

WAPA LEGISLATIVE UPDATE

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A. 2005-07 Biennial Budget Approved by Joint Finance Committee

Shortly after 6:00 a.m. on Friday, June 10, 2005, the Joint Finance Committee voted 11-5 to recommend passage of the 2005-07 budget bill. The four Democrats on the 16 member committee (Senators Decker and Taylor and Representatives Colon and Pocan) were joined by Republican Senator Robert Cowles in voting *against* passage of the multi-billion dollar budget.

In private meetings that began early on Thursday, June 9th and lasted until early evening, the Republicans worked out packages to craft their fiscal policy into the final document. In the end, they adopted omnibus motions on transportation, general fund taxes, shared revenue, a property tax freeze and education.

A substitute amendment to the original bill, AB 100, that incorporates all of the changes approved by the Joint Finance Committee will be drafted and sent to the Assembly. Speaker Gard has announced that he hopes to have the bill scheduled for floor action during the week of June 21st. Senate action will follow shortly thereafter and Legislative leaders hope to have it to Governor Doyle by July 1st.

Smart Growth Removed by Joint Finance. As was noted in the last *Update*, the Joint Committee on Finance deleted Wisconsin's comprehensive planning law (Wis. Stat. § 66.1001) with a vote of 10-6.¹ This vote has generated a large amount of debate about Smart Growth and has spurred several newspaper editorials. This law could be restored by either house of the Legislature as they consider the bill, or by the Governor through a veto.

Property Tax Freeze. During final Joint Finance budget deliberations, the Republicans announced and approved omnibus motion #897, which freezes property taxes. According to the Legislative Fiscal Bureau, their plan would freeze the December tax bill on a median-valued home at about \$2,705.

Motion #897 prohibits any city, village, town or county from increasing its municipal or county tax levy by more than a percentage determined through a formula, beginning with taxes that are levied in 2005 and become payable in 2006. The percentage by which each city, village, town or county would be allowed to increase its levy is the percentage equal to the percentage change in the equalized value (including the incremental value in TIF

¹ This vote was taken on May 11, 2005. Members of the Committee who voted in favor of the deletion were Senator Scott Fitzgerald, Senator Mary Lazich, Senator Alberta Darling, Senator Joe Leibham, Representative Dean Kaufert, Representative David Ward, Representative Scott Jensen, Representative Jeff Stone, Representative Kitty Rhoades and Representative Dan Meyer.

districts) of the municipality or county due to new construction, less improvements removed, as determined for January 1 equalized values in the year of the levy, but not less than 0%. There are various exclusions from the limitation on amounts levied.

In addition, the motion creates a procedure under which a city, village, town or county may exceed its levy increase limit if the local government's governing body adopts a resolution to that effect and if the electors of the municipality approve the resolution in a referendum. The motion includes specific requirements for such referenda.

If you are interested in expressing your opinion on this, or any other legislative topic, consider contacting your legislators via phone, letter or email. You can determine who your legislators are by going to <http://www.legis.state.wi.us/> and clicking on the tab labeled "Who are My Legislators?"

B. Joint Legislative Council Study Committee on Municipal Annexation Approves Recommendations

On June 1, 2005, the Joint Legislative Council Special Committee on Municipal Annexation recommended two pieces of legislation for introduction into the Legislature.

One bill is related to **municipal boundary agreements and the use of alternative dispute resolution in municipal boundary disputes**. This piece of legislation does the following:

- Simplifies the current plan requirements for boundary agreements by a cooperative plan (s. 66.0307, Stats.) and reduces the minimum time period for developing a cooperative plan.
- Provides a procedure for an adjacent municipality to petition for development of a cooperative plan through mediation if an adjacent municipality declines to participate in the current procedure to develop a cooperative plan.
- Establishes a specific procedure for common municipal boundaries to be determined by agreement under s. 66.0301, Stats. (the general intergovernmental agreement statute).
- Limits the application of s. 66.0225, Stats. (boundaries fixed by court judgment) to contested annexations and limits the scope of a boundary determination under that procedure to the boundary "that is the subject of the annexation."
- Provides that the current alternative dispute resolution (ADR) statute provision that applies generally to court proceedings, s. 802.12, Stats., applies to a contested annexation.
- Requires the DOA to make available on its public website a list of persons who have identified themselves as professionals qualified to facilitate ADR of annexation, boundary, and land use disputes.

The second bill relates to the **Department of Administration advisory review of certain annexations**. This bill extends the Department of Administration (DOA) advisory review of annexations commenced under s. 66.0217, Stats. (annexations initiated by electors and property owners) to include such annexations commenced in any county, not only those commenced in counties with a population of 50,000 or more. In addition, for annexations of more than 20 acres, the draft requires the DOA in making its advisory public interest determination to consider the impact of the annexation on the tax base and property taxes.

Both bills will be introduced as Senate bills. To review copies of the legislation, go to http://www.legis.state.wi.us/lc/3_COMMITTEES/Special%20Committees/2004/ANNEX/index.htm on the Internet.

C. Assembly Property Rights and Land Management Committee Holds Informational Hearing on Planning Questions

On June 1, 2005, the Assembly Property Rights and Land Management Committee, chaired by Representative Sheryl Albers (R-Reedsburg), held an informational hearing on the following questions:

- Should the state have a planning related policy to prevent certain outcomes (i.e. landlocked property, barriers to aggregate production)?
- Do Wisconsin's assessment guidelines provide sufficient information for accurately valuing property of all types, including properties with development rights, easements, or other exactions?
- What planning related policies might the state consider as an alternative to the current Chapter 66 comprehensive planning statutes, to achieve cost efficiencies while retaining local control and local decision making?
- Should boundary agreements be required before development can proceed in annexed areas or extraterritorial zones and those areas abutting them?

