

2007 DRAFTING REQUEST

Bill

Received: **01/11/2007**

Received By: **jkreye**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Hatch**

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

Drafter: **jkreye**

May Contact:

Addl. Drafters:

Subject: **Shared Revenue**

Extra Copies:

Submit via email: **NO**

Pre Topic:

DOA:.....Hatch, BB0333 -

Topic:

Municipal and county levy restraint incentive and bonus program

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 01/11/2007	jdyer 01/12/2007		_____			S&L
/1	chanaman 02/05/2007	jdyer 02/05/2007	pgreensl 01/12/2007	_____	sbasford 01/12/2007		S&L
/2			rschluet 02/05/2007	_____	sbasford 02/05/2007		

FE Sent For:

<END>

2007 DRAFTING REQUEST

Bill

Received: 01/11/2007

Received By: jkreya

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By/Representing: Hatch

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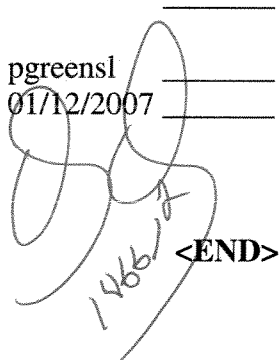
Instructions:

See Attached

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/?	jkreya 01/11/2007	jdyaer 01/12/2007		_____			S&L
/1		1/2 3/5 jld	pgreensl 01/12/2007	_____	sbasford 01/12/2007		

FE Sent For:

1466/17


<END>

2007 DRAFTING REQUEST

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/?	jkreye	1/11 jld	1/12 p8	1/12 p8	MM		

FE Sent For:

<END>

1466/1

2007-09 Budget Bill Statutory Language Drafting Request

- Topic: Levy Restraint Program
- Tracking Code: BB0333
- SBO team: Tax and Local Government
- SBO analyst: Nikki Hatch
 - Phone: 266-1923
 - Email: nikki.hatch@wisconsin.gov
- Agency acronym: SR
- Agency number: 835
- Priority (Low, Medium, High): High

- This is a re-introduction from last budget's Expenditure Restraint Program.

Here's the public narrative that's going forward:

The Governor recommends expanding the expenditure restraint program to include counties and restructuring the program to focus on limiting property taxes rather than expenditures. For qualifying municipalities (with mill rates above five) and for all counties, the Governor recommends rewarding localities if they limit property tax increases to no more than 85 percent of the sum of inflation plus a growth factor based on new construction. The Governor further recommends that bonus payments be provided to municipalities and counties that increase their levies by less than the maximum allowed. Local governments will need to limit levy increases beginning with December 2007 tax bills to be eligible for the new payments beginning in 2009.

LPS - request sheet
fixed

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keep

HATCH

0333

and county

DOA:.....Ziegler, BB0305 - Municipal levy restraint incentive and bonus program

FOR 2005-07 BUDGET -- NOT READY FOR INTRODUCTION

2007-09

LPS-
PWF
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in 1-11-07

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don't gen

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

Analysis by the Legislative Reference Bureau

LOCAL GOVERNMENT ✓

Under current law, the Expenditure Restraint Program provides an annual state aid payment to any municipality that has a property tax rate greater than five mills and that limits the growth of its municipal budget according to a formula based, generally, on 60 percent of the percentage change in the equalized assessed value of new construction located in the municipality and on the rate of inflation.

This bill eliminates the Expenditure Restraint Program and replaces it with the Municipal Levy Restraint Program. The Municipal Levy Restraint Program provides annual state aid payments, beginning in 2007, to any municipality that has a property tax rate greater than five mills and that limits its property tax levy to an amount that is no greater than the maximum allowable levy according to a formula that is based, generally, on 60 percent of the percentage change in the equalized assessed value of new construction located in the region in which the municipality is located and on the rate of inflation. For purposes of determining the eligibility for and the amount of the payments under the program, each municipality is assigned to a region based on the county in which the municipality is located and each region consists of several counties.

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✓
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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) (c) of the statutes is amended to read:

2 20.835 (1) (c) *Expenditure restraint program account*. A sum sufficient to make
3 the payments under s. 79.05. No moneys may be encumbered or expended from this
4 appropriation after December 31, 2006. 2008 ✓

5 SECTION 2. 20.835 (1) (cb) of the statutes is created to read:

6 20.835 (1) (cb) *Municipal levy restraint payment account*. Beginning in 2007 ✓
7 a sum sufficient to make the payments to municipalities under s. 79.051 (4) (a). 2009 ✓

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

8 SECTION 3. 20.835 (1) (cd) of the statutes is created to read:

9 20.835 (1) (cd) *Municipal levy restraint bonus payment account*. Beginning in 2009 ✓
10 a sum sufficient to make the payments to municipalities under s. 79.051 (4) (b). 2007 ✓

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

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11 SECTION 4. 79.01 (1) of the statutes is amended to read:

12 79.01 (1) There is established an account in the general fund entitled the
13 "Expenditure Restraint Program Account." There shall be appropriated to that
14 account \$25,000,000 in 1991, in 1992, and in 1993; \$42,000,000 in 1994; \$48,000,000
15 in each year beginning in 1995 and ending in 1999; \$57,000,000 in the year 2000 and
16 in the year 2001; \$57,570,000 in 2002; and \$58,145,700 in 2003 and in each year
17 thereafter, ending in 2006. 2008 ✓

18 SECTION 5. 79.01 (5b) of the statutes is created to read:

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INJECT
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79.01 (5b) There is established an account in the general fund entitled the "Municipal Levy Restraint Payment Account." There shall be appropriated to that account \$58,145,700 in 2007 and in each year thereafter.

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

79.01 (6b) There is established an account in the general fund entitled the "Municipal Levy Restraint Bonus Payment Account." There shall be appropriated to that account \$10,000,000 in 2007 and in each year thereafter.

SECTION 7. 79.05 (7) of the statutes is created to read:

79.05 (7) Beginning in 2007, no municipality may receive a payment under this section.

