

1 **AN ACT** *to amend* 79.05 (2) (c); and *to create* 66.0602 (3) (e) 8. of the statutes;
 2 **relating to:** local levy limits and the expenditure restraint program.

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

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This bill was prepared for the Joint Legislative Council’s Special Committee on Emergency Management and Continuity of Government.

Under current levy limit statutes, a political subdivision (defined as a city, village, town, or county) may not increase its levy by a percentage that exceeds either the political subdivision’s valuation factor, as calculated under current law, or a percentage specified in the statutes. Various exceptions are provided in current law to the requirement that political subdivisions not increase their levy by more than the specified percentage. This bill creates an additional exception under which the levy limit does not apply to the amount that a political subdivision levies to pay the unreimbursed expenses related to a declared emergency.

Under the current expenditure restraint program, certain municipalities qualify for payments from the state if their municipal budget does not exceed the municipal budget for the previous year by more than the sum of an inflation factor and a valuation factor, calculated as specified in current law. In determining the budget for the current year and the previous year, certain costs are excluded. This bill creates an additional exclusion for unreimbursed expenses related to a declared emergency.

3 **SECTION 1.** 66.0602 (3) (e) 8. of the statutes is created to read:

4 66.0602 (3) (e) 8. The amount that a political subdivision levies to pay the unreimbursed
 5 expenses related to an emergency declared under ch. 166, including any amounts levied to
 6 replenish cash reserves used in the previous year to pay any unreimbursed expenses related
 7 to an emergency declared under ch. 166.

8 **SECTION 2.** 79.05 (2) (c) of the statutes is amended to read:

