

2019 DRAFTING REQUEST

Bill

For: **Administration-Budget 6-1923** Drafter: **mshovers**
 By: **Quinn** Secondary Drafters: **emueller**
 Date: **1/28/2019** May Contact:
 Same as LRB:

Submit via email: **YES**
 Requester's email:
 Carbon copy (CC) to: **doasbostatlanguage@wisconsin.gov**
eric.mueller@legis.wisconsin.gov

Pre Topic:

DOA:.....Quinn, BB0230 -

Topic:

Local levy limit adjustment for shared emergency services

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/P1	mshovers 2/7/2019	ccarmich 1/29/2019	dwalker 1/29/2019		State S&L
/P2	mshovers 2/17/2019	ccarmich 2/8/2019	mbarman 2/8/2019		State S&L
/P3	emueller 2/21/2019	ccarmich 2/18/2019	mbarman 2/18/2019		State S&L
/P4		lparisi 2/21/2019	lparisi 2/21/2019		State S&L

FE Sent For:

<END>

Shovers, Marc

From: Hanaman, Cathlene
Sent: Monday, January 28, 2019 9:09 AM
To: Mueller, Eric; Shovers, Marc; Kreye, Joseph
Subject: FW: Statutory Language Drafting Request - 2019-21

From: Quinn, Brian D - DOA <Brian.Quinn@wisconsin.gov>
Sent: Saturday, January 26, 2019 1:54 PM
To: Hanaman, Cathlene <Cathlene.Hanaman@legis.wisconsin.gov>
Cc: Ziegler, Paul - DOA <Paul2.Ziegler@wisconsin.gov>; Quinn, Brian D - DOA <Brian.Quinn@wisconsin.gov>
Subject: Statutory Language Drafting Request - 2019-21

1684

Biennial Budget: 2019-21

Topic: Levy Limit Adjustment for Shared Emergency Services

Tracking Code: BB0230

SBO Team: TLGED

SBO Analyst: Quinn, Brian D - DOA
Phone: (608) 266-1923
E-mail: brian.quinn@wisconsin.gov

Agency Acronym: 835

Agency Number: 835

Priority: Medium

Intent:

The purpose of this modification would be to allow municipalities to increase their levy limits by amounts necessary to cover fee increases apportioned to each member municipality for the costs of operating the joint service.

Proposed language: "The limit otherwise applicable under this section does not apply to the amount that a city, village, or town levies in that year to pay for charges assessed by a joint emergency dispatch center, but only to the extent that the amount levied to pay for such charges would cause the city, village, or town to exceed the limit that is otherwise applicable under this section.

The exception to the limit that is described under subdivision 1 applies only if all of the following apply:

The total charges assessed by the joint emergency dispatch center for the current year increase, relative to the total charges assessed by the joint emergency dispatch center for the previous year, by a percentage that is less than or equal to the percentage change in the U.S. consumer price index for all urban consumers, U.S. city average, as determined by the U.S. department of labor, for the 12 months ending on September 30 of the year of the levy, plus 2 percent.

The governing body of each city, village, and town that is served by the joint emergency dispatch center adopts a resolution in favor of exceeding the limit as described in subdivision 1."

Attachments: False

Please send completed drafts to SBOStatlanguage@spmail.enterprise.wistate.us



DOA:.....Quinn, BB0230 - Local levy limit adjustment for shared emergency services

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

SIA
X-ref ✓
s/c

1 AN ACT ^φ...; relating to: to the budget.

Analysis by the Legislative Reference Bureau

LOCAL GOVERNMENT

This bill creates a levy limit exception for amounts by which a city, village, or town (municipality) must increase its levy to cover fee increases related to the operation of joint emergency dispatch center (center).

Generally, under current law, local levy limits are applied to the property tax levies that are imposed by political subdivisions (municipalities and counties) in December of each year. Current law prohibits a political subdivision from increasing its levy by a percentage that exceeds its "valuation factor," which is defined as the greater of either zero percent or the percentage change in the political subdivision's equalized value due to new construction, less improvements removed.

Current law contains a number of exceptions to the levy limit, such as amounts a county levies for a countywide emergency medical system, for a county children with disabilities education board, and for certain bridge and culvert construction and repair. In addition, a political subdivision may exceed the levy limit that is otherwise applicable if its governing body adopts a resolution to do so and if that resolution is approved by the electors in a referendum.

This bill creates another exception to local levy limits. Under the bill, amounts by which a municipality must increase its levy to cover fee increases apportioned to each member municipality of a center do not apply to the otherwise applicable levy

limits, but only to the extent that such amounts would cause the municipality to exceed the levy limits, and only if the total charges imposed by the center for the current year, compared to the previous year, are less than or equal to the rate of inflation plus 2 percent. In addition, all member municipalities of a center must adopt a resolution in favor of exceeding the otherwise applicable levy limit.

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.** 66.0602 (3) (e) 10. of the statutes is created to read:

2 66.0602 (3) (e) 10. The amount that a municipality levies in that year to pay
3 for charges assessed by a joint emergency dispatch center, but only to the extent that
4 such charges would cause the municipality to exceed the limit that is otherwise
5 applicable under this section and only if all of the following apply:

6 a. The total charges assessed by the joint emergency dispatch center for the
7 current year increase, relative the total charges assessed by the joint emergency
8 dispatch center for the previous year, by a percentage that is less than or equal to the
9 percentage change in the U.S. consumer price index for all urban consumers, U.S.
10 city average, as determined by the U.S. department of labor, for the 12 months
11 ending on September 30 of the year of the levy, plus 2 percent.

12 b. The governing body of each municipality that is served by the joint
13 emergency dispatch center adopts a resolution in favor of exceeding the limit that is
14 otherwise applicable under this section.

****NOTE: Is "joint emergency dispatch center" a term of art, or might it need to be defined?

15

(END)



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-1684/P1
MES:cdc

P2
RMR

DOA:.....Quinn, BB0230 - Local levy limit adjustment for shared emergency services

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: to the budget.

Analysis by the Legislative Reference Bureau

LOCAL GOVERNMENT

This bill creates a levy limit exception for amounts by which a city, village, or town (municipality) must increase its levy to cover fee increases related to the operation of joint emergency dispatch center (center).

Generally, under current law, local levy limits are applied to the property tax levies that are imposed by political subdivisions (municipalities and counties) in December of each year. Current law prohibits a political subdivision from increasing its levy by a percentage that exceeds its "valuation factor," which is defined as the greater of either zero percent or the percentage change in the political subdivision's equalized value due to new construction, less improvements removed.

Current law contains a number of exceptions to the levy limit, such as amounts a county levies for a countywide emergency medical system, for a county children with disabilities education board, and for certain bridge and culvert construction and repair. In addition, a political subdivision may exceed the levy limit that is otherwise applicable if its governing body adopts a resolution to do so and if that resolution is approved by the electors in a referendum.

The bill creates another exception to local levy limits. Under the bill, amounts by which a municipality must increase its levy to cover fee increases apportioned to each member municipality of a center do not apply to the otherwise applicable levy

may not increase

operating a joint emergency dispatch

Shovers, Marc

From: Quinn, Brian D - DOA
Sent: Sunday, February 17, 2019 4:44 PM
To: Shovers, Marc
Subject: Levy Limit Adjustment for Emergency Dispatch Center - 1684/P2

Marc,

I saw your note on this one as I was going through on my review. Those municipalities that requested this provision didn't offer a specific definition, but I suppose one couldn't hurt provided that we're sufficiently broad in the construction of the definition. Something like: A "joint emergency dispatch center" is defined to be an operation that serves as the dispatch center for two or more municipalities' police, fire, emergency medical services or any other emergency services.

Edit that one as you see fit. I'm not especially wedded to that construction.

Separately, a couple of other things that I neglected to include in this draft.

