

1 **AN ACT** *to create* 66.0602 (3) (e) 9. of the statutes; **relating to:** an exception to
 2 county and municipal levy limits for expenditures related to the study or
 3 implementation of service consolidation.

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

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This draft was prepared for the Joint Legislative Council’s Special Committee on Local Service Consolidation.

In recent legislative sessions, county and municipal levy limits have been imposed subject to a sunset provision and then reinstated by the legislature. Most recently, 2009 Wisconsin Act 28, the 2009–10 biennial budget act, reauthorized the levy limit program to apply to taxes levied in 2009 and 2010. Under the program, county and municipal levy increases are limited, with certain exceptions, to the greater of 3% or the percentage change in the local government’s equalized value due to new construction, less improvements removed.

With regard to exceptions from the levy limit, the program currently allows levy limit adjustments in cases where one political subdivision that has entered into an intergovernmental cooperation agreement to jointly provide a service on a consolidated basis with another political subdivision agrees to lower its allowable levy in order to allow the second political subdivision to increase its allowable levy, so that the resulting levies achieve a more equitable distribution of payments for services.

This bill draft would provide an exception from the levy limit for the amount that a city, village, town, or county levies to study the feasibility of consolidating one or more services as well as the amount that a city, village, town, or county levies to implement the consolidation of one or more services.

4 **SECTION 1.** 66.0602 (3) (e) 9. of the statutes is created to read:

