



Cities and Villages Legislative Update February, 2017

About the League



- Founded in 1898
- Nonpartisan
- Represent Cities and Villages
- From Milwaukee (population 595,000)
- to Big Falls (population 61)
- Median 1,450

A Look at the Governor's Budget Proposal



All political eyes are on the 2017-19 budget:

- \$72 billion in spending
- 989 pages of fiscal policy
- Will pass the legislature this year
- Neutral-bordering-on-positive for muni's

A Look at the Governor's Budget Proposal



Shared Revenue

- 6th largest state expenditure (\$823 m/yr)
- Status quo funding level
- Status quo also for expenditure restraint, payment for municipal services, and recycling
- Shared revenue has not been increased in 20 years and has been cut several times

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- **Transportation** – Significant funding increases for GTA and LRIP. Status quo for transit. (Not holding our breath.)
- **Levy Limits** – Net new const. (sub-inflation).
- **New levy limit wrinkle:** The Governor proposes requiring municipalities to reduce their allowable levy whenever debt service on debt issued prior to July 1, 2005 is reduced.

A Look at the Governor's Budget Proposal



Other highlights:

Insurance -- The Gov. recommends closing the local government property insurance fund.

Web Publishing of Legal Notices – The Governor would allow municipalities to satisfy publication of public notices by posting on the community's web site.

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One more:

PLAs -- Local governments would be prohibited from requiring Project Labor Agreements on public construction projects.

You can't have a Legislative session without TIF bills!



Four left over from last session

- Increase from 12% to 15% the max value in tax incremental districts. (2015 SB 55)
(AB1/SB1 does this for Oostburg)
- Remove barriers preventing sharing increments. (2015 SB 52)
- Authorize a base value re-determination any time a TID is in decrement. (2015 SB 57)
- Extend deadline to declare a TID to be distressed to 2019. (2015 SB 56)

You can't have a Legislative session without TIF bills!



We have a new one for small villages and cities:

- Increase maximum equalized value that can be located in TIDs on the basis of a community's population. (Higher thresholds for smaller populations).

You can't have a Legislative session without TIF bills!



- Senator Stroebel and others will push for restrictions (“best practices”)
- Rep. Kerkman will oppose improvements
- Heading for a “grand bargain”?

The big shift



- **Dark Store.** We strongly support legislation closing off the dark store tax loophole that big box stores and other national retail chains are using to reduce their assessed value for property tax purposes. We are working with Rep. Rob Brooks (R-Saukville) and Sen. Roger Roth (R-Appleton) on this legislation.
- **Reverse Walgreens Decision.** We strongly support legislation clarifying that actual lease amounts are appropriately factored into the valuation of real estate.
- A major tax shift to residential property and small business.

Lead pipe legislation



Lead Water Service Lateral Replacement.
We support Sen. Cowles' (R-Green Bay) bill, LRB-1934, making it lawful for a water utility to use its revenue, including rate payer dollars, to create financial assistance programs to help private owners remove lead service lines.

You can help



Develop relationships with your legislators

- Sign up for their Newsletters
- Make sure they receive your Municipal Newsletter
- Invite them to your next Council/Board meeting to talk about the budget
- Give them a tour of municipal facilities
- Sign up on line for League Lobby Team (lwm-info.org)

Questions and Comments

