1995 SENATE BILL 339

September 19, 1995 – Introduced by Senators ELLIS, WEEDEN, RUDE, WINEKE and DARLING, cosponsored by Representatives KAUFERT, PROSSER, AINSWORTH, MUSSER, F. LASEE and SERATTI. Referred to Committee on Transportation, Agriculture and Local Affairs.

1   AN ACT *to amend* 66.77 (title), 66.77 (1) (c), 66.77 (2) (title), 66.77 (3) (a) 1., 66.77

2   (3) (a) 3., 66.77 (3) (a) 4., 66.77 (3) (b) 1., 66.77 (3) (b) 2., 66.77 (3) (c) and 66.77

3   (5); and *to create* 66.77 (2m) of the statutes; **relating to:** county operating levy

4   limits.

Analysis by the Legislative Reference Bureau

Under current law, and subject to some exceptions, no county may impose an operating levy at an operating levy rate that exceeds 0.001 or the operating levy rate in 1992, whichever is greater. The exceptions include county board approval of a higher operating levy rate limit, subject to voter approval in a referendum. Another exception increases the levy rate limit otherwise applicable to the county to reflect costs incurred by the county because another governmental unit has transferred to the county the responsibility for providing a service. If a county exceeds its operating levy rate limit, it is penalized by a reduction in its shared revenue payments and its transportation aids up to the amount of the excess over the limit.

Generally under this bill, and subject to the same exceptions and penalties as the operating levy rate limit, no county may impose an operating levy that exceeds the operating levy imposed in the previous year by an amount that is greater than the sum of the previous year's operating levy multiplied by 4% and the previous year's operating levy multiplied by the percentage change in the county's population between the previous year and the current year, if the percentage change is greater than zero.

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:

1   **SECTION 1.** 66.77 (title) of the statutes is amended to read:

2   **66.77** (title) **Tax levy ~~rate~~ limit.**

3   **SECTION 2.** 66.77 (1) (c) of the statutes is amended to read:

4   66.77 **(1)** (c) "Excess over the limit" means the ~~amount~~ greater of the amounts

5   of revenue received by a county that results from the county exceeding the limit

6   under sub. (2) or (2m).

7   **SECTION 3.** 66.77 (2) (title) of the statutes is amended to read:

8   66.77 **(2)** (title) ~~LIMIT~~ LEVY RATE LIMIT.

9   **SECTION 4.** 66.77 (2m) of the statutes is created to read:

10   66.77 **(2m)** LEVY LIMIT. Except as provided in sub. (3), beginning in 1995, no

11   county may impose an operating levy that exceeds the amount calculated as follows:

12   (a)   Determine the operating levy for the previous year or, for the 1995

13   calculation only, the operating levy for 1994 or the operating levy for 1993 increased

14   by 4%, whichever is higher.

15   (b) Multiply the amount determined under par. (a) by 4%.

16   (c) Multiply the amount determined under par. (a) by the percentage change

17   in the county's population between the previous year and the current year, as

18   estimated by the department of administration under s. 16.96 (1), if the percentage

19   change in the county's population is greater than zero.

20   (d) Add the results obtained under pars. (a), (b) and (c).

21   **SECTION 5.** 66.77 (3) (a) 1. of the statutes is amended to read:

22   66.77 **(3)** (a) 1. If the governing body of a county wishes to exceed the operating

23   levy rate limit or the levy limit otherwise applicable to the county under this section,

24   it shall adopt a resolution to that effect. The resolution shall specify either the

25   operating levy rate or the operating levy that the governing body wishes to impose

1   for either a specified number of years or an indefinite period. The governing body

2   shall call a special referendum for the purpose of submitting the resolution to the

3   electors of the county for approval or rejection. In lieu of a special referendum, the

4   governing body may specify that the referendum be held at the next succeeding

5   spring primary or election or September primary or general election to be held not

6   earlier than 30 days after the adoption of the resolution of the governing body.

7   **SECTION 6.** 66.77 (3) (a) 3. of the statutes is amended to read:

8   66.77 **(3)** (a) 3. The referendum shall be held in accordance with chs. 5 to 12.

9   The governing body shall provide the election officials with all necessary election

10   supplies. The form of the ballot shall correspond substantially with the standard

11   form for referendum ballots prescribed by the elections board under ss. 5.64 (2) and

12   7.08 (1) (a). If the resolution under subd. 1. specifies the operating levy rate, the

13   question shall be submitted as follows: "Under state law, the operating levy rate for

14   the .... (name of county), for the tax to be imposed for the year .... (year), is limited

15   to $.... per $1,000 of equalized value. Shall the .... (name of county) be allowed to

16   exceed this rate limit for .... (a specified number of years) (an indefinite period) by $....

