Dan Schooff (608) 266-9967**

By/Representing: **katie**

This file may be shown to any legislator: **NO**

Drafter: **jkreye**

May Contact:

Addl. Drafters:

Subject: **Shared Revenue**

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Schooff@legis.state.wi.us**

Carbon copy (CC:) to: **katie.plona@legis.state.wi.us**

Pre Topic:

No specific pre topic given

Topic:

Legislative findings on shared revenue

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>
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FE Sent For:

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FE Sent For:

<END>

Notice - Rep School & Child - 6-9967

AB 664

Statement of legislative findings

Kreye, Joseph

From: Plona, Katie
Sent: Thursday, January 31, 2002 9:31 AM
To: Kreye, Joseph
Subject: Request from Rep. Schooff

Statement of legislative finding:

The legislature finds that the shared revenue program is essential to the continuation and growth of our cities, villages, townships and counties. The shared revenue program brings ~~the~~ equal taxation to all of Wisconsin's municipalities

provide

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 HUFELSMAN, 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.



State of Wisconsin
2001 - 2002 LEGISLATURE

LRBa1210/1

JK:/.....

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ASSEMBLY AMENDMENT ,
TO 2001 ASSEMBLY BILL 664

NOW

D-N

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

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

3 "SECTION 1m. 79.004^A of the statutes is created to read:

4 **79.004 Legislative findings.** The legislature finds that the shared revenue
5 program is essential to the continuation and growth of cities, villages, towns, and
6 counties in this state and that the shared revenue program's goal is to provide
7 property tax equalization to all of Wisconsin's counties and municipalities."⊙

8 (END)

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBa1210/1dn

JK:/.....

ejs

January 31, 2002

Representative Schooff:

As I explained to Katie, the LRB usually does not draft statements of legislative findings and intent because such statements may be misconstrued and lead to unintended consequences. For example, a court could find that a statement of legislative findings grants substantive rights to certain individuals or entities, contrary to the actual language of the statute which is the subject of the legislative findings.

Joseph T. Kreye
Legislative Attorney
Phone: (608) 266-2263
E-mail: joseph.kreye@legis.state.wi.us

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LEGISLATIVE REFERENCE BUREAU**

LRBa1210/1dn
JK:cjs:pg

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