

1 **AN ACT** *to amend* 66.0217 (6) (a); and *to create* 66.0217 (6) (c) 3. of the statutes;
2 **relating to:** department of administration advisory review of certain annexations.

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

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This draft was developed and is recommended by the joint legislative council's special committee on municipal annexation. The special committee was directed to review conflicts that arise under current annexation law and practice and the consequences of those conflicts, including costs to taxpayers and other affected parties, to determine if there is consensus on means to reduce annexation disputes and encourage more boundary cooperation between towns and cities or villages.

3 **SECTION 1.** 66.0217 (6) (a) of the statutes is amended to read:

4 66.0217 (6) (a) *Annexations within populous counties* Department advisory review. No
5 annexation proceeding ~~within a county having a population of 50,000 or more~~ is valid unless
6 the person publishing a notice of annexation under sub. (4) mails a copy of the notice to the
7 clerk of each municipality affected and the department, together with any fee imposed under
8 s. 16.53 (14), within 5 days of the publication. The department shall within 20 days after
9 receipt of the notice mail to the clerk of the town within which the territory lies and to the clerk
10 of the proposed annexing village or city a notice that states whether in its opinion the
11 annexation is in the public interest or is against the public interest and that advises the clerks
12 of the reasons the annexation is in or against the public interest as defined in par. (c). The
13 annexing municipality shall review the advice before final action is taken.

NOTE: Extends the department of administration (DOA) advisory review of annexations under s. 66.0217, stats., to include counties with a population of under 50,000. The current 50,000 population threshold limits the DOA advisory review to 27 counties. The DOA advisory review consists of a statutorily prescribed public interest determination, based: (1) on whether

the governmental services to be supplied to the territory to be annexed could clearly be better supplied by the town or by another city or village; and (2) on the shape of the proposed annexation and the homogeneity of the territory with the annexing village or city and any other contiguous village or city. The advisory review also consists of a less formal “technical review” of proposed annexations by DOA staff, including accuracy of legal descriptions and maps.

1 **SECTION 2.** 66.0217 (6) (c) 3. of the statutes is created to read:

2 66.0217 **(6)** (c) 3. If the annexation includes more than 20 acres, the annexing city’s or
3 village’s estimate of the ultimate impact of the proposed annexation on the tax base of the
4 annexing city or village and the territory proposed to be annexed, and on taxes levied by all
5 taxing jurisdictions, including school districts, on real property in the annexing city or village
6 and the territory proposed to be annexed. For purposes of the estimate, the annexing city or
7 village shall assume that undeveloped land in the territory proposed to be annexed will be
8 developed in accordance with the master plan or comprehensive plan of the city or village in
9 effect at the time of the annexation. The annexing municipality shall furnish the estimate to
10 the department within 5 days after receiving the department’s request for the estimate. The
11 annexing municipality shall, at any time after the annexation petition is filed under sub. (2)
12 or the notice of annexation under sub. (4) is published, but not later than 10 days before
13 adopting the annexation ordinance, publish a class 1 notice, under ch. 985, summarizing the
14 estimate.

NOTE: Creates a new factor for the DOA to consider in making its advisory public interest determination for annexations commenced under s. 66.0217, stats., that will annex more than 20 acres. Under the amendment, in addition to the 2 factors the department is to consider under current law (see Note to SEC. 1, above), the department would be required to consider the annexing city’s or village’s estimate of the annexation’s ultimate impact on the tax base of and on real property taxes levied in the annexing municipality and in the territory proposed to be annexed. “Ultimate impact” refers to the impact at the time when the area is built-out and all real property taxes generated go to all taxing

jurisdictions. For purposes of the estimate, the annexing city or village is to assume that undeveloped land in the territory proposed to be annexed will be developed in accordance with the master plan or comprehensive plan in effect at the time of the annexation. The annexing municipality is required to furnish the estimate to the department within 5 days after receiving the department's request and to publish a notice summarizing the estimate before adopting the annexation ordinance.