

2005 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB100)

Received: 06/21/2005

Received By: pgrant

Wanted: As time permits

Identical to LRB:

For: James Kreuser (608) 266-5504

By/Representing:

This file may be shown to any legislator: NO

Drafter: pgrant

May Contact:

Addl. Drafters: jkreye  
mshovers

Subject: Education - school finance  
Higher Education - tech. college  
Local Gov't - counties  
Local Gov't - misc

Extra Copies: MJL  
MES  
JK

Submit via email: YES

Requester's email: Rep.Kreuser@legis.state.wi.us

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Revenue limit adjustment and levylimits

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pgrant 06/21/2005	csicilia 06/21/2005					
/1			pgreensl 06/21/2005		mbarman 06/21/2005	mbarman 06/21/2005	

FE Sent For:

**<END>**

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Tygs 6/21/05  
6/21/05  
p8  
6/21/05  
p8/15

FE Sent For:

<END>

## Grant, Peter

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**From:** Hanaman, Cathlene  
**Sent:** Tuesday, June 21, 2005 6:01 PM  
**To:** Grant, Peter  
**Subject:** FW: Democratic Amendment Packages- first set

I think this is your request.

-----Original Message-----

**From:** Lundquist, Lisa  
**Sent:** Tuesday, June 21, 2005 5:56 PM  
**To:** Hanaman, Cathlene  
**Subject:** RE: Democratic Amendment Packages- first set

we have the HOPE package, thank you. However, the caucus would like to cut down b0496 or have a new package that only includes b0433- restore Guv's position on Revenue Limit per Pupil Adjustment and the part of b0496 relating to deleting JFC provisions from motion #897 and restoring all Guv's provision re: property tax freeze.

Please e-mail or call with any questions.

thank you,

Lisa  
266-5504

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**From:** Hanaman, Cathlene  
**Sent:** Tuesday, June 21, 2005 5:35 PM  
**To:** Lundquist, Lisa  
**Subject:** RE: Democratic Amendment Packages- first set

Lisa:

Thank you. The first package (education and property taxes) is the same as b0496 because b0433 is in b0496. So that one is finished and ready for you as b0496.

The second package (HOPE) is b0529; I think you have it already.

The third package is b0599; it will arrive shortly.

The fourth package is b0603; it will arrive shortly.

The fifth package is b0606; it will arrive shortly.

Feel free to call with any questions.

Thanks,  
Cathlene

-----Original Message-----

**From:** Lundquist, Lisa  
**Sent:** Tuesday, June 21, 2005 3:58 PM  
**To:** Hanaman, Cathlene  
**Cc:** Wilson, A.J.; Adrian, Scott  
**Subject:** Democratic Amendment Packages- first set

### **Package: Education and Property Taxes**

b0433- restore Guv's position on Revenue Limit per Pupil Adjustment  
b0496- but only the portion relating to deleting JFC provisions from motion #897 and restoring all Guv's provision re: property tax freeze

**Package: HOPE**

adopt provisions of LRB 1985/2

**Package: Education**

b0434 restoring Gov's position on SAGE  
b0430 restoring Gov's position on 4 yr old kindergarten funding  
b0431 restore gov's position on school breakfast funding

**Package**

b0515 cap tuition payments for voucher schools at the price they charge non-voucher students  
b0475 adopt provisions of 2003 AB855 making voucher schools accountable to No Child Left Behind  
b0474 restore Gov's position to increase rolling average from 3 to 5yrs  
b0508 restore Gov's position on Work Based Learning Board

**Package**

b0464 repeal QEO  
b0462 delete fees on teachers for mentoring  
b0491 restore Gov's position on increased funding for trans aids

Thank you!!!

DN

06/11

CS

**ASSEMBLY AMENDMENT ,  
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO 2005 ASSEMBLY BILL 100**

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 395, line 3: delete the material beginning with that line and ending  
3 with page 397, line 20.

4 **2.** Page 537, line 25: delete the material beginning with that line and ending  
5 with page 542, line 17, and substitute:

6 **"SECTION 1251e.** 66.0602 of the statutes is created to read:

7 **66.0602 Local levy limits. (1) DEFINITIONS.** In this section:

8 (a) "County growth factor" means a percentage equal to 60 percent of the  
9 percentage change in the county's January 1 equalized value due to new construction  
10 less improvements removed between the year before the previous year and the  
11 previous year, but not less than zero.

