

2001 DRAFTING REQUEST

Bill

Received: **01/02/2001**

Received By: **jkreye**

Wanted: **Soon**

Identical to LRB:

For: **Administration-Budget 6-5468**

By/Representing: **Ziegler**

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

Drafter: **jkreye**

May Contact:

Alt. Drafters:

Subject: **Shared Revenue**

Extra Copies:

Pre Topic:

DOA:.....Ziegler -

Topic:

Restructuring municipal 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>
/P1	jkreye 01/10/2001	wjackson 01/11/2001	pgreensl 01/12/2001	_____	lrb_docadmin 01/12/2001		S&L
	jkreye 01/23/2001	wjackson 01/24/2001		_____			
/1	jkreye 02/01/2001	wjackson 02/02/2001	kfollet 01/25/2001	_____	lrb_docadmin 01/26/2001		S&L
/2	jkreye 02/06/2001	wjackson 02/06/2001	rschluet 02/02/2001	_____	lrb_docadmin 02/02/2001		S&L
/3			pgreensl 02/07/2001	_____	lrb_docadmin 02/07/2001		S&L

FE Sent For:

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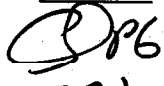
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/?	jkreye	/pl WLj 1/11	Y12 pG1	Y12 pG/pG1			

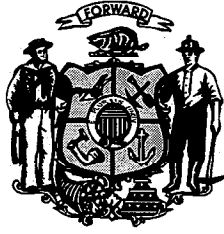
FE Sent For:

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STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION
101 East Wilson Street, Madison, Wisconsin

TOMMY G. THOMPSON
GOVERNOR

GEORGE LIGHTBOURN
SECRETARY



Division of Executive Budget and Finance
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1736
Fax (608) 267-0372
TTY (608) 267-9629

Date: December 29, 2000

To: Steve Miller, Chief
Legislative Reference Bureau

From: Paul Ziegler, Policy and Budget Analyst
State Budget Office, DOA

Subject: Drafting request for 2001-03 Biennial Budget Bill

A handwritten signature in black ink, appearing to be 'P. Ziegler', is located to the right of the 'From:' field.

Please have the following item drafted for possible inclusion in the 2001-03 biennial budget bill:

Municipal shared revenue restructuring. Please see the attached five-page description of the proposal.

Please contact me at 266-5468 or by email at paul.ziegler@doa.state.wi.us with any questions.

Thank you.

Restructuring of Municipal Shared Revenue

January 6, 2001 Summary

1. Eliminate the per capita component of shared revenue beginning in FY03.
✓ Dedicate ¼% of the state sales tax to replace the per capita component.
 - a. Distribute the revenue from the ¼% dedicated sales tax to "growth sharing regions". Each region would annually receive, prior to min/max adjustment, an amount in proportion to its contribution to the state's sales tax revenues (including the adjustment for large ticket items as is done for the county sales tax).
✓
 - b. The amount distributed to each "growth sharing region" would then be distributed to each municipality within the region on a per capita basis.
✓
 - c. A municipality would receive a payment if:
 - (i) It limits its spending growth to the increase allowed under the Expenditure Restraint Program; and
2
 - (ii) It enters into an "Area Cooperation Compact" with at least two municipal and/or county governments. The compact must specify a plan for collaboration and include performance measures to gauge progress in implementing the plan. The compact must produce significant savings to taxpayers. The compact must cover at least 2 of 18 specified local government functions. Beginning in 2002, municipalities must certify to the Department of Revenue by May 1st of each year that they have fulfilled the necessary compact requirements for the year of notification. (The requirement for a compact is waived for CY01.)
✓
 - (iii) To receive a payment in FY06 (CY05) and beyond, the compact must be with at least four municipal/county governments and cover at least 6 of the 18 functions - one of which must be law enforcement.
✓
 - d. Beginning in CY04, the Legislative Audit Bureau will annually issue a report on municipalities' performance in implementing the Area Cooperation Compacts.
✓
 - e. "Growth sharing regions" would be defined by the Legislature by September 1, 2001. If the Legislature fails to define the regions by September 1, 2001, the Department of Revenue shall define the

regions. The number of regions shall be at least 7 but no more than 25.

- f. The amount distributed shall be defined as a GPR sum sufficient equal to 0.25% times the statewide taxable sales related to the fiscal year prior to the fiscal year of notification. Consequently, the FY03 amount will equal 1/20th of FY01 sales tax collections. This timeline will provide municipalities with certainty over the amount to be received from the 0.25% sales tax dedication prior to setting their budgets. The FY03 distribution is expected to be \$185 million.

g. Each region shall have a minimum distribution equal to the region's projected population in the year of distribution times the per capita payment that would have occurred in CY02 under current law.

h. Reducing the distribution to all regions that exceed a maximum percentage increase will fund the minimum guarantee. The maximum percentage increase will adjust annually. The entire amount a region would receive in excess of the maximum percentage increase will be reallocated to fund the minimum distribution need. (This min/max adjustment is mechanically the same as the current min/max.)

*1999 state
for each municipality in
the region*

2. In FY03, transform municipal equalization aid from aidable revenues to aidable expenditures.

a. The following general operations and capital expenditures will be defined as aidable expenditures:

- General government
- Law enforcement
- Fire protection
- Ambulance
- Other public safety
- Health and human services

c. The following expenditures will be excluded from aidable expenditures:

- Highway maintenance and administration.
- Highway construction
- Road-related facilities
- Other transportation
- Solid waste collection and disposal
- Other sanitation
- Culture and education
- Parks and recreation
- Conservation and development

- d. Municipalities will NOT be rewarded for increasing expenditures or for redefining expenditures. Annually, each municipality's aidable expenditures will be the maximum of:
- Its aidable expenditures in the year prior to the year of notification ^{under} (i.e. two years prior to distribution -- CY00 for CY02 (FY03) payments); or
 - The average of CY98, CY99 and CY00 aidable expenditures adjusted by the cumulative percentage increase that the municipality could have increased its budget under the Expenditure Restraint Program (whether or not the municipality was eligible for ERP due to the 5-mill threshold). This adjustment will occur from 1999 up to the year prior to the year of notification.
- e. The Department of Revenue will annually determine the dollar amount of aidable expenditures for each municipality. The amount for each municipality (prior to the aidable expenditure maximum constraint) will be easy to determine from DOR's annual publication of municipal spending.
- f. The existing methodology for determining equalization aid will be used. Each municipality will be provided with the "missing" share of a standard per capita property value (that floats to expend the available funding).
- g. A municipality's TIF out value will be used for the equalization calculation. The current adjustments for computer value and manufacturing value will be eliminated. TIF value will be excluded.
3. The base against which the 95% minimum guarantee for CY02 (FY03) payments will be calculated [?] is decreased by the 0.25% sales tax revenue the municipality is to receive in CY02. For subsequent years, the minimum guarantee is 95% of the amount of equalization aid received in the prior year.
4. The Expenditure Restraint Program is left unchanged except that the dollar amount is increased by \$6 million to \$63 million to offset the increase in participants expected due to the requirement to obtain the revenue from the 0.25% dedicated sales tax.
5. The small municipalities shared revenue program is left unchanged.
6. The dollar amount for aidable expenditures will be decreased by the amount to be used for recycling challenge grants (ECR team item). (This will appear in a separate draft and use an estimated \$9 million.)

7. The total dollar amount distributed to municipal governments in FY03 will be unchanged from current law -- including small municipal shared revenue, expenditure restraint and recycling challenge grants).
8. The total dollar amount distributed to municipal governments in future years will grow. The amount of increase in FY04 will be 1/20th of the increase in the state sales tax between FY01 and FY02. This increase is expected to be about \$10 million or roughly a 1% increase in the total.

Additional Drafting Details

11. The CY01 (FY02) distribution of shared revenue is unchanged from current law. All of the formula and distribution changes take place beginning with the CY02 (FY03) distribution. The distribution dates are left unchanged.

(rd) 12. Beginning with the CY02 (FY03) distribution, county shared revenue is completely separated from municipal shared revenue in appropriations and formulas. Pay county shared revenue from a new appropriation – s.20.835(1)(g) County shared revenue. Other changes to county shared revenue and mandate relief payments may be forthcoming.

13. Municipal utility payments will be left unchanged. These payments will be a first draw upon the municipal equalization appropriation. As under current law, municipal utility payments will be excluded from min/max calculations.

mer
(df) 14. The municipal equalization & municipal utility payment appropriation will be entitled Municipal services aid. It will use the existing alpha appropriation in chapter 20 (~~s.20.835(1)(d)~~). (i.e. the name of appropriation s.20.835(1)(d) is changed from Shared revenue account to Municipal services aid).

(17/dd) 15. The new GPR sum sufficient appropriation to distribute the revenue from the 0.25% sales tax dedication will be entitled Municipal growth sharing account. The appropriation will be under s.20.835(1)(a) in the statutes.

dd
16. In CY02 (FY03), the amount distributed under the s.20.835(1)(d) appropriation will be \$750,000,000 less the amount distributed under the new s.20.835(1)(a) Municipal growth sharing account appropriation in CY02. In CY03 and thereafter, the amount distributed will be the amount distributed in CY02. (Note – The \$750 million figure is a plug at this point and will be adjusted later.)

17. The same budget limit timeline as currently applies to the Expenditure Restraint Program will apply for qualifying for the dedicated 0.25% sales tax revenue. The budget limit requirement will be waived for the CY02 distribution since the time period to make decisions to qualify has already passed. The budget limit will be first effective for the CY03 (FY04) distribution. The timeline will be as follows – if a municipality in November/December 2001 limits its CY02 budget increase (over CY01) to no

more than the amount allowed under ERP, it will be eligible for a payment from the Municipal growth sharing account in CY03 (FY04).

18. "Area Cooperation Compacts". The compacts must involve at least two of the following service areas: law enforcement, housing, emergency services, fire, solid waste, recycling, public health, animal control, transportation, mass transit, land-use planning, boundary agreements, libraries, parks, recreation, culture, purchasing, or e-government. A compact must involve a plan for collaboration, benchmarks to measure the progress of the plan, and outcome-based performance measures to judge its success.

19. If a municipality fails to meet the criteria for receiving a payment from the Municipal growth sharing account appropriation, its share will be redistributed on a per capita basis to all municipalities within its region that meet the criteria.

20. The minimum distribution to each region from the dedicated 0.25% sales tax revenue in CY02 (FY03) is the per capita amount that would have been paid out under shared revenue under current law in CY02. In CY03 and thereafter, the minimum per capita distribution to each region is the prior year minimum per capita distribution times 1 plus the percentage increase in the consumer price index for all urban consumers in the calendar year prior to the year of notification.

Kreye, Joseph

From: Ziegler, Paul
Sent: Saturday, January 06, 2001 5:26 PM
To: Kreye, Joseph
Cc: Koskinen, John
Subject: Changes to shared revenue restructuring draft

Joe -- Here are some changes to the draft to restructure shared revenue:

1. "Growth sharing regions" will be defined by the Legislature by September 1, 2001. If the Legislature fails to define the regions by September 1, 2001, the Department of Revenue shall define the regions. The number of regions shall be at least 7 but no more than 25. *may need a month to flesh out*
2. Eliminate phase in of new equalization formula.
3. Drop the following LAB provision that was included in the initial request:
The LAB will also include in its report recommendations for adjusting the definition of expenditures that are considered in qualifying for both Expenditure Restraint and the revenue from the dedicated 0.25% sales tax.
4. The years used in defining aidable expenditures is changed so that annually, each municipality's aidable expenditures will be the maximum of:
 - Its aidable expenditures in the year prior to the year of notification (i.e. two years prior to distribution -- CY00 for CY02 (FY03) payments); or
 - The average of CY98, CY99 and CY00 aidable expenditures adjusted by the cumulative percentage increase that the municipality could have increased its budget under the Expenditure Restraint Program (whether or not the municipality was eligible for ERP due to the 5-mill threshold). This adjustment will occur from 1999 up to the year prior to the year of notification.
5. A municipality's TIF out value will be used for the equalization calculation. The current law adjustments for computer value and manufacturing value will be eliminated. TIF value will be excluded.
6. Beginning in 2002, municipalities must certify to the Department of Revenue by May 1st of each year that they have fulfilled the necessary compact requirements for the year of notification. (The requirement for a compact is waived for CY01.)
7. The provision to annually adjust the minimum guarantee from the 1/4% revenue distribution is dropped. The minimum guarantee, however, remains.
8. No increase will be provided to small municipality shared revenue.
9. Expenditure Restraint is increased by \$6 million rather than \$20 million.

The attached document details the provisions of the draft as they now stand.



Muni SR restructuring -
Jan 6....

More work needs to be done yet on the minimum guarantee provisions.
Thank you for your help.

Paul

Kreye, Joseph

From: Ziegler, Paul
Sent: Wednesday, January 10, 2001 12:03 PM
To: Kreye, Joseph
Cc: Koskinen, John
Subject: Draft to restructure shared revenue

Joe -- As we just discussed on the phone, please make the following changes to the draft to restructure municipal shared revenue:

1. Eliminate the earlier requested minimum guarantee adjustment intended to keep each region as a whole held harmless from the shift from the per capita payment to the share of the 1/4% sales tax revenue payment.
2. Instead, apply a 95% minimum guarantee to the sum of the 1/4% sales tax revenue payment and the aidable expenditure payment. In essence, this is intended to parallel current law. Under current law, the guarantee is applied to the sum of the per capita and aidable revenue components. Under the proposal, it is applied to the sum of the 1/4% and aidable expenditure components. If a municipality fails to qualify for the 1/4% payment, then the minimum guarantee will be calculated based only on the prior year equalization payment.
3. As I believe I mentioned earlier, there is no change to county shared revenue or county mandate relief payments (except for whatever drafting is necessary to separate the county calculations from the municipal calculations).
4. If possible, I would still prefer to have the draft say the Legislature shall determine the regions and DOR determine the regions if the Legislature fails to act by the specified date. If we can't include this in the language, I would still want the draft to say that DOR will determine the regions.

THANK YOU.

Kreye, Joseph

From: Ziegler, Paul
Sent: Thursday, January 11, 2001 1:33 PM
To: Kreye, Joseph
Subject: Restructuring of shared revenue - more changes

Joe: Two changes to the draft to restructure municipal shared revenue:

1. Clarify/Modify the definition of aidable expenditures to include the specified expenditures for all funds not just the general fund. While my intent is to include enterprise and/or proprietary funds, my lack of formal accounting knowledge prohibits me from wanting to include these terms in the draft. Instead, I wish to simply that expenditures for the specified functions are included whether in a municipality's general fund or other funds.
2. Given yesterday's change to have the min/max apply to the sum of the per capita and equalization components, I think it may be cleaner to have these as part of the same appropriation rather than separate appropriations. Let me know if you think otherwise.
3. Ignore any comments about recycling that may have made it to you.

FYI -- here is how I see the proposal working as one appropriation:

In FY03, the total amount distributed is to municipalities as municipal shared revenue will be \$755,478,000.
(This is the current law total of 761,478,000 less \$6,000,000 moved to expenditure restraint -- leaving \$755,478,000.)

The components will be:

- a. ¼ revenue. The amount determined for the ¼% sales tax revenue.
- a. Municipal utility payments. The amount determined for municipal utility payments.
- a. Aidable expenditures. The total (\$755,478,000) less the amount determined for the ¼% and for municipal utility payments.
- a. The 95% minimum guarantee provision applies to the total of the ¼% revenue and the aidable expenditure entitlement compared to the prior year payment for per capita and equalization components. No municipality gets less than 95% of what they got in the prior year (utility component excluded).

In FY04 and beyond, the amount distributed to municipalities as municipal shared revenue is the prior year total plus the increase in the ¼% sales tax revenue compared to the prior year.

