

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 an emergency declared by the governor. However, the amount excluded for this purpose may not be added to a political subdivision’s base levy after the unreimbursed expenses have been recovered.

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 an emergency declared by the governor.

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 s. 166.03 (1) (b) 1., including any amounts  
 6           levied to replenish cash reserves used in the previous year to pay any unreimbursed expenses  
 7           related to an emergency declared under s. 166.03 (1) (b) 1., beginning in the year in which the

1 emergency occurs or the next year. The amount under this subdivision may not be added to  
2 a political subdivision's base levy for purposes of calculating levy limits under this section  
3 after the unreimbursed expenses have been recovered.

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

5 79.05 (2) (c) Its municipal budget; exclusive of principal and interest on long-term debt  
6 and exclusive of revenue sharing payments under s. 66.0305 and recycling fee payments under  
7 s. 289.645 and unreimbursed expenses related to an emergency declared under s. 166.03 (1)  
8 (b) (1); for the year of the statement under s. 79.015 increased over its municipal budget as  
9 adjusted under sub. (6); exclusive of principal and interest on long-term debt and exclusive  
10 of revenue sharing payments under s. 66.0305 and recycling fee payments under s. 289.645  
11 and unreimbursed expenses related to an emergency declared under s. 166.03 (1) (b) 1.; for  
12 the year before that year by less than the sum of the inflation factor and the valuation factor,  
13 rounded to the nearest 0.10%.

14 (END)