



FOR IMMEDIATE RELEASE

January 31, 2024

Contact: Sen. Mark Spreitzer, (608) 266-2253

## **Sen. Mark Spreitzer Introduces Bipartisan Legislation Establishing Shared Revenue Advisory Council**

MADISON – Yesterday, Senator Mark Spreitzer (D-Beloit) introduced bipartisan legislation to establish a shared revenue advisory council in Wisconsin with Representatives Sue Conley (D-Janesville), Todd Novak (R-Dodgeville), Evan Goyke (D-Milwaukee), Clinton Anderson (D-Beloit) and Melissa Ratcliff (D-Cottage Grove). Senator Spreitzer released the following statement:

“This session, the legislature came together on a bipartisan basis for the first time in decades to meaningfully review the distribution of revenue from the state to local governments. I was proud to work with my colleagues on both sides of the aisle to improve 2023 Act 12 for our district and for communities across Wisconsin, but this critical conversation cannot happen just once every few decades.

“This new legislation ensures that the topic of shared revenue is addressed at least once every 10 years, and that experts come together to review how we can best move our state forward. This legislation creates a council including legislators, local government representatives, and the Department of Revenue, which is tasked with reviewing how shared revenue has been distributed and making a recommendation on how the shared revenue formula could be improved.

“The state’s commitment to local governments is critical to the success of communities of all sizes. This session’s work to update shared revenue distributions will have a tremendous impact as local governments work to provide services for their residents - but many communities have already been faced with tough choices while the state failed to act.

“We have communities in the 15th State Senate District that don’t receive their fair share of state funding under either the old formula or the new law. Chief among these is the City of Janesville, which has been locked into a low shared revenue distribution that hasn’t been updated since before the GM plant closed. This legislation ensures that stakeholders regularly recommend formula changes for the betterment of our entire state and consider changing circumstances in communities of different sizes.

“I was proud to work with a bipartisan group of legislators that came together to address this crucial issue for our local communities, and I hope that our legislative colleagues will join us in supporting this important bill.”

###

*\*\* Attached to this release is the cosponsorship memo and bill for LRB 4900/LRB 5750, which would establish a shared revenue advisory council in Wisconsin.*

### **15th SENATE DISTRICT**

---

**From:** Rep.Conley  
**Sent:** Tuesday, January 30, 2024 11:26 AM  
**To:** \*Legislative All Assembly; \*Legislative All Senate  
**Subject:** SHORT DEADLINE: Co-Sponsorship of LRB-4900/LRB-5750, relating to: establishing a shared revenue advisory council  
**Attachments:** 23-4900\_1 (2).pdf

TO: Legislative Colleagues

From: Representative Conley, Representative Novak, Representative Goyke, Representative Baldeh, Representative C. Anderson, Representative Ratcliff, and Senator Spreitzer

Date: Tuesday, January 30, 2024

RE: Co-sponsorship of LRB-4900/LRB-5750, relating to: establishing a shared revenue advisory council.

**SHORT DEADLINE: Monday, February 5, 2024 at 1pm**

Shared Revenue provides an important, dependable; return of funding to our local communities, big and small, across the state. Earlier this session, we were able to pass legislation that significantly increased funding to municipalities from Milwaukee to Superior and everywhere in between. However, even with this accomplishment, some communities continue to be left behind.

Under the current Shared Revenue formula, communities with low property valuations and low per capita shared revenue amounts realize a greater discrepancy now than before the recent increase became law. Our Shared Revenue formula is failing to provide the resources needed for these communities while continuing to cement a formula that has disadvantaged some municipalities for decades. As shown on [page 270](#) of the attached report from the Legislative Fiscal Bureau, the Local Government Fund is projected to have a residual amount of \$18.7 million in the first year - without a plan for distribution. This will likely continue at some level in future years under current law. Under the bill, these residual funds are utilized to increase funding for municipalities disadvantaged by the current formula due to circumstances beyond their control, *without creating new winners and losers*. Everyone in Wisconsin deserves to live in communities where local governments receive adequate funding support for their constituencies.