The components will be:

- a. ¼ revenue. The amount determined for the ¼% sales tax revenue.
- a. Municipal utility payments. The amount determined for municipal utility payments.
- a. Aidable expenditures. The total less the amount determined for the ¼% and for municipal utility payments.
- a. The 95% minimum guarantee provision applies to the total of the ¼% revenue and the aidable expenditure entitlement compared to the prior year payment for per capita and equalization components.

Also, FYI, is a file showing a possible progression of payments under the proposal by component:



SR pay by component
rough.xls



State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-1744/2

JK:.....

WLj

P1

DOA:.....Ziegler - Restructuring municipal shared revenue

FOR 2001-03 BUDGET - NOT READY FOR INTRODUCTION

1-10-01

720PM

SOON

D-N

DO NOT GEN

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

LOCAL GOVERNMENT ✓

Under current law, a municipality receives a shared revenue payment based on the municipality's population. The payment is equal to the municipality's population multiplied by the product of the following: the 1982 state population multiplied by \$30 divided by the state's current population. This bill eliminates the current shared revenue payment to a municipality based on population.

Under current law, a municipality also receives an aidable revenues payment that is equal to the product of the municipality's aidable revenues and the municipality's tax base weight. Aidable revenues are, generally, revenues raised by the municipality, such as local taxes and regulation revenues. Tax base weight is based, generally, on the value of ^{property} in the municipality compared to the municipality's population. This bill eliminates a municipality's aidable revenues payment.

This bill creates an aidable expenditures payment for a municipality. The bill also creates a "growth sharing region" payment for a municipality.

Beginning in 2002, a municipality receives an aidable expenditures payment that is equal to the product of the municipality's aidable expenditures and the municipality's tax base weight. Aidable expenditures include a municipality's expenditures for general government operations; law enforcement, fire protection, ambulance services, and other public safety services; and health and human

services. Aidable expenditures do not include a municipality's expenditures for highway maintenance, administration, or construction; road-related facilities or other transportation; solid waste collection and disposal or other sanitation; culture; education; parks and recreation; conservation; or development.

Annually, DOR determines the amount of each municipality's aidable expenditures. The amount of a municipality's aidable expenditures in a year may not exceed the greater of: 1) the amount of the municipality's aidable expenditures in the year that was two years before the municipality receives an aidable expenditures payment or 2) the average of the municipality's aidable expenditures in 1998, 1999, and 2000, adjusted for inflation and for the property value in the municipality.

Under the bill, a municipality in a growth-sharing region may also receive a growth-sharing region payment. DOR must define "growth-sharing region" by rule and in such way so that the state consists of at least 7 but not more than 25 growth-sharing regions. A municipality will receive a growth-sharing region payment if the municipality limits the annual increase in its municipal budget to the allowable increase, based on the inflation rate and the property value in the municipality, to qualify for the expenditure restraint program under current law and if the municipality enters into an area cooperation compact (compact).

Beginning in 2002 and ending in 2005, to receive a payment, a municipality must enter into a compact with at least ^{two} municipalities or counties, or with any combination of at least ^{two} such entities, to perform at least ^{two} specified functions. Beginning in 2006, to receive a payment, a municipality must enter into a compact with at least ^{four} municipalities or counties, or with any combination of at least ^{four} such entities, to perform at least ^{six} specified functions. The specified functions are law enforcement, housing, emergency services, fire protection, solid waste collection and disposal, recycling, public health, animal control, transportation, mass transit, land use planning, boundary agreements, libraries, parks and recreation, culture, purchasing, and electronic government.

A compact must provide a plan for any municipalities or counties that enter into the compact to collaborate to provide the specified functions. The compact must also provide benchmarks to measure the plan's progress and ^{provide} outcome-based performance measures to evaluate the plan's success. Municipalities and counties that enter into the compact must structure the compact in a way that results in significant tax savings to taxpayers within the municipalities and counties. Annually, the municipality that is to receive a payment must certify to DOR that the municipality has complied with all of the compact requirements.

The total amount of the growth-sharing region payments allocated to all growth-sharing regions is an amount equal to 0.25% of the sales and use taxes collected in the state in a year, and each growth-sharing region is allocated an amount that is proportional to the sales and use taxes that are collected in the region. A municipality that is eligible to receive a growth-sharing payment receives an amount, from the amount allocated to the growth-sharing payment in which the municipality is located, in proportion to its population within the growth-sharing region.

In 2002, a municipality is guaranteed a combined minimum aidable expenditures and growth sharing region payment equal to 95% of the amount of the aidable revenues payment the municipality received in 2001. In 2003 and subsequent years, a municipality is guaranteed a combined minimum aidable expenditures and growth sharing region payment equal to 95% of the combined amounts of the aidable expenditures and the growth sharing region payments the municipality received in the previous year.

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. 20.835 (1) (d)¹ of the statutes is amended to read:

2 20.835 (1) (d) *Shared County shared revenue account*. A sum sufficient to meet
3 the requirements of the county shared revenue account established under s. 79.01
4 (2) to provide for the distributions from the shared revenue account to counties,
5 ~~towns, villages and cities~~ under ss. 79.03, 79.04² and 79.06.

History: 1971 c. 125 ss. 192 to 195, 521; 1971 c. 215; 1973 c. 90, 158, 333; 1975 c. 39; 1975 c. 372 s. 41; 1975 c. 424; 1977 c. 29, 31, 313, 418, 447; 1979 c. 34 ss. 637m to 643m, 2102 (46) (d); 1979 c. 221; 1979 c. 329 s. 25 (1); 1979 c. 350 s. 27 (1); 1981 c. 1, 20, 93, 317; 1983 a. 2 ss. 1, 12; 1983 a. 27 ss. 489m, 490m, 2202 (45); 1985 a. 29, 41, 205; 1987 a. 27 ss. 473 to 474r, 476; 1987 a. 92; 1987 a. 312 s. 17; 1987 a. 323, 328, 399, 411, 422; 1989 a. 31 ss. 551 to 557m, 564m; 1989 a. 56 s. 259; 1989 a. 336; 1991 a. 37; 1991 a. 39 ss. 250m, 653m to 659m; 1991 a. 225, 269; 1993 a. 16, 263; 1995 a. 27, 56, 209, 417; 1997 a. 27, 237; 1999 a. 5, 9, 10; 1999 a. 150 s. 672; 1999 a. 167.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

6 SECTION 2. 20.835 (1) (db)¹ of the statutes is created to read:

7 20.835 (1) (db) *Municipal services aid account*. A sum sufficient to make the
8 payments to municipalities under ss. 79.04¹ and 79.065 (2)¹

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

9 SECTION 3. 20.835 (1) (dd)¹ of the statutes is created to read:

10 20.835 (1) (dd) *Municipal growth sharing account*. A sum sufficient in the
11 amount determined under s. 79.01 (5)¹ to make the payments to municipalities under
12 s. 79.065 (5)¹ and to make the payments to municipalities under
13 s. 79.065 (3)¹, other than the payments made from s. 20.835 (1) (db)¹

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

13 SECTION 4. 25.50 (3) (b)¹ of the statutes is amended to read:

and to make the payments to municipalities under s. 79.065 (5)¹, other than the payments made from s. 20.835 (1) (dd)¹

1 25.50 (3) (b) On the dates specified and to the extent to which they are
 2 available, subject to s. 16.53 (10), funds payable to local governments under ss. 79.03,
 3 79.04, 79.05, 79.058, 79.06, 79.065, 79.08 and 79.10 shall be considered local funds
 4 and, pursuant to the instructions of local officials, may be paid into the separate
 5 accounts of all local governments established in the local government
 6 pooled-investment fund and, pursuant to the instructions of local officials, to the
 7 extent to which they are available, be disbursed or invested.

History: 1975 c. 164; 1977 c. 29, 187; 1979 c. 34 s. 2102 (46) (a); 1979 c. 175 s. 53; 1981 c. 20, 93; 1983 a. 27 s. 2202 (45), (49); 1985 a. 29 s. 3202 (46); 1987 a. 27; 1989 a. 31, 159, 336; 1991 a. 33, 39; 1993 a. 16, 399; 1995 a. 27, 56, 274; 1999 a. 9, 65, 83, 167, s. 13.93 (2) (c).

8 SECTION 5. 33.32 (3) (b) of the statutes is amended to read:

9 33.32 (3) (b) If a county or municipality fails to pay a special assessment levied
 10 by a district, the clerk of the district may certify this fact to the department of
 11 administration, and shall state the amount due. The department, at the time of
 12 making the next scheduled distribution under s. 79.03 or 79.065, shall deduct the
 13 amount claimed from the payment due the county or municipality, and shall forward
 14 it to the district. Leave plain space

History: 1973 c. 301; 1975 c. 197; 1977 c. 391; 1983 a. 27 s. 2202 (45); 1989 a. 159; 1991 a. 316; 1993 a. 167; 1997 a. 35; 1999 a. 150 s. 672.

15 SECTION 6. 79.01 (1) of the statutes is amended to read:

16 79.01 (1) There is established an account in the general fund entitled the
 17 "Expenditure Restraint Program ~~Account~~ ^{Account.} There shall be appropriated to that
 18 account \$25,000,000 in 1991, in 1992, and in 1993, \$42,000,000 in 1994, \$48,000,000
 19 in each year beginning in 1995 and ending in 1999 and \$57,000,000 beginning in the
 20 year 2000 and ending in 2001, and \$63,000,000 in 2002 and in each year thereafter.

History: 1971 c. 125; 1973 c. 90; 1973 c. 243 s. 82; 1973 s. 283, 336; 1975 c. 39; 1977 c. 29, 203; 1979 c. 221; 1989 a. 336; 1993 a. 16, 437; 1999 a. 9.

21 SECTION 7. 79.01 (5) of the statutes is created to read:

22 79.01 (5) There is established an account in the general fund entitled the
 23 "Municipal Growth ^oSharing Account." There shall be appropriated to that account

1 an amount, determined by the department of revenue, that is equal to 0.25% of the
 2 sales tax and use revenue collected under subch. III of ch. 77 in the fiscal year prior
 3 to the fiscal year that any municipality receives the statement under s. 79.015.

4 SECTION 8. 79.01 (6) of the statutes is created to read:

5 79.01 (6) There is established an account in the general fund entitled the
 6 "Municipal Services Aid Account." There shall be appropriated to that account the
 7 amounts necessary to make the payments to municipalities under s. 79.04 (1) and
 8 (4) (a) and s. 79.065 (2) and to make the payments to municipalities under
 9 s. 79.065 (5), other than the payments made under
 10 s. 20.835(1)(dd)

SECTION 9. 79.015 of the statutes is amended to read:

11 79.015 Statement of estimated payments. The department of revenue, on
 12 or before September 15 of each year, shall provide to each municipality and county
 13 a statement of estimated payments to be made in the next calendar year to the
 14 municipality or county under ss. 79.03, 79.04, 79.05, 79.058 and 79.06 and 79.065.

History: 1981 c. 20, 61, 93; 1983 a. 27 ss. 1294, 2202 (45); 1985 a. 10; 1987 a. 27; 1989 a. 336; 1993 a. 16.

SECTION 10. 79.02 (2) (b) of the statutes is amended to read:

15 79.02 (2) (b) Subject to s. 59.605 (4), payments in July shall equal 15% of the
 16 municipality's or county's estimated payments under ss. 79.03, 79.04, 79.058 and
 17 79.06 and 79.065 and 100% of the municipality's estimated payments under s. 79.05.

History: 1983 a. 27; 1985 a. 29 ss. 1505p, 1505t, 3202 (46); 1985 a. 120; 1987 a. 27; 1989 a. 336; 1991 a. 307; 1993 a. 16; 1999 a. 150 s. 672.

SECTION 11. 79.02 (3) of the statutes is amended to read:

18 79.02 (3) Subject to s. 59.605 (4), payments to each municipality and county in
 19 November shall equal that municipality's or county's entitlement to shared revenues
 20 under ss. 79.03, 79.04, 79.05, 79.058 and 79.06 and 79.065 for the current year,
 21 minus the amount distributed to the municipality or county in July.

History: 1983 a. 27; 1985 a. 29 ss. 1505p, 1505t, 3202 (46); 1985 a. 120; 1987 a. 27; 1989 a. 336; 1991 a. 307; 1993 a. 16; 1999 a. 150 s. 672.

SECTION 12. 79.03 (1) of the statutes is amended to read:

23

1) ^{plain} 79.03 (1) ~~Each~~ municipality and ~~Each~~ county is entitled to shared revenue,
 2 consisting of an in the amount determined on the basis of population under sub. (2),
 3 plus an amount determined under sub. (3).[✓]

History: 1971 c. 125, 215; 1973 c. 90; 1975 c. 39; 1977 c. 29, 203, 418; 1979 c. 1; 1979 c. 34 ss. 903s to 905m, 2102 (46) (d); 1979 c. 221; 1981 c. 20, 93, 314, 317; 1983 a. 27, 189; 1985 a. 29, 120; 1987 a. 27, 399; 1989 a. 31, 56, 336; 1991 a. 39, 269; 1993 a. 16, 437, 490; 1995 a. 27; 1997 a. 27, 164, 237; 1999 a. 9; 1999 a. 150 s. 672.

4 SECTION 13. 79.03 (2)[✓] of the statutes is repealed.

5 SECTION 14. 79.03 (3) (a)[✓] of the statutes is amended to read:

6 79.03 (3) (a) The amount in the shared revenue account for ~~municipalities and~~
 7 ~~the amount in the shared revenue account for~~ counties, less the payments under sub.
 8 (2) and s. 79.04, shall be allocated to each ~~municipality and~~ county respectively in
 9 proportion to its entitlement. In this paragraph, "entitlement" means the product
 10 of aidable revenues and tax base weight.

History: 1971 c. 125, 215; 1973 c. 90; 1975 c. 39; 1977 c. 29, 203, 418; 1979 c. 1; 1979 c. 34 ss. 903s to 905m, 2102 (46) (d); 1979 c. 221; 1981 c. 20, 93, 314, 317; 1983 a. 27, 189; 1985 a. 29, 120; 1987 a. 27, 399; 1989 a. 31, 56, 336; 1991 a. 39, 269; 1993 a. 16, 437, 490; 1995 a. 27; 1997 a. 27, 164, 237; 1999 a. 9; 1999 a. 150 s. 672.

11 SECTION 15. 79.03 (3) (b) 1.[✓] of the statutes is amended to read:

12 79.03 (3) (b) 1. "Aidable revenues" means:

13 a. ~~For a municipality, the average local purpose revenues.~~

14 b. ~~For a county, 85% of the average local purpose revenue.~~

History: 1971 c. 125, 215; 1973 c. 90; 1975 c. 39; 1977 c. 29, 203, 418; 1979 c. 1; 1979 c. 34 ss. 903s to 905m, 2102 (46) (d); 1979 c. 221; 1981 c. 20, 93, 314, 317; 1983 a. 27, 189; 1985 a. 29, 120; 1987 a. 27, 399; 1989 a. 31, 56, 336; 1991 a. 39, 269; 1993 a. 16, 437, 490; 1995 a. 27; 1997 a. 27, 164, 237; 1999 a. 9; 1999 a. 150 s. 672.