17   per $1,000 of equalized value that results in an operating levy rate of $.... per $1,000

18   of equalized value?" If the resolution under subd. 1. specifies the operating levy, the

19   question shall be submitted as ~~follows~~ <u>one of the following</u>: "Under state law, the

20   operating levy rate for the .... (name of county), for the tax to be imposed for the year

21   .... (year), is limited to $.... per $1,000 of equalized value. Notwithstanding the

22   operating levy rate limit, shall the .... (name of county) be allowed to levy an amount

23   not to exceed $.... (operating levy) for operating purposes for the year .... (year), which

24   may increase the operating levy rate for .... (a specified number of years) (an

25   indefinite period)? This would allow a ....% increase above the levy of $.... (preceding

1   year operating levy) for the year .... (preceding year).", or "Under state law, the

2   operating levy for the .... (name of county), for the tax to be imposed for the year ....

3   (year), is limited to $...., and the increase in the operating levy, compared to last

4   year's levy, is limited to 3% plus the percentage increase in the county's population

5   since last year. Notwithstanding the operating levy limit, shall the .... (name of

6   county) be allowed to levy an amount not to exceed $.... (operating levy) for operating

7   purposes for the year .... (year), which may increase the operating levy rate for .... (a

8   specified number of years) (an indefinite period)? This would allow a ....% increase

9   above the levy of $.... (preceding year operating levy) for the year .... (preceding

10   year)."

11   **SECTION 7.** 66.77 (3) (a) 4. of the statutes is amended to read:

12   66.77 **(3)** (a) 4. Within 14 days after the referendum, the clerk of the county

13   shall certify the results of the referendum to the department of revenue. A county

14   may exceed the operating levy rate limit or operating levy limit otherwise applicable

15   to it under this section in that year by an amount not exceeding the amount approved

16   by a majority of those voting on the question.

17   **SECTION 8.** 66.77 (3) (b) 1. of the statutes is amended to read:

18   66.77 **(3)** (b) 1. If an increased operating levy rate or operating levy is approved

19   by a referendum under par. (a) for a specified number of years, the increased

20   operating levy rate or operating levy shall be the operating levy rate limit or

21   operating levy for that number of years for purposes of this section. If an increased

22   operating levy rate or operating levy is approved by a referendum under par. (a) for

23   an indefinite period, the increased operating levy rate or operating levy shall be the

24   operating levy rate or operating levy limit for purposes of this section.

25   **SECTION 9.** 66.77 (3) (b) 2. of the statutes is amended to read:

1   66.77 **(3)** (b) 2. If an increased operating levy is approved by a referendum

2   under par. (a), the increased operating levy shall be used to calculate the <u>operating</u>

3   <u>levy rate, or the</u> operating levy ~~rate~~ limit, for the approved year for purposes of this

4   section. After the approved year, the <u>operating levy rate or the</u> operating levy ~~rate~~

5   limit in the approved year, or the <u>operating levy rate or the</u> operating levy ~~rate~~ limit

6   that would have been applicable if there had been no referendum, whichever is

7   greater, shall be the <u>rate or the</u> limit for the specified number of years or for an

8   indefinite period for purposes of this section.

9   **SECTION 10.** 66.77 (3) (c) of the statutes is amended to read:

10   66.77 **(3)** (c) 1. If a county transfers to another governmental unit responsibility

11   for providing any service that the county provided in the preceding year, the levy rate

12   limit <u>or the operating levy limit</u> otherwise applicable under this section to the county

13   in the current year is decreased to reflect the cost that the county would have

14   incurred to provide that service, as determined by the department of revenue.

15   2. If a county increases the services that it provides by adding responsibility

16   for providing a service transferred to it from another governmental unit in any year,

17   the levy rate limit <u>or the operating levy limit</u> otherwise applicable under this section

18   to the county in the current year is increased to reflect the cost of that service, as

19   determined by the department of revenue.

20   **SECTION 11.** 66.77 (5) of the statutes is amended to read:

21   66.77 **(5)** RATE COMPARISON. Annually, the department of revenue shall compare

22   the operating levy rate limit <u>and the operating levy limit</u> of each county under this

23   section to the actual operating levy rate <u>and the actual operating levy</u> imposed by the

24   county.

25   **(END)**