1. The inflationary growth provision for both this and the existing joint fire departments should be lowered from CPI+2% to CPI+1%.
2. Also, specify that amounts claimed as levy limit adjustments for those provisions are excluded from the budget test under the Expenditure Restraint Program for the municipal fiscal year to which they apply. The purpose of that change is to ensure that local governments can spend the amounts assessed by the joint fire department and this new joint emergency dispatch center provision without breaching expenditure restraint limitations.

Let me know if you have any questions related to these changes.

Thanks.

Brian Quinn
Executive Policy and Budget Analyst - Advanced
Wisconsin Department of Administration
Division of Executive Budget and Finance
(608)-266-1923

Shovers, Marc

From: Quinn, Brian D - DOA
Sent: Sunday, February 17, 2019 7:54 PM
To: Shovers, Marc
Subject: Re: Levy Limit Adjustment for Emergency Dispatch Center - 1684/P2

Ah, right you are. Yes, use "political subdivision" instead. Thanks for the catch. I have a bad habit of using "municipality" as a catch-all term.

From: Shovers, Marc - LEGIS <marc.shovers@legis.wisconsin.gov>
Sent: Sunday, February 17, 2019 6:41 PM
To: Quinn, Brian D - DOA
Subject: RE: Levy Limit Adjustment for Emergency Dispatch Center - 1684/P2

Hi Brian:

I think that definition is fine. I just want to make sure that the use of "municipality" is intended here, and not "political subdivision." By using munis, it excludes counties, so a sheriff's department is not included. Is that the intent?

Thanks,

Marc

Marc Shovers
Senior Legislative Attorney
Legislative Reference Bureau
608-504-5876
marc.shovers@legis.wisconsin.gov

From: Quinn, Brian D - DOA <Brian.Quinn@wisconsin.gov>
Sent: Sunday, February 17, 2019 4:44 PM
To: Shovers, Marc <Marc.Shovers@legis.wisconsin.gov>
Subject: Levy Limit Adjustment for Emergency Dispatch Center - 1684/P2

Marc,

I saw your note on this one as I was going through on my review. Those municipalities that requested this provision didn't offer a specific definition, but I suppose one couldn't hurt provided that we're sufficiently broad in the construction of the definition. Something like: A "joint emergency dispatch center" is defined to be an operation that serves as the dispatch center for two or more municipalities' police, fire, emergency medical services or any other emergency services.

Edit that one as you see fit. I'm not especially wedded to that construction.

Separately, a couple of other things that I neglected to include in this draft.

1. The inflationary growth provision for both this and the existing joint fire departments should be lowered from CPI+2% to CPI+1%.
2. Also, specify that amounts claimed as levy limit adjustments for those provisions are excluded from the budget test under the Expenditure Restraint Program for the municipal fiscal year to which they apply. The purpose of that change is to ensure that local governments can spend the amounts assessed by the joint fire department and this new joint emergency dispatch center provision without breaching expenditure restraint limitations.

Let me know if you have any questions related to these changes.

Thanks.

Brian Quinn
Executive Policy and Budget Analyst - Advanced
Wisconsin Department of Administration
Division of Executive Budget and Finance
(608)-266-1923



13

DOA:.....Quinn, BB0230 - Local levy limit adjustment for shared emergency services

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

1. Local levy limit adjustment for shared emergency services

1 AN ACT ...; relating to: to the budget.

Analysis by the Legislative Reference Bureau

LOCAL GOVERNMENT

Generally, under current law, local levy limits are applied to the property tax levies that are imposed by political subdivisions (municipalities and counties). A political subdivision may not increase its levy by a percentage that exceeds its "valuation factor," which is the greater of 0 percent or the percentage change in the political subdivision's equalized value due to new construction, less improvements removed. Current law also contains a number of exceptions to the levy limit, such as amounts a county levies for a countywide emergency medical system, for a county children with disabilities education board, and for certain bridge and culvert construction and repair.