15 SECTION 16. 79.03 (3) (b) 3.[✓] of the statutes is amended to read:

16 79.03 (3) (b) 3. "Full valuation" means the full value of property that is exempt
 17 under s. 70.11 (39) as determined under s. 79.095 (3) plus the full value of all taxable
 18 property for the preceding year as equalized for state tax purposes, except that for
 19 ~~municipalities the value of real estate assessed under s. 70.995 is excluded. Value~~
 20 value increments under s. 66.1105 plus the full value of property that is exempt
 21 under s. 70.11 (39) that would otherwise be part of a value increment are included
 22 ~~for municipalities but excluded for counties.~~ Environmental remediation value
 23 increments under s. 66.1106 are included for ~~municipalities and~~ counties that create

1 the environmental remediation tax incremental district and are excluded for units
 2 of government counties that do not create the district. If ~~property that had been~~
 3 ~~assessed under s. 70.995 and that has a value exceeding 10% of a municipality's value~~
 4 ~~is assessed under s. 70.10, 30% of that property's full value is included in "full~~
 5 ~~valuation" for purposes of the shared revenue payments in the year after the~~
 6 ~~assessment under s. 70.10, 65% of that property's full value is included in "full~~
 7 ~~valuation" for purposes of the shared revenue payments in the year 2 years after the~~
 8 ~~assessment under s. 70.10 and 100% of that property's full value is included in "full~~
 9 ~~valuation" for purposes of subsequent shared revenue payments.~~

History: 1971 c. 125, 215; 1973 c. 90; 1975 c. 39; 1977 c. 29, 203, 418; 1979 c. 1; 1979 c. 34 ss. 903s to 905m, 2102 (46) (d); 1979 c. 221; 1981 c. 20, 93, 314, 317; 1983 a. 27, 189; 1985 a. 29, 120; 1987 a. 27, 399; 1989 a. 31, 56, 336; 1991 a. 39, 269; 1993 a. 16, 437, 490; 1995 a. 27; 1997 a. 27, 164, 237; 1999 a. 9; 1999 a. 150 s. 672.

10 **SECTION 17.** 79.03 (3) (b) 4. (intro.) ^vof the statutes is amended to read:

11 79.03 (3) (b) 4. (intro.) "Local purpose revenues" means the sum of payments
 12 under s. 79.095, local general purpose taxes, regulation revenues, revenues for
 13 services to private parties by a county's ~~or municipality's~~ general operations or
 14 enterprises, revenue for sanitation services to private parties, special assessment
 15 revenues, and tax base equalization aids ^{plain space} ~~and, for municipalities only, a proxy for~~
 16 ~~private sewer service costs, a proxy for private solid waste and recycling service costs~~
 17 ~~and a proxy for retail charges for fire protection purposes.~~ In this subdivision:

History: 1971 c. 125, 215; 1973 c. 90; 1975 c. 39; 1977 c. 29, 203, 418; 1979 c. 1; 1979 c. 34 ss. 903s to 905m, 2102 (46) (d); 1979 c. 221; 1981 c. 20, 93, 314, 317; 1983 a. 27, 189; 1985 a. 29, 120; 1987 a. 27, 399; 1989 a. 31, 56, 336; 1991 a. 39, 269; 1993 a. 16, 437, 490; 1995 a. 27; 1997 a. 27, 164, 237; 1999 a. 9; 1999 a. 150 s. 672.

18 **SECTION 18.** 79.03 (3) (b) 4. a. ^vof the statutes is amended to read:

19 79.03 (3) (b) 4. a. "Local general purpose taxes" means ~~the portion of tax~~
 20 ~~increments collected for payment to a municipality under s. 66.1105 which is~~
 21 ~~attributable to that municipality's own levy,~~ the portion of environmental
 22 remediation tax increments collected for payment to a ~~municipality or county~~ under
 23 s. 66.1106 that is attributable to that ~~municipality's or county's~~ own levy, general

1 property taxes, excluding taxes for a county children with disabilities education
 2 board, collected to finance the general purpose government unit, property taxes
 3 collected for sewage and sanitary districts, mobile home fees, the proceeds of county
 4 sales and use taxes, and ~~municipal and~~ county vehicle registration fees under s.
 5 341.35 (1).

History: 1971 c. 125, 215; 1973 c. 90; 1975 c. 39; 1977 c. 29, 203, 418; 1979 c. 1; 1979 c. 34 ss. 903s to 905m, 2102 (46) (d); 1979 c. 221; 1981 c. 20, 93, 314, 317; 1983 a. 27, 189; 1985 a. 29, 120; 1987 a. 27, 399; 1989 a. 31, 56, 336; 1991 a. 39, 269; 1993 a. 16, 437, 490; 1995 a. 27; 1997 a. 27, 164, 237; 1999 a. 9; 1999 a. 150 s. 672.

6 **SECTION 19.** 79.03 (3) (b) 4. b. of the statutes is repealed.

7 **SECTION 20.** 79.03 (3) (b) 4. b^g of the statutes is repealed.

8 **SECTION 21.** 79.03 (3) (b) 4. b^m of the statutes is repealed.

9 **SECTION 22.** 79.03 (3) (b) 4. d. of the statutes is amended to read:

10 79.03 (3) (b) 4. d. "Revenue for sanitation services to private parties" means
 11 revenues collected from private parties by a county's ~~or municipality's~~ general
 12 operations or enterprises ~~and by sewerage, sanitation or inland lake rehabilitation~~
 13 ~~districts as refuse collection fees, sewerage service fees and landfill fees.~~

History: 1971 c. 125, 215; 1973 c. 90; 1975 c. 39; 1977 c. 29, 203, 418; 1979 c. 1; 1979 c. 34 ss. 903s to 905m, 2102 (46) (d); 1979 c. 221; 1981 c. 20, 93, 314, 317; 1983 a. 27, 189; 1985 a. 29, 120; 1987 a. 27, 399; 1989 a. 31, 56, 336; 1991 a. 39, 269; 1993 a. 16, 437, 490; 1995 a. 27; 1997 a. 27, 164, 237; 1999 a. 9; 1999 a. 150 s. 672.

14 **SECTION 23.** 79.03 (3) (b) 4. e. of the statutes is amended to read:

15 79.03 (3) (b) 4. e. "Revenues for services to private parties by a county's ~~or~~
 16 ~~municipality's~~ general operations or enterprises" means revenues collected from
 17 private parties for the following services: general government services consisting of
 18 license publication fees, sale of publications, clerk's fees, and treasurer's fees; public
 19 safety services, consisting of police or sheriff's department fees, fire department fees,
 20 and ambulance fees; inspection services, consisting of building, electrical, heat,
 21 plumbing, elevator, and weights and measures; sidewalk replacement or
 22 construction fees, storm sewer construction fees, street lighting fees; parking ramps,

1 meters and lot fees; library fines or fees; and museum and zoo users or admission
2 fees.

History: 1971 c. 125, 215; 1973 c. 90; 1975 c. 39; 1977 c. 29, 203, 418; 1979 c. 1; 1979 c. 34 ss. 903s to 905m, 2102 (46) (d); 1979 c. 221; 1981 c. 20, 93, 314, 317; 1983 a. 27, 189; 1985 a. 29, 120; 1987 a. 27, 399; 1989 a. 31, 56, 336; 1991 a. 39, 269; 1993 a. 16, 437, 490; 1995 a. 27; 1997 a. 27, 164, 237; 1999 a. 9; 1999 a. 150 s. 672.

3 **SECTION 24.** 79.03 (3) (b) 4. f. of the statutes is amended to read:

4 79.03 (3) (b) 4. f. "Special assessment revenues" means charges assessed
5 against benefited properties for capital improvements by a municipality or county
6 placed on the current tax roll for collection or collected during the year in advance
7 of being placed on the tax roll.

History: 1971 c. 125, 215; 1973 c. 90; 1975 c. 39; 1977 c. 29, 203, 418; 1979 c. 1; 1979 c. 34 ss. 903s to 905m, 2102 (46) (d); 1979 c. 221; 1981 c. 20, 93, 314, 317; 1983 a. 27, 189; 1985 a. 29, 120; 1987 a. 27, 399; 1989 a. 31, 56, 336; 1991 a. 39, 269; 1993 a. 16, 437, 490; 1995 a. 27; 1997 a. 27, 164, 237; 1999 a. 9; 1999 a. 150 s. 672.

8 **SECTION 25.** 79.03 (3) (b) 4. h. of the statutes is repealed.

9 **SECTION 26.** 79.03 (3) (b) 5. of the statutes is amended to read:

10 79.03 (3) (b) 5. "Standardized valuation" means the product of the standardized
11 valuation per person times the population of a municipality or a county in the
12 preceding year.

History: 1971 c. 125, 215; 1973 c. 90; 1975 c. 39; 1977 c. 29, 203, 418; 1979 c. 1; 1979 c. 34 ss. 903s to 905m, 2102 (46) (d); 1979 c. 221; 1981 c. 20, 93, 314, 317; 1983 a. 27, 189; 1985 a. 29, 120; 1987 a. 27, 399; 1989 a. 31, 56, 336; 1991 a. 39, 269; 1993 a. 16, 437, 490; 1995 a. 27; 1997 a. 27, 164, 237; 1999 a. 9; 1999 a. 150 s. 672.

13 **SECTION 27.** 79.03 (3) (b) 6. of the statutes is amended to read:

14 79.03 (3) (b) 6. "Standardized valuation per person" is that number that when
15 used in the computation under par. (a) most nearly approximates the sum of
16 entitlements for all municipalities or for all counties respectively to the funds
17 distributable under par. (a).

History: 1971 c. 125, 215; 1973 c. 90; 1975 c. 39; 1977 c. 29, 203, 418; 1979 c. 1; 1979 c. 34 ss. 903s to 905m, 2102 (46) (d); 1979 c. 221; 1981 c. 20, 93, 314, 317; 1983 a. 27, 189; 1985 a. 29, 120; 1987 a. 27, 399; 1989 a. 31, 56, 336; 1991 a. 39, 269; 1993 a. 16, 437, 490; 1995 a. 27; 1997 a. 27, 164, 237; 1999 a. 9; 1999 a. 150 s. 672.

18 ~~**SECTION 28.** 79.03 (3) of the statutes is repealed.~~

19 **SECTION 29.** 79.03 (4) of the statutes is amended to read:

20 79.03 (4) In 1991, the total amount to be distributed under ss. 79.03, 79.04 and
21 79.06 from s. 20.835 (1) (d) is \$869,000,000. In 1992, the total amount to be
22 distributed under ss. 79.03, 79.04 and 79.06 from s. 20.835 (1) (d) is \$885,961,300.

1 In 1993, the total amount to be distributed under ss. 79.03, 79.04, and 79.06 from s.
 2 20.835 (1) (d) is \$903,680,500. In 1994, the total amounts to be distributed under this
 3 section and ss. 79.04 and 79.06 from s. 20.835 (1) (d) are \$746,547,500 to
 4 municipalities and \$168,981,800 to counties. ~~In Beginning in~~ 1995 and subsequent
 5 years ending in 2001, the total amounts to be distributed under ss. 79.03, 79.04, and
 6 79.06 from s. 20.835 (1) (d) are \$761,478,000 to municipalities and \$168,981,800 to
 7 counties. In 2002 and subsequent years, the total amounts to be distributed under
 8 ss. 79.04 and 79.096⁶⁵ (2) from 20.835 (1) (db) ~~are~~ ^{is} ~~\$750,000,000~~ less the amounts
 9 distributed under ss. 79.096⁶⁵ (5) from 20.835 (1) (dd). In 2002 and subsequent years,
 10 the total amounts to be distributed under ss. 79.03, 79.04, and 79.06 from s. 20.835
 11 (1) (d) ^{is} ~~are~~ \$168,981,800 to counties. \$755,478,000,

History: 1971 c. 125, 215; 1973 c. 90; 1975 c. 39; 1977 c. 29, 203, 418; 1979 c. 1; 1979 c. 34 ss. 903s to 905m, 2102 (46) (d); 1979 c. 221; 1981 c. 20, 93, 314, 317; 1983 a. 27, 189; 1985 a. 29, 120; 1987 a. 27, 399; 1989 a. 31, 56, 336; 1991 a. 39, 269; 1993 a. 16, 437, 490; 1995 a. 27; 1997 a. 27, 164, 237; 1999 a. 9; 1999 a. 150 s. 672.

SECTION 30. 79.06 (1) of the statutes is amended to read:

13 79.06 (1) MINIMUM PAYMENTS. (b) If the payments to any ~~municipality or county~~
 14 under s. 79.03, excluding payments under s. 79.03 (3e), in 1986 or any year thereafter
 15 are less than 95% of the combined payments to the ~~municipality or county~~ under this
 16 section and s. 79.03, excluding payments under s. 79.03 (3e), for the previous year,
 17 the ~~municipality or county~~ has an aids deficiency. The amount of the aids deficiency
 18 is the amount by which 95% of the combined payments to the ~~municipality or county~~
 19 under this section and s. 79.03, excluding payments under s. 79.03 (3e), in the
 20 previous year exceeds the payments to the ~~municipality or county~~ under s. 79.03,
 21 excluding payments under s. 79.03 (3e), in the current year.

1 (c) A ~~municipality or~~ county that has an aids deficiency shall receive a payment
2 from the amounts withheld under sub. (2) equal to its proportion of all the aids
3 deficiencies of ~~municipalities or~~ counties respectively for that year.

History: 1971 c. 125, 215; 1973 c. 90; 1975 c. 39; 1977 c. 29; 1979 c. 34, 221; 1981 c. 20, 93; 1983 a. 27; 1985 a. 29; 1991 a. 39; 1993 a. 16; 1995 a. 27.

4 SECTION 31. 79.06 (2) of the statutes is amended to read:

5 79.06 (2) MAXIMUM PAYMENTS. (b) If the payments to a ~~municipality or~~ county,
6 except any county in which there are no cities or villages, in any year exceed its
7 combined payments under this section and s. 79.03, ~~excluding payments under s.~~ ^{plain}
8 ~~79.03 (3e)~~, ^{plain} in the previous year by more than the maximum allowable increase, the
9 excess shall be withheld to fund minimum payments in that year under sub. (1) (c).

10 (c) In this subsection, "maximum allowable increase" in any year means a
11 percentage such that the sum for all ~~municipalities or~~ counties respectively in that
12 year of the excess of payments under ss. 79.02 and 79.03, ~~excluding payments under~~ ^{plain}
13 ~~s. 79.03 (3e)~~, ^{plain} over the payments as limited by the maximum allowable increase is
14 equal to the sum of the aids deficiencies under sub. (1) in that year.

History: 1971 c. 125, 215; 1973 c. 90; 1975 c. 39; 1977 c. 29; 1979 c. 34, 221; 1981 c. 20, 93; 1983 a. 27; 1985 a. 29; 1991 a. 39; 1993 a. 16; 1995 a. 27.

15 SECTION 32. 79.065 of the statutes is created to read:

16 79.065 Municipal growth sharing. (1) DEFINITIONS. In this section:

17 (a) "Aidable expenditures" means a municipality's expenditures for general
18 government operations; law enforcement, fire protection, ambulance services, and
19 other public safety services; and health and human services. "Aidable expenditures"
20 does not include a municipality's expenditures for highway maintenance,
21 administration, or construction; ^{road} ~~road~~ related facilities or other transportation; solid
22 waste collection and disposal or other sanitation; culture; education; parks and
23 recreation; conservation; or development.

1 (b) "Entitlement" means the product of aidable expenditures and tax base
2 weight.

3 (c) "Full valuation" means the full value of all taxable property of a
4 municipality for the preceding year as equalized for state tax purposes, including the
5 value increments under s. 66.1105[✓], the environmental remediation value increments
6 under s. 66.1106[✓] for municipalities that create the environmental remediation tax
7 incremental district, and the value of real estate assessed under s. 70.995[✓], but
8 excluding the full value of property that is exempt under s. 70.11 (39)[✓] as determined
9 under ^{s.} 79.095 (3).

10 (d) "Growth^o sharing region" means "growth^o sharing region" as defined by rule
11 by the department of revenue so that this state is divided into at least 7 but not more
12 than 25 growth^o sharing regions.

13 (e) "Sales tax" means the tax imposed under ss. 77.52[✓] and 77.53[✓].

14 (f) "Standardized valuation" means the product of the standardized valuation
15 per person times the population of a municipality in the preceding year.

16 (g) "Standardized valuation per person" is that number that when used in the
17 computation under sub. (2)[✓] most nearly approximates the sum of entitlements for all
18 municipalities to the funds distributable under sub. (2).[✓]

19 (h) "Tax base weight" means one minus the decimal obtained by dividing the
20 full valuation by the standardized valuation, except that "tax base weight" shall be
21 a decimal of at least 0.0.

22 (2) AIDABLE EXPENDITURES ENTITLEMENTS. (a) Beginning in 2002, the amount
23 in the municipal services aid account for municipalities, less the payments under s.
24 79.04 (1)[✓] and (4) (a)[✓], shall be allocated to each municipality in proportion to its
25 entitlement.

sub. (3)
and

1 (b) Annually, the department of revenue shall determine the amount of each
2 municipality's aidable expenditures. For purposes of calculating a municipality's
3 entitlement, the amount of a municipality's aidable expenditures in a year may not
4 exceed the greater of the following:

5 1. The amount of the municipality's aidable expenditures in the year prior to
6 the year ^{in which} ~~that~~ the municipality receives the statement under s. 79.015. ✓

7 2. The average of the amount of the municipality's aidable expenditures in
8 1998, 1999, and 2000, increased by the cumulative percentage under s. 79.05 (2) (c) ✓
9 ^{by which} ~~that~~ the municipality could have increased its budget during 1998, 1999, and 2000
10 and still be eligible for a payment under s. 79.05, regardless of whether the
11 municipality was eligible for such a payment in 1998, 1999 or 2000.

12 (3) GROWTH ^{SHARING} REGIONS ENTITLEMENT. (a) A municipality in a growth ^{sharing}
13 sharing region shall receive a payment under par. (b) ✓ if the following applies:

14 1. The municipality limits the growth in its municipal budget to the increase
15 specified under s. 79.05 (2) (c) ✓ for the year of the statement under s. 79.015. ✓

16 2. The municipality enters into an area cooperation compact under sub. (4). ✓

17 (b) A municipality in a growth ^{sharing} region that fulfills the requirements
18 under par. (a) ✓ shall receive a payment that is equal to the total amount allocated to
19 the growth ^{sharing} region, as determined under par. (c) ✓, multiplied by a fraction the
20 numerator of which is the municipality's population and the denominator of which
21 is the population of all the municipalities that are eligible for payments under this
22 subsection that are located in the growth ^{sharing} region.

23 (c) The total amount allocated to a growth ^{sharing} region ^{shall be} ~~is~~ equal to the total
24 amount to be distributed under s. 20.835 (1) (dd) multiplied by a fraction the
25 numerator of which is the amount of sales tax collected in the growth ^{sharing} region,

1 as determined by the department of revenue, in the fiscal year prior to the fiscal year
2 ^{in which} ~~that~~ any municipality receives the statement under s. 79.015 and the denominator
3 of which is the total amount of sales tax collected in this state, as determined by the
4 department of revenue, in the fiscal year prior to the fiscal year ^{in which} ~~that~~ any municipality
5 receives the statement under s. 79.015. ✓

6 (4) AREA COOPERATION COMPACTS. (a) 1. Beginning in 2002 and ending in 2005,
7 to receive payments under sub. (3) ✓, a municipality shall enter into an area
8 cooperation compact with at least 2 municipalities or counties, or with any
9 combination of at least 2 such entities, to perform at least 2 of the functions listed
10 in par. (b). ✓

11 2. Beginning in 2006 and in each subsequent year, to receive payments under
12 sub. (3) ✓, a municipality shall enter into an area cooperation compact with at least 4
13 municipalities or counties, or with any combination of at least 4 such entities, to
14 perform at least 6 of the functions listed in par. (b).

15 (b) An area cooperation compact may involve the following functions:

- 16 1. Law enforcement.
- 17 2. Housing.
- 18 3. Emergency services.
- 19 4. Fire protection.
- 20 5. Solid waste collection and disposal.
- 21 6. Recycling.
- 22 7. Public health.
- 23 8. Animal control.
- 24 10. Transportation.
- 25 11. Mass transit.

- 1 12. Land use planning.
- 2 13. Boundary agreements.
- 3 14. Libraries.
- 4 15. Parks and recreation.
- 5 16. Culture.
- 6 17. Purchasing.
- 7 18. Electronic government.

8 (c) An area cooperation compact shall provide a plan for any municipalities or
9 counties that enter into the compact to collaborate to provide any functions under
10 par. (b)[✓], as selected under par. (a)[✓]. The compact shall provide benchmarks to measure
11 the plan's progress and ^{provide} outcome [⊖] based performance measures to evaluate the plan's
12 success. Municipalities and counties that enter into the compact shall structure the
13 compact in a way that results in significant tax savings to taxpayers within those
14 municipalities and counties.

15 (d) Annually, beginning in 2002, to receive a payment under sub. (3)[✓], a
16 municipality shall certify to the department of revenue, in a manner prescribed by
17 the department, by May 1 that the municipality complied with pars. (a)[✓] to (c)[✓] for the
18 year of the statement under s. 79.015.[✓]

19 (e) Annually, beginning in 2004, the legislative audit bureau shall prepare a
20 report on the performance of all area cooperation compacts.

21 (5) MINIMUM PAYMENTS. (a) In 2002, if the combined payments to a municipality
22 under subs. (2)[✓] and (3)[✓] are less than 95% of the combined payments to the
23 municipality under s. 79.06[✓], 1999 stats., and s. 79.03 (3)[✓], 1999 stats., excluding
24 payments under s. 79.03 (3c)[✓], 1999 stats., for 2001, the municipality has an aids
25 deficiency. The amount of the aids deficiency is the amount by which 95% of the

1 amount of the combined payments to the municipality under s. 79.06[✓], 1999 stats.,
2 and s. 79.03 (3)[✓], 1999 stats., excluding payments under s. 79.03 (3c)[✓], 1999 stats., for
3 2001 exceeds the payments to the municipality under subs. (2)[✓] and (3)[✓] in 2002. A
4 municipality that has an aids deficiency under this paragraph shall receive a
5 payment from the amounts withheld under sub. (6) (a)[✓] that is equal to its proportion
6 of all the aids deficiencies of municipalities under this paragraph[✓] in 2002.

7 (b) Except as provided in par. (c)[✓], in 2003 and subsequent years, if the combined
8 payments to a municipality under subs. (2)[✓] and (3)[✓] are less than 95% of the combined
9 payments to the municipality under subs. (2)[✓] and (3)[✓] for the previous year, the
10 municipality has an aids deficiency. The amount of the aids deficiency is the amount
11 by which 95% of the amount of the combined payments to the municipality under
12 subs. (2)[✓] and (3)[✓] in the previous year exceeds the combined payments to the
13 municipality under subs. (2)[✓] and (3)[✓] in the current year. A municipality that has an
14 aids deficiency under this paragraph shall receive a payment from the amounts
15 withheld under sub. (6) (b)[✓] that is equal to its proportion of all the aids deficiencies
16 of municipalities under this paragraph[✓] for the current year.

17 (c) In 2003 and subsequent years, if a municipality receives a payment under
18 sub. (3)[✓] in the year following the year of the statement under s. 79.015[✓] but did not
19 receive a payment in the year of the statement^g, or if a municipality does not receive
20 a payment under sub. (3)[✓] in the year following the year of the statement under s.
21 79.015[✓] but received a payment in the year of the statement^g, the payment under sub.
22 (3)[✓] shall be excluded from the calculation for determining the minimum payment
23 under par. (b)[✓].

24 (6) AIDABLE EXPENDITURES MAXIMUM PAYMENTS. (a) In 2002, if the combined
25 payments to a municipality under subs. (2)[✓] and (5)[✓] exceed combined payments to the

1 municipality under s. 79.06, 1999 stats., and s. 79.03 (3), 1999 stats., excluding
 2 payments under s. 79.03 (3c), 1999 stats., for 2001 by more than the maximum
 3 allowable increase, the excess shall be withheld to fund minimum payments in 2002
 4 under sub. (5) (a). In this paragraph, "maximum allowable increase" means a
 5 percentage such that the sum for all municipalities of the excess of payments in 2002
 6 under subs. (2) and (3) over the payment as limited by the maximum allowable
 7 increase is equal to the sum of the aids deficiencies under sub. (5) (a) in 2002.

8 (b) In 2003 and subsequent years, if the combined payments to a municipality
 9 under subs. (2) and (3) exceed the combined payments to the municipality under
 10 subs. (2) and (3) for the previous year by more than the maximum allowable increase,
 11 the excess shall be withheld to fund minimum payments in the current year under
 12 sub. (5) (b). In this paragraph, "maximum allowable increase" in any year means a
 13 percentage such that the sum for all municipalities of the excess of payments in that
 14 year under subs. (2) and (3) over the payment as limited by the maximum allowable
 15 increase is equal to the sum of the aids deficiencies under sub. (5) (b) in that year.

(END)

16

(15)

INSERT
17-15

Insert 17 -15

1 **SECTION 9344. Initial applicability; revenue.** ✓

2 (1) [⊖]GROWTH [⊙]SHARING REGION. The treatment of sections 20.835 (1) (d), (db), and
3 (dd), 25.50 (3)(b), 33.32 (3) (b), 79.01 (1), (5), and (6), 79.015, 79.02 (2) (b) and (3),
4 79.03 (1), (3) (a), (b) 1., 3., 4. (intro.), a. to b., d. to f., and h., 5. and 6., and (4), 79.06
5 (1) and (2), and 79.065 of the statutes first applies to payments made in 2002.

(2), 4

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1744/dn P1

JK: /.....

WJ

January 10, 2001

Paul Ziegler:

1. Please review this draft carefully to ensure that it is consistent with your intent. In particular, please review the minimum and maximum payment provisions.
2. The draft directs the legislative audit bureau to prepare reports regarding the performance of area cooperation compacts. Do you want to direct the legislative audit bureau to submit those reports to anyone in particular?
3. With regard to the public purpose doctrine issue (money to^{be} spent at the level of government at which it is raised), I don't find the case law that Jack Stark cited to Professor Kettl to be very useful in this instance. If the public purpose doctrine is not violated as long as moneys are commingled, as Mr. Stark suggested, then the funding mechanism in this draft should not violate the doctrine, regardless of whether ~~or not~~ the draft uses a percentage of collected sales tax as a way to calculate the payments. On the other hand, a court could find that the mechanism whereby a region is allocated an amount in proportion to the state sales taxes collected in the region violates the public purpose doctrine. Although I am not at all sure how a court would rule if the bill became law and was subsequently challenged, you should at least be aware of any potential problem.

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

4. Please review the treatment of the appropriations ~~are~~ related to the aidable expenditures and the growth sharing region program. ~~I did not combine~~ ~~both~~ because the growth sharing payment is used to offset the aidable expenditures payment, I used separate appropriations for them.

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1744/P1dn
JK:wlj:pg

January 12, 2001

Paul Ziegler:

1. Please review this draft carefully to ensure that it is consistent with your intent. In particular, please review the minimum and maximum payment provisions.
2. The draft directs the legislative audit bureau to prepare reports regarding the performance of area cooperation compacts. Do you want to direct the legislative audit bureau to submit those reports to anyone in particular?
3. With regard to the public purpose doctrine issue (money to be spent at the level of government at which it is raised), I don't find the case law that Jack Stark cited to Professor Kettl to be very useful in this instance. If the public purpose doctrine is not violated as long as moneys are commingled, as Mr. Stark suggested, then the funding mechanism in this draft should not violate the doctrine, regardless of whether the draft uses a percentage of collected sales tax as a way to calculate the payments. On the other hand, a court could find that the mechanism whereby a region is allocated an amount in proportion to the state sales taxes collected in the region violates the public purpose doctrine. Although I am not at all sure how a court would rule if the bill became law and was subsequently challenged, you should at least be aware of any potential problem.
4. Please review the treatment of the appropriations related to the aidable expenditures and the growth-sharing region program. Because the growth-sharing payment is used to offset the aidable expenditure payment, I used separate appropriations for them.

Joseph T. Kreye
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Phone: (608) 266-2263
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DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1744/P1dn
JK:wlj:pg

January 12, 2001

1/22/01 changes marked

Paul Ziegler:

1. Please review this draft carefully to ensure that it is consistent with your intent. In particular, please review the minimum and maximum payment provisions.
2. The draft directs the legislative audit bureau to prepare reports regarding the performance of area cooperation compacts. Do you want to direct the legislative audit bureau to submit those reports to anyone in particular? *to the legislature*
3. With regard to the public purpose doctrine issue (money to be spent at the level of government at which it is raised), I don't find the case law that Jack Stark cited to Professor Kettl to be very useful in this instance. If the public purpose doctrine is not violated as long as moneys are commingled, as Mr. Stark suggested, then the funding mechanism in this draft should not violate the doctrine, regardless of whether the draft uses a percentage of collected sales tax as a way to calculate the payments. On the other hand, a court could find that the mechanism whereby a region is allocated an amount in proportion to the state sales taxes collected in the region violates the public purpose doctrine. Although I am not at all sure how a court would rule if the bill became law and was subsequently challenged, you should at least be aware of any potential problem.
4. Please review the treatment of the appropriations related to the aidable expenditures and the growth-sharing region program. Because the growth-sharing payment is used to offset the aidable expenditure payment, I used separate appropriations for them.

*Joe - Please
make the indicated
changes to the draft.
Please call to discuss.
Thank you.
Paul Ziegler
6-3463*

Joseph T. Kreye
Legislative Attorney
Phone: (608) 266-2263
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DOA:.....Ziegler - Restructuring municipal shared revenue

FOR 2001-03 BUDGET -- NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

LOCAL GOVERNMENT

Under current law, a municipality receives a shared revenue payment based on the municipality's population. The payment is equal to the municipality's population multiplied by the product of the following: the 1982 state population multiplied by \$30 divided by the state's current population. This bill eliminates the current shared revenue payment to a municipality based on population.

Under current law, a municipality also receives an aidable revenues payment that is equal to the product of the municipality's aidable revenues and the municipality's tax base weight. Aidable revenues are, generally, revenues raised by the municipality, such as local taxes and regulation revenues. Tax base weight is based, generally, on the value of property in the municipality compared to the municipality's population. This bill eliminates a municipality's aidable revenues payment.

This bill creates an aidable expenditures payment for a municipality. The bill also creates a "growth-sharing region" payment for a municipality.

Beginning in 2002, a municipality receives an aidable expenditures payment that is equal to the product of the municipality's aidable expenditures and the municipality's tax base weight. Aidable expenditures include a municipality's expenditures for general government operations; law enforcement, fire protection, ambulance services, and other public safety services; and health and human

services. Aidable expenditures do not include a municipality's expenditures for highway maintenance, administration, or construction; road-related facilities or other transportation; solid waste collection and disposal or other sanitation; culture; education; parks and recreation; conservation; or development.

Annually, DOR determines the amount of each municipality's aidable expenditures. The amount of a municipality's aidable expenditures in a year ~~may~~ *will be* ~~not exceed the greater~~ *the lesser* of: 1) the amount of the municipality's aidable expenditures in the year that was two years before the municipality receives an aidable expenditures payment or 2) the average of the municipality's aidable expenditures in 1998, 1999, and 2000, adjusted for inflation and for the property value in the municipality.