Gary Peterson of the Wisconsin Chapter of the American Planning Association presented testimony on behalf of WAPA.

Secretary of the Department of Administration, Marc Marotta, presented a summary of the comprehensive grant program to the Committee. Since 2000, 645 communities have received grants to develop local comprehensive plans. 157 communities have completed their plans and 488 communities are still under contract with DOA to complete their plans.

In addition to Secretary Marotta, several other individuals presented oral and written comments including Gary Peterson of the Wisconsin Chapter of the American Planning Association. Gary gave an overview of what Wisconsin would look like if the comprehensive planning law is repealed. Specifically, a repeal would (a) lead to a piecemeal adoption of plans; (b) isolate planning from the political mainstream; (c) no

longer require citizen participation in the planning process; (d) provide no definition of “comprehensive plan” to provide a framework for planning; (e) no longer require any consistency between zoning, subdivision and official may ordinances; and (f) leave towns without any clear planning authority.

D. New Stand-Alone Legislation

Solicitation of Bids Via the Internet – 2005 Assembly Bill 421 / Senate Bill 204

Representative Terry Musser (R-Black River Falls) and Senator Carol Roessler (R-Oshkosh) have introduced legislation that would allow political subdivisions to solicit bids for certain contract using their web sites.

Generally, under current law, if a city, village, town, or county (political subdivision) wishes to let a public contract involving the construction or repair of any public work or building, or the furnishing of supplies or materials, there are a number of bidding requirements that apply to such contracts. If the value of the contract is above a certain amount, or between certain amounts, a political subdivision must publish a notice in the newspaper before it contracts for the work, or, in the case of counties, the county board may instead contract with a qualified bidder as specified by statute.

Under this bill, a political subdivision may solicit bids for certain public contracts by posting the bid request on the political subdivision’s Web site, if the posting is linked to the political subdivision’s home page. This Internet posting option applies to situations under which a political subdivision is currently required or authorized to publish a notice in a newspaper before the contract is executed. Also under the bill, if a political subdivision solicits bids for public contracts exclusively on its Web site, it must notify the public of this fact by publishing a notice in a newspaper at least twice each year.

Link to AB 421: <http://www.legis.state.wi.us/2005/data/AB-421.pdf>

Link to SB 204: <http://www.legis.state.wi.us/2005/data/SB-204.pdf>

E. Update on Previously Introduced Legislation

1. *Size of County Board of Supervisors and Common Councils (Cities) – 2005 Senate Bill 4 / 2005 Assembly Bill 60*

As noted in the April 2005 *Update*, Senator Ted Kanavas (R-Brookfield) and Representative Gregg Underheim (R-Oshkosh) have introduced companion bills regarding the sizes of county boards and common councils in cities. On June 15, 2005, SSA1 to SB4 was passed by the State Senate. It now awaits consideration by the State Assembly.

Link to SSA1 to SB4: <http://www.legis.state.wi.us/2005/data/SB4-SSA1.pdf>

2. *Quorum Requirements for Zoning Board of Appeals or Adjustment – 2005 Assembly Bill 24*

As noted in the January 2005 *Update*, Representative Sheryl Albers (R-Reedsburg) introduced 2005 Assembly Bill 24, which makes changes to the quorum requirements for zoning boards. AB 24 has now passed the State Assembly and was recommended for passage by the Senate Committee on Judiciary, Corrections and Privacy and awaits Senate Floor action.

Link to AB 24: <http://www.legis.state.wi.us/2005/data/AB-24.pdf>

3. *Allowing Certain Towns to Create TIF Districts – 2004 Assembly Bill 156 / 2005 Senate Bill 153*

As described in the March 2005 *Update*, Representative Jeffrey Mursau (R-Crivitz) and Senator Roger Breske (D-Eland) have introduced Assembly Bill 156, which allows certain counties to create TIF districts. On June 14, 2005, Assembly Bill 156 as amended by Assembly Amendment 1, was passed by the State Assembly.

Link to AB 156: <http://www.legis.state.wi.us/2005/data/AB-156.pdf>

Link to AA1 to AB 156: <http://www.legis.state.wi.us/2005/data/AB156-AA1.pdf>

4. *Town TIF – 2005 Assembly Bill 253 / 2005 Senate Bill 124*

As noted in the April 2005 *Update*, Representative Ann Nischke (R-Waukesha) and Senator Ted Kanavas (R-Brookfield) introduced companion bills AB 253 and SB 124 on March 18, 2005.

These bills authorize a town that has entered into a cooperative plan with a city or village, under which part or all of the town will be annexed by the city or village in the future, to use tax incremental financing. The bills require the annexing city or village to approve the creation of the town TID. Current law authorizes any combination of cities, villages, and towns to determine the boundary lines between themselves under a cooperative plan that is approved by the Department of Administration.

Senate Bill 124 was passed Legislature on May 11, 2005. The Governor approved the bill on June 6, 2005 as **2005 Wisconsin Act 13**.

(Note: There have been no other changes to the status of introduced legislation described in previous issues of the *Update*.)