The bill creates another exception to local levy limits. Under the bill, fee increases apportioned to each municipality operating a joint emergency dispatch center do not apply to the levy limits, but only if the fees would cause the municipality to exceed the levy limits, and only if the total charges imposed by the center for the current year, compared to the previous year, are less than or equal to the rate of inflation plus 2 percent. In addition, all member municipalities of a center must adopt a resolution in favor of exceeding the levy limit.

political subdivisions

political subdivision

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:

JNS
2-1

SECTION 1. 66.0602 (3) (e) 10. of the statutes is created to read:

66.0602 (3) (e) 10. The amount that a ^(political subdivision) municipality levies in that year to pay for charges assessed by a joint emergency dispatch center, but only to the extent that such charges would cause the municipality to exceed the limit that is otherwise applicable under this section and only if all of the following apply:

a. The total charges assessed by the joint emergency dispatch center for the current year increase, relative the total charges assessed by the joint emergency dispatch center for the previous year, by a percentage that is less than or equal to the percentage change in the U.S. consumer price index for all urban consumers, U.S. city average, as determined by the U.S. department of labor, for the 12 months ending on September 30 of the year of the levy, plus 2 percent.

b. The governing body of each municipality that is served by the joint emergency dispatch center adopts a resolution in favor of exceeding the limit that is otherwise applicable under this section.

****NOTE: Is "joint emergency dispatch center" a term of art, or might it need to be defined?

15

(END)

2019-2020 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1684/P3ins
MES:cdc

INS 2-1

SECTION 1. 66.0602 (1) (ak) of the statutes is created to read:

66.0602 (1) (ak) "Joint emergency dispatch center" means an operation that serves as the dispatch center for ^{2 or} two or more ^{political subdivisions'} municipalities' police, fire, emergency medical services, or any other emergency services. ^{law enforcement}

Mueller, Eric

From: Quinn, Brian D - DOA
Sent: Thursday, February 21, 2019 1:41 PM
To: Mueller, Eric
Cc: Kreye, Joseph
Subject: Joint Emergency Dispatch Center Draft - 1684/P3

Eric,

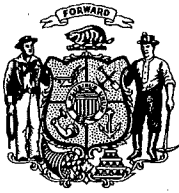
There were a couple of changes that were supposed to get into the revised version of this draft that I don't see in here at this point.

1. The inflationary growth provision for both this and the existing joint fire departments should be lowered from CPI+2% to CPI+1%. (This has already happened for the new provision, but there should also be an adjustment for the existing joint fire department provision.)
2. Also, specify that amounts claimed as levy limit adjustments for those provisions are excluded from the budget test under the Expenditure Restraint Program for the municipal fiscal year to which they apply. The purpose of that change is to ensure that local governments can spend the amounts assessed by the joint fire department and this new joint emergency dispatch center provision without breaching expenditure restraint limitations.

Let me know if you have questions.

Thanks.

Brian Quinn
Executive Policy and Budget Analyst - Advanced
Wisconsin Department of Administration
Division of Executive Budget and Finance
(608)-266-1923



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-1684/P3

MES:cdc

+wlj

RMR

DOA:.....Quinn, BB0230 - Local levy limit adjustment for shared emergency services

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

INSERT

2/21/19

1 AN ACT ...; relating to: to the budget.

and joint fire departments

Analysis by the Legislative Reference Bureau

LOCAL GOVERNMENT

1. Local levy limit adjustment for shared emergency services

Generally, under current law, local levy limits are applied to the property tax levies that are imposed by political subdivisions (municipalities and counties). A political subdivision may not increase its levy by a percentage that exceeds its "valuation factor," which is the greater of 0 percent or the percentage change in the political subdivision's equalized value due to new construction, less improvements removed. Current law also contains a number of exceptions to the levy limit, such as amounts a county levies for a countywide emergency medical system, for a county children with disabilities education board, and for certain bridge and culvert construction and repair.