Under the bill, a municipality in a growth-sharing region may also receive a growth-sharing region payment. DOR must define "growth-sharing region" by rule and in such way so that the state consists of at least 7 but not more than 25 growth-sharing regions. A municipality will receive a growth-sharing region payment if the municipality limits the annual increase in its municipal budget to the allowable increase, based on the inflation rate and the property value in the municipality, to qualify for the expenditure restraint program under current law and if the municipality enters into an area cooperation compact (compact).

Beginning in 2002 and ending in 2005, to receive a payment, a municipality must enter into a compact with at least two municipalities or counties, or with any combination of at least two such entities, to perform at least two specified functions. Beginning in 2006, to receive a payment, a municipality must enter into a compact with at least four municipalities or counties, or with any combination of at least four such entities, to perform at least six specified functions. The specified functions are law enforcement, housing, emergency services, fire protection, solid waste collection and disposal, recycling, public health, animal control, transportation, mass transit, land use planning, boundary agreements, libraries, parks and recreation, culture, purchasing, and electronic government.

The number of muni. more limited in compact if few neighbors

at least one of which must be law enforcement

A compact must provide a plan for any municipalities or counties that enter into the compact to collaborate to provide the specified functions. The compact must also provide benchmarks to measure the plan's progress and provide outcome-based performance measures to evaluate the plan's success. Municipalities and counties that enter into the compact must structure the compact in a way that results in significant tax savings to taxpayers within the municipalities and counties. Annually, the municipality that is to receive a payment must certify to DOR that the municipality has complied with all of the compact requirements.

The total amount of the growth-sharing region payments allocated to all growth-sharing regions is an amount equal to 0.25% ~~of~~ *of* the sales and use taxes collected in the state in a year, and each growth-sharing region is allocated an amount that is proportional to the sales and use taxes that are collected in the region. A municipality that is eligible to receive a growth-sharing payment receives an amount, from the amount allocated to the growth-sharing payment in which the municipality is located, in proportion to its population within the growth-sharing region.

note - the growth sharing payment total is $\frac{0.25\%}{5.00\%} = \frac{1}{20}$ of the total sales tax collected in the FY prior to FY of notice

and per capita

In 2002, a municipality is guaranteed a combined minimum aidable expenditures and growth-sharing region payment equal to 95% of the amount of the aidable revenues ~~payment~~ the municipality received in 2001. In 2003 and subsequent years, a municipality is guaranteed a combined minimum aidable expenditures and growth-sharing region payment equal to 95% of the combined amounts of the aidable expenditures and the growth-sharing region payments the municipality received in the previous year. *if the municipality received the growth sharing payment in both the payment year + the prior year*

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. 20.835 (1) (d) of the statutes is amended to read:

2 20.835 (1) (d) *Shared* County shared revenue account. A sum sufficient to meet
3 the requirements of the county shared revenue account established under s. 79.01
4 (2) to provide for the distributions from the shared revenue account to counties,
5 towns, villages and cities under ss. 79.03, 79.04, and 79.06.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

6 SECTION 2. 20.835 (1) (db) of the statutes is created to read:

7 20.835 (1) (db) *Municipal services aid* account. A sum sufficient to make the
8 payments to municipalities under ss. 79.04 and 79.065 (2) and to make the payments
9 to municipalities under s. 79.065 (5), ~~other than the payment made~~ from s. 20.835
10 (1) (dd). *not paid*

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

11 SECTION 3. 20.835 (1) (dd) of the statutes is created to read:

12 20.835 (1) (dd) *Municipal growth sharing* account. A sum sufficient in the
13 amount determined under s. 79.01 (5) to make the payments to municipalities under
14 s. 79.065 (3) and to make the payments to municipalities under s. 79.065 (5), ~~other~~
15 ~~than the payments made~~ from s. 20.835 (1) (dd). *not paid*

not paid
↑
db

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

1 SECTION 4. 25.50 (3) (b) of the statutes is amended to read:

2 25.50 (3) (b) On the dates specified and to the extent to which they are
3 available, subject to s. 16.53 (10), funds payable to local governments under ss. 79.03,
4 79.04, 79.05, 79.058, 79.06, 79.065, 79.08, and 79.10 shall be considered local funds
5 and, pursuant to the instructions of local officials, may be paid into the separate
6 accounts of all local governments established in the local government
7 pooled-investment fund and, pursuant to the instructions of local officials, to the
8 extent to which they are available, be disbursed or invested.

9 SECTION 5. 33.32 (3) (b) of the statutes is amended to read:

10 33.32 (3) (b) If a county or municipality fails to pay a special assessment levied
11 by a district, the clerk of the district may certify this fact to the department of
12 administration, and shall state the amount due. The department, at the time of
13 making the next scheduled distribution under s. 79.03 or 79.065, shall deduct the
14 amount claimed from the payment due the county or municipality, and shall forward
15 it to the district.

X *Amend 79.005(1)+(2) to allow splits in muni payment calc + pop*
if muni in more than one growth sharing region
16 SECTION 6. 79.01 (1) of the statutes is amended to read:
17 79.01 (1) There is established an account in the general fund entitled the
18 "Expenditure Restraint Program Account". Account. There shall be appropriated
19 to that account \$25,000,000 in 1991, in 1992, and in 1993; \$42,000,000 in 1994;
20 \$48,000,000 in each year beginning in 1995 and ending in 1999 and; \$57,000,000
21 beginning in the year 2000 and ending in 2001; and \$63,000,000 in 2002 and in each
22 year thereafter.

(see page 13 lines 7+8)

need to amend 79.01(2)

23 SECTION 7. 79.01 (5) of the statutes is created to read:

1 79.01 (5) There is established an account in the general fund entitled the
2 "Municipal Growth-Sharing Account." There shall be appropriated to that account
3 an amount, determined by the department of revenue, that is equal to 0.25% ^{divided by 500} ~~of~~ ^{times} the
4 sales and use tax revenue collected under subch. III of ch. 77 in the fiscal year prior
5 to the fiscal year that any municipality receives the statement under s. 79.015.

6 **SECTION 8.** 79.01 (6) of the statutes is created to read:

7 79.01 (6) There is established an account in the general fund entitled the
8 "Municipal Services Aid Account." There shall be appropriated to that account the
9 amounts necessary to make the payments to municipalities under ss. 79.04 (1) and
10 (4) (a) and 79.065 (2) and to make the payments to municipalities under s. 79.065 (5),
11 ~~other than the payments~~ ^{not paid} under s. 20.835 (1) (dd).

12 **SECTION 9.** 79.015 of the statutes is amended to read:

13 **79.015 Statement of estimated payments.** The department of revenue, on
14 or before September 15 of each year, shall provide to each municipality and county
15 a statement of estimated payments to be made in the next calendar year to the
16 municipality or county under ss. 79.03, 79.04, 79.05, 79.058 ~~and~~, 79.06, and 79.065.

17 **SECTION 10.** 79.02 (2) (b) of the statutes is amended to read:

18 79.02 (2) (b) Subject to s. 59.605 (4), payments in July shall equal 15% of the
19 municipality's or county's estimated payments under ss. 79.03, 79.04, 79.058 ~~and~~,
20 79.06, and 79.065 and 100% of the municipality's estimated payments under s. 79.05.

21 **SECTION 11.** 79.02 (3) of the statutes is amended to read:

22 79.02 (3) Subject to s. 59.605 (4), payments to each municipality and county in
23 November shall equal that municipality's or county's entitlement to shared revenues
24 under ss. 79.03, 79.04, 79.05, 79.058 ~~and~~, 79.06, and 79.065 for the current year,
25 minus the amount distributed to the municipality or county in July.

1 SECTION 12. 79.03 (1) of the statutes is amended to read:

2 79.03 (1) Each ~~municipality and~~ county is entitled to shared revenue,
3 consisting of an in the amount determined on the basis of population under sub. (2),
4 plus an amount determined under sub. (3).

5 SECTION 13. 79.03 (2) of the statutes is repealed.

6 SECTION 14. 79.03 (3) (a) of the statutes is amended to read:

7 79.03 (3) (a) The amount in the shared revenue account for ~~municipalities and~~
8 ~~the amount in the shared revenue account for~~ counties, less the payments under sub.
9 (2) and s. 79.04, shall be allocated to each ~~municipality and~~ county respectively in
10 proportion to its entitlement. In this paragraph, "entitlement" means the product
11 of aidable revenues and tax base weight.

12 SECTION 15. 79.03 (3) (b) 1. of the statutes is amended to read:

13 79.03 (3) (b) 1. "Aidable revenues" means:

14 a. ~~For a municipality, the average local purpose revenues.~~

15 b. ~~For a county, 85% of the average local purpose revenue.~~

16 SECTION 16. 79.03 (3) (b) 3. of the statutes is amended to read:

17 79.03 (3) (b) 3. "Full valuation" means the full value of property that is exempt
18 under s. 70.11 (39) as determined under s. 70.095 (3) plus the full value of all taxable
19 property for the preceding year as equalized for state tax purposes, except that for
20 ~~municipalities the value of real estate assessed under s. 70.995 is excluded. Value~~
21 value increments under s. 66.1105 plus the full value of property that is exempt
22 under s. 70.11 (39) that would otherwise be part of a value increment are ~~included~~
23 ~~for municipalities but excluded for counties.~~ Environmental remediation value
24 increments under s. 66.1106 are included for ~~municipalities and~~ counties that create
25 the environmental remediation tax incremental district and are excluded for ~~units~~

1 of government counties that do not create the district. If property that had been
2 assessed under s. 70.995 and that has a value exceeding 10% of a municipality's value
3 is assessed under s. 70.10, 30% of that property's full value is included in "full
4 valuation" for purposes of the shared revenue payments in the year after the
5 assessment under s. 70.10, 65% of that property's full value is included in "full
6 valuation" for purposes of the shared revenue payments in the year 2 years after the
7 assessment under s. 70.10 and 100% of that property's full value is included in "full
8 valuation" for purposes of subsequent shared revenue payments.

9 SECTION 17. 79.03 (3) (b) 4. (intro.) of the statutes is amended to read:

10 79.03 (3) (b) 4. (intro.) "Local purpose revenues" means the sum of payments
11 under s. 79.095, local general purpose taxes, regulation revenues, revenues for
12 services to private parties by a county's or municipality's general operations or
13 enterprises, revenue for sanitation services to private parties, special assessment
14 revenues, and tax base equalization aids and, for municipalities only, a proxy for
15 private sewer service costs, a proxy for private solid waste and recycling service costs
16 and a proxy for retail charges for fire protection purposes. In this subdivision:

17 SECTION 18. 79.03 (3) (b) 4. a. of the statutes is amended to read:

18 79.03 (3) (b) 4. a. "Local general purpose taxes" means ~~the portion of tax~~
19 ~~increments collected for payment to a municipality under s. 66.1105 which is~~
20 ~~attributable to that municipality's own levy,~~ the portion of environmental
21 remediation tax increments collected for payment to a ~~municipality~~ or county under
22 s. 66.1106 that is attributable to that ~~municipality's~~ or county's own levy, general
23 property taxes, excluding taxes for a county children with disabilities education
24 board, collected to finance the general purpose government unit, property taxes
25 collected for sewage and sanitary districts, mobile home fees, the proceeds of county

1 sales and use taxes, and ~~municipal and county~~ vehicle registration fees under s.
2 341.35 (1).

3 SECTION 19. 79.03 (3) (b) 4. b. of the statutes is repealed.

4 SECTION 20. 79.03 (3) (b) 4. bg. of the statutes is repealed.

5 SECTION 21. 79.03 (3) (b) 4. bm. of the statutes is repealed.

6 SECTION 22. 79.03 (3) (b) 4. d. of the statutes is amended to read:

7 79.03 (3) (b) 4. d. "Revenue for sanitation services to private parties" means
8 revenues collected from private parties by a county's ~~or municipality's~~ general
9 operations or enterprises ~~and by sewerage, sanitation or inland lake rehabilitation~~
10 ~~districts as refuse collection fees, sewerage service fees and landfill fees.~~

*Why is
this
removed?
Is it purely
muni? ?*

11 SECTION 23. 79.03 (3) (b) 4. e. of the statutes is amended to read:

12 79.03 (3) (b) 4. e. "Revenues for services to private parties by a county's ~~or~~
13 ~~municipality's~~ general operations or enterprises" means revenues collected from
14 private parties for the following services: general government services consisting of
15 license publication fees, sale of publications, clerk's fees, and treasurer's fees; public
16 safety services, consisting of police or sheriff's department fees, fire department fees,
17 and ambulance fees; inspection services, consisting of building, electrical, heat,
18 plumbing, elevator, and weights and measures; sidewalk replacement or
19 construction fees, storm sewer construction fees, street lighting fees; parking ramps,
20 meters and lot fees; library fines or fees; and museum and zoo users or admission
21 fees.

22 SECTION 24. 79.03 (3) (b) 4. f. of the statutes is amended to read:

23 79.03 (3) (b) 4. f. "Special assessment revenues" means charges assessed
24 against benefited properties for capital improvements by a ~~municipality or~~ county

1 placed on the current tax roll for collection or collected during the year in advance
2 of being placed on the tax roll.

3 SECTION 25. 79.03 (3) (b) 4. h. of the statutes is repealed.

4 SECTION 26. 79.03 (3) (b) 5. of the statutes is amended to read:

5 79.03 (3) (b) 5. "Standardized valuation" means the product of the standardized
6 valuation per person times the population of a ~~municipality or a county~~ in the
7 preceding year.

8 SECTION 27. 79.03 (3) (b) 6. of the statutes is amended to read:

9 79.03 (3) (b) 6. "Standardized valuation per person" is that number that when
10 used in the computation under par. (a) most nearly approximates the sum of
11 entitlements for all ~~municipalities or for all counties~~ respectively to the funds
12 distributable under par. (a).

13 SECTION 28. 79.03 (4) of the statutes is amended to read:

14 79.03 (4) In 1991, the total amount to be distributed under ss. 79.03, 79.04, and
15 79.06 from s. 20.835 (1) (d) is \$869,000,000. In 1992, the total amount to be
16 distributed under ss. 79.03, 79.04, and 79.06 from s. 20.835 (1) (d) is \$885,961,300.
17 In 1993, the total amount to be distributed under ss. 79.03, 79.04, and 79.06 from s.
18 20.835 (1) (d) is \$903,680,500. In 1994, the total amounts to be distributed under this
19 section and ss. 79.04 and 79.06 from s. 20.835 (1) (d) are \$746,547,500 to
20 municipalities and \$168,981,800 to counties. In Beginning in 1995 and subsequent
21 years ending in 2001, the total amounts to be distributed under ss. 79.03, 79.04, and
22 79.06 from s. 20.835 (1) (d) are \$761,478,000 to municipalities and \$168,981,800 to
23 counties. In 2002 and subsequent years, the total amount to be distributed ^{to municipalities}
24 under ss. 79.04 and 79.065 (2) from s. 20.835 (1) (db) is \$755,478,000, less the amounts
25 distributed under s. 79.065 (3) from s. 20.835 (1) (dd). In 2002 and subsequent years,

total amount distributed under minis in s. 20.835

move mun sentences to section 8?

In 2003 and subsequent years, the total amount to be distributed to municipalities under ss 79.04 and 79,065(2) from s 20,835(1)(db) is the amount distributed under ss 79,04 and 79,065(2) to municipalities in 2002.

1 the total amount to be distributed under ss. 79.03, 79.04, and 79.06 from s. 20.835
2 (1) (d) is \$168,981,800 to counties.