SECTION 8. 79.051 of the statutes is created to read:

79.051 Municipal levy restraint program. (1) DEFINITIONS. In this section:

(a) "Debt service" includes debt service on debt issued or reissued to fund or refund outstanding municipal obligations, interest on outstanding municipal obligations, and related issuance costs and redemption premiums.

(b) "Inflation factor" means a percentage equal to the average annual percentage change in the U.S. consumer price index for all urban consumers, U.S. city average, as determined by the U.S. department of labor, for the 12 months ending on June 30 of the year before the statement under s. 79.015.

(c) "Maximum allowable levy" means the municipal tax levy for the year before the statement under s. 79.015, as adjusted under sub. (5), multiplied by the sum of one plus 85 percent of the inflation factor and 85 percent of the valuation factor, rounded to the nearest 0.01 percent.

(d) "Municipal tax levy" means the amounts reported as the total taxes levied for each town, village, or city on the statement of taxes filed with the department of

1 revenue under s. 73.10, [✓] not including the incremental levy for municipal tax
2 incremental financing districts and the incremental levy for county environmental
3 tax financing districts.

4 ^e (4) "Municipal tax rate" means the municipal tax levy divided by the taxable
5 value.

6 ² (e) "Region" means any of the following areas to which a municipality is
7 assigned, for purposes of determining the eligibility for and the amount of the
8 payments under this subsection, according to the county in which the municipality
9 is located, except that if the municipality is located in more than one county, the
10 municipality is considered, for purposes of determining the eligibility for and the
11 amount of the payments under this subsection, to be located in the county that has
12 the greater taxable value:

13 1. Region 1, consisting of the counties of Brown, Door, Florence, Kewaunee,
14 Manitowoc, Marinette, Oconto, and Sheboygan.

15 2. Region 2, consisting of the counties of Calumet, Fond du Lac, Green Lake,
16 Marquette, Menominee, Outagamie, Shawano, Waupaca, Waushara, and
17 Winnebago.

18 3. Region 3, consisting of the counties of Buffalo, Crawford, Jackson, La Crosse,
19 Monroe, Pepin, Pierce, Trempealeau, and Vernon.

20 4. Region 4, consisting of the counties of Adams, Forest, Juneau, Langlade,
21 Lincoln, Marathon, Oneida, Portage, Vilas, and Wood.

22 5. Region 5, consisting of the counties of Ashland, Bayfield, Burnett, Douglas,
23 Iron, Price, Rusk, Sawyer, Taylor, and Washburn.

24 6. Region 6, consisting of the counties of Columbia, Dane, Dodge, Jefferson,
25 Rock, and Sauk.

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7. Region 7, consisting of the counties of Kenosha, Milwaukee, Ozaukee, Racine, Walworth, Washington, and Waukesha.

8. Region 8, consisting of the counties of Grant, Green, Iowa, Lafayette, and Richland.

9. Region 9, consisting of the counties of Barron, Chippewa, Clark, Dunn, Eau Claire, Polk, and St. Croix.

(f) "Taxable value" means for a municipality the equalized assessed value of all property located in the municipality, as determined under s. 70.57, excluding the value of any tax increments under s. 66.1105 ~~and for a county, the equalized assessed value of all property located in the county, as determined under s. 70.57 excluding the value of any tax increments under s. 66.1105.~~

(g) "Valuation factor" means a percentage equal to 60 percent of the percentage change in the ~~region's~~ ^{municipality's} equalized value under s. 70.57 due to new construction less improvements removed between the year before the statement under s. 79.015 and the previous year, but not less than zero nor greater than 2.

(2) ELIGIBILITY. A municipality is eligible to receive a payment under sub. (4) if it fulfills all of the following requirements:

(a) The municipality's municipal tax rate for the year before the statement under s. 79.015 is greater than 5 mills.

(b) The municipality's municipal tax levy for the year of the statement under s. 79.015 is no greater than the municipality's maximum allowable levy.

(3) CONSUMER PRICE INDEX. Annually, on August 1, the department of revenue shall certify to the joint committee on finance the appropriate percentage change in the consumer price index that is to be used to determine the inflation factor.

1 (4) PAYMENTS. (a) Beginning in 2007, each municipality that is eligible under
2 sub. (2) shall receive a payment calculated by the department of revenue as follows:

3 1. Subtract 5 mills from the municipality's municipal tax rate.

4 2. Multiply the amount determined under subd. 1. by the municipality's
5 taxable value.

6 3. Divide the amount determined under subd. 2. by the total of the amounts
7 under subd. 2. for all municipalities that are eligible for a payment under sub. (2).

8 4. Multiply the amount determined under subd. 3. by \$58,145,700.

9 (b) Each municipality that is eligible under sub. (2) shall receive an additional
10 payment calculated by the department of revenue as follows:

11 1. Subtract the municipal tax levy, as determined under par. (a) 1., from the
12 municipality's maximum allowable levy.

13 2. Divide the amount determined under subd. 1. by the total of the amounts
14 under subd. 1. for all municipalities that are eligible for a payment under sub. (2).

15 3. Multiply the amount determined under subd. 2. by \$10,000,000.

16 (5) ADJUSTMENTS. For purposes of determining eligibility for and the amount
17 of the payments under this section:

18 (a) If a municipality transfers to another governmental unit responsibility for
19 providing any service that the municipality provided in the preceding year, its
20 municipal tax levy for the preceding year shall be decreased to reflect the amount
21 that the municipality levied to provide that service, as determined by the department
22 of revenue.

23 (b) If a municipality increases the services that it provides by adding
24 responsibility for providing a service transferred to it from another governmental

1 unit in any year, its municipal tax levy for the preceding year shall be increased to
2 reflect the cost of that service, as determined by the department of revenue.

3 (c) If in any year a municipality's distribution under s. 79.043 (5) [✓] is less than
4 the municipality's distribution under s. 79.043 (5) [✓] in the previous year, the
5 municipality's maximum allowable levy shall be increased to reflect the reduction in
6 the distribution.

