

State of Misconsin 2011 - 2012 LEGISLATURE



2011 ASSEMBLY BILL 140

May 17, 2011 – Introduced by JOINT LEGISLATIVE COUNCIL. Referred to Committee on Urban and Local Affairs.

1	AN ACT to create 66.0602 (3) (e) 9. and 121.91 (4) (p) of the statutes; relating
2	to: exceptions to county and municipal levy limits and school district revenue
3	limits for expenditures related to the implementation of service consolidation
4	or cooperation, or to the implementation of political subdivision or school
5	district consolidation.

Analysis by the Legislative Reference Bureau

This bill is explained in the NOTES provided by the Joint Legislative Council in the bill.

For further information see the *state and 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:

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This draft was prepared for the Joint Legislative Council's Special Committee on Local Service Consolidation.

In recent legislative sessions, county and municipal levy limits have been imposed subject to a sunset provision and then reinstituted by the legislature. Most recently, 2009 Wisconsin Act 28, the 2009–11 biennial budget act, reauthorized levy limits to apply to taxes levied in 2009 and 2010. Under current law, county and municipal levy increases

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are limited, with certain exceptions, to the greater of 3% or the percentage change in the local government's equalized value due to new construction, less improvements removed.

With regard to exceptions from the levy limit, current law allows levy limit adjustments in cases where one political subdivision that has entered into an intergovernmental cooperation agreement to jointly provide a service on a consolidated basis with another political subdivision agrees to lower its allowable levy in order to allow the 2nd political subdivision to increase its allowable levy, so that the resulting levies achieve a more equitable distribution of payments for services.

Additionally, under current law, school districts are subject to revenue limits under s. 121.91, stats. If a school district exceeds its revenue limit, the superintendent of public instruction shall deduct from the state aid payment to the school district an amount equal to the amount by which the district's revenue exceeds its revenue limit.

This bill provides an exception from the levy limit for the amount that a city, village, town, or county levies to implement the consolidation, or cooperation for the provision, of one or more services, or to implement the consolidation of political subdivisions. The bill limits the amount of the exception to 0.1% of the amount upon which the limit is applied.

Also, this bill draft would provide an exception from the revenue limit for the amount that a school district expends, not to exceed 0.1% of the school district's budget, to implement the consolidation, or cooperation for the provision, of one or more services, or to implement the consolidation of school districts.

SECTION 1.	66.0602 (3) (e)	9. of the	e statutes is	created to read:
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2 66.0602 (3) (e) 9. The amount that a political subdivision levies in that year,

3 not to exceed one-tenth of 1 percent of the amount of the levy upon which the limit

4 is applied, to implement the consolidation, or cooperation for the provision, of one or

5 more services, or to implement the consolidation of political subdivisions, as

6 authorized by law, including under s. 59.03 (2), 59.08, 66.0229, 66.0230, or 66.0301.

7 **SECTION 2.** 121.91 (4) (p) of the statutes is created to read:

8 121.91 (4) (p) The limit otherwise applicable to a school district under sub. (2m)

9 in any school year is increased by the amount that the school district expends in that

10 school year, not to exceed one-tenth of 1 percent of the school district's budget, to

11 implement the consolidation, or cooperation for the provision, of one or more services,

12 or to implement the consolidation of school districts, as authorized by law.

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(END)