3 SECTION 29. 79.06 (1) of the statutes is amended to read:

4 79.06 (1) MINIMUM PAYMENTS. (b) If the payments to any ~~municipality or county~~
5 under s. 79.03, ~~excluding payments under s. 79.03 (3c)~~, in 1986 or any year thereafter X
6 are less than 95% of the combined payments to the ~~municipality or county~~ under this
7 section and s. 79.03, ~~excluding payments under s. 79.03 (3c)~~, for the previous year, X
8 the ~~municipality or county~~ has an aids deficiency. The amount of the aids deficiency
9 is the amount by which 95% of the combined payments to the ~~municipality or county~~
10 under this section and s. 79.03, ~~excluding payments under s. 79.03 (3c)~~, in the X
11 previous year exceeds the payments to the ~~municipality or county~~ under s. 79.03,
12 ~~excluding payments under s. 79.03 (3c)~~, in the current year. X

13 (c) A ~~municipality or county~~ that has an aids deficiency shall receive a payment
14 from the amounts withheld under sub. (2) equal to its proportion of all the aids
15 deficiencies of ~~municipalities or counties~~ respectively for that year.

16 SECTION 30. 79.06 (2) of the statutes is amended to read:

17 79.06 (2) MAXIMUM PAYMENTS. (b) If the payments to a ~~municipality or county~~,
18 except any county in which there are no cities or villages, in any year exceed its
19 combined payments under this section and s. 79.03, ~~excluding payments under s.~~
20 ~~79.03 (3c)~~, in the previous year by more than the maximum allowable increase, the X
21 excess shall be withheld to fund minimum payments in that year under sub. (1) (c). X

22 (c) In this subsection, "maximum allowable increase" in any year means a
23 percentage such that the sum for all ~~municipalities or counties~~ respectively in that
24 year of the excess of payments under ss. 79.02 and 79.03, ~~excluding payments under~~ X

1 ~~s. 79.03 (3c)~~, over the payments as limited by the maximum allowable increase is
2 equal to the sum of the aids deficiencies under sub. (1) in that year.

3 **SECTION 31.** 79.065 of the statutes is created to read:

4 **79.065 Municipal growth sharing. (1) DEFINITIONS.** In this section:

5 (a) "Aidable expenditures" means a municipality's expenditures for general
6 government operations; law enforcement, fire protection, ambulance services, and
7 other public safety services; and health and human services. "Aidable expenditures"
8 does not include a municipality's expenditures for highway maintenance,
9 administration, or construction; road-related facilities or other transportation; solid
10 waste collection and disposal or other sanitation; culture; education; parks and
11 recreation; conservation; or development.

12 (b) "Entitlement" means the product of aidable expenditures and tax base
13 weight.

14 (c) "Full valuation" means the full value of all taxable property of a
15 municipality for the preceding year as equalized for state tax purposes, including the
16 value increments under s. 66.1105, the environmental remediation value increments
17 under s. 66.1106 for municipalities that create the environmental remediation tax
18 incremental district, and the value of real estate assessed under s. 70.995, but
19 excluding the full value of property that is exempt under s. 70.11 (39) as determined
20 under s. 79.095 (3).

21 (d) "Growth-sharing region" means "growth-sharing region" as defined by rule
22 by the department of revenue so that this state is divided into at least 7 but not more
23 than 25 growth-sharing regions.

24 (e) "Sales tax" means the tax imposed under ss. 77.52 and 77.53.

1 (f) "Standardized valuation" means the product of the standardized valuation
2 per person times the population of a municipality in the preceding year.

3 (g) "Standardized valuation per person" is that number that when used in the
4 computation under sub. (2) most nearly approximates the sum of entitlements for all
5 municipalities to the funds distributable under sub. (2).

6 (h) "Tax base weight" means one minus the decimal obtained by dividing the
7 full valuation by the standardized valuation, except that "tax base weight" shall be
8 a decimal of at least 0.0.

9 (2) AIDABLE EXPENDITURES ENTITLEMENTS. (a) Beginning in 2002, the amount
10 in the municipal services aid account for municipalities, less the payments under
11 ~~sub. (3) and~~ s. 79.04 (1) and (4) (a), shall be allocated to each municipality in
12 proportion to its entitlement.

13 (b) Annually, the department of revenue shall determine the amount of each
14 municipality's aidable expenditures. For purposes of calculating a municipality's
15 entitlement, the amount of a municipality's aidable expenditures in a year ~~may not~~ *will be*
16 ~~exceed the greater~~ *the lesser* of the following:

17 1. The amount of the municipality's aidable expenditures in the year prior to
18 the year which the municipality receives the statement under s. 79.015.

19 2. The average of the amount of the municipality's aidable expenditures in
20 1998, 1999, and 2000, increased by the cumulative percentage under s. 79.05 (2) (c)
21 by which the municipality could have increased its budget ~~during 1998, 1999, and~~
22 ~~2000~~ and still be eligible for a payment under s. 79.05, regardless of whether the

23 municipality was eligible for such a payment ~~in 1998, 1999, or 2000~~ *under s. 79.05*

24 (3) GROWTH-SHARING REGIONS ENTITLEMENT. (a) A municipality in a
25 growth-sharing region shall receive a payment under par. (b) if the following applies:

The cumulative percentage shall be calculated from 1999 to the year prior to the year of the statement under s. 79.05 (2)(c).

For both of these add

This requirement does not apply to determination of payments in 2002.

1 (1) The municipality limits the growth in its municipal budget to the increase
2 specified under s. 79.05 (2) (c) for the year of the statement under s. 79.015.

3 (2) The municipality enters into an area cooperation compact under sub. (4).
4 (b) A municipality in a growth-sharing region that fulfills the requirements

5 under par. (a) shall receive a payment that is equal to the total amount allocated to
6 the growth-sharing region, as determined under par. (c), multiplied by a fraction the
7 numerator of which is the municipality's population *in the growth sharing region*
8 is the population *in the growth sharing region* of all the municipalities that are eligible for payments under this
9 subsection that are located in the growth-sharing region.

10 (c) The total amount allocated to a growth-sharing region shall be equal to the

11 total amount to be distributed under s. 20.835 (1) (dd) multiplied by a fraction the
12 numerator of which is the amount of sales tax collected in the growth-sharing region,
13 as determined by the department of revenue, in the fiscal year prior to the fiscal year
14 in which any municipality receives the statement under s. 79.015 and the
15 denominator of which is the total amount of sales tax collected in this state, as
16 determined by the department of revenue, in the fiscal year prior to the fiscal year
17 in which any municipality receives the statement under s. 79.015.

Just say amount determined by DOR

OK but more complex than needed

18 (4) AREA COOPERATION COMPACTS. (a) 1. Beginning in 2002 and ending in 2005,
19 to receive payments under sub. (3), a municipality shall enter into an area
20 cooperation compact with at least 2 municipalities or counties, or with any
21 combination of at least 2 such entities, to perform at least 2 of the functions listed
22 in par. (b).

23 2. Beginning in 2006 and in each subsequent year, to receive payments under
24 sub. (3), a municipality shall enter into an area cooperation compact with at least 4

Except as determined under para 3,

X

X
X
X
X
X
X
X
X
X
X

3, *If have insufficient bordering neighbors, then reduce to bordering neighbors plus county,*

1 municipalities or counties, or with any combination of at least 4 such entities, to

2 perform at least 6 of the functions listed in par. (b); *one of which must be*

3 (b) An area cooperation compact may involve the following functions *law enforcement,*

- 4 1. Law enforcement.
- 5 2. Housing.
- 6 3. Emergency services.
- 7 4. Fire protection.
- 8 5. Solid waste collection and disposal.
- 9 6. Recycling.
- 10 7. Public health.
- 11 8. Animal control.
- 12 10. Transportation.
- 13 11. Mass transit.
- 14 12. Land use planning.
- 15 13. Boundary agreements.
- 16 14. Libraries.
- 17 15. Parks and recreation.
- 18 16. Culture.
- 19 17. Purchasing.
- 20 18. Electronic government.

21 (c) An area cooperation compact shall provide a plan for any municipalities or

22 counties that enter into the compact to collaborate to provide any functions under

23 par. (b), as selected under par. (a). The compact shall provide benchmarks to measure

24 the plan's progress and provide outcome-based performance measures to evaluate

25 the plan's success. Municipalities and counties that enter into the compact shall

1 structure the compact in a way that results in significant tax savings to taxpayers
2 within those municipalities and counties.

3 (d) Annually, beginning in 2002, to receive a payment under sub. (3), a
4 municipality shall certify to the department of revenue, in a manner prescribed by
5 the department, by May 1st *of the year of the statement* that the municipality complied with pars. (a) to (c) for the
6 year of the statement under s. 79.015. X

7 (e) Annually, beginning in 2004, the legislative audit bureau shall prepare a
8 report on the performance of ~~all~~ area cooperation compacts. X

9 (5) MINIMUM PAYMENTS. (a) In 2002, if the combined payments to a municipality
10 under subs. (2) and (3) are less than 95% of the combined payments to the
11 municipality under s. 79.06, 1999 stats., and s. 79.03 (3), 1999 stats., excluding
12 payments under s. 79.03 (3c), 1999 stats., for 2001, the municipality has an aids
13 deficiency. The amount of the aids deficiency is the amount by which 95% of the
14 amount of the combined payments to the municipality under s. 79.06, 1999 stats.,
15 and s. 79.03 (3), 1999 stats., excluding payments under s. 79.03 (3c), 1999 stats., for
16 2001 exceeds the payments to the municipality under subs. (2) and (3) in 2002. A
17 municipality that has an aids deficiency under this paragraph shall receive a
18 payment from the amounts withheld under sub. (6) (a) that is equal to its proportion
19 of all the aids deficiencies of municipalities under this paragraph in 2002.

20 (b) Except as provided in par. (c), in 2003 and subsequent years, if the combined
21 payments to a municipality under subs. (2) and (3) are less than 95% of the combined
22 payments to the municipality under subs. (2) ~~and~~ (3) ⁽⁵⁾⁺⁽⁶⁾ for the previous year, the
23 municipality has an aids deficiency. The amount of the aids deficiency is the amount
24 by which 95% of the amount of the combined payments to the municipality under
25 subs. (2) ~~and~~ (3) ⁽⁵⁾⁺⁽⁶⁾ in the previous year exceeds the combined payments to the

(5)+(6)

*add prior year
min/max adj to
base for 95% guarantee
(like current law)*

1 municipality under subs. (2) and (3) in the current year. A municipality that has an
 2 aids deficiency under this paragraph shall receive a payment from the amounts
 3 withheld under sub. (6) (b) that is equal to its proportion of all the aids deficiencies
 4 of municipalities under this paragraph for the current year.

5 (c) In 2003 and subsequent years, if a municipality receives a payment under
 6 sub. (3) in the year following the year of the statement under s. 79.015 but did not
 7 receive a payment in the year of the statement, or if a municipality does not receive
 8 a payment under sub. (3) in the year following the year of the statement under s.
 9 79.015 but received a payment in the year of the statement, the payment under sub.
 10 (3) shall be excluded from the calculation for determining the minimum payment
 11 under par. (b).

add similar paragraph for max

12 (6) ~~ALLOWABLE EXPENDITURES~~ MAXIMUM PAYMENTS. (a) In 2002, if the combined
 13 payments to a municipality under subs. (2) and (3) exceed combined payments to the
 14 municipality under s. 79.06, 1999 stats., and s. 79.03 (3), 1999 stats., excluding
 15 payments under s. 79.03 (3c), 1999 stats., for 2001 by more than the maximum
 16 allowable increase, the excess shall be withheld to fund minimum payments in 2002
 17 under sub. (5) (a). In this paragraph, "maximum allowable increase" means a
 18 percentage such that the sum for all municipalities of the excess of payments in 2002
 19 under subs. (2) and (3) over the payment as limited by the maximum allowable
 20 increase is equal to the sum of the aids deficiencies under sub. (5) (a) in 2002.

X

21 (b) In 2003 and subsequent years, if the combined payments to a municipality
 22 under subs. (2) and (3) exceed the combined payments to the municipality under
 23 subs. (2) and (3) ⁽⁵⁾⁺⁽⁶⁾ for the previous year by more than the maximum allowable increase,
 24 the excess shall be withheld to fund minimum payments in the current year under
 25 sub. (5) (b). In this paragraph, "maximum allowable increase" in any year means a

add min/max to base for 95% calc

1 percentage such that the sum for all municipalities of the excess of payments in that
2 year under subs. (2) and (3) over the payment as limited by the maximum allowable
3 increase is equal to the sum of the aids deficiencies under sub. (5) (b) in that year.

4 **SECTION 9344. Initial applicability; revenue.**

5 (1) GROWTH-SHARING REGION The treatment of sections 20.835 (1) (d), (db), and
6 (dd), 25.50 (3) (b), 33.32 (3) (b), 79.01 (1), (5), and (6), 79.015, 79.02 (2) (b) and (3),
7 79.03 (1), (2), (3) (a), (b) 1., 3., 4. (intro.), a. to bm., d. to f., and h., 5. and 6., and (4),
8 79.06 (1) and (2), and 79.065 of the statutes first applies to payments made in 2002.

9 (END)

For max,
add something like the in/out paragraph
for min on page 16 lines 5-11.

Final thought — Does 79.01(2)
need to be amended?

Issue for discussion —
Should the proposal be constructed
as one appropriation rather than two?
Does the min/max get messy with
two appropriations?



DOA:.....Ziegler - Restructuring municipal shared revenue

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

W 1-23-01

JOON

DO NOT GEN

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

LOCAL GOVERNMENT

Under current law, a municipality receives a shared revenue payment based on the municipality's population. The payment is equal to the municipality's population multiplied by the product of the following: the 1982 state population multiplied by \$30 divided by the state's current population. This bill eliminates the current shared revenue payment to a municipality based on population.

Under current law, a municipality also receives an aidable revenues payment that is equal to the product of the municipality's aidable revenues and the municipality's tax base weight. Aidable revenues are, generally, revenues raised by the municipality, such as local taxes and regulation revenues. Tax base weight is based, generally, on the value of property in the municipality compared to the municipality's population. This bill eliminates a municipality's aidable revenues payment.

This bill creates an aidable expenditures payment for a municipality. The bill also creates a "growth-sharing region" payment for a municipality.

Beginning in 2002, a municipality receives an aidable expenditures payment that is equal to the product of the municipality's aidable expenditures and the municipality's tax base weight. Aidable expenditures include a municipality's expenditures for general government operations; law enforcement, fire protection, ambulance services, and other public safety services; and health and human

No 4

a municipality that is not adjacent to at least two other municipalities may enter into a compact with any adjacent municipality or with the county in which the municipality is located

services. Aidable expenditures do not include a municipality's expenditures for highway maintenance, administration, or construction; road-related facilities or other transportation; solid waste collection and disposal or other sanitation; culture; education; parks and recreation; conservation; or development.

Annually, DOR determines the amount of each municipality's aidable expenditures. The amount of a municipality's aidable expenditures in a year *may be* ~~not exceed~~ *greater* of: 1) the amount of the municipality's aidable expenditures in the year that was two years before the municipality receives an aidable expenditures payment or 2) the average of the municipality's aidable expenditures in 1998, 1999, and 2000, adjusted for inflation and for the property value in the municipality.

Under the bill, a municipality in a growth-sharing region may also receive a growth-sharing region payment. DOR must define "growth-sharing region" by rule and in such way so that the state consists of at least 7 but not more than 25 growth-sharing regions. A municipality will receive a growth-sharing region payment if the municipality limits the annual increase in its municipal budget to the allowable increase, based on the inflation rate and the property value in the municipality, to qualify for the expenditure restraint program under current law and if the municipality enters into an area cooperation compact (compact).

Beginning in 2002 and ending in 2005, to receive a payment, a municipality must enter into a compact with at least two municipalities or counties, or with any combination of at least two such entities, to perform at least two specified functions. Beginning in 2006, to receive a payment, a municipality must enter into a compact with at least four municipalities or counties, or with any combination of at least four such entities, to perform at least ~~two~~ specified functions. The specified functions are law enforcement, housing, emergency services, fire protection, solid waste collection and disposal, recycling, public health, animal control, transportation, mass transit, land use planning, boundary agreements, libraries, parks and recreation, culture, purchasing, and electronic government.

