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League 2023-2025 Governor's Biennial Budget Summary
Key Municipal Provisions

Local Government Finance

- **Local Government Funding Reform** - The Governor recommends providing for a new shared revenue appropriation for municipalities and counties utilizing 20% of the states current sales tax collections.

Allocation for each calendar year will be the residual of 20 percent of the fiscal year ending in that calendar year's sales tax collections, as estimated at the time of the budget's adoption, less amounts appropriated for county and municipal aid, expenditure restraint, and the municipal and county shares of personal property tax aid.

Public safety aid will be 43.4 percent of the total available under the new appropriation and will be determined as a percentage of each local government's qualifying public safety expenditures. The remaining 56.6 percent of the aid will be distributed as general aid with 70 percent allocated to municipalities and 30 percent to counties. For future distributions under the new shared revenue, no local government may receive less than 95 percent of the prior year's allocation.

- **Local Option Sales Tax** - The Governor recommends providing Milwaukee County with the authority to impose an additional 1 percent sales tax, if approved by local referendum. Fifty percent of the resulting new revenue will be distributed to the City of Milwaukee.

- **Local Option Sales Tax** - Governor's budget also provides all counties, other than Milwaukee County, with the authority to impose an additional 0.5 percent sales tax if approved by local referendum.

- **Local Option Sales Tax** - The Governor also recommends providing municipalities with populations over 30,000, other than the city of Milwaukee, the authority to impose a 0.5 percent sales tax if approved by local referendum.

- **Dark Stores** - The Governor's budget closes the "dark store" property assessment loophole.

- **Personal Property Tax** - The Governor recommends repealing the remainder of the personal property tax beginning in calendar year 2024 and providing an estimated $202.4 million GPR in FY25 to compensate local taxing jurisdictions for the loss in personal property tax revenue beginning in calendar year 2024 and indexing these payments for inflation.

- **Personal Property Tax** - The Governor further recommends providing a $9 million GPR transfer to the transportation fund beginning in FY25 to make up for the anticipated reduction in railroad

taxes created as a result of repealing remaining personal property taxes and increasing this transfer by 1.25 percent each year thereafter.

- **Levy Limit Exemption** - The Governor recommends modifying the valuation factor under county and municipal levy limits to allow county and municipal governments to increase levies by the greater of the percentage change in equalized value due to net new construction or 2 percent beginning with levies set in 2023.

- **Levy Limit Adjustment for Transferred Services** - The Governor recommends eliminating the negative adjustment to county and municipal levy limits for services transferred from one local government to another local government.

- **Levy Limit Exemption** - The Governor recommends creating an exclusion to county and municipal levy limits for cross-municipality transit routes where the counties and municipalities meet certain criteria.

- **Levy Limit Exemption** - The Governor recommends eliminating the requirement that counties and municipalities reduce levy limit authority by the amount by which those governments increase fees for covered services. This provision applies to garbage collection, fire protection, snow plowing, street sweeping and storm water management services.

- **Levy Limit Exemption** - The Governor recommends creating a county and municipal levy limit exclusion for those amounts levied for a county's required contribution to the budget of a regional planning commission beginning with levies set in 2023.

- **Levy Limit Exemption** - The Governor recommends expanding the current levy limit adjustments related to joint emergency medical services and joint fire departments to include combined services that are not a formally merged department or district as well as those where two or more local governments contract with a public or private service provider.

- **Levy Limit** - The Governor recommends repealing the current law supermajority approval requirement for the utilization of county and municipal levy limit carryover capacity.

- **Payment for Municipal Services** - The Governor recommends increasing the payments for municipal services appropriation by 5 percent to better compensate municipalities that provide services to state property.

- **Expenditure Restraint** - The Governor recommends modifying the budget increase limitation in the expenditure restraint program to exclude increases in budgets resulting from voter-approved referenda for tax increases.

- **Expenditure Restraint** - The Governor recommends modifying the budget increase limitation in the expenditure restraint program to exclude increases in budgets resulting from the receipt of federal dollars, including grants and amounts received from the FEMA.

- **TIF for Workforce Housing** - The Governor recommends modifying current law to allow municipalities to use TIF districts to spur the creation of workforce housing by increasing the amount of a TIF district area that can be comprised of newly platted residential developments to

60% instead of the current law 35%. The budget also allows municipalities to extend the life of a TIF district by up to three years, rather than the current one year.

- **TIF Equalized Value Limitation Exception** - The Governor recommends allowing a municipality to exceed the 12 percent limitation on new TID's if a district or districts with sufficient value increment to bring the municipality back below the 12 percent threshold will close in the following year and no actions are taken to extend the lives of those districts.

- **Utility Aid Payments** - The Governor recommends including battery storage facilities in the calculation of utility aid payments to counties and municipalities.