LRB-4900 would require that the legislature to convene an advisory council specifically to research the shared revenue formula each biennium following the United States decennial census. This advisory council would contain three State Representatives and three State Senators as well as representatives from the Wisconsin Towns Association, Wisconsin League of Municipalities, and the Wisconsin Counties Association. The council will study county and municipal revenue and expenditure trends, evaluate existing formulas for shared revenue distributions, make recommendations for a formula for shared revenue distributions, and submit a report with these recommendations. The council will take into account changes in the population and property values of counties and municipalities and include a component for distributing aid to compensate counties and municipalities that experience substantial decreases in property values. These recommendations will improve the distribution among counties and municipalities that have continued to see inadequate investment since 2001. Lastly, this advisory council is required to submit legislation prepared by the LRB and analyzed by LFB based on the council's recommendations.

**We must not ignore the shared revenue flaws for another 20 – 30 years.** This bill requires a review every ten years to provide a more responsive approach to funding our communities.

We hope you'll join us in signing on to LRB-4900/LRB 5750 to ensure that all our constituents are best served by regularly reviewing and returning taxpayer dollars to our communities.

**To co-sponsor this bill please contact Rep. Conley's office at 237-9144 or reply to this email by 1:00 pm on Monday, February 5<sup>th</sup>.** Co-sponsors will be added to both the Assembly and Senate versions of the resolution unless otherwise specified.

### *Analysis by the Legislative Reference Bureau*

This bill establishes a temporary Shared Revenue Advisory Council in the Department of Revenue. The council is formed after each federal decennial census, and consists of the following members: 1) three senators, appointed as are members of the senate standing committees; 2) three representatives of the assembly, appointed as are members of the assembly standing committees; 3) a representative of the League of Wisconsin Municipalities; 4) a representative of the Wisconsin Towns Association; 5) a representative of the Wisconsin Counties Association; and 6) the secretary of revenue, or the secretary's designee.

The council must study county and municipal revenue and expenditure variations among different categories of counties and municipalities based on population, review and evaluate the existing formulas for county and municipal aid and supplemental county and municipal aid, make recommendations for a formula for county and municipal aid distributions to counties and municipalities, and submit a report to the legislature containing its review, evaluations, and recommendations. The council may not make a recommendation that decreases the total amount of county and municipal aid payments and supplemental county and municipal aid payments received by any county or municipality. The recommendations must take account of changes in the population and property values of counties and municipalities and include in the formula a component for distributing aid to compensate counties and municipalities that experience substantial decreases in property values. The bill also requires the council's recommendations to include in the formula a component that improves the equity of distributions among counties and municipalities compared to the formula for distributions effective for 2001 as affected by subsequent reductions in distributions, the formula for distributions effective for 2024, and any other formula for distributions established after the bill takes effect. The council must request that the Legislative Reference Bureau prepare legislation based on the council's recommendations and that the Legislative Fiscal Bureau prepare a fiscal analysis of that legislation. Also, under the bill, DOR must assist the council with its duties.

Under current law, counties and municipalities receive county and municipal aid payments and supplemental county and municipal aid payments.

For further information see the state fiscal estimate, which will be printed as an appendix to this bill.



State of Wisconsin  
2023 - 2024 LEGISLATURE

LRB-4900/1  
KP:cdc&emw

## 2023 BILL

1     **AN ACT** *to create* 15.437 and 79.03 of the statutes; **relating to:** establishing a  
2           Shared Revenue Advisory Council.

---

***Analysis by the Legislative Reference Bureau***

This bill establishes a temporary Shared Revenue Advisory Council in the Department of Revenue. The council is formed after each federal decennial census, and consists of the following members: 1) three senators, appointed as are members of the senate standing committees; 2) three representatives of the assembly, appointed as are members of the assembly standing committees; 3) a representative of the League of Wisconsin Municipalities; 4) a representative of the Wisconsin Towns Association; 5) a representative of the Wisconsin Counties Association; and 6) the secretary of revenue, or the secretary's designee.

The council must study county and municipal revenue and expenditure variations among different categories of counties and municipalities based on population, review and evaluate the existing formulas for county and municipal aid and supplemental county and municipal aid, make recommendations for a formula for county and municipal aid distributions to counties and municipalities, and submit a report to the legislature containing its review, evaluations, and recommendations. The council may not make a recommendation that decreases the total amount of county and municipal aid payments and supplemental county and municipal aid payments received by any county or municipality. The recommendations must take account of changes in the population and property values of counties and municipalities and include in the formula a component for distributing aid to compensate counties and municipalities that experience

**BILL**

substantial decreases in property values. The bill also requires the council's recommendations to include in the formula a component that improves the equity of distributions among counties and municipalities compared to the formula for distributions effective for 2001 as affected by subsequent reductions in distributions, the formula for distributions effective for 2024, and any other formula for distributions established after the bill takes effect. The council must request that the Legislative Reference Bureau prepare legislation based on the council's recommendations and that the Legislative Fiscal Bureau prepare a fiscal analysis of that legislation. Also, under the bill, DOR must assist the council with its duties.

