



**ASSEMBLY AMENDMENT 4,
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2005 ASSEMBLY BILL 100**

June 21, 2005 – Offered by Representatives LEHMAN, KREUSER and RICHARDS.

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.

