

Fiscal Estimate - 2015 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 15-2756/1	Introduction Number SB-233
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Description
 Distributing excess sales tax revenue collected by a local professional football stadium district to Brown County and the municipalities within Brown County and making an appropriation

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input type="checkbox"/> Increase Existing Appropriations	<input type="checkbox"/> Decrease Existing Appropriations	<input type="checkbox"/> Decrease Existing Revenues	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Create New Appropriations			<input type="checkbox"/> Decrease Costs

Local:

<input type="checkbox"/> No Local Government Costs	<input type="checkbox"/> Indeterminate	5. Types of Local Government Units Affected	
1. <input type="checkbox"/> Increase Costs	3. <input checked="" type="checkbox"/> Increase Revenue	<input checked="" type="checkbox"/> Towns	<input checked="" type="checkbox"/> Village
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory	<input checked="" type="checkbox"/> Counties	<input checked="" type="checkbox"/> Others
2. <input type="checkbox"/> Decrease Costs	4. <input checked="" type="checkbox"/> Decrease Revenue	<input type="checkbox"/> School Districts	<input type="checkbox"/> WTCS Districts
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory		<input checked="" type="checkbox"/> Cities <u>Stadium District</u>

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.835(4)(ge)	

Agency/Prepared By DOR/ Travis Arthur (608) 266-8565	Authorized Signature Robert Schmidt (608) 266-5773	Date 8/21/2015
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Fiscal Estimate Narratives

DOR 8/21/2015

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Assumptions Used in Arriving at Fiscal Estimate

Under current law, the Brown County stadium district is required to build a reserve fund for the maintenance and operating costs of the stadium. As of March 30, 2015, the district board certified, to the Department of Revenue, that it collected enough money to satisfy the reserve requirements. The collection of the tax will continue until the last day of the calendar quarter that is at least 120 days from the date on which the district board makes all of the certifications to the department of revenue. As a result, the tax will expire September 30 2015; resulting in excess revenue.

Under the bill, the Department of Revenue (DOR) is required to distribute excess sales tax revenue from the local professional football stadium district to Brown County and to the municipalities within Brown County. The DOR must distribute 25% of the excess revenue to Brown County to use for redeveloping the Brown County arena. Brown County, however, may not spend the revenue without first adopting a resolution specifying how the money will be used and how much money will be used. The remaining 75% will be distributed to the municipalities within Brown County in proportion to each municipality's population compared to the entire population of Brown County. The municipalities may use the revenue for property tax relief, tax levy supported debt relief, or economic development. A municipality, however, may not spend the revenue without first adopting a resolution specifying the purpose and amount of money that will be used.

The department is required to make the population-based distribution of taxes imposed or collected by the district from April 1, 2015 to September 30, 2015 no later than December 31, 2015. Starting October 1, 2016, the department will distribute any additional district tax collections to Brown County and the municipalities on an annual basis.

For the period April 1, 2015 to September 30, 2015 the department estimates the total sales tax imposed or collected to be \$17.6 million; \$4.4 million ($\$17.6 \text{ million} * 25\%$) will be distributed to Brown County and \$13.2 million ($\$17.6 \text{ million} * 75\%$) will be distributed to the municipalities. This amount includes distributions made through November 2015, as those distributions would cover taxes imposed through September 30, 2015.

The attached table includes a breakdown of the estimated December, 2015 distribution by municipality.

Long-Range Fiscal Implications

Muni Type	Municipality Name	County	Population	Share	Est. Distribution
V	Allouez	Brown	13,795	5.4%	\$ 719,296
V	Ashwaubenon	Brown	16,855	6.7%	\$ 878,849
V	Bellevue	Brown	14,760	5.8%	\$ 769,612
C	De Pere	Brown	24,180	9.6%	\$ 1,260,788
V	Denmark	Brown	2,144	0.8%	\$ 111,792
T	Eaton	Brown	1,532	0.6%	\$ 79,881
T	Glenmore	Brown	1,114	0.4%	\$ 58,086
C	Green Bay	Brown	104,710	41.4%	\$ 5,459,764
T	Green Bay	Brown	2,045	0.8%	\$ 106,630
V	Hobart	Brown	7,610	3.0%	\$ 396,799
T	Holland	Brown	1,528	0.6%	\$ 79,673
V	Howard	Brown	18,703	7.4%	\$ 975,207
T	Humboldt	Brown	1,303	0.5%	\$ 67,941
T	Lawrence	Brown	4,634	1.8%	\$ 241,625
T	Ledgeview	Brown	7,337	2.9%	\$ 382,564
T	Morrison	Brown	1,591	0.6%	\$ 82,958
T	New Denmark	Brown	1,556	0.6%	\$ 81,133
T	Pittsfield	Brown	2,634	1.0%	\$ 137,341
V	Pulaski	Brown	3,282	1.3%	\$ 171,129
T	Rockland	Brown	1,753	0.7%	\$ 91,405
T	Scott	Brown	3,575	1.4%	\$ 186,407
V	Suamico	Brown	11,593	4.6%	\$ 604,479
T	Wrightstown	Brown	2,232	0.9%	\$ 116,380
V	Wrightstown	Brown	2,690	1.1%	\$ 140,261
			253,156	100.0%	\$ 13,200,000

Fiscal Estimate Worksheet - 2015 Session

Detailed Estimate of Annual Fiscal Effect

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

Administrative costs for the bill include a one-time programming change to WINPAS, the state's tax processing system, of \$18,000.

II. Annualized Costs:	Annualized Fiscal Impact on funds from:	
	Increased Costs	Decreased Costs

A. State Costs by Category			
State Operations - Salaries and Fringes	\$		\$
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$		\$

B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			

III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)

	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
TOTAL State Revenues	\$	\$

NET ANNUALIZED FISCAL IMPACT		
	State	Local
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$	\$see text

Agency/Prepared By	Authorized Signature	Date
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