7 (d) The maximum allowable levy otherwise applicable under this [✓] section does
8 not apply to amounts levied by a municipality for the payment of any general
9 obligation debt service, including debt service on debt issued or reissued to fund or
10 refund outstanding obligations of the municipality, interest on outstanding
11 obligations of the political subdivision, or the payment of related issuance costs or
12 redemption premiums, secured by the full faith and credit of the municipality.

13

(END)

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7-12 ✓

d-note

STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU

LRB

Research (608-266-0341)

Library (608-266-7040)

Legal (608-266-3561)

LRB

D-N

1466/1du

JK: jld

Please review this draft carefully to ensure that it is consistent with your intent. This draft is based on budget drafts from 2005, LRB-1229 and

LRB-1231.

JK

DOA:.....Ziegler, BB0306 - County levy restraint incentive and bonus program

FOR 2005-07 BUDGET -- NOT READY FOR INTRODUCTION

INSERT A

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

Analysis by the Legislative Reference Bureau

LOCAL GOVERNMENT

Under current law, the Expenditure Restraint Program provides an annual state aid payment to any municipality that has a property tax rate greater than five mills and that limits the growth of its municipal budget according to a formula based, generally, on 60 percent of the percentage change in the equalized assessed value of new construction located in the municipality and on the rate of inflation.

This bill creates the County Levy Restraint Program, which provides annual state aid payments, beginning in 2007, to any county that limits its property tax levy to an amount that is no greater than the maximum allowable levy according to a formula that is based, generally, on 60 percent of the percentage change in the equalized assessed value of new construction located in the county and on the rate of inflation. *

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:

INSERT 2-10

2009

1

SECTION 1. 20.835 (1) (cf) of the statutes is created to read:

2

20.835 (1) (cf) County levy restraint payment account. Beginning in 2007, a

3

sum sufficient to make the payments to counties under s. 79.052 (4) (a).

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

4

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

5

20.835 (1) (cg) County levy restraint bonus payment account. Beginning in

6

2007, a sum sufficient to make the payments to counties under s. 79.052 (4) (b).

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

(end ins 2-10)

7

SECTION 3. 79.01 (5) of the statutes is created to read:

8

79.01 (5) There is established an account in the general fund entitled the

9

"County Levy Restraint Payment Account." There shall be appropriated to that

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account \$25,000,000 in 2007 and in each year thereafter.

(end ins 2-17)

INSERT 2-17

11

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

12

79.01 (6) There is established an account in the general fund entitled the

13

"County Levy Restraint Bonus Payment Account." There shall be appropriated to

14

that account \$10,000,000 in 2007 and in each year thereafter.

(end ins 3-3)

INSERT 3-3

15

SECTION 5. 79.015 of the statutes is amended to read:

16

79.015 Statement of estimated payments. The department of revenue, on

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or before September 15 of each year, shall provide to each municipality and county

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a statement of estimated payments to be made in the next calendar year to the

19

municipality or county under ss. 79.03, 79.035, 79.04, 79.05, 79.051, 79.052, 79.058,

20

and 79.06.

***NOTE: This is reconciled s. 79.015. This SECTION has been affected by LRB-1231/4 and LRB-1229/3.

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SECTION 6. 79.02 (2) (b) of the statutes is amended to read:

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79.02 (2) (b) Subject to ss. 59.605 (4) and 70.995 (14) (b), payments in July shall equal 15% of the municipality's or county's estimated payments under ss. 79.03, 79.035, 79.04, 79.058, and 79.06 and 100% of the municipality's or county's estimated payments under s. ss. 79.05, 79.051, and 79.052. ✓

part of limit 3-7

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~~NOTE: This is reconciled s. 79.02 (2) (b). This SECTION has been affected by LRB-1231/4 and LRB-1229/3.~~

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SECTION 7. 79.052^x of the statutes is created to read:

79.052 County levy restraint program. (1) DEFINITIONS. ✓ In this section: ✓

(a) "County tax levy" means the sum for all municipalities in the county of the amounts reported as total county taxes levied on the statement of taxes filed with the department of revenue under s. 73.10, ✓ not including any taxes levied under s. 115.817[✓] (9).

(b) "County tax rate" ✓ means the county tax levy divided by the equalized assessed value of all property located in the county, as determined under s. 70.57, ✓ excluding the value of any tax increments under s. 66.1105. ✓

(bm) "Debt service" ✓ includes debt service on debt issued or reissued to fund or refund outstanding county obligations, interest on outstanding county obligations, and related issuance costs and redemption premiums. ✓

(c) "Inflation factor" ✓ means a percentage equal to the average annual percentage change in the U.S. consumer price index for all urban consumers, U.S. city average, as determined by the U.S. department of labor, for the ✓ 12 months ending on June 30 of the year before the statement under s. 79.015. ✓

(d) "Maximum allowable levy" means the county tax levy for the year before the statement under s. 79.015, ✓ as adjusted under sub. (5), ✓ multiplied by the sum of one



*Insert 7-12
CDTT*

1 plus 85[✓] percent of the inflation factor and 85 percent of the valuation factor, rounded
2 to the nearest 0.01[✓] percent.

3 (e) "Valuation factor"[✓] means a percentage equal to 60 percent of the percentage
4 change in the county's equalized value under s. 70.57[✓] due to new construction less
5 improvements removed between the year before the statement under s. 79.015 and
6 the previous year, but not less than zero nor greater than 2.[✓]

7 (2)[✓] ELIGIBILITY. A county is eligible to receive a payment under sub. (4)[✓] if the
8 county's county tax levy for the year of the statement under s. 79.015[✓] is no greater
9 than the county's maximum allowable levy.

10 (3)[✓] CONSUMER PRICE INDEX. Annually, on August 1, the department of revenue
11 shall certify to the joint committee on finance the appropriate percentage change in
12 the consumer price index that is to be used to determine the inflation factor.

