



State of Wisconsin
2023 - 2024 LEGISLATURE

LRB-4900/1
KP:cdc&emw

2023 ASSEMBLY BILL 1106

February 23, 2024 - Introduced by Representatives CONLEY, NOVAK, GOYKE, BALDEH, C. ANDERSON, RATCLIFF, ANDRACA, ARMSTRONG, BARE, CLANCY, CONSIDINE, EMERSON, JACOBSON, JOERS, S. JOHNSON, MADISON, MOORE OMOKUNDE, OHNSTAD, ORTIZ-VELEZ, PALMERI, SHELTON, SINICKI, SNODGRASS, STUBBS and SUBECK, cosponsored by Senators SPREITZER, AGARD, LARSON, ROYS and SMITH. Referred to Committee on Ways and Means.

AUTHORS SUBJECT TO CHANGE

- 1 **AN ACT** *to create* 15.437 and 79.03 of the statutes; **relating to:** establishing a
2 Shared Revenue Advisory Council.

Analysis by the Legislative Reference Bureau

This bill establishes a temporary Shared Revenue Advisory Council in the Department of Revenue. The council is formed after each federal decennial census, and consists of the following members: 1) three senators, appointed as are members of the senate standing committees; 2) three representatives of the assembly, appointed as are members of the assembly standing committees; 3) a representative of the League of Wisconsin Municipalities; 4) a representative of the Wisconsin Towns Association; 5) a representative of the Wisconsin Counties Association; and 6) the secretary of revenue, or the secretary's designee.

The council must study county and municipal revenue and expenditure variations among different categories of counties and municipalities based on population, review and evaluate the existing formulas for county and municipal aid and supplemental county and municipal aid, make recommendations for a formula for county and municipal aid distributions to counties and municipalities, and submit a report to the legislature containing its review, evaluations, and recommendations. The council may not make a recommendation that decreases the total amount of county and municipal aid payments and supplemental county and municipal aid payments received by any county or municipality. The recommendations must take account of changes in the population and property values of counties and municipalities and include in the formula a component for distributing aid to compensate counties and municipalities that experience

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substantial decreases in property values. The bill also requires the council's recommendations to include in the formula a component that improves the equity of distributions among counties and municipalities compared to the formula for distributions effective for 2001 as affected by subsequent reductions in distributions, the formula for distributions effective for 2024, and any other formula for distributions established after the bill takes effect. The council must request that the Legislative Reference Bureau prepare legislation based on the council's recommendations and that the Legislative Fiscal Bureau prepare a fiscal analysis of that legislation. Also, under the bill, DOR must assist the council with its duties.

Under current law, counties and municipalities receive county and municipal aid payments and supplemental county and municipal aid payments.

For further information see the state 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:

1 **SECTION 1.** 15.437 of the statutes is created to read:

2 **15.437 Same; councils. (1)** SHARED REVENUE ADVISORY COUNCIL. (a) Not later
3 than August 15 of the first year following the federal decennial census, there is
4 created in the department of revenue a temporary shared revenue advisory council
5 consisting of the following 10 members:

6 1. Three senators, appointed as are the members of senate standing
7 committees.

8 2. Three representatives to the assembly, appointed as are the members of
9 assembly standing committees.

10 3. A representative of the League of Wisconsin Municipalities, designated by
11 the president thereof.

12 4. A representative of the Wisconsin Towns Association, designated by the
13 president thereof.

14 5. A representative of the Wisconsin Counties Association, designated by the
15 president thereof.

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1 6. The secretary of revenue, or the secretary's designee, who shall be a
2 nonvoting member and serve as chairperson.

3 (c) Each shared revenue advisory council terminates upon complying with the
4 requirements under s. 79.03 (2) (e).

5 **SECTION 2.** 79.03 of the statutes is created to read:

6 **79.03 Shared revenue advisory council. (1)** In this section, "equalized
7 value" means the equalized value certified by the department of revenue under s.
8 70.57.

9 **(2)** The shared revenue advisory council shall do all of the following:

10 (a) Acquire information regarding the population and equalized value of each
11 county and municipality.

12 (b) Study county and municipal revenue and expenditure variations among
13 different categories of counties and municipalities based on population.

14 (c) Review and evaluate the existing formulas for the distributions under ss.
15 79.036 and 79.037 and determine the fairness of distributions among counties and
16 municipalities, as reflected in each of the following:

17 1. The formula for distributions under s. 79.035, as impacted by the
18 distributions under s. 79.035 effective for 2001 and by subsequent reductions in aid
19 distributed under s. 79.035.

20 2. The formula for distributions under s. 79.037 effective for 2024.

21 3. Any other formula for distributions under ss. 79.036 and 79.037 established
22 after the effective date of this subdivision [LRB inserts date].

23 (d) Make recommendations for a formula for the distributions under ss. 79.036
24 and 79.037 for the next odd-numbered fiscal year, as described in s. 20.902, including
25 distributions of any balance in the local government fund under s. 25.491 and the

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1 estimated annual amounts to be credited to the local government fund under s.
2 25.491 (2) and (9) in that year. The shared revenue advisory council may not make
3 a recommendation that decreases the total amount of distributions under ss. 79.036
4 and 79.037 received by any county or municipality. In making recommendations
5 under this paragraph, the shared revenue advisory council shall do all of the
6 following:

7 1. Take account of changes in the population and equalized value of counties
8 and municipalities.

9 2. Include in the formula a component for distributing aid to compensate
10 counties and municipalities that experience substantial decreases in equalized
11 value.

12 3. Include in the formula a component that improves the equity of distributions
13 among counties and municipalities compared to each of the following:

14 a. The formula for distributions under s. 79.035, as impacted by the
15 distributions under s. 79.035 effective for 2001 and by subsequent reductions in aid
16 distributed under s. 79.035.

17 b. The formula for distributions under s. 79.037 effective for 2024.

18 c. Any other formula for distributions under ss. 79.036 and 79.037 established
19 after the effective date of this subd. 3. c. [LRB inserts date].

20 (e) Not later than January 1 of the 2nd year following the federal decennial
21 census, the shared revenue advisory council shall do all of the following:

22 1. Submit a report containing the review and evaluation under par. (c) and the
23 recommendations under par. (d) to the legislature under s. 13.172 (2).

24 2. Request that the legislative reference bureau prepare legislation that gives
25 effect to the recommendations under par. (d).