- **Utility Aid Payments** - The Governor recommends including electric vehicle charging infrastructure in the calculation of utility aid payments to counties and municipalities.

- **Wine Sales in Public Parks** - The Governor recommends allowing counties and municipalities to sell wine in public parks. Sales must be made by officers or employees of the municipality or county operating the park.

Budget Summary by Agency/Topic

Administration and Grants

- **Professional Baseball District Park Grant** - The Governor recommends providing funding for a grant to a professional baseball park district to assist in the development, construction, improvement, repair and maintenance of the district's baseball park facilities, if certain criteria are met.

- **Open Records Threshold** - The Governor recommends increasing the threshold at which a governmental entity may charge an open records location fee from $50 to $100.

Economic Development

- **Community Development Block Grant Funding** - The Governor providing $40 million GPR in FY24 to the recommends increasing the Wisconsin Economic Development Corporation's (WEDC) block grant funding on a one-time basis to further support economic development efforts in the state.

- **Municipal Home Rehabilitation Grant Program** - The Governor recommends providing funding for grants to municipalities to rehabilitate and restore blighted residential properties with the goal of increasing affordable housing options within the municipality.

- **Municipal Plan Review Delegation** - The Governor recommends providing training to reduce building plan review and approval timelines and increase the number of delegated municipalities for commercial plan review and inspection functions to ensure consistent application of building code standards across the state.

Elections

- **Badger Books** - The Governor recommends providing funding for grants to municipalities interested in obtaining "Badger Book" electronic poll books.

- **Funding for Special Elections** - The Governor recommends creating a sum sufficient appropriation to allow the commission to reimburse counties and municipalities for certain costs incurred in the administration of special primaries and special elections.

- **Early Canvassing of Absentee Ballots** - The Governor recommends authorizing a county or municipal clerk to canvass absentee ballots on the day before an election.

- **In-Person Absentee Voting Period Extension** - The Governor recommends eliminating the restriction on how soon a person may complete an absentee ballot in person.

- **Special Election Dates** - The Governor recommends modifying the scheduling of special elections to ensure they are scheduled with sufficient time to comply with federal requirements for sending ballots to military and overseas voters.
- **Training** - The Governor recommends amending the statutory language of the training appropriation to allow it to fund training of municipal and county clerks on all election administration procedures and topics, including voter identification.

Environment, Energy, and Utilities

- **PFAS Municipal Grant Program** - The Governor recommends providing $85 million for a municipal grant program for the testing and remediation of per- and polyfluoroalkyl substances by local units of government.

- **PFAS Sampling and Research** - The Governor recommends providing $3.8 million and 11 positions for the following Department of Natural Resources activities:
    - oversight and regulation of airborne PFAS,
    - monitoring PFAS in drinking water and groundwater,
    - developing soil testing standards and redevelopment procedures related to PFAS,
    - developing standards for the disposal of PFAS and PFAS contaminated materials,
    - developing water quality guidelines and standards related to PFAS,
    - developing sampling methodologies and taking samples in cases where wildlife are suspected to have been contaminated by PFAS,
    - wastewater, surface water and fish sampling efforts related to PFAS, and
    - one-time sampling funding of $750,000 for municipal public water supply wells and susceptible private potable water supplies.

- **PFAS Firefighting Foam** - The Governor recommends providing one-time funding of $1 million for the collection and disposal of firefighting foam that contains PFAS and the purchase of PFAS-free firefighting foam.

- **Erosion Control Loans** - The Governor recommends requiring the department to administer a revolving loan program to assist municipalities and owners of homes located on the shore of Lake

Michigan, Lake Superior, and the Mississippi River where the structural integrity of municipal buildings or homes is threatened by erosion of the shoreline.

- **Contaminated Sediment funding -** The Governor recommends providing $15 million in environmental fund-supported general obligation bonding authority for contaminated sediment removal from sites in the Great Lakes or their tributaries that are on Wisconsin's impaired waters list.

- **Urban Nonpoint and Municipal Flood Control -** The Governor recommends providing $11 million in environmental fund-supported general obligation bonding authority for urban nonpoint source cost-sharing and the municipal flood control program.

- **Municipal Dam Program** - The Governor recommends providing $10 million in GPR-supported general obligation bonds for grants to be used for dam repair, reconstruction and removal projects.

- **Broadband** - The Governor recommends making a significant one-time investment in broadband funding of $750 million for the Broadband Expansion Grant program.

- **Municipal Broadband** - The Governor recommends amending statutory provisions that discourage municipalities from providing broadband service to residents in broadband "unserved" areas. The Governor also recommends modifying current law to allow these same municipalities to apply for grants under the broadband expansion grant program.

- **Lead Service Line Grant Assistance** - The Governor recommends modifying current law to allow utilities to provide financial assistance in the form of 100 percent grant funding for the replacement of lead service lines for property owners allowing public and private removals to happen simultaneously.