13 (4) PAYMENTS.[✓] (a) Beginning in ~~2007~~²⁰⁰⁹, each county that is eligible under sub.
14 (2)[✓] shall receive a payment calculated by the department of revenue as follows:

- 15 1. Determine the county tax levy for the county.
- 16 2. Divide the amount determined under subd. 1.[✓] by the total of the amounts
17 under subd. 1.[✓] for all counties that are eligible for a payment under sub. (2).[✓]
- 18 3. Multiply the amount determined under subd. 2.[✓] by \$25,000,000.[✓]

19 (b) Beginning in ~~2007~~²⁰⁰⁹, each county that is eligible under sub. (2)[✓] shall receive
20 an additional payment calculated by the department of revenue as follows:

- 21 1. Subtract the county tax levy, as determined under par. (a) 1.[✓] from the
22 county's maximum allowable levy.
- 23 2. Divide the amount determined under subd. 1.[✓] by the total of the amounts
24 under subd. 1.[✓] for all counties that are eligible for a payment under sub. (2).[✓]
- 25 3. Multiply the amount determined under subd. 2.[✓] by \$10,000,000.[✓]



INSERT
7-12
CONT

1 (5) ADJUSTMENTS. For purposes of determining eligibility for and the amount
2 of the payments under this section:

3 (a) If a county transfers to another governmental unit responsibility for
4 providing any service that the county provided in the preceding year, its county tax
5 levy for the preceding year shall be decreased to reflect the amount that the county
6 levied to provide that service, as determined by the department of revenue.

7 (b) If a county increases the services that it provides by adding responsibility
8 for providing a service transferred to it from another governmental unit in any year,
9 its county tax levy for the preceding year shall be increased to reflect the cost of that
10 service, as determined by the department of revenue.

11 (c) If in any year a county's distribution under s. 79.043 (5) is less than the
12 county's distribution under s. 79.043 (5) in the previous year, the county's maximum
13 allowable levy shall be increased to reflect the reduction in the distribution.

14 (d) The maximum allowable levy otherwise applicable under this section does
15 not apply to amounts levied by a county for the payment of any general obligation
16 debt service, including debt service on debt issued or reissued to fund or refund
17 outstanding obligations of the county, interest on outstanding obligations of the
18 county, or the payment of related issuance costs or redemption premiums, secured
19 by the full faith and credit of the county.

20

(END)

end of 7-12

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1466/1dn
JK:jld:pg

January 12, 2007

Please review this draft carefully to ensure that it is consistent with your intent. This draft is based on budget drafts from 2005, LRB-1229 and LRB-1231.

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

Kreye, Joseph

From: Hatch, Nikki - DOA
Sent: Saturday, February 03, 2007 3:09 PM
To: Greenslet, Patty; Kreye, Joseph
Subject: RE: LRB Draft: 07-1466/1 Municipal and county levy restraint incentive and bonus program
Importance: High

Joe,
Owing to some last minute decisions, please make the following adjustments to this bill:

- Reduce the county levy restraint amount from \$25 million to \$15 million (page 3, line 10)
- Reduce the county bonus payment from \$10 million to \$5 million (page 3, line 22)

Thank you,
Nikki

From: Greenslet, Patty [mailto:Patty.Greenslet@legis.wisconsin.gov]
Sent: Friday, January 12, 2007 1:02 PM
To: Hatch, Nikki - DOA
Cc: Koskinen, John - DOA; Hanaman, Cathlene - LEGIS; Palchik, Laurie A - DOA
Subject: LRB Draft: 07-1466/1 Municipal and county levy restraint incentive and bonus program

Following is the PDF version of draft 07-1466/1.



State of Wisconsin
2007 - 2008 LEGISLATURE

LRB-1466/1

JK:jld:pg

RM:mtk

DOA:.....Hatch, BB0333 - Municipal and county levy restraint incentive and bonus program

FOR 2007-09 BUDGET -- NOT READY FOR INTRODUCTION

in 2-5-07

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

Analysis by the Legislative Reference Bureau

LOCAL GOVERNMENT

Under current law, the Expenditure Restraint Program provides an annual state aid payment to any municipality that has a property tax rate greater than five mills and that limits the growth of its municipal budget according to a formula based, generally, on 60 percent of the percentage change in the equalized assessed value of new construction located in the municipality and on the rate of inflation.

This bill eliminates the Expenditure Restraint Program and replaces it with the Municipal Levy Restraint Program. The Municipal Levy Restraint Program provides annual state aid payments, beginning in 2009, to any municipality that has a property tax rate greater than five mills and that limits its property tax levy to an amount that is no greater than the maximum allowable levy according to a formula that is based, generally, on 60 percent of the percentage change in the equalized assessed value of new construction located in the region in which the municipality is located and on the rate of inflation.

This bill creates the County Levy Restraint Program, which provides annual state aid payments, beginning in 2009, to any county that limits its property tax levy to an amount that is no greater than the maximum allowable levy according to a formula that is based, generally, on 60 percent of the percentage change in the equalized assessed value of new construction located in the county and on the rate of inflation.

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) (c) of the statutes is amended to read:

2 20.835 (1) (c) *Expenditure restraint program account.* A sum sufficient to make
3 the payments under s. 79.05. No moneys may be encumbered or expended from this
4 appropriation after December 31, 2008.

5 **SECTION 2.** 20.835 (1) (cb) of the statutes is created to read:

6 20.835 (1) (cb) *Municipal levy restraint payment account.* Beginning in 2009,
7 a sum sufficient to make the payments to municipalities under s. 79.051 (4) (a).

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

8 **SECTION 3.** 20.835 (1) (cd) of the statutes is created to read:

9 20.835 (1) (cd) *Municipal levy restraint bonus payment account.* Beginning in
10 2009, a sum sufficient to make the payments to municipalities under s. 79.051 (4) (b).

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

11 **SECTION 4.** 20.835 (1) (cf) of the statutes is created to read:

12 20.835 (1) (cf) *County levy restraint payment account.* Beginning in 2009, a
13 sum sufficient to make the payments to counties under s. 79.052 (4) (a).

