



State of Wisconsin  
2023 - 2024 LEGISLATURE

LRB-1778/P1  
EVM:skw

DOA:.....Quinn, BB0489 - County and municipal levy limit carryover capacity

**FOR 2023-2025 BUDGET -- NOT READY FOR INTRODUCTION**

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

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*Analysis by the Legislative Reference Bureau*

**LOCAL GOVERNMENT**

***Approval of use of unused capacity levy limit exception***

Generally, under current law, local levy increase limits are applied to the property tax levies that are imposed by political subdivisions 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 0 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 these levy increase limits, 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 increase 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.

Current law provides two exceptions allowing a political subdivision to use previously unused levy capacity. Under these exceptions, if a political subdivision’s allowable levy in prior years was greater than its actual levy in those years, the otherwise applicable levy increase limit for the next succeeding year may be

increased by the difference between the allowable levy and the actual levy, up to a specified maximum increase. These increases, in some cases, must be authorized by a supermajority vote of the political subdivision's governing body. This bill eliminates the supermajority requirements and, instead, requires only a simple majority vote of the political subdivision's governing body for use of either of these unused levy capacity exceptions.

For further information see the state and 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:***

**SECTION 1.** 66.0602 (3) (f) 3. (intro.) of the statutes is renumbered 66.0602 (3) (f) 3. and amended to read:

66.0602 (3) (f) 3. The adjustment described in subd. 1. may occur only if the political subdivision's governing body approves of the adjustment by ~~one of the following methods:~~ a majority vote of the governing body.

**SECTION 2.** 66.0602 (3) (f) 3. a. to c. of the statutes are repealed.

**SECTION 3.** 66.0602 (3) (fm) 3. of the statutes is amended to read:

66.0602 (3) (fm) 3. The adjustment described in subd. 1. may occur only if the political subdivision's governing body approves of the adjustment by a ~~two-thirds~~ majority vote of the governing body and if the political subdivision's level of outstanding general obligation debt in the current year is less than or equal to the political subdivision's level of outstanding general obligation debt in the previous year.

(END)