



## Fiscal Estimate Narratives

DOJ 2/9/2010

LRB Number	<b>09-1957/2</b>	Introduction Number	<b>SB-399</b>	Estimate Type	<b>Original</b>
<b>Description</b> Authorizing two or more cities, villages, towns, or counties, or a combination of such political subdivisions, to create a commission to issue conduit revenue bonds and exercise eminent domain authority and exempting from taxation interest on such bonds					

### Assumptions Used in Arriving at Fiscal Estimate

Generally, under s. 66.0301, any Wisconsin municipality may contract with another Wisconsin municipality for the receipt or furnishing of services or the joint exercise of any power or duty required or authorized by law. Before a contract may take effect, it must be approved by the governing body of each municipality by the adoption of a resolution. Presumably, each municipality involved utilizes staff counsel or the private counsel that it normally retains to determine whether the contract is in proper form and compatible with the laws of Wisconsin prior to adopting a resolution.

Generally, under s. 66.0303, a Wisconsin municipality may contract with municipalities of another state for the receipt or furnishing of services or the joint exercise of any power or duty required or authorized by law. Before a contract may take effect, it must be submitted to the attorney general who shall determine whether the contract is in proper form and compatible with the laws of Wisconsin. Presumably, the attorney general review is a safeguard against a Wisconsin municipality agreeing to a contract with a municipality from another state that is compatible with the other state's laws, but not compatible with Wisconsin law.

Generally, under proposed s. 66.0304, 2009 Senate Bill 399 would allow any two or more political subdivisions to jointly contract to create a commission for the purpose of issuing bonds. Before a contract may take effect, it shall be submitted to the attorney general who shall within 90 days determine whether the agreement is in proper form and compatible with the laws of this state. In addition, a commission may not be dissolved without the approval of the attorney general, who shall certify to the commission and the participants that the dissolution resolution provides for the payment of any outstanding bonds or other obligations of the commission.

The Department of Justice is unable to know how many commission creation or commission dissolution reviews it will conduct each year should SB 399 be enacted. DOJ anticipates that the number of annual reviews would be minimal and that it will be able to perform the new responsibilities with existing resources. However, if the number of reviews is greater than expected, DOJ will require addition resources to handle the increased workload.

### Long-Range Fiscal Implications