A compact must provide a plan for any municipalities or counties that enter into the compact to collaborate to provide the specified functions. The compact must also provide benchmarks to measure the plan's progress and provide outcome-based performance measures to evaluate the plan's success. Municipalities and counties that enter into the compact must structure the compact in a way that results in significant tax savings to taxpayers within the municipalities and counties. Annually, the municipality that is to receive a payment must certify to DOR that the municipality has complied with all of the compact requirements.

The total amount of the growth-sharing region payments allocated to all growth-sharing regions is an amount equal to ~~0.25%~~ the sales and use taxes collected in the state in a year, and each growth-sharing region is allocated an amount that is proportional to the sales and use taxes that are collected in the region. A municipality that is eligible to receive a growth-sharing payment receives an amount, from the amount allocated to the growth-sharing ~~payment~~ in which the municipality is located, in proportion to its population within the growth-sharing region.

multiplied by .05

to provide law enforcement and

region

lesser

five other

→
→

→

and per capita payments

In 2002, a municipality is guaranteed a combined minimum aidable expenditures and growth-sharing region payment equal to 95% of the amount of the aidable revenues, ~~payment~~ the municipality received in 2001. In 2003 and subsequent years, a municipality is guaranteed a combined minimum aidable expenditures and growth-sharing region payment equal to 95% of the combined amounts of the aidable expenditures and the growth-sharing region payments the municipality received in the previous year.

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. 20.835 (1) (d) of the statutes is amended to read:

2 20.835 (1) (d) ~~Shared~~ County shared revenue account. A sum sufficient to meet
3 the requirements of the county shared revenue account established under s. 79.01
4 (2) to provide for the distributions from the shared revenue account to counties,
5 towns, villages and cities under ss. 79.03, 79.04, and 79.06.

***NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

6 SECTION 2. 20.835 (1) (db) of the statutes is created to read:

7 20.835 (1) (db) Municipal services aid account. A sum sufficient to make the
8 payments to municipalities under ss. 79.04 and 79.065 (2) and to make the payments
9 to municipalities under s. 79.065 (5) ~~other than the payments made~~ from s. 20.835
10 (1) (dd). *that are not paid*

***NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

11 SECTION 3. 20.835 (1) (dd) of the statutes is created to read:

12 20.835 (1) (dd) Municipal growth sharing account. A sum sufficient in the
13 amount determined under s. 79.01 (5) to make the payments to municipalities under
14 s. 79.065 (3) and to make the payments to municipalities under s. 79.065 (5), ~~other~~
15 ~~than the payments made~~ from s. 20.835 (1) (dd). *that are not paid*

if the municipality received growth-sharing region payments in both the current year and the previous year

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

1 **SECTION 4.** 25.50 (3) (b) of the statutes is amended to read:

2 25.50 (3) (b) On the dates specified and to the extent to which they are
3 available, subject to s. 16.53 (10), funds payable to local governments under ss. 79.03,
4 79.04, 79.05, 79.058, 79.06, 79.065, 79.08, and 79.10 shall be considered local funds
5 and, pursuant to the instructions of local officials, may be paid into the separate
6 accounts of all local governments established in the local government
7 pooled-investment fund and, pursuant to the instructions of local officials, to the
8 extent to which they are available, be disbursed or invested.

9 **SECTION 5.** 33.32 (3) (b) of the statutes is amended to read:

10 33.32 (3) (b) If a county or municipality fails to pay a special assessment levied
11 by a district, the clerk of the district may certify this fact to the department of
12 administration, and shall state the amount due. The department, at the time of
13 making the next scheduled distribution under s. 79.03 or 79.065, shall deduct the
14 amount claimed from the payment due the county or municipality, and shall forward
15 it to the district.

16 **SECTION 6.** 79.01 (1) of the statutes is amended to read:

17 79.01 (1) There is established an account in the general fund entitled the
18 "Expenditure Restraint Program ~~Account~~". Account. There shall be appropriated
19 to that account \$25,000,000 in 1991, in 1992, and in 1993; \$42,000,000 in 1994;
20 \$48,000,000 in each year beginning in 1995 and ending in 1999 and; \$57,000,000
21 beginning in the year 2000 and ending in 2001; and \$63,000,000 in 2002 and in each
22 year thereafter.

23 **SECTION 7.** 79.01 (5) of the statutes is created to read:

INSERT 4-22 ↓

INSERT
4-15 ✓

multiplied by .05

1 79.01 (5) There is established an account in the general fund entitled the
2 “Municipal Growth-Sharing Account.” There shall be appropriated to that account
3 an amount, determined by the department of revenue, that is equal to ~~0.25%~~ the
4 sales and use tax revenue collected under subch. III of ch. 77 in the fiscal year prior
5 to the fiscal year that any municipality receives the statement under s. 79.015.

6 **SECTION 8.** 79.01 (6) of the statutes is created to read:

7 79.01 (6) There is established an account in the general fund entitled the
8 “Municipal Services Aid Account.” There shall be appropriated to that account the
9 amounts necessary to make the payments to municipalities under ss. 79.04 (1) and
10 (4) (a) and 79.065 (2) and to make the payments to municipalities under s. 79.065 (5),
11 ~~other than the payments under~~ s. 20.835 (1) (dd). *that are not paid from*

12 **SECTION 9.** 79.015 of the statutes is amended to read:

13 **79.015 Statement of estimated payments.** The department of revenue, on
14 or before September 15 of each year, shall provide to each municipality and county
15 a statement of estimated payments to be made in the next calendar year to the
16 municipality or county under ss. 79.03, 79.04, 79.05, 79.058 ~~and~~, 79.06, and 79.065.

17 **SECTION 10.** 79.02 (2) (b) of the statutes is amended to read:

18 79.02 (2) (b) Subject to s. 59.605 (4), payments in July shall equal 15% of the
19 municipality's or county's estimated payments under ss. 79.03, 79.04, 79.058 ~~and~~,
20 79.06, and 79.065 and 100% of the municipality's estimated payments under s. 79.05.

21 **SECTION 11.** 79.02 (3) of the statutes is amended to read:

22 79.02 (3) Subject to s. 59.605 (4), payments to each municipality and county in
23 November shall equal that municipality's or county's entitlement to shared revenues
24 under ss. 79.03, 79.04, 79.05, 79.058 ~~and~~, 79.06, and 79.065 for the current year,
25 minus the amount distributed to the municipality or county in July.

1 **SECTION 12.** 79.03 (1) of the statutes is amended to read:

2 79.03 (1) Each ~~municipality and~~ county is entitled to shared revenue,
3 ~~consisting of an in the amount determined on the basis of population under sub. (2),~~
4 ~~plus an amount determined under sub. (3).~~

5 **SECTION 13.** 79.03 (2) of the statutes is repealed.

6 **SECTION 14.** 79.03 (3) (a) of the statutes is amended to read:

7 79.03 (3) (a) The amount in the shared revenue account for ~~municipalities and~~
8 ~~the amount in the shared revenue account for~~ counties, less the payments under sub.
9 ~~(2) and s. 79.04,~~ shall be allocated to each ~~municipality and~~ county respectively in
10 proportion to its entitlement. In this paragraph, “entitlement” means the product
11 of aidable revenues and tax base weight.

12 **SECTION 15.** 79.03 (3) (b) 1. of the statutes is amended to read:

13 79.03 (3) (b) 1. “Aidable revenues” means:

14 a. ~~For a municipality, the average local purpose revenues.~~

15 b. ~~For a county, 85% of the average local purpose revenue.~~

16 **SECTION 16.** 79.03 (3) (b) 3. of the statutes is amended to read:

17 79.03 (3) (b) 3. “Full valuation” means the full value of property that is exempt
18 under s. 70.11 (39) as determined under s. 79.095 (3) plus the full value of all taxable
19 property for the preceding year as equalized for state tax purposes, except that for
20 ~~municipalities the value of real estate assessed under s. 70.995 is excluded. Value~~
21 ~~value~~ increments under s. 66.1105 plus the full value of property that is exempt
22 under s. 70.11 (39) that would otherwise be part of a value increment are ~~included~~
23 ~~for municipalities but~~ excluded for counties. Environmental remediation value
24 increments under s. 66.1106 are included for ~~municipalities and~~ counties that create
25 the environmental remediation tax incremental district and are excluded for ~~units~~

1 of government counties that do not create the district. If property that had been
2 assessed under s. 70.995 and that has a value exceeding 10% of a municipality's value
3 is assessed under s. 70.10, 30% of that property's full value is included in "full
4 valuation" for purposes of the shared revenue payments in the year after the
5 assessment under s. 70.10, 65% of that property's full value is included in "full
6 valuation" for purposes of the shared revenue payments in the year 2 years after the
7 assessment under s. 70.10 and 100% of that property's full value is included in "full
8 valuation" for purposes of subsequent shared revenue payments.

9 **SECTION 17.** 79.03 (3) (b) 4. (intro.) of the statutes is amended to read:

10 79.03 (3) (b) 4. (intro.) "Local purpose revenues" means the sum of payments
11 under s. 79.095, local general purpose taxes, regulation revenues, revenues for
12 services to private parties by a county's or municipality's general operations or
13 enterprises, revenue for sanitation services to private parties, special assessment
14 revenues, and tax base equalization aids and, ~~for municipalities only, a proxy for~~
15 ~~private sewer service costs, a proxy for private solid waste and recycling service costs~~
16 and a proxy for retail charges for fire protection purposes. In this subdivision:

17 **SECTION 18.** 79.03 (3) (b) 4. a. of the statutes is amended to read:

18 79.03 (3) (b) 4. a. "Local general purpose taxes" means the ~~portion of tax~~
19 ~~increments collected for payment to a municipality under s. 66.1105 which is~~
20 ~~attributable to that municipality's own levy,~~ the portion of environmental
21 remediation tax increments collected for payment to a ~~municipality or county~~ under
22 s. 66.1106 that is attributable to that ~~municipality's or county's~~ own levy, general
23 property taxes, excluding taxes for a county children with disabilities education
24 board, collected to finance the general purpose government unit, property taxes
25 collected for sewage and sanitary districts, mobile home fees, the proceeds of county

1 sales and use taxes, and ~~municipal and~~ county vehicle registration fees under s.
2 341.35 (1).

3 SECTION 19. 79.03 (3) (b) 4. b. of the statutes is repealed.

4 SECTION 20. 79.03 (3) (b) 4. bg. of the statutes is repealed.

5 SECTION 21. 79.03 (3) (b) 4. bm. of the statutes is repealed.

6 SECTION 22. 79.03 (3) (b) 4. d. of the statutes is amended to read:

7 79.03 (3) (b) 4. d. "Revenue for sanitation services to private parties" means

8 revenues collected from private parties by a county's ~~or municipality's~~ general

9 operations or enterprises ~~and by sewerage, sanitation or inland lake rehabilitation~~

10 ~~districts as refuse collection fees, sewerage service fees and landfill fees.~~

11 SECTION 23. 79.03 (3) (b) 4. e. of the statutes is amended to read:

12 79.03 (3) (b) 4. e. "Revenues for services to private parties by a county's ~~or~~

13 ~~municipality's~~ general operations or enterprises" means revenues collected from

14 private parties for the following services: general government services consisting of

15 license publication fees, sale of publications, clerk's fees, and treasurer's fees; public

16 safety services, consisting of police or sheriff's department fees, fire department fees,

17 and ambulance fees; inspection services, consisting of building, electrical, heat,

18 plumbing, elevator, and weights and measures; sidewalk replacement or

19 construction fees, storm sewer construction fees, street lighting fees; parking ramps,

20 meters and lot fees; library fines or fees; and museum and zoo users or admission

21 fees.

22 SECTION 24. 79.03 (3) (b) 4. f. of the statutes is amended to read:

23 79.03 (3) (b) 4. f. "Special assessment revenues" means charges assessed

24 against benefited properties for capital improvements by a ~~municipality or~~ county

*plain
except
scored
commas*

1 placed on the current tax roll for collection or collected during the year in advance
2 of being placed on the tax roll.

3 **SECTION 25.** 79.03 (3) (b) 4. h. of the statutes is repealed.

4 **SECTION 26.** 79.03 (3) (b) 5. of the statutes is amended to read:

5 79.03 (3) (b) 5. "Standardized valuation" means the product of the standardized
6 valuation per person times the population of a ~~municipality or a county~~ in the
7 preceding year.

8 **SECTION 27.** 79.03 (3) (b) 6. of the statutes is amended to read:

9 79.03 (3) (b) 6. "Standardized valuation per person" is that number that when
10 used in the computation under par. (a) most nearly approximates the sum of
11 entitlements for all ~~municipalities or for all counties~~ respectively to the funds
12 distributable under par. (a). *to municipalities*

13 **SECTION 28.** 79.03 (4) of the statutes is amended to read:

14 79.03 (4) In 1991, the total amount to be distributed under ss. 79.03, 79.04, and
15 79.06 from s. 20.835 (1) (d) is \$869,000,000. In 1992, the total amount to be
16 distributed under ss. 79.03, 79.04, and 79.06 from s. 20.835 (1) (d) is \$885,961,300.
17 In 1993, the total amount to be distributed under ss. 79.03, 79.04, and 79.06 from s.
18 20.835 (1) (d) is \$903,680,500. In 1994, the total amounts to be distributed under this
19 section and ss. 79.04 and 79.06 from s. 20.835 (1) (d) are \$746,547,500 to
20 municipalities and \$168,981,800 to counties. In Beginning in 1995 and subsequent
21 years ending in 2001, the total amounts to be distributed under ss. 79.03, 79.04, and
22 79.06 from s. 20.835 (1) (d) are \$761,478,000 to municipalities and \$168,981,800 to
23 counties. In 2002 and subsequent years, the total amount to be distributed under
24 ss. 79.04 and 79.065 (2) from s. 20.835 (1) (db) is \$755,478,000, less the amounts
25 distributed under s. 79.065 (3) from s. 20.835 (1) (dd). In 2002 and subsequent years.

No It
In 2003 and subsequent years, the total amount to be distributed to
municipalities under ss. 79.04 and 79.065 (2) from s. 20.835 (1) (db) is the
amount distributed under ss. 79.04 and 79.065 (2) to municipalities in 2002.

1 the total amount to be distributed under ss. 79.03, 79.04, and 79.06 from s. 20.835
2 (1) (d) is \$168,981,800 to counties.

3 SECTION 29. 79.06 (1) of the statutes is amended to read:

4 79.06 (1) MINIMUM PAYMENTS. (b) If the payments to any ~~municipality or county~~
5 under s. 79.03, ~~excluding payments under s. 79.03 (3c)~~, in 1986 or any year thereafter
6 are less than 95% of the combined payments to the ~~municipality or county~~ under this
7 section and s. 79.03, ~~excluding payments under s. 79.03 (3c)~~, for the previous year,
8 the ~~municipality or county~~ has an aids deficiency. The amount of the aids deficiency
9 is the amount by which 95% of the combined payments to the ~~municipality or county~~
10 under this section and s. 79.03, ~~excluding payments under s. 79.03 (3c)~~, in the
11 previous year exceeds the payments to the ~~municipality or county~~ under s. 79.03,
12 ~~excluding payments under s. 79.03 (3c)~~, in the current year.

13 (c) A ~~municipality or county~~ that has an aids deficiency shall receive a payment
14 from the amounts withheld under sub. (2) equal to its proportion of all the aids
15 deficiencies of ~~municipalities or counties~~ respectively for that year.

