



## 2019 SENATE BILL 291

June 21, 2019 - Introduced by Senators MARKLEIN, BEWLEY, TESTIN and BERNIER, cosponsored by Representatives NOVAK, SHANKLAND, CONSIDINE, EDMING, KITCHENS, MILROY, QUINN, ROHRKASTE, SARGENT, SINICKI, SPIROS, SNYDER, SPREITZER, SWEARINGEN and SKOWRONSKI. Referred to Committee on Agriculture, Revenue and Financial Institutions.

- 1     **AN ACT** *to renumber and amend* 66.0602 (4) (c); *to amend* 66.0602 (2m) (b) 4.  
2             and 66.0602 (4) (a); and *to create* 66.0602 (4) (c) 1. to 4. of the statutes; **relating**  
3             **to:** holding a referendum to increase a political subdivision's levy limit.

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### *Analysis by the Legislative Reference Bureau*

Under current law, with certain exceptions, no political subdivision may increase its property tax levy in any year by a percentage that exceeds the valuation factor. The valuation factor is a percentage equal to the greater of either the percentage change in the political subdivision's January 1 equalized property values due to new construction (less improvements removed between the previous year and the current year) or zero percent. One exception allows a political subdivision to increase its levy limit beyond the amount of the previous year's levy, as increased by the valuation factor, by adopting a resolution and having the increase approved at a referendum. The increase may apply for the next fiscal year or on an ongoing basis.

Current law prescribes the exact wording of the ballot question. The ballot question must include the name of the political subdivision and provide a description of the levy limit that applies to the political subdivision for the next fiscal year. The ballot question must then ask the elector whether he or she agrees to allow the political subdivision to exceed the limit by a specified amount, which is also expressed as a percentage increase from the previous year's levy. The question must also describe the purpose for which the increase will be used. For any levy in an odd-numbered year, the political subdivision may call a special referendum to consider the question. In an even-numbered year, the political subdivision must

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hold the referendum at the next spring primary or election or partisan primary or general election following adoption of the resolution.

This bill allows a political subdivision to use its best estimate of its valuation factor, based on the most current data available to it, in order to adopt a resolution and hold a referendum to increase its levy beyond the allowable limit. The political subdivision may call a special referendum to consider the resolution. Otherwise, the referendum would be held at the spring primary or election or partisan primary or general election. The bill does not prescribe the exact wording for the ballot, but instead provides that the question include the following:

1. The name of the political subdivision to which the levy increase applies.
2. The purpose for which the increase will be used.
3. If the increase is for the next fiscal year only, the percentage increase in the levy from the previous year's levy and the amount of the increase.
4. If the increase is on an ongoing basis, the amount of the increase for each fiscal year for which the increase applies.

For further information see the *local* fiscal estimate, which will be printed as an appendix to this bill.

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

1           **SECTION 1.** 66.0602 (2m) (b) 4. of the statutes is amended to read:

2           66.0602 (**2m**) (b) 4. The requirement under subd. 2. or 3. does not apply if the  
3 governing body of the political subdivision adopts a resolution that the levy limit  
4 should not be reduced and if the resolution is approved in a referendum. The  
5 procedure under sub. (4) applies to a referendum under this subdivision, except that  
6 the resolution and referendum question need not specify an amount of increase in  
7 the levy limit or the length of time for which the levy limit increase will apply ~~and~~  
8 ~~the referendum question need not follow the question format under sub. (4) (c).~~

9           **SECTION 2.** 66.0602 (4) (a) of the statutes is amended to read:

10           66.0602 (**4**) (a) A political subdivision may exceed the levy increase limit under  
11 sub. (2) if its governing body adopts a resolution to that effect and if the resolution  
12 is approved in a referendum. For purposes of this paragraph, the political  
13 subdivision may use its best estimate of its valuation factor, based on the most

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1 ~~current data available to it.~~ The resolution shall specify the proposed amount of  
2 increase in the levy ~~beyond the amount that is allowed under sub. (2), the purpose~~  
3 ~~for which the increase will be used, and whether the proposed amount of increase is~~  
4 ~~for the next fiscal year only or if it will apply on an ongoing basis. With regard to a~~  
5 ~~referendum relating to the 2005 levy, or any levy in an odd-numbered year~~  
6 ~~thereafter, the The political subdivision may call a special referendum for the~~  
7 ~~purpose of submitting the resolution to the electors of the political subdivision for~~  
8 ~~approval or rejection. With regard to a referendum relating to the 2006 levy, or any~~  
9 ~~levy in an even-numbered year thereafter, the Otherwise, a referendum shall may~~  
10 ~~be held at the next succeeding spring primary or election or partisan primary or~~  
11 ~~general election.~~

12 **SECTION 3.** 66.0602 (4) (c) of the statutes is renumbered 66.0602 (4) (c) (intro.)  
13 and amended to read:

14 66.0602 (4) (c) (intro.) The referendum shall be held in accordance with chs. 5  
15 to 12. The political subdivision shall provide the election officials with all necessary  
16 election supplies. The form of the ballot shall correspond substantially with the  
17 standard form for referendum ballots under ss. 5.64 (2) and 7.08 (1) (a). The question  
18 shall be submitted as follows: “Under state law, the increase in the levy of the ....  
19 (name of political subdivision) for the tax to be imposed for the next fiscal year, ....  
20 (year), is limited to ....%, which results in a levy of \$.... Shall the .... (name of political  
21 subdivision) be allowed to exceed this limit and increase the levy for the next fiscal  
22 year, .... (year), for .... (purpose for which the increase will be used), by a total of ....%,  
23 which results in a levy of \$....?”. In preparing the ballot question for a referendum  
24 held at a partisan primary in 2014, as it relates to the allowable amount of levy rate  
25 increase and the total amount of a levy, a county with a population of at least 30,000,

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1 ~~but no more than 40,000, that is adjacent to a county with a population exceeding~~  
2 ~~450,000, shall use the most recent data that it has and the most recent data that is~~  
3 ~~available from the department of revenue. include the following:~~

4 **SECTION 4.** 66.0602 (4) (c) 1. to 4. of the statutes are created to read:

5 66.0602 (4) (c) 1. The name of the political subdivision to which the levy  
6 increase applies.

7 2. The purpose for which the increase will be used.

8 3. If the increase is for the next fiscal year only, the percentage increase in the  
9 levy from the previous year's levy and the amount of the increase.

10 4. If the increase is on an ongoing basis, the amount of the increase for each  
11 fiscal year for which the increase applies.

12 (END)