The bill creates another exception to local levy limits. Under the bill, fee increases apportioned to each political subdivision operating a joint emergency dispatch center do not apply to the levy limits, but only if the fees would cause the political subdivisions to exceed the levy limits, and only if the total charges imposed by the center for the current year, compared to the previous year, are less than or equal to the rate of inflation plus 1 percent. In addition, all member political subdivisions of a center must adopt a resolution in favor of exceeding the levy limit.

MES Analysis

2019-2020 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1684/P4ins
MES:cde

1 INS Analysis

2

Also under current law, a similar exception applies to municipalities operating a joint fire department. Currently, under this provision, the exception applies only if the total charges imposed by the joint fire department for the current year, compared to the previous year, increase by less than or equal to the rate of inflation plus 2 percent. This bill reduces the permitted yearly increase to the rate of inflation plus 1 percent.

3

4 INS 2-18

5

6 **SECTION 1.** 66.0602 (3) (h) 2. a. of the statutes is amended to read:

7

66.0602 (3) (h) 2. a. The total charges assessed by the joint fire department for
8 the current year increase, relative to the total charges assessed by the joint fire
9 department for the previous year, by a percentage that is less than or equal to the
10 percentage change in the U.S. consumer price index for all urban consumers, U.S.
11 city average, as determined by the U.S. department of labor, for the 12 months
12 ending on September 30 of the year of the levy, plus ~~2~~¹ percent.

History: 2005 a. 25, 484; 2007 a. 20, 115, 129; 2009 a. 28; 2011 a. 32, 63, 75, 140, 145, 258; 2013 a. 20; 2013 a. 165 s. 114; 2013 a. 222, 310; 2015 a. 55, 191, 256; 2017 a. 59; 2017 a. 207 s. 5; 2017 a. 223, 243, 317; 2017 a. 365 s. 111; s. 13.92 (1) (bm) 2; s. 35.17 correction in (1) (d).

Insert 2 - 18 JK

1 **SECTION 1.** 79.05 (2) (c) of the statutes is amended to read:

2 79.05 (2) (c) Its municipal budget; exclusive of principal and interest on
3 long-term debt and exclusive of revenue sharing payments under s. 66.0305, levy
4 limit adjustments under s. 66.0602 (3) (e) 10., recycling fee payments under s.
5 289.645, expenditures of grant payments under s. 16.297 (1m), unreimbursed
6 expenses related to an emergency declared under s. 323.10, expenditures from
7 moneys received pursuant to P.L. 111-5, and expenditures made pursuant to a
8 purchasing agreement with a school district whereby the municipality makes
9 purchases on behalf of the school district; for the year of the statement under s.
10 79.015 increased over its municipal budget as adjusted under sub. (6); exclusive of
11 principal and interest on long-term debt and exclusive of revenue sharing payments
12 under s. 66.0305, levy limit adjustments under s. 66.0602 (3) (e) 10., recycling fee
13 payments under s. 289.645, expenditures of grant payments under s. 16.297 (1m),
14 unreimbursed expenses related to an emergency declared under s. 323.10,
15 expenditures from moneys received pursuant to P.L. 111-5, and expenditures made
16 pursuant to a purchasing agreement with a school district whereby the municipality
17 makes purchases on behalf of the school district; for the year before that year by less
18 than the sum of the inflation factor and the valuation factor, rounded to the nearest
19 0.10 percent.

History: 1989 a. 336; 1991 a. 39, 61; 1993 a. 16; 1999 a. 9; 1999 a. 150 s. 672; 2001 a. 16; 2009 a. 11, 28; 2011 a. 32, 106, 258; 2013 a. 20, 165; 2015 a. 55; 2017 a. 58, 59.

Cross-reference: See also ch. Tax 19, Wis. adm. code.



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-1684/P4
MES:cdc&wlj

DOA:.....Quinn, BB0230 - Local levy limit adjustment for shared emergency services

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

1 **AN ACT ...; relating to:** to the budget.

