



State of Wisconsin  
2011 - 2012 LEGISLATURE



LRB-1052/P8  
JK:jld&wlj:rs

DOA:.....Quinn, BB0229 – County and municipal aid reductions

**FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION**

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

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*Analysis by the Legislative Reference Bureau*

**SHARED REVENUE**

This bill reduces the total amount of county and municipal aid payments beginning in 2012. The total amount of the reduction for all counties is \$36,500,000 and the total amount of the reduction for all municipalities is \$59,500,000. The reductions are allocated, generally, based on population and limited for each county and municipality to the lesser of a percentage of the entity's property value or 50 percent of the entity's county and municipal aid payment in 2011.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

**SECTION 1.** 79.01 (2d) of the statutes is amended to read:

79.01 (2d) There is established an account in the general fund entitled the "County and Municipal Aid Account." Beginning with the distributions in 2011, the

The total amount to be distributed each year in 2011 to counties and municipalities from the county and municipal aid account is \$824,825,715 and the total amount to be distributed to counties and municipalities in 2012, and in each year thereafter, from the county and municipal aid account is \$728,825,715.

**SECTION 2.** 79.02 (5) of the statutes is created to read:

79.02 (5) (a) For the distribution in 2012, the total amount of the payments to all municipalities from the county and municipal aid account shall be reduced by \$59,500,000 and the total amount of the payments to all counties from the county and municipal aid account shall be reduced by \$36,500,000.

(b) 1. To calculate the reduction under this subsection for each municipality, the department of revenue shall first divide \$59,500,000 by the total population of all municipalities. The department shall then adjust the result of the calculation to establish a per capita amount applied to all municipalities so that the reduction for each municipality is no more than the maximum allowable reduction under this subsection for that municipality and so that the total reductions to county and municipal aid payments for municipalities under this subsection is \$59,500,000.

2. To calculate the reduction under this subsection for each county, the department of revenue shall first divide \$36,500,000 by the total population of all counties. The department shall then adjust the result of the calculation to establish a per capita amount applied to all counties so that the reduction for each county is no more than the maximum allowable reduction under this subsection for that county and so that the total reductions to county and municipal aid payments for counties under this subsection is \$36,500,000.

(c) The reduction for a municipality that has a population of less than 2,500 is the amount calculated by multiplying the amount determined under par. (b) 1. by the

municipality's population, multiplied by the quotient of the municipality's population divided by 2,500, except that the reduction determined under this paragraph may not exceed the lesser of an amount equal to 50 percent of the municipality's payment from the county and municipal aid account in 2011 or 10 cents for each \$1,000 of the municipality's equalized value, as determined under s. 70.57.

(d) 1. The reduction for a municipality that has a population of at least 2,500, but no greater than 10,000, is the amount equal to 10 cents for each \$1,000 of the municipality's equalized value, as determined under s. 70.57, plus the amount determined as follows:

a. Multiply the amount determined under par. (b) 1. by the municipality's population.

b. Subtract 2,500 from the municipality's population.

c. Divide the number determined under subd. 1. b. by 7,500.

d. Multiply the number determined under subd. 1. a. by the number determined under subd. 1. c.

2. The reduction determined under this paragraph may not exceed the lesser of an amount equal to 50 percent of the municipality's payment from the county and municipal aid account in 2011 or 15 cents for each \$1,000 of the municipality's equalized value, as determined under s. 70.57.

(e) 1. The reduction for a municipality that has a population greater than 10,000, but no greater than 50,000, is the amount equal to 15 cents for each \$1,000 of the municipality's equalized value, as determined under s. 70.57, plus the amount determined as follows:

a. Multiply the amount determined under par. (b) 1. by the municipality's population.

b. Subtract 10,000 from the municipality's population.

c. Divide the number determined under subd. 1. b. by 40,000.

d. Multiply the number determined under subd. 1. a. by the number determined under subd. 1. c.

2. The reduction determined under this paragraph may not exceed the lesser of an amount equal to 50 percent of the municipality's payment from the county and municipal aid account in 2011 or 25 cents for each \$1,000 of the municipality's equalized value, as determined under s. 70.57.

(f) 1. The reduction for a municipality that has a population greater than 50,000, but no greater than 110,000, is the amount equal to 25 cents for each \$1,000 of the municipality's equalized value, as determined under s. 70.57, plus the amount determined as follows:

a. Multiply the amount determined under par. (b) 1. by the municipality's population.

b. Subtract 50,000 from the municipality's population.

c. Divide the number determined under subd. 1. b. by 60,000.

d. Multiply the number determined under subd. 1. a. by the number determined under subd. 1. c.

2. The reduction determined under this paragraph may not exceed the lesser of an amount equal to 50 percent of the municipality's payment from the county and municipal aid account in 2011 or 30 cents for each \$1,000 of the municipality's equalized value, as determined under s. 70.57.

(g) The reduction for a municipality that has a population greater than 110,000 is the lesser of an amount equal to 50 percent of the municipality's payment from the county and municipal aid account in 2011 or 30 cents for each \$1,000 of the municipality's equalized value, as determined under s. 70.57, plus an amount equal to the municipality's population multiplied by the amount determined under par. (b) 1., except that the reduction determined under this paragraph may not exceed an amount equal to 35 cents for each \$1,000 in equalized value, as determined under s. 70.57.

(h) The reduction for a county is the amount determined under par. (b) 2. multiplied by the county's population, except that the reduction determined under this paragraph may not exceed the lesser of an amount equal to 50 percent of the county's payment from the county and municipal aid account in 2011 or \$0.15 for each \$1,000 of the county's equalized value, as determined under s. 70.57.

**SECTION 3.** 79.035 (1) of the statutes is amended to read:

79.035 (1) In 2004 and subsequent years, except as provided under s. 79.02 (4) and (5), each county and municipality shall receive a payment from the county and municipal aid account and, beginning with payments in November 2009, from the appropriation accounts under s. 20.835 (1) (q) and (r) in an amount determined under sub. (2).

**SECTION 4.** 79.043 (6) of the statutes is amended to read:

79.043 (6) For the distribution in 2011 and subsequent years, each county and municipality shall receive a payment under this section and s. 79.035 that is equal to the amount of the payment determined for the county or municipality under s. 79.02 (4) in 2010.

**SECTION 5.** 79.043 (7) of the statutes is created to read:

79.043 (7) For the distribution in 2012 and subsequent years, each county and municipality shall receive a payment under this section and s. 79.035 that is equal to the amount of the payment determined for the county or municipality under s. 79.02 (5) for 2012.

(END)