1 (b) "Debt service" includes debt service on debt issued or reissued to fund or  
2 refund outstanding municipal or county obligations, interest on outstanding  
3 municipal or county obligations, and related issuance costs and redemption  
4 premiums.

5 (c) "Inflation factor" means a percentage equal to the average annual  
6 percentage change in the U.S. consumer price index for all urban consumers, U.S.  
7 city average, as determined by the U.S. department of labor, for the 12 months  
8 ending on June 30 of the year in which property tax bills are mailed under s. 74.09  
9 (5).

10 (d) "Members-elect" has the meaning given in s. 59.001 (2m).

11 (e) "Municipal growth factor" means a percentage equal to 60 percent of the  
12 percentage change in the region's January 1 equalized value due to new construction  
13 less improvements removed between the year before the previous year and the  
14 previous year, but not less than zero.

15 (f) "Municipality" means a city, village, or town.

16 (g) "Political subdivision" means a city, village, town, or county.

17 (h) "Region" means any of the following areas to which a municipality is  
18 assigned by the department of revenue, according to the county in which the  
19 municipality is located, except that, if the municipality is located in more than one  
20 county, the municipality is considered to be located in the county that has the greater  
21 taxable value:

22 1. Region 1, consisting of the counties of Brown, Door, Florence, Kewaunee,  
23 Manitowoc, Marinette, Oconto, and Sheboygan.

1           2. Region 2, consisting of the counties of Calumet, Fond du Lac, Green Lake,  
2 Marquette, Menominee, Outagamie, Shawano, Waupaca, Waushara, and  
3 Winnebago.

4           3. Region 3, consisting of the counties of Buffalo, Crawford, Jackson, La Crosse,  
5 Monroe, Pepin, Pierce, Trempealeau, and Vernon.

6           4. Region 4, consisting of the counties of Adams, Forest, Juneau, Langlade,  
7 Lincoln, Marathon, Oneida, Portage, Vilas, and Wood.

8           5. Region 5, consisting of the counties of Ashland, Bayfield, Burnett, Douglas,  
9 Iron, Price, Rusk, Sawyer, Taylor, and Washburn.

10          6. Region 6, consisting of the counties of Columbia, Dane, Dodge, Jefferson,  
11 Rock, and Sauk.

12          7. Region 7, consisting of the counties of Kenosha, Milwaukee, Ozaukee,  
13 Racine, Walworth, Washington, and Waukesha.

14          8. Region 8, consisting of the counties of Grant, Green, Iowa, Lafayette, and  
15 Richland.

16          9. Region 9, consisting of the counties of Barron, Chippewa, Clark, Dunn, Eau  
17 Claire, Polk, and St. Croix.

18           **(2) LEVY LIMIT.** (a) Except as provided in subs. (3), (4), and (5), no municipality  
19 may increase its levy in any year by a percentage that exceeds the sum of the inflation  
20 factor and the municipal growth factor. In determining its levy in any year, a city,  
21 village, or town shall subtract any tax increment that is calculated under s. 60.85 (1)  
22 (L) or 66.1105 (2) (i).

23           (b) Except as provided in subs. (3), (4), and (5), no county may increase its levy  
24 in any year by a percentage that exceeds the sum of the inflation factor and the  
25 county growth factor.



1           **(3) EXCEPTIONS.** (a) If a political subdivision transfers to another governmental  
2 unit responsibility for providing any service that the political subdivision provided  
3 in the preceding year, the levy increase limit otherwise applicable under this section  
4 to the political subdivision in the current year is decreased to reflect the cost that the  
5 political subdivision would have incurred to provide that service, as determined by  
6 the department of revenue.

7           (b) If a political subdivision increases the services that it provides by adding  
8 responsibility for providing a service transferred to it from another governmental  
9 unit that provided the service in the preceding year, the levy increase limit otherwise  
10 applicable under this section to the political subdivision in the current year is  
11 increased to reflect the cost of that service, as determined by the department of  
12 revenue.

13           (c) If a city or village annexes territory from a town, the city's or village's levy  
14 increase limit otherwise applicable under this section is increased in the current year  
15 by an amount equal to the city's or village's mill rate applied to the current assessed  
16 value of the annexed territory, and the levy increase limit otherwise applicable under  
17 this section in the current year for the town from which the territory is annexed is  
18 decreased by the town's mill rate applied to the assessed value of the annexed  
19 territory as of the last year that the territory was subject to taxation by the town, as  
20 determined by the department of revenue.