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

14 **SECTION 5.** 20.835 (1) (cg) of the statutes is created to read:

15 20.835 (1) (cg) *County levy restraint bonus payment account.* Beginning in
16 2009, a sum sufficient to make the payments to counties under s. 79.052 (4) (b).

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

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

1 79.01 (1) There is established an account in the general fund entitled the
2 “Expenditure Restraint Program Account.” There shall be appropriated to that
3 account \$25,000,000 in 1991, in 1992, and in 1993; \$42,000,000 in 1994; \$48,000,000
4 in each year beginning in 1995 and ending in 1999; \$57,000,000 in the year 2000 and
5 in the year 2001; \$57,570,000 in 2002; and \$58,145,700 in 2003 and in each year
6 thereafter, ending in 2008.

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

8 79.01 (5) There is established an account in the general fund entitled the
9 “County Levy Restraint Payment Account.” There shall be appropriated to that
10 account ~~\$25,000,000~~ in 2009 and in each year thereafter. \$15,000,000 ✓

11 **SECTION 8.** 79.01 (5b) of the statutes is created to read:

12 79.01 (5b) There is established an account in the general fund entitled the
13 “Municipal Levy Restraint Payment Account.” There shall be appropriated to that
14 account \$58,145,700 in 2009 and in each year thereafter.

15 **SECTION 9.** 79.01 (6) of the statutes is created to read:

16 79.01 (6) There is established an account in the general fund entitled the
17 “County Levy Restraint Bonus Payment Account.” There shall be appropriated to
18 that account \$10,000,000 in 2009 and in each year thereafter.

19 **SECTION 10.** 79.01 (6b) of the statutes is created to read:

20 79.01 (6b) There is established an account in the general fund entitled the
21 “Municipal Levy Restraint Bonus Payment Account.” There shall be appropriated
22 to that account ~~\$10,000,000~~ in 2009 and in each year thereafter. \$5,000,000 ✓

23 **SECTION 11.** 79.015 of the statutes is amended to read:

24 **79.015 Statement of estimated payments.** The department of revenue, on
25 or before September 15 of each year, shall provide to each municipality and county

1 a statement of estimated payments to be made in the next calendar year to the
2 municipality or county under ss. 79.03, 79.035, 79.04, 79.05, 79.051, 79.052, 79.058,
3 and 79.06.

4 **SECTION 12.** 79.02 (2) (b) of the statutes is amended to read:

5 79.02 (2) (b) Subject to ss. 59.605 (4) and 70.995 (14) (b), payments in July shall
6 equal 15% of the municipality's or county's estimated payments under ss. 79.03,
7 79.035, 79.04, 79.058, and 79.06 and 100% of the municipality's or county's estimated
8 payments under s. ss. 79.05, 79.051, and 79.052.

9 **SECTION 13.** 79.05 (7) of the statutes is created to read:

10 79.05 (7) Beginning in 2009, no municipality may receive a payment under this
11 section.

12 **SECTION 14.** 79.051 of the statutes is created to read:

13 **79.051 Municipal levy restraint program. (1) DEFINITIONS.** In this section:

14 (a) "Debt service" includes debt service on debt issued or reissued to fund or
15 refund outstanding municipal obligations, interest on outstanding municipal
16 obligations, and related issuance costs and redemption premiums.

17 (b) "Inflation factor" means a percentage equal to the average annual
18 percentage change in the U.S. consumer price index for all urban consumers, U.S.
19 city average, as determined by the U.S. department of labor, for the 12 months
20 ending on June 30 of the year before the statement under s. 79.015.

21 (c) "Maximum allowable levy" means the municipal tax levy for the year before
22 the statement under s. 79.015, as adjusted under sub. (5), multiplied by the sum of
23 one plus 85 percent of the inflation factor and 85 percent of the valuation factor,
24 rounded to the nearest 0.01 percent.

1 (d) "Municipal tax levy" means the amounts reported as the total taxes levied
2 for each town, village, or city on the statement of taxes filed with the department of
3 revenue under s. 73.10, not including the incremental levy for municipal tax
4 incremental financing districts and the incremental levy for county environmental
5 tax financing districts.

6 (e) "Municipal tax rate" means the municipal tax levy divided by the taxable
7 value.

8 (f) "Taxable value" means the equalized assessed value of all property located
9 in the municipality, as determined under s. 70.57, excluding the value of any tax
10 increments under s. 66.1105.

11 (g) "Valuation factor" means a percentage equal to 60 percent of the percentage
12 change in the municipality's equalized value under s. 70.57 due to new construction
13 less improvements removed between the year before the statement under s. 79.015
14 and the previous year, but not less than zero nor greater than 2.

15 **(2) ELIGIBILITY.** A municipality is eligible to receive a payment under sub. (4)
16 if it fulfills all of the following requirements:

17 (a) The municipality's municipal tax rate for the year before the statement
18 under s. 79.015 is greater than 5 mills.

19 (b) The municipality's municipal tax levy for the year of the statement under
20 s. 79.015 is no greater than the municipality's maximum allowable levy.

21 **(3) CONSUMER PRICE INDEX.** Annually, on August 1, the department of revenue
22 shall certify to the joint committee on finance the appropriate percentage change in
23 the consumer price index that is to be used to determine the inflation factor.

24 **(4) PAYMENTS.** (a) Beginning in 2009, each municipality that is eligible under
25 sub. (2) shall receive a payment calculated by the department of revenue as follows:

1 1. Subtract 5 mills from the municipality's municipal tax rate.

2 2. Multiply the amount determined under subd. 1. by the municipality's
3 taxable value.

4 3. Divide the amount determined under subd. 2. by the total of the amounts
5 under subd. 2. for all municipalities that are eligible for a payment under sub. (2).

6 4. Multiply the amount determined under subd. 3. by \$58,145,700.

7 (b) Each municipality that is eligible under sub. (2) shall receive an additional
8 payment calculated by the department of revenue as follows:

9 1. Subtract the municipal tax levy, as determined under par. (a) 1., from the
10 municipality's maximum allowable levy.

11 2. Divide the amount determined under subd. 1. by the total of the amounts
12 under subd. 1. for all municipalities that are eligible for a payment under sub. (2).

