

## **WAPA LEGISLATIVE UPDATE**

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### **A. The 2005-06 Legislative Session Has Begun**

The 2005-2006 legislative session began on January 3, 2005, when all new legislators were inaugurated. The session is currently scheduled to last through December 29, 2006.

This spring, the Legislature will likely be consumed with reviewing the Governor's 2005-07 biennial budget bill, which he is expected to deliver on February 8, 2005. In addition, the Legislature will consider pieces of stand-alone legislation. As of January 17, 2005, five Assembly Bills and eight Senate Bills had been introduced.

### **Governor Doyle's State of the State Message**

#### **B.**

On January 12, 2005, Governor Jim Doyle delivered his State of the State message to both houses of the Legislature. Although the majority of his address focused on growing Wisconsin's economy, child care and education, he did address issues related to the state budget deficit and local government funding. He stated, "Tonight, I am announcing that my budget will fulfill the state's responsibility to the taxpayers by living up to our commitment to local government and our schools. First, we will fully fund shared revenue."

In addition to a commitment to fully fund shared revenue, the Governor stated that, "...from prescription drugs to cell phones, we'll allow local governments to take advantage of the buying power of the state."

Finally, he also addressed the Expenditure Restraint Program, which is a supplement to the shared revenue program awarded to municipalities that limit growth in spending. The Governor explained:

"And finally, we'll make significant reforms to the Expenditure Restraint Program. State government spends about \$60 million a year to encourage municipalities to hold the line on spending, but loopholes allow some communities to get the incentive even with large property tax increases. In my budget, I will close the loopholes – so we reward communities that actually hold down property tax increases. We will expand it to cover counties as well as municipalities. And instead of just giving incentives to achieve a target property tax increase, we will provide bonuses for municipalities and counties that hold their property taxes even lower."

The details of these and other initiatives discussed in the State of the State message are expected to be presented as a part of the Governor's 2005-07 biennial budget bill, on February 8, 2005.

### **New Stand-Alone Legislation**

#### **C.**

Even though the Legislature has only been in session for a few days, several bills of interest have been introduced.

#### *Property Tax Exemption for Art and Arts Education Centers – Senate*

##### *1.*

#### *Bill 3*

On January 11, 2005, Senator Ted Kanavas (R-Brookfield) introduced Senate Bill 3, which creates a property tax exemption for arts and arts education centers.

This bill creates a property tax exemption for property that is owned or leased by an entity that is exempt from income tax under federal law, if the property is used for the purposes for which the federal income tax exemption is granted; the property includes one or more buildings that are owned or leased by the entity and are located within, or are surrounded by, a municipal park; and the property includes one or more theaters for the performing arts that are operated by the entity and the seating capacity of the theater or theaters is not less than 600 persons. Senate Bill 3 was referred to the Joint Survey Committee on Tax Exemptions.

To review a copy of SB 3, go to <http://www.legis.state.wi.us/2005/data/SB-3.pdf> on the Internet.

#### *Size of County Boards of Supervisors and Cities' Common Councils –*

##### *2.*

#### *Senate Bill 4*

On January 11, 2005, Senator Ted Kanavas (R-Brookfield) also introduced Senate Bill 4, which makes changes relating to the size of the county board of supervisors in certain counties and the common council in certain cities.

This bill permits the board of supervisors of any county with a population of less than 500,000, except a county having only one town (currently, all counties except Milwaukee and Menominee) to decrease the number of supervisors on the board and adopt a new redistricting plan during the ten-year period between the adoption of decennial redistricting plans. The bill requires the redistricting plan to satisfy certain criteria that also apply to decennial redistricting plans. The bill further requires the districts to consist of contiguous whole wards in existence at the time at which the redistricting plan is adopted and requires the original numbers of the districts in their geographic outlines, to the extent possible, to be retained. The bill also permits the electors of any county whose board is permitted to enact an intra-decade redistricting plan to require the enactment of such a plan by petition and referendum.

The bill also permits the electors of any county whose board is permitted to enact an intra-decade redistricting plan to require the enactment of such a plan by petition and referendum at any time after the first election is held following enactment of a decennial redistricting plan. The bill specifies requirements for the petitioner, number of signatures, when the referendum must be held and what information must be contained in the referendum question.

The bill also provides that, if in a city that is solely contained within one county the aldermanic districts are coterminous with supervisory districts, the common council may revise the boundaries of aldermanic districts to maintain coterminous boundaries between aldermanic and supervisory districts, and may change the expiration date of the terms of any council member to an earlier date than the date provided under the current ordinance if required to implement the redistricting or to maintain staggered terms.

Senate Bill 4 is identical to 2003 Senate Bill 351, as amended by Senate Substitute Amendment 1, which was also introduced by Senator Kanavas. SB 351 passed the Legislature but which was vetoed by Governor Doyle because the legislation failed to limit the number of times a county board itself could adopt a redistricting plan that reduces the number of supervisors or the number of times a referendum question to downsize may appear on the ballot.

Senate Bill 4 has been referred to the Senate Committee on Veterans, Homeland Security, Military Affairs, Small Business and Government Reform for consideration. To review a copy of SB 4, go to <http://www.legis.state.wi.us/2005/data/SB-4.pdf> on the Internet.

### *Creation of a Joint Committee on State Mandates – Senate Bill 5*

3.

On January 12, 2005, Senator Alberta Darling (R-River Hills) introduced Senate Bill 5, which creates a legislative Joint Committee on State Mandates (committee). The committee consists of three majority party and two minority party members from each house.

The bill states that any piece of legislation that places a statutory requirement on a local governmental unit, must be referred at once to the committee and the legislation may not be considered further until the committee submits a report or 30 days have lapsed. If the committee's report concludes that the bill has a negative uncompensated fiscal effect on local governmental units, and the mandate is a wholly state-imposed mandate upon local governmental units, this bill requires the committee to offer an amendment to the bill appropriating funds to offset the cost of the mandate.

The bill prohibits the legislature from enacting legislation that imposes future state-imposed mandates unless the mandates receive a hearing before the committee or are funded. The bill also prohibits a state agency from promulgating a rule or taking an action that imposes a mandate, unless there is a sufficient amount to fund the mandate.

Senate Bill 5 also requires the committee to review and evaluate existing mandates. To carry out its duties, the committee may make investigations and hold hearings.

This legislation was referred to the Senate Committee on Veterans, Homeland Security, Military Affairs, Small Business and Government Reform for consideration. To review a copy of SB 5, go to <http://www.legis.state.wi.us/2005/data/SB-5.pdf> on the Internet.