16 SECTION 30. 79.06 (2) of the statutes is amended to read:

17 79.06 (2) MAXIMUM PAYMENTS. (b) If the payments to a ~~municipality or county~~,
18 except any county in which there are no cities or villages, in any year exceed its
19 combined payments under this section and s. 79.03, ~~excluding payments under s.~~
20 ~~79.03 (3c)~~, in the previous year by more than the maximum allowable increase, the
21 excess shall be withheld to fund minimum payments in that year under sub. (1) (c).

22 (c) In this subsection, "maximum allowable increase" in any year means a
23 percentage such that the sum for all ~~municipalities or counties~~ respectively in that
24 year of the excess of payments under ss. 79.02 and 79.03, ~~excluding payments under~~

1 ~~s. 79.03 (3c)~~, over the payments as limited by the maximum allowable increase is
2 equal to the sum of the aids deficiencies under sub. (1) in that year.

3 SECTION 31. 79.065 of the statutes is created to read:

4 **79.065 Municipal growth sharing. (1) DEFINITIONS.** In this section:

5 (a) "Aidable expenditures" means a municipality's expenditures for general
6 government operations; law enforcement, fire protection, ambulance services, and
7 other public safety services; and health and human services. "Aidable expenditures"
8 does not include a municipality's expenditures for highway maintenance,
9 administration, or construction; road-related facilities or other transportation; solid
10 waste collection and disposal or other sanitation; culture; education; parks and
11 recreation; conservation; or development.

12 (b) "Entitlement" means the product of aidable expenditures and tax base
13 weight.

14 (c) "Full valuation" means the full value of all taxable property of a
15 municipality for the preceding year as equalized for state tax purposes, including the
16 value increments under s. 66.1105, the environmental remediation value increments
17 under s. 66.1106 for municipalities that create the environmental remediation tax
18 incremental district, and the value of real estate assessed under s. 70.995, but
19 excluding the full value of property that is exempt under s. 70.11 (39) as determined
20 under s. 79.095 (3).

21 (d) "Growth-sharing region" means "growth-sharing region" as defined by rule
22 by the department of revenue so that this state is divided into at least 7 but not more
23 than 25 growth-sharing regions.

24 (e) "Sales tax" means the tax imposed under ss. 77.52 and 77.53.

1 (f) "Standardized valuation" means the product of the standardized valuation
2 per person times the population of a municipality in the preceding year.

3 (g) "Standardized valuation per person" is that number that when used in the
4 computation under sub. (2) most nearly approximates the sum of entitlements for all
5 municipalities to the funds distributable under sub. (2).

6 (h) "Tax base weight" means one minus the decimal obtained by dividing the
7 full valuation by the standardized valuation, except that "tax base weight" shall be
8 a decimal of at least 0.0.

9 (2) AIDABLE EXPENDITURES ENTITLEMENTS. (a) Beginning in 2002, the amount
10 in the municipal services aid account for municipalities, less the payments under
11 ~~sub (3) and s. 79.04 (1) and (4) (a),~~ shall be allocated to each municipality in
12 proportion to its entitlement.

13 (b) Annually, the department of revenue shall determine the amount of each
14 municipality's aidable expenditures. For purposes of calculating a municipality's
15 entitlement, the amount of a municipality's aidable expenditures in a year ~~may not~~

16 ~~exceed~~ ^{is} the ~~greater~~ ^{lesser} of the following: *Except for payments made in 2002, a*

17 1. The amount of the municipality's aidable expenditures in the year prior to
18 the year in which the municipality receives the statement under s. 79.015.

19 2. The average of the amount of the municipality's aidable expenditures in
20 1998, 1999, and 2000, increased by the cumulative percentage under s. 79.05 (2) (c)

21 by which the municipality could have increased its budget ~~during 1998, 1999, and~~
22 ~~2000~~ and still be eligible for a payment under s. 79.05, regardless of whether the
23 municipality was eligible for ~~such~~ a payment in ~~1998, 1999, or 2000~~ *under s. 79.05*

24 (3) GROWTH-SHARING REGIONS ENTITLEMENT. (a) ~~A~~ municipality in a
25 growth-sharing region shall receive a payment under par. (b) if the following applies:

Not
The cumulative percentage shall be calculated from 1999
to the year prior to the year of the statement under s. 79.015.

and in 2003 and subsequent years, a municipality in a growth-sharing region

In 2002,

1 The municipality limits the growth in its municipal budget to the increase
2 specified under s. 79.05 (2) (c) for the year of the statement under s. 79.015.

3 2. The municipality enters into an area cooperation compact under sub. (4).

4 (b) ^a A municipality in a growth-sharing region that fulfills the requirements
5 under par. (a) shall receive a payment that is equal to the total amount allocated to
6 the growth-sharing region, as determined under par. (c), multiplied by a fraction the
7 numerator of which is the municipality's population ^{in the growth-sharing region} and the denominator of which
8 is the population ^{in the growth-sharing region} of all the municipalities that are eligible for payments under this
9 subsection that are located in the growth-sharing region. *for the year of the statement under s. 79.015*

10 (c) The total amount allocated to a growth-sharing region shall be equal to the
11 total amount to be distributed under s. 20.835 (1) (dd) multiplied by a fraction the
12 numerator of which is the amount of sales tax collected in the growth-sharing region,
13 as determined by the department of revenue, in the fiscal year prior to the fiscal year
14 in which any municipality receives the statement under s. 79.015 and the
15 denominator of which is the total amount of sales tax collected in this state, as
16 determined by the department of revenue, in the fiscal year prior to the fiscal year
17 in which any municipality receives the statement under s. 79.015.

18 (4) AREA COOPERATION COMPACTS. (a) 1. ^b Beginning in ~~2002~~ ²⁰⁰³ and ending in 2005,
19 to receive payments under sub. (3), a municipality shall enter into an area
20 cooperation compact with at least 2 municipalities or counties, or with any
21 combination of at least 2 such entities, to perform at least 2 of the functions listed
22 in par. (b). *Except as provided in subd. 3,*

23 2. ^b Beginning in 2006 and in each subsequent year, to receive payments under
24 sub. (3), a municipality shall enter into an area cooperation compact with at least 4

Except as provided in subd. 3,

to provide law enforcement and

1

municipalities or counties, or with any combination of at least 4 such entities, to

2

perform at least ⁵ of the ^{other} functions listed in par. (b).

3

(b) An area cooperation compact may involve the following functions:

4

1. Law enforcement.

5

2. Housing.

6

3. Emergency services.

7

4. Fire protection.

8

5. Solid waste collection and disposal.

9

6. Recycling.

10

7. Public health.

11

8. Animal control.

12

10. Transportation.

13

11. Mass transit.

14

12. Land use planning.

15

13. Boundary agreements.

16

14. Libraries.

17

15. Parks and recreation.

18

16. Culture.

19

17. Purchasing.

20

18. Electronic government.

21

(c) An area cooperation compact shall provide a plan for any municipalities or

22

counties that enter into the compact to collaborate to provide any functions under

23

par. (b), as selected under par. (a). The compact shall provide benchmarks to measure

24

the plan's progress and provide outcome-based performance measures to evaluate

25

the plan's success. Municipalities and counties that enter into the compact shall

3. a municipality that is not adjacent to at least 2 other municipalities may enter into a cooperation compact with any adjacent municipality or with the county in which the municipality is located to perform the number and type of functions as specified under subds. 1. or 2., as applicable to the year of the compact.

and shall submit ^{copies} of the report to the chief clerk of each house of the legislature for distribution to the appropriate standing committees under s. 13.172(3) by June 30

1 structure the compact in a way that results in significant tax savings to taxpayers
2 within those municipalities and counties.

3 (d) Annually, beginning in 2002, to receive a payment under sub. (3), a
4 municipality shall certify to the department of revenue, in a manner prescribed by
5 the department, by May 1 *of the year of the statement under s. 79.015* that the municipality complied with pars. (a) to (c) for the
6 year of the statement under s. 79.015.

7 (e) Annually, beginning in 2004, the legislative audit bureau shall prepare a
8 report on the performance of ~~the~~ area cooperation compacts.

9 (5) MINIMUM PAYMENTS. (a) In 2002, if the combined payments to a municipality
10 under subs. (2) and (3) are less than 95% of the combined payments to the
11 municipality under s. 79.06, 1999 stats., and s. 79.03 (3), 1999 stats., excluding
12 payments under s. 79.03 (3c), 1999 stats., for 2001, the municipality has an aids
13 deficiency. The amount of the aids deficiency is the amount by which 95% of the
14 amount of the combined payments to the municipality under s. 79.06, 1999 stats.,
15 and s. 79.03 (3), 1999 stats., excluding payments under s. 79.03 (3c), 1999 stats., for
16 2001 exceeds the payments to the municipality under subs. (2) and (3) in 2002. A
17 municipality that has an aids deficiency under this paragraph shall receive a
18 payment from the amounts withheld under sub. (6) (a) that is equal to its proportion
19 of all the aids deficiencies of municipalities under this paragraph in 2002.

20 (b) Except as provided in par. (c), in 2003 and subsequent years, if the combined
21 payments to a municipality under subs. (2) and (3) are less than 95% of the combined
22 payments to the municipality under *this subsection and* subs. (2) ~~and~~ (3) *and (6)* for the previous year, the
23 municipality has an aids deficiency. The amount of the aids deficiency is the amount
24 by which 95% of the amount of the combined payments to the municipality under

25 subs. (2) ~~and~~ (3) *and (6)* in the previous year exceeds the combined payments to the

this subsection and

1 municipality under subs. (2) and (3) in the current year. A municipality that has an
2 aids deficiency under this paragraph shall receive a payment from the amounts
3 withheld under sub. (6) (b) that is equal to its proportion of all the aids deficiencies
4 of municipalities under this paragraph for the current year.

5 (c) In 2003 and subsequent years, if a municipality receives a payment under
6 sub. (3) in the year following the year of the statement under s. 79.015 but did not
7 receive a payment in the year of the statement, or if a municipality does not receive
8 a payment under sub. (3) in the year following the year of the statement under s.
9 79.015 but received a payment in the year of the statement, the payment under sub.
10 (3) shall be excluded from the calculation for determining the minimum payment
11 under par. (b).

12 (6) ~~AIDABLE EXPENDITURES~~ MAXIMUM PAYMENTS. (a) In 2002, if the combined
13 payments to a municipality under subs. (2) and (3) exceed combined payments to the
14 municipality under s. 79.06, 1999 stats., and s. 79.03 (3), 1999 stats., excluding
15 payments under s. 79.03 (3c), 1999 stats., for 2001 by more than the maximum
16 allowable increase, the excess shall be withheld to fund minimum payments in 2002
17 under sub. (5) (a). In this paragraph, "maximum allowable increase" means a
18 percentage such that the sum for all municipalities of the excess of payments in 2002
19 under subs. (2) and (3) over the payment as limited by the maximum allowable
20 increase is equal to the sum of the aids deficiencies under sub. (5) (a) in 2002.

21 (b) In 2003 and subsequent years, if the combined payments to a municipality
22 under subs. (2) and (3) exceed the combined payments to the municipality under
23 subs. (2) ~~and~~ (3) ^{and (5)} for the previous year by more than the maximum allowable increase,
24 the excess shall be withheld to fund minimum payments in the current year under
25 sub. (5) (b). In this paragraph, "maximum allowable increase" in any year means a

this subsections and

1 percentage such that the sum for all municipalities of the excess of payments in that
 2 year under subs. (2) and (3) over the payment as limited by the maximum allowable
 3 increase is equal to the sum of the aids deficiencies under sub. (5) (b) in that year.

4 **SECTION 9344. Initial applicability; revenue.**

5 (1) GROWTH-SHARING REGION. The treatment of sections 20.835 (1) (d), (db), and
 6 (dd), 25.50 (3) (b), 33.32 (3) (b), 79.01 (1), (5), and (6), 79.015, 79.02 (2) (b) and (3),
 7 79.03 (1), (2), (3) (a), (b) 1., 3., 4. (intro.), a. to bm., d. to f., and h., 5. and 6., and (4),
 8 79.06 (1) and (2), and 79.065 of the statutes first applies to payments made in 2002.

9 (END)

⚡ (c) In 2003 and subsequent years, if a municipality receives a payment under sub. (3) in the year following the year of the statement under s. 79.015 but did not receive a payment in the year of the statement, or if a municipality does not receive a payment under sub. (3) in the year following the year of the statement under s. 79.015 but received a payment in the year of the statement, the payment under sub. (3) shall be excluded from the calculation for determining the maximum payment under par. (b).

INSERT 4-15

Section #. 79.005 (1)[✓] of the statutes is amended to read:

* 79.005 (1) "Municipality" means any town, village or city in this state. If a municipality is located in more than one county, payments under this subchapter shall be computed using data for the municipality as a whole. }
↑

History: 1971 c. 125, 215; 1975 c. 39; 1981 c. 20 s. 1169; 1989 a. 336.

If a municipality is located in more than one growth-sharing region, as defined in s. 79.065(1)(d),[✓] payments under s. 79.065(3)[✓] shall be computed using data for the portion of the municipality that is located in each growth-sharing region.

(INSERT 4-15)

Section #. 79.005 (2)[✓] of the statutes is amended to read:

79.005 (2) "Population" means the number of persons residing in each municipality and county of the state as last determined by the department of administration under s. 16.965

History: 1971 c. 125, 215; 1975 c. 39; 1981 c. 20 s. 1169; 1989 a. 336.

, except that under s. 79.065 (3)(b)[✓], if a municipality is located in more than one growth-sharing region, "population" means the number of persons residing in the portion of the municipality located in each growth-sharing region

end of insert 4-15

INSERT 4-22

Section #. 79.01 (2) of the statutes is amended to read:

79.01 (2) There is established an account in the general fund entitled the ~~"Municipal and County~~ Shared Revenue Account", referred to in this chapter as the "shared revenue account". There shall be appropriated to the shared revenue account the sums specified in ss. 79.03 and 79.04 and 79.06

History: 1971 c. 125; 1973 c. 90; 1973 c. 243 s. 82; 1973 c. 283, 336; 1975 c. 39; 1977 c. 29, 203; 1979 c. 221; 1989 a. 336; 1993 a. 16, 437; 1999 a. 9.

end of insert

Kreye, Joseph

From: Ziegler, Paul
Sent: Friday, January 12, 2001 12:21 PM
To: Kreye, Joseph
Cc: Grinde, Kirsten
Subject: Tie comprehensive plans to area cooperation agreements

Joe --
Please include the following change to the draft to restructure municipal shared revenue: Amend s.66.1001(3) to include the area cooperation compacts as a local government action that must be consistent with comprehensive plans. Please do not hold up the first version of the draft for this. This change can be incorporated in /2.
Thank you.
Paul

Kreye, Joseph

From: Ziegler, Paul
Sent: Thursday, February 01, 2001 3:56 PM
To: Kreye, Joseph
Subject: Municipal shared revenue draft

Joe -- Please make the change indicated in the email below to draft 1744/1.
In addition, please specific that DOR is to determine by rule by September 1st, 2001 the growth sharing regions.
Thank you.

-----Original Message-----

From: Ziegler, Paul
Sent: Wednesday, January 24, 2001 12:22 PM
To: Kreye, Joseph
Subject: Population numbers used in draft 1744

Joe -- While I don't want to delay receiving the revisions of the shared revenue restructuring draft that we discussed yesterday, I have identified one more minor change to make as follows:

On page 13 lines 7 and 8, add the word "current" before the word "population".

This change is intended to keep the growth sharing calculation similar to the current law per capita calculation in terms of what year's population estimates are used. (See s.79.03(2)(b) for current use of "current" population.)

If it causes a delay, let's wait on adding this until I have reviewed the draft reflecting yesterday's changes.
Thank you.

P1