13 3. Multiply the amount determined under subd. 2. by \$10,000,000.

14 **(5) ADJUSTMENTS.** For purposes of determining eligibility for and the amount
15 of the payments under this section:

16 (a) If a municipality transfers to another governmental unit responsibility for
17 providing any service that the municipality provided in the preceding year, its
18 municipal tax levy for the preceding year shall be decreased to reflect the amount
19 that the municipality levied to provide that service, as determined by the department
20 of revenue.

21 (b) If a municipality increases the services that it provides by adding
22 responsibility for providing a service transferred to it from another governmental
23 unit in any year, its municipal tax levy for the preceding year shall be increased to
24 reflect the cost of that service, as determined by the department of revenue.

1 (c) If in any year a municipality's distribution under s. 79.043 (5) is less than
2 the municipality's distribution under s. 79.043 (5) in the previous year, the
3 municipality's maximum allowable levy shall be increased to reflect the reduction in
4 the distribution.

5 (d) The maximum allowable levy otherwise applicable under this section does
6 not apply to amounts levied by a municipality for the payment of any general
7 obligation debt service, including debt service on debt issued or reissued to fund or
8 refund outstanding obligations of the municipality, interest on outstanding
9 obligations of the political subdivision, or the payment of related issuance costs or
10 redemption premiums, secured by the full faith and credit of the municipality.

11 **SECTION 15.** 79.052 of the statutes is created to read:

12 **79.052 County levy restraint program. (1) DEFINITIONS.** In this section:

13 (a) "County tax levy" means the sum for all municipalities in the county of the
14 amounts reported as total county taxes levied on the statement of taxes filed with the
15 department of revenue under s. 73.10, not including any taxes levied under s.
16 115.817 (9).

17 (b) "County tax rate" means the county tax levy divided by the equalized
18 assessed value of all property located in the county, as determined under s. 70.57,
19 excluding the value of any tax increments under s. 66.1105.

20 (bm) "Debt service" includes debt service on debt issued or reissued to fund or
21 refund outstanding county obligations, interest on outstanding county obligations,
22 and related issuance costs and redemption premiums.

23 (c) "Inflation factor" means a percentage equal to the average annual
24 percentage change in the U.S. consumer price index for all urban consumers, U.S.

1 city average, as determined by the U.S. department of labor, for the 12 months
2 ending on June 30 of the year before the statement under s. 79.015.

3 (d) "Maximum allowable levy" means the county tax levy for the year before the
4 statement under s. 79.015, as adjusted under sub. (5), multiplied by the sum of one
5 plus 85 percent of the inflation factor and 85 percent of the valuation factor, rounded
6 to the nearest 0.01 percent.

7 (e) "Valuation factor" means a percentage equal to 60 percent of the percentage
8 change in the county's equalized value under s. 70.57 due to new construction less
9 improvements removed between the year before the statement under s. 79.015 and
10 the previous year, but not less than zero nor greater than 2.

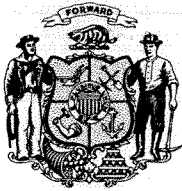
11 (2) ELIGIBILITY. A county is eligible to receive a payment under sub. (4) if the
12 county's county tax levy for the year of the statement under s. 79.015 is no greater
13 than the county's maximum allowable levy.

14 (3) CONSUMER PRICE INDEX. Annually, on August 1, the department of revenue
15 shall certify to the joint committee on finance the appropriate percentage change in
16 the consumer price index that is to be used to determine the inflation factor.

17 (4) PAYMENTS. (a) Beginning in 2009, each county that is eligible under sub.
18 (2) shall receive a payment calculated by the department of revenue as follows:

- 19 1. Determine the county tax levy for the county.
- 20 2. Divide the amount determined under subd. 1. by the total of the amounts
21 under subd. 1. for all counties that are eligible for a payment under sub. (2).
- 22 3. Multiply the amount determined under subd. 2. by \$25,000,000.

23 (b) Beginning in 2009, each county that is eligible under sub. (2) shall receive
24 an additional payment calculated by the department of revenue as follows:



State of Wisconsin
2007 - 2008 LEGISLATURE

LRB-1466/2

JK:jld:rs

DOA:.....Hatch, BB0333 – Municipal and county levy restraint incentive and
bonus program

FOR 2007-09 BUDGET -- NOT READY FOR INTRODUCTION

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

Analysis by the Legislative Reference Bureau

LOCAL GOVERNMENT

Under current law, the Expenditure Restraint Program provides an annual state aid payment to any municipality that has a property tax rate greater than five mills and that limits the growth of its municipal budget according to a formula based, generally, on 60 percent of the percentage change in the equalized assessed value of new construction located in the municipality and on the rate of inflation.

This bill eliminates the Expenditure Restraint Program and replaces it with the Municipal Levy Restraint Program. The Municipal Levy Restraint Program provides annual state aid payments, beginning in 2009, to any municipality that has a property tax rate greater than five mills and that limits its property tax levy to an amount that is no greater than the maximum allowable levy according to a formula that is based, generally, on 60 percent of the percentage change in the equalized assessed value of new construction located in the region in which the municipality is located and on the rate of inflation.

This bill creates the County Levy Restraint Program, which provides annual state aid payments, beginning in 2009, to any county that limits its property tax levy to an amount that is no greater than the maximum allowable levy according to a formula that is based, generally, on 60 percent of the percentage change in the equalized assessed value of new construction located in the county and on the rate of inflation.

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) (c) of the statutes is amended to read:

2 20.835 (1) (c) *Expenditure restraint program account.* A sum sufficient to make
3 the payments under s. 79.05. No moneys may be encumbered or expended from this
4 appropriation after December 31, 2008.

5 **SECTION 2.** 20.835 (1) (cb) of the statutes is created to read:

6 20.835 (1) (cb) *Municipal levy restraint payment account.* Beginning in 2009,
7 a sum sufficient to make the payments to municipalities under s. 79.051 (4) (a).

