February 13, 2004 – Introduced by Senators M. Meyer, A. Lasee and Erpenbach, cosponsored by Representatives Huebsch, Shilling, Gottlieb, LeMahieu, Staskunas, Townsend, Hines, Turner, Berceau, Vrakas, Bies, McCormick and Ott. Referred to Committee on Homeland Security, Veterans and Military Affairs and Government Reform.

- 1 AN ACT *to amend* 66.0305 (title), 66.0305 (1), 66.0305 (2), 66.0305 (3), 66.0305
- 2 (4) (a) 4., 66.0305 (5) and 66.0305 (6) of the statutes; **relating to:** authorizing
- a county to participate in a municipal revenue sharing agreement.

Analysis by the Legislative Reference Bureau

Under current law, cities, villages, and towns (municipalities) may enter into agreements to share revenues from taxes and special charges with other municipalities and with federally recognized American Indian tribes or bands. No municipality may enter into an agreement with one or more municipalities unless the municipality is contiguous to at least one other municipality that enters into the agreement.

A municipal revenue sharing agreement must meet a number of conditions. It must:

- 1. Be for a minimum term of ten years.
- 2. Describe the boundaries of the area within which the revenues are to be shared in the agreement.
- 3. Describe the formula or other means of determining the amount of revenues to be shared under the agreement.
- 4. Specify the date or dates upon which revenues agreed to be shared are to be paid to the appropriate municipality.
- 5. Specify how the agreement may be invalidated after the expiration of the minimum ten-year term.

An agreement under current law may address any other necessary and proper matters, including any agreements with respect to services or agreements with

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respect to municipal boundaries. Current law also requires that at least 30 days before entering into an agreement the participating municipality must hold a public hearing on the proposed agreement (public hearing notice requirements are specified). In addition, current law provides that an advisory referendum on a proposed agreement may be called either by the governing body of the participating municipality or by the qualified electors of a participating municipality. In the latter case, a petition, signed by a number of qualified electors equal to at least ten percent of the votes cast for governor in a municipality at the last gubernatorial election must be timely filed. Time limits and notice requirements are provided for the advisory referendum.

This bill modifies current law by authorizing a county to enter into a revenue sharing agreement with another county or a municipality or federally recognized American Indian tribe or band.

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:

Section 1. 66.0305 (title) of the statutes is amended to read:

66.0305 (title) Municipal Political subdivision revenue sharing.

SECTION 2. 66.0305 (1) of the statutes is amended to read:

66.0305 **(1)** DEFINITION. In this section, "municipality" "political subdivision" means a city, village or, town, or county.

SECTION 3. 66.0305 (2) of the statutes is amended to read:

66.0305 (2) Municipal Political subdivision revenue sharing agreement. Subject to the requirements of this section, any 2 or more municipalities political subdivisions may, by a majority vote of a quorum of their governing bodies, enter into an agreement to share all or a specified part of revenues derived from taxes and special charges, as defined in s. 74.01 (4). One or more municipalities political subdivisions may enter into agreements under this section with federally recognized American Indian tribes or bands.

SECTION 4. 66.0305 (3) of the statutes is amended to read:

66.0305 (3) Public Hearing. At least 30 days before entering into an agreement under sub. (2), a municipality political subdivision shall hold a public hearing on the proposed agreement. Notice of the hearing shall be published as a class 3 notice under ch. 985.

SECTION 5. 66.0305 (4) (a) 4. of the statutes is amended to read:

66.0305 **(4)** (a) 4. The date upon which revenues agreed to be shared under the agreement shall be paid to the appropriate <u>municipality political subdivision</u> shall be specified.

SECTION 6. 66.0305 (5) of the statutes is amended to read:

66.0305 **(5)** Contiguous boundaries. No municipality political subdivision may enter into an agreement under sub. (2) with one or more municipalities political subdivisions unless the municipality political subdivision is contiguous to at least one other municipality political subdivision that enters into the agreement.

SECTION 7. 66.0305 (6) of the statutes is amended to read:

66.0305 (6) Advisory referendum. (a) Within 30 days after the hearing under sub. (3), the governing body of a participating municipality political subdivision may adopt a resolution calling for an advisory referendum on the agreement. An advisory referendum shall be held if, within 30 days after the hearing under sub. (3), a petition, signed by a number of qualified electors equal to at least 10% of the votes cast for governor in the municipality political subdivision at the last gubernatorial election, is filed with the clerk of a participating municipality political subdivision, requesting an advisory referendum on the revenue sharing plan. The petition shall conform to the requirements of s. 8.40 and shall be filed as provided in s. 8.37. If an advisory referendum is held, the municipality's political subdivision's governing

body may not vote to approve the agreement under sub. (2) until the report under par. (d) is filed.

- (b) The advisory referendum shall be held not less than 42 days nor more than 72 days after adoption of the resolution under par. (a) calling for the referendum or not less than 42 days nor more than 72 days after receipt of the petition under par. (a) by the municipal <u>or county</u> clerk. The municipal <u>or county</u> clerk shall give notice of the referendum by publishing a notice in a newspaper of general circulation in the <u>municipality political subdivision</u>, both on the publication day next preceding the advisory referendum election and one week prior to that publication date.
- (c) The advisory referendum shall be conducted by the municipality political subdivision's election officials. The governing body of the municipality political subdivision may specify the number of election officials for the referendum. The ballots shall contain the words "For the revenue sharing agreement" and "Against the revenue sharing agreement" and shall otherwise conform to the provisions of s. 5.64 (2). The election shall be conducted as are other municipal or county elections in accordance with chs. 6 and 7, insofar as applicable.
- (d) The election inspectors shall report the results of the election, showing the total number of votes cast and the numbers cast for and against the revenue sharing. The election inspectors shall attach their affidavit to the report and immediately file the report in the office of the municipal <u>or county</u> clerk.
- (e) The costs of the advisory referendum election shall be borne by the municipality political subdivision that holds the election.