Analysis by the Legislative Reference Bureau

LOCAL GOVERNMENT

1. Local levy limit adjustment for shared emergency services and joint fire departments

Generally, under current law, local levy limits are applied to the property tax levies that are imposed by political subdivisions (municipalities and counties). A political subdivision may not increase its levy by a percentage that exceeds its "valuation factor," which is the greater of 0 percent or the percentage change in the political subdivision's equalized value due to new construction, less improvements removed. Current law also contains a number of exceptions to the levy limit, such as amounts a county levies for a countywide emergency medical system, for a county children with disabilities education board, and for certain bridge and culvert construction and repair.

The bill creates another exception to local levy limits. Under the bill, fee increases apportioned to each political subdivision operating a joint emergency dispatch center do not apply to the levy limits, but only if the fees would cause the political subdivisions to exceed the levy limits, and only if the total charges imposed by the center for the current year, compared to the previous year, are less than or equal to the rate of inflation plus 1 percent. In addition, all member political subdivisions of a center must adopt a resolution in favor of exceeding the levy limit.

Also under current law, a similar exception applies to municipalities operating a joint fire department. Currently, under this provision, the exception applies only if the total charges imposed by the joint fire department for the current year, compared to the previous year, increase by less than or equal to the rate of inflation plus 2 percent. This bill reduces the permitted yearly increase to the rate of inflation plus 1 percent.

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.** 66.0602 (1) (ak) of the statutes is created to read:

2 66.0602 (1) (ak) "Joint emergency dispatch center" means an operation that
3 serves as the dispatch center for 2 or more political subdivisions' law enforcement,
4 fire, emergency medical services, or any other emergency services.

5 **SECTION 2.** 66.0602 (3) (e) 10. of the statutes is created to read:

6 66.0602 (3) (e) 10. The amount that a political subdivision levies in that year
7 to pay for charges assessed by a joint emergency dispatch center, but only to the
8 extent that such charges would cause the political subdivision to exceed the limit
9 that is otherwise applicable under this section and only if all of the following apply:

10 a. The total charges assessed by the joint emergency dispatch center for the
11 current year increase, relative the total charges assessed by the joint emergency
12 dispatch center for the previous year, by a percentage that is less than or equal to the
13 percentage change in the U.S. consumer price index for all urban consumers, U.S.
14 city average, as determined by the U.S. department of labor, for the 12 months
15 ending on September 30 of the year of the levy, plus 1 percent.

16 b. The governing body of each political subdivision that is served by the joint
17 emergency dispatch center adopts a resolution in favor of exceeding the limit that is
18 otherwise applicable under this section.

1 **SECTION 3.** 66.0602 (3) (h) 2. a. of the statutes is amended to read:

2 66.0602 (3) (h) 2. a. The total charges assessed by the joint fire department for
3 the current year increase, relative to the total charges assessed by the joint fire
4 department for the previous year, by a percentage that is less than or equal to the
5 percentage change in the U.S. consumer price index for all urban consumers, U.S.
6 city average, as determined by the U.S. department of labor, for the 12 months
7 ending on September 30 of the year of the levy, plus ~~2~~ 1 percent.

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

9 79.05 (2) (c) Its municipal budget; exclusive of principal and interest on
10 long-term debt and exclusive of revenue sharing payments under s. 66.0305, levy
11 limit adjustments under s. 66.0602 (3) (e) 10., recycling fee payments under s.
12 289.645, expenditures of grant payments under s. 16.297 (1m), unreimbursed
13 expenses related to an emergency declared under s. 323.10, expenditures from
14 moneys received pursuant to P.L. 111-5, and expenditures made pursuant to a
15 purchasing agreement with a school district whereby the municipality makes
16 purchases on behalf of the school district; for the year of the statement under s.
17 79.015 increased over its municipal budget as adjusted under sub. (6); exclusive of
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22 expenditures from moneys received pursuant to P.L. 111-5, and expenditures made
23 pursuant to a purchasing agreement with a school district whereby the municipality
24 makes purchases on behalf of the school district; for the year before that year by less

1 than the sum of the inflation factor and the valuation factor, rounded to the nearest
2 0.10 percent.

3 (END)