AN ACT to create 70.119 (7) (d) of the statutes; relating to: state payments for municipal services.

Analysis by the Legislative Reference Bureau

Under current law, instead of paying property taxes, the state pays municipalities for municipal services provided to state facilities located in the municipalities. The state negotiates the payment amount with each municipality based on the state’s calculation of the value of state property located in the municipality. If the appropriation for making the payments for municipal services is insufficient for paying the full amount of all the negotiated payments, the state prorates the payments among the municipalities.

Under this bill, the state pays to municipalities for municipal services 65 percent of the full amount in fiscal year 2016–17, 80 percent of the full amount in fiscal year 2017–18, 95 percent of the full amount in fiscal year 2018–19, and the full amount in fiscal year 2019–20 and in each year thereafter.

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. 70.119 (7) (d) of the statutes is created to read:
70.119 (7) (d) Beginning in 2016, the department shall pay from the appropriation under s. 20.835 (5) (a) for municipal services provided by municipalities to state facilities the following amounts:

1. In fiscal year 2016–17, 65 percent of the full amount determined under sub. (6).

2. In fiscal year 2017–18, 80 percent of the full amount determined under sub. (6).

3. In fiscal year 2018–19, 95 percent of the full amount determined under sub. (6).

4. In fiscal year 2019–20, and in each fiscal year thereafter, the full amount determined under sub. (6).