



State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-0642/P3

JK:jld:jf

DOA:.....Quinn, BB0138 - Eliminate the minimum inflation factor for expenditure restraint payments

FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION

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

Analysis by the Legislative Reference Bureau

SHARED REVENUE

Under current law, a municipality may receive an expenditure restraint payment if its municipal budget has not increased from the previous year by more than the sum of an inflation factor and a valuation factor. The valuation factor is, generally, 60 percent of the municipality's property value. The inflation factor is the average annual percentage change in the U.S. consumer price index. Under current law, the inflation factor cannot be less than 3 percent. Under this bill, the inflation factor cannot be less than zero.

For further information see the *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. 79.05 (1) (am) of the statutes is amended to read:

79.05 (1) (am) "Inflation factor" means a percentage equal to the average annual percentage change in the U.S. consumer price index for all urban consumers, U.S. city average, as determined by the U.S. department of labor, for the 12 months

ending on September 30 of the year before the statement under s. 79.015, except that the percentage under this paragraph shall not be less than ~~3 percent~~ zero.

SECTION 9341. Initial applicability; Revenue.

(1) EXPENDITURE RESTRAINT PAYMENTS. The treatment of section 79.05 (1) (am) of the statutes first applies to payments made in 2013.

(END)