Under current law, counties and municipalities receive county and municipal aid payments and supplemental county and municipal aid payments.

For further information see the state 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.** 15.437 of the statutes is created to read:

2           **15.437 Same; councils. (1)** SHARED REVENUE ADVISORY COUNCIL. (a) Not later  
3 than August 15 of the first year following the federal decennial census, there is  
4 created in the department of revenue a temporary shared revenue advisory council  
5 consisting of the following 10 members:

6           1. Three senators, appointed as are the members of senate standing  
7 committees.

8           2. Three representatives to the assembly, appointed as are the members of  
9 assembly standing committees.

10           3. A representative of the League of Wisconsin Municipalities, designated by  
11 the president thereof.

12           4. A representative of the Wisconsin Towns Association, designated by the  
13 president thereof.

14           5. A representative of the Wisconsin Counties Association, designated by the  
15 president thereof.

**BILL**

1           6. The secretary of revenue, or the secretary's designee, who shall be a  
2 nonvoting member and serve as chairperson.

3           (c) Each shared revenue advisory council terminates upon complying with the  
4 requirements under s. 79.03 (2) (e).

5           **SECTION 2.** 79.03 of the statutes is created to read:

6           **79.03 Shared revenue advisory council. (1)** In this section, "equalized  
7 value" means the equalized value certified by the department of revenue under s.  
8 70.57.

9           **(2)** The shared revenue advisory council shall do all of the following:

10          (a) Acquire information regarding the population and equalized value of each  
11 county and municipality.

12          (b) Study county and municipal revenue and expenditure variations among  
13 different categories of counties and municipalities based on population.

14          (c) Review and evaluate the existing formulas for the distributions under ss.  
15 79.036 and 79.037 and determine the fairness of distributions among counties and  
16 municipalities, as reflected in each of the following:

17           1. The formula for distributions under s. 79.035, as impacted by the  
18 distributions under s. 79.035 effective for 2001 and by subsequent reductions in aid  
19 distributed under s. 79.035.

20           2. The formula for distributions under s. 79.037 effective for 2024.

21           3. Any other formula for distributions under ss. 79.036 and 79.037 established  
22 after the effective date of this subdivision .... [LRB inserts date].

23          (d) Make recommendations for a formula for the distributions under ss. 79.036  
24 and 79.037 for the next odd-numbered fiscal year, as described in s. 20.902, including  
25 distributions of any balance in the local government fund under s. 25.491 and the

**BILL**

1 estimated annual amounts to be credited to the local government fund under s.  
2 25.491 (2) and (9) in that year. The shared revenue advisory council may not make  
3 a recommendation that decreases the total amount of distributions under ss. 79.036  
4 and 79.037 received by any county or municipality. In making recommendations  
5 under this paragraph, the shared revenue advisory council shall do all of the  
6 following:

7 1. Take account of changes in the population and equalized value of counties  
8 and municipalities.

9 2. Include in the formula a component for distributing aid to compensate  
10 counties and municipalities that experience substantial decreases in equalized  
11 value.

12 3. Include in the formula a component that improves the equity of distributions  
13 among counties and municipalities compared to each of the following:

14 a. The formula for distributions under s. 79.035, as impacted by the  
15 distributions under s. 79.035 effective for 2001 and by subsequent reductions in aid  
16 distributed under s. 79.035.

17 b. The formula for distributions under s. 79.037 effective for 2024.

18 c. Any other formula for distributions under ss. 79.036 and 79.037 established  
19 after the effective date of this subd. 3. c. .... [LRB inserts date].

20 (e) Not later than January 1 of the 2nd year following the federal decennial  
21 census, the shared revenue advisory council shall do all of the following:

22 1. Submit a report containing the review and evaluation under par. (c) and the  
23 recommendations under par. (d) to the legislature under s. 13.172 (2).

24 2. Request that the legislative reference bureau prepare legislation that gives  
25 effect to the recommendations under par. (d).