21           (d) The limit otherwise applicable under this section does not apply to amounts  
22 levied by a political subdivision for the payment of any general obligation debt  
23 service, including debt service on debt issued or reissued to fund or refund  
24 outstanding obligations of the political subdivision, interest on outstanding  
25 obligations of the political subdivision, or the payment of related issuance costs or

1 redemption premiums, secured by the full faith and credit of the political  
2 subdivision.

3 (e) The limit otherwise applicable under this section does not apply to the  
4 amount that a county levies in that year for a county children with disabilities  
5 education board.

6 (f) The limit otherwise applicable under this section does not apply to the  
7 amount that a 1st class city levies for school purposes.

8 (g) If in any year a political subdivision's distribution under s. 79.043 (5) is less  
9 than the political subdivision's distribution under s. 79.043 (5) in the previous year,  
10 the limit otherwise applicable under this section shall be increased to reflect the  
11 reduction in the distribution.

12 **(4) REFERENDUM EXCEPTION.** (a) A political subdivision may exceed the levy  
13 increase limit under sub. (2) if its governing body adopts a resolution to that effect  
14 and the resolution is approved in a referendum.

15 (b) The resolution under par. (a) shall specify the proposed amount of increase  
16 in the levy beyond the amount that is allowed under sub. (2). The political  
17 subdivision may either call a special referendum for the purpose of submitting the  
18 resolution to the electors of the political subdivision for approval or rejection or the  
19 referendum may be held at the next succeeding spring primary or election or  
20 September primary or general election, if such election is to be held not sooner than  
21 42 days after the resolution is adopted.

22 (c) The clerk of the political subdivision shall publish type A, B, C, D, and E  
23 notices of the referendum under s. 10.01 (2). Section 5.01 (1) applies in the event of  
24 failure to comply with the notice requirements of this paragraph.

1 (d) The referendum shall be held in accordance with chs. 5 to 12. The political  
2 subdivision shall provide the election officials with all necessary election supplies.  
3 The form of the ballot shall correspond substantially with the standard form for  
4 referendum ballots prescribed by the elections board under ss. 5.64 (2) and 7.08 (1)

5 (a). The question shall be submitted as follows: “Under state law, the increase in the  
6 levy of the .... (name of political subdivision) for the tax to be imposed for the next  
7 fiscal year, .... (year), is limited to ....%, which results in a levy of \$.... Shall the ....  
8 (name of political subdivision) be allowed to exceed this limit and increase the levy  
9 for the next fiscal year, .... (year), by a total of ....%, which results in a levy of \$....?”.

10 (e) Within 14 days after the referendum, the clerk of the political subdivision  
11 shall certify the results of the referendum to the department of revenue.

12 (f) The levy increase limit otherwise applicable to the political subdivision  
13 under sub. (2) is increased in the next fiscal year by the percentage approved by a  
14 majority of those voting on the question under par. (d).

15 **(5) EXCEPTION, CERTAIN TOWNS.** A town with a population of less than 2,000 may  
16 exceed the levy increase limit otherwise applicable under this section to the town if  
17 the annual town meeting or a special town meeting adopts a resolution to that effect.  
18 The limit otherwise applicable to the town under sub. (2) is increased in the next  
19 fiscal year by the percentage approved by a majority of those voting on the question.  
20 Within 14 days after the adoption of the resolution, the town clerk shall certify the  
21 results of the vote to the department of revenue.

22 **(6) REPORTING REQUIREMENTS.** The department of revenue may promulgate  
23 rules relating to a political subdivision reporting its debt service levy and nondebt  
24 service levy to the department.



**ASSEMBLY AMENDMENT ,  
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO 2005 ASSEMBLY BILL 100**

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 773, line 10: delete lines 10 to 25.

3 **2.** Page 774, line 1: delete lines 1 to 24.

4 **3.** Page 775, line 1: delete lines 1 to 16.

5 **4.** Page 776, line 1: delete lines 1 to 11.

6 (END)

#137  
LRB

DN

This draft combines 60433 (revenue limit per pupil adjustment) with 60445 (restoring the governor's property tax freeze).

PL



**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRBb0611/1dn  
PG:cs:pg

June 21, 2005

This draft combines b0433 (revenue per pupil adjustment) with b0445 (restoring the governor's property tax freeze.

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