- **Water Utility Assistance -** The Governor recommends continuing the water utility assistance program, created with federal funds, to help customers defray the cost of water and wastewater bills.

Health and Childcare

- **Medicaid Expansion** - The Governor recommends accepting the federal Affordable Care Act's provision for Medicaid expansion.

- **Partner Up! Business Partnerships -** The Governor recommends providing over $22 million in funding to continue the Partner Up! program to support partnerships between childcare providers and businesses who purchase childcare slots for their employees.

Public Safety

- **EMS** - The Governor recommends providing one-time flexible grant funding of $150 million for public and private emergency medical services providers.

- **EMS** - The Governor recommends certifying individuals as emergency medical responders when they complete a certified training program without requiring further examination or pass the National Registry of Emergency Medical Technicians examination for emergency medical responders.

- **First Responder PTSD Coverage** - The Governor recommends expanding regulations that remove the barriers first responders with post-traumatic stress disorder face when seeking worker's compensation.

- **Youth Volunteer Firefighter Training** - The Governor recommends providing funding to continue the youth volunteer firefighter training grant program to increase the number of volunteer firefighters in the state.

- **Interoperable Communications System** - The Governor recommends providing $45 million in funding to design and implement a new statewide interoperable communications system.

- **Marijuana Legalization** - The Governor recommends legalizing the sale of marijuana for medical and recreational use for sales that occur at a marijuana retailer holding a permit issued by the department.

- **Public Safety Answering Points** - The Governor recommends providing expenditure for grants to 9-1-1 public safety answering points for training, equipment or software expenses to further the development of Next Generation 9-1-1 statewide.

Transportation

- **Electric Vehicles Sales Tax Fund Transfer** - The Governor recommends transferring annually from the general fund to the transportation fund an amount estimated by the Department of Administration that approximates the amount of sales tax generated from the sale of electric vehicles. The Governor further recommends that starting in FY26, the amount transferred is limited to 120 percent of the prior year's transfer or $75 million, whichever is less. The Department of Administration estimates that $39.3 million in FY24 and $55.1 in FY25 of sales tax will be generated by the sale of electric vehicles.

- **Automotive Parts and Repair Transfer** - The Governor recommends an annual general fund transfer of the approximated sales tax on automotive parts and services above the fiscal year 2021 amount amounting to $96.5 million in the biennium.

- **Transportation Revenue Funds** – The Governor recommends buying down $380 million of transportation revenue bonds, reducing future debt service. The proposal includes more than $400 million in new bonding.

- **General Transportation Aids (GTA)** - The Governor recommends increasing GTA to $132.2 for counties and $414.9 for municipalities in calendar year 2024 and then providing a further increase to $137.5 for counties and $431.5 for municipalities in calendar year 2025. The Governor also recommends increasing the mileage aid payment to $2,843 in calendar year 2024 and to $2,957 in calendar year 2025. This will provide 4 percent increases in both 2024 and 2025 to assist local governments in maintaining Wisconsin's roads.

- **Local Road Improvement Program (LRIP)** - The Governor recommends providing a 4 percent increase in FY24 and a further 4 percent increase in FY25 for LRIP.

- **Local Road Improvement Program Supplement (LRIP-S)** - The Governor recommends providing $50 million in funding per year and establishing an ongoing local road improvement program supplement based on the popular program funded one-time in each of the two previous budgets to help accelerate high priority local bridge and road projects throughout the state.

- **Local Bridge Improvement Assistance** - The Governor's budget maintains current funding for the Local Bridge Improvement Program, resulting in $22.9 million in both years of the biennium.

- **Routine Maintenance Agreements** - The Governor recommends increasing routine maintenance funding. The Governor's budget increases funding approximately $11.4 million in both years of the biennium.

- **Electric Vehicle Charging** - The Governor recommends modifying current law to exempt a nonutility that supplies electricity through an electric vehicle charging station from the definition of a public utility.

- **Electric Vehicle Charging Property** - The Governor recommends creating a sales and use tax exemption for property used primarily to store or facilitate the storage of energy produced by a solar, wind or biogas renewable energy system.

- **Eminent Domain for Nonmotorized Paths** - The Governor recommends providing local units of government the authority to use eminent domain to purchase land for the construction of nonmotorized paths.

- **Regional Transit Agencies** - The Governor recommends reinstating law that allows for the creation of regional transit agencies anywhere in the state.

- **Mass Transit Operating Aids** - The Governor recommends increasing general transit aids by 4 percent in calendar year 2024 and calendar year 2025.

- **Paratransit Aids** - The Governor recommends increasing paratransit aids by 4 percent in each year of the biennium.

- **Harbor Assistance Funding** - The Governor recommends authorizing $16 million in transportation fund supported general obligation bonding authority and an additional $4 million of segregated funding over the biennium for the Harbor Assistance Program.