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

8 **SECTION 3.** 20.835 (1) (cd) of the statutes is created to read:

9 20.835 (1) (cd) *Municipal levy restraint bonus payment account.* Beginning in
10 2009, a sum sufficient to make the payments to municipalities under s. 79.051 (4) (b).

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

11 **SECTION 4.** 20.835 (1) (cf) of the statutes is created to read:

12 20.835 (1) (cf) *County levy restraint payment account.* Beginning in 2009, a
13 sum sufficient to make the payments to counties under s. 79.052 (4) (a).

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

14 **SECTION 5.** 20.835 (1) (cg) of the statutes is created to read:

15 20.835 (1) (cg) *County levy restraint bonus payment account.* Beginning in
16 2009, a sum sufficient to make the payments to counties under s. 79.052 (4) (b).

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

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

1 79.01 (1) There is established an account in the general fund entitled the
2 “Expenditure Restraint Program Account.” There shall be appropriated to that
3 account \$25,000,000 in 1991, in 1992, and in 1993; \$42,000,000 in 1994; \$48,000,000
4 in each year beginning in 1995 and ending in 1999; \$57,000,000 in the year 2000 and
5 in the year 2001; \$57,570,000 in 2002; and \$58,145,700 in 2003 and in each year
6 thereafter, ending in 2008.

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

8 79.01 (5) There is established an account in the general fund entitled the
9 “County Levy Restraint Payment Account.” There shall be appropriated to that
10 account \$15,000,000 in 2009 and in each year thereafter.

11 **SECTION 8.** 79.01 (5b) of the statutes is created to read:

12 79.01 (5b) There is established an account in the general fund entitled the
13 “Municipal Levy Restraint Payment Account.” There shall be appropriated to that
14 account \$58,145,700 in 2009 and in each year thereafter.

15 **SECTION 9.** 79.01 (6) of the statutes is created to read:

16 79.01 (6) There is established an account in the general fund entitled the
17 “County Levy Restraint Bonus Payment Account.” There shall be appropriated to
18 that account \$10,000,000 in 2009 and in each year thereafter.

19 **SECTION 10.** 79.01 (6b) of the statutes is created to read:

20 79.01 (6b) There is established an account in the general fund entitled the
21 “Municipal Levy Restraint Bonus Payment Account.” There shall be appropriated
22 to that account \$5,000,000 in 2009 and in each year thereafter.

23 **SECTION 11.** 79.015 of the statutes is amended to read:

24 **79.015 Statement of estimated payments.** The department of revenue, on
25 or before September 15 of each year, shall provide to each municipality and county

1 a statement of estimated payments to be made in the next calendar year to the
2 municipality or county under ss. 79.03, 79.035, 79.04, 79.05, 79.051, 79.052, 79.058,
3 and 79.06.

4 **SECTION 12.** 79.02 (2) (b) of the statutes is amended to read:

5 79.02 (2) (b) Subject to ss. 59.605 (4) and 70.995 (14) (b), payments in July shall
6 equal 15% of the municipality's or county's estimated payments under ss. 79.03,
7 79.035, 79.04, 79.058, and 79.06 and 100% of the municipality's or county's estimated
8 payments under s. ss. 79.05, 79.051, and 79.052.

9 **SECTION 13.** 79.05 (7) of the statutes is created to read:

10 79.05 (7) Beginning in 2009, no municipality may receive a payment under this
11 section.

12 **SECTION 14.** 79.051 of the statutes is created to read:

13 **79.051 Municipal levy restraint program. (1) DEFINITIONS.** In this section:

14 (a) "Debt service" includes debt service on debt issued or reissued to fund or
15 refund outstanding municipal obligations, interest on outstanding municipal
16 obligations, and related issuance costs and redemption premiums.

17 (b) "Inflation factor" means a percentage equal to the average annual
18 percentage change in the U.S. consumer price index for all urban consumers, U.S.
19 city average, as determined by the U.S. department of labor, for the 12 months
20 ending on June 30 of the year before the statement under s. 79.015.

21 (c) "Maximum allowable levy" means the municipal tax levy for the year before
22 the statement under s. 79.015, as adjusted under sub. (5), multiplied by the sum of
23 one plus 85 percent of the inflation factor and 85 percent of the valuation factor,
24 rounded to the nearest 0.01 percent.

1 (d) "Municipal tax levy" means the amounts reported as the total taxes levied
2 for each town, village, or city on the statement of taxes filed with the department of
3 revenue under s. 73.10, not including the incremental levy for municipal tax
4 incremental financing districts and the incremental levy for county environmental
5 tax financing districts.

6 (e) "Municipal tax rate" means the municipal tax levy divided by the taxable
7 value.

8 (f) "Taxable value" means the equalized assessed value of all property located
9 in the municipality, as determined under s. 70.57, excluding the value of any tax
10 increments under s. 66.1105.

11 (g) "Valuation factor" means a percentage equal to 60 percent of the percentage
12 change in the municipality's equalized value under s. 70.57 due to new construction
13 less improvements removed between the year before the statement under s. 79.015
14 and the previous year, but not less than zero nor greater than 2.

15 **(2) ELIGIBILITY.** A municipality is eligible to receive a payment under sub. (4)
16 if it fulfills all of the following requirements:

17 (a) The municipality's municipal tax rate for the year before the statement
18 under s. 79.015 is greater than 5 mills.

19 (b) The municipality's municipal tax levy for the year of the statement under
20 s. 79.015 is no greater than the municipality's maximum allowable levy.

21 **(3) CONSUMER PRICE INDEX.** Annually, on August 1, the department of revenue
22 shall certify to the joint committee on finance the appropriate percentage change in
23 the consumer price index that is to be used to determine the inflation factor.

24 **(4) PAYMENTS.** (a) Beginning in 2009, each municipality that is eligible under
25 sub. (2) shall receive a payment calculated by the department of revenue as follows:

1 1. Subtract 5 mills from the municipality's municipal tax rate.

2 2. Multiply the amount determined under subd. 1. by the municipality's
3 taxable value.

