AN ACT to renumber 79.015; to renumber and amend 79.02 (1); to amend
25.50 (3) (b); and to create 20.835 (1) (cs), 79.01 (2e), 79.015 (2), 79.02 (1) (b)
and 79.036 of the statutes; relating to: supplemental municipal aid and
making an appropriation.

Analysis by the Legislative Reference Bureau
This bill provides annual supplemental municipal aid payments to certain
municipalities. A municipality is eligible to receive a payment under the bill if the
three-year average of the municipality’s per capita equalized property value due to
new construction, less improvements removed from the property tax base, is less
than the median average three-year per capita equalized value due to new
construction less improvements removed for all municipalities. The total amount of
all such annual payments is $100,000,000. Each eligible municipality receives a
payment on the basis of its three-year average equalized value and its three-year
average population.
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. 20.835 (1) (cs) of the statutes is created to read:
20.835 (1) (cs) **Supplemental municipal aid.** A sum sufficient to make the payments to towns, villages, and cities under s. 79.036.

**SECTION 2.** 25.50 (3) (b) of the statutes is amended to read:

25.50 (3) (b) On the dates specified and to the extent to which they are available, subject to s. 16.53 (10), funds payable to local governments under ss. 79.035, 79.036, 79.04, 79.05, 79.08, and 79.10 shall be considered local funds and, pursuant to the instructions of local officials, may be paid into the separate accounts of all local governments established in the local government pooled-investment fund and, pursuant to the instructions of local officials, to the extent to which they are available, be disbursed or invested.

**SECTION 3.** 79.01 (2e) of the statutes is created to read:

79.01 (2e) There is established an account in the general fund entitled the **“Supplemental Municipal Aid Account.”** The total amount to be distributed in 2023 and in each year thereafter from the supplemental municipal aid account is $100,000,000.

**SECTION 4.** 79.015 of the statutes is renumbered 79.015 (1).

**SECTION 5.** 79.015 (2) of the statutes is created to read:

79.015 (2) The department of revenue, on or before October 1 of each year, shall provide to each municipality a statement of estimated payments to be made in the next calendar year to the municipality under s. 79.036.

**SECTION 6.** 79.02 (1) of the statutes, as affected by 2021 Wisconsin Act 1, is renumbered 79.02 (1) (a) and amended to read:

79.02 (1) (a) Except as provided in par. (b) and sub. (2) (b), the department of administration, upon certification by the department of revenue, shall distribute...
shared revenue payments to each municipality and county on the 4th Monday in July
and the 3rd Monday in November.

SECTION 7. 79.02 (1) (b) of the statutes is created to read:

79.02 (1) (b) The department of administration, upon certification by the
department of revenue, shall distribute payments under s. 79.036 to each
municipality on the first Monday in May.

SECTION 8. 79.036 of the statutes is created to read:

79.036 Supplemental municipal aid. (1) Beginning in 2023, each eligible
municipality shall receive a payment from the appropriation under s. 20.835 (1) (cs)
in an amount determined under this section. A municipality is eligible to receive a
payment under this section if the average of the municipality's per capita equalized
value due to new construction less improvements removed in the year of the
statement under s. 79.015 (2) and in each of the 2 immediately preceding years is less
than the median average per capita equalized value due to new construction less
improvements removed in the year of the statement under s. 79.015 (2) and in each
of the 2 immediately preceding years for all municipalities.

(2) Annually, the department of revenue shall calculate all of the following:

(a) An amount equal to $100,000,000, divided by the 3–year average population
of all municipalities that are eligible to receive a payment under this section.

(b) The 3–year, per capita, average equalized value, including the value of tax
incremental districts, for each eligible municipality.

(c) The 3–year, per capita, average equalized value, including the value of tax
incremental districts, for all eligible municipalities.

(d) The maximum per capita value for all eligible municipalities under par. (c).
(3) Annually, subject to sub. (4), each eligible municipality shall receive a payment under this section determined by the department of revenue as follows:

(a) Subtract the values determined under sub. (2) (c) from the values determined under sub. (2) (b).

(b) Divide the difference determined under par. (a) by the value determined under sub. (2) (d).

(c) Subtract from the number one the quotient determined under par. (b).

(d) Multiply the value determined under par. (c) by the amount determined under sub. (2) (a).

(e) Multiply the amount determined under par. (d) by the municipality’s 3-year average population.

(4) No municipality may receive an annual payment under sub. (3) that is greater than an amount equal to the following:

(a) For a city, 10 percent of the city’s property tax levy in the year of the statement under s. 79.015 (2).

(b) For a village, 20 percent of the village’s property tax levy in the year of the statement under s. 79.015 (2).

(c) For a town, 30 percent of the town’s property tax levy in the year of the statement under s. 79.015 (2).