4 3. Divide the amount determined under subd. 2. by the total of the amounts
5 under subd. 2. for all municipalities that are eligible for a payment under sub. (2).

6 4. Multiply the amount determined under subd. 3. by \$58,145,700.

7 (b) Each municipality that is eligible under sub. (2) shall receive an additional
8 payment calculated by the department of revenue as follows:

9 1. Subtract the municipal tax levy, as determined under par. (a) 1., from the
10 municipality's maximum allowable levy.

11 2. Divide the amount determined under subd. 1. by the total of the amounts
12 under subd. 1. for all municipalities that are eligible for a payment under sub. (2).

13 3. Multiply the amount determined under subd. 2. by \$10,000,000.

14 **(5) ADJUSTMENTS.** For purposes of determining eligibility for and the amount
15 of the payments under this section:

16 (a) If a municipality transfers to another governmental unit responsibility for
17 providing any service that the municipality provided in the preceding year, its
18 municipal tax levy for the preceding year shall be decreased to reflect the amount
19 that the municipality levied to provide that service, as determined by the department
20 of revenue.

21 (b) If a municipality increases the services that it provides by adding
22 responsibility for providing a service transferred to it from another governmental
23 unit in any year, its municipal tax levy for the preceding year shall be increased to
24 reflect the cost of that service, as determined by the department of revenue.

1 (c) If in any year a municipality's distribution under s. 79.043 (5) is less than
2 the municipality's distribution under s. 79.043 (5) in the previous year, the
3 municipality's maximum allowable levy shall be increased to reflect the reduction in
4 the distribution.

5 (d) The maximum allowable levy otherwise applicable under this section does
6 not apply to amounts levied by a municipality for the payment of any general
7 obligation debt service, including debt service on debt issued or reissued to fund or
8 refund outstanding obligations of the municipality, interest on outstanding
9 obligations of the political subdivision, or the payment of related issuance costs or
10 redemption premiums, secured by the full faith and credit of the municipality.

11 **SECTION 15.** 79.052 of the statutes is created to read:

12 **79.052 County levy restraint program. (1) DEFINITIONS.** In this section:

13 (a) "County tax levy" means the sum for all municipalities in the county of the
14 amounts reported as total county taxes levied on the statement of taxes filed with the
15 department of revenue under s. 73.10, not including any taxes levied under s.
16 115.817 (9).

17 (b) "County tax rate" means the county tax levy divided by the equalized
18 assessed value of all property located in the county, as determined under s. 70.57,
19 excluding the value of any tax increments under s. 66.1105.

20 (bm) "Debt service" includes debt service on debt issued or reissued to fund or
21 refund outstanding county obligations, interest on outstanding county obligations,
22 and related issuance costs and redemption premiums.

23 (c) "Inflation factor" means a percentage equal to the average annual
24 percentage change in the U.S. consumer price index for all urban consumers, U.S.

1 city average, as determined by the U.S. department of labor, for the 12 months
2 ending on June 30 of the year before the statement under s. 79.015.

3 (d) "Maximum allowable levy" means the county tax levy for the year before the
4 statement under s. 79.015, as adjusted under sub. (5), multiplied by the sum of one
5 plus 85 percent of the inflation factor and 85 percent of the valuation factor, rounded
6 to the nearest 0.01 percent.

7 (e) "Valuation factor" means a percentage equal to 60 percent of the percentage
8 change in the county's equalized value under s. 70.57 due to new construction less
9 improvements removed between the year before the statement under s. 79.015 and
10 the previous year, but not less than zero nor greater than 2.

11 (2) ELIGIBILITY. A county is eligible to receive a payment under sub. (4) if the
12 county's county tax levy for the year of the statement under s. 79.015 is no greater
13 than the county's maximum allowable levy.

14 (3) CONSUMER PRICE INDEX. Annually, on August 1, the department of revenue
15 shall certify to the joint committee on finance the appropriate percentage change in
16 the consumer price index that is to be used to determine the inflation factor.

17 (4) PAYMENTS. (a) Beginning in 2009, each county that is eligible under sub.
18 (2) shall receive a payment calculated by the department of revenue as follows:

19 1. Determine the county tax levy for the county.
20 2. Divide the amount determined under subd. 1. by the total of the amounts
21 under subd. 1. for all counties that are eligible for a payment under sub. (2).

22 3. Multiply the amount determined under subd. 2. by \$25,000,000.

23 (b) Beginning in 2009, each county that is eligible under sub. (2) shall receive
24 an additional payment calculated by the department of revenue as follows:

1 1. Subtract the county tax levy, as determined under par. (a) 1., from the
2 county's maximum allowable levy.

3 2. Divide the amount determined under subd. 1. by the total of the amounts
4 under subd. 1. for all counties that are eligible for a payment under sub. (2).

5 3. Multiply the amount determined under subd. 2. by \$10,000,000.

6 **(5) ADJUSTMENTS.** For purposes of determining eligibility for and the amount
7 of the payments under this section:

8 (a) If a county transfers to another governmental unit responsibility for
9 providing any service that the county provided in the preceding year, its county tax
10 levy for the preceding year shall be decreased to reflect the amount that the county
11 levied to provide that service, as determined by the department of revenue.

12 (b) If a county increases the services that it provides by adding responsibility
13 for providing a service transferred to it from another governmental unit in any year,
14 its county tax levy for the preceding year shall be increased to reflect the cost of that
15 service, as determined by the department of revenue.

16 (c) If in any year a county's distribution under s. 79.043 (5) is less than the
17 county's distribution under s. 79.043 (5) in the previous year, the county's maximum
18 allowable levy shall be increased to reflect the reduction in the distribution.

19 (d) The maximum allowable levy otherwise applicable under this section does
20 not apply to amounts levied by a county for the payment of any general obligation
21 debt service, including debt service on debt issued or reissued to fund or refund
22 outstanding obligations of the county, interest on outstanding obligations of the
23 county, or the payment of related issuance costs or redemption premiums, secured
24 by the full faith and credit of the county.

25

(END)