

A resolution by Supervisors Czarnezki, Rolland, Nicholson, Johnson, Jr., Shea, Taylor, Martin, Logsdon, Haas, Ortiz-Velez, Clancy, Moore Omokunde, Cullen, Goodwin, and Sumner, calling upon the United States Congress to appropriate monies in direct federal aid specifically to state and local governments as a replacement for tax revenues lost due to the SARS-CoV-2/COVID-19 Pandemic, by recommending adoption of the following:

A RESOLUTION

WHEREAS, the novel coronavirus, SARS-CoV-2/COVID 19 (COVID-19), an influenza-like respiratory virus, emerged in December 2019, and has caused a global pandemic, killing approximately 250,000 people in the span of a few months by early May; in the United States (U.S.) more than 70,000 have died, more than the fallen American soldiers in Vietnam; and

WHEREAS, amidst growing evidence of a public health crisis related to COVID-19, on:

- January 31, 2020, the U.S. Department of Health and Human Services declared a Public Health Emergency
- March 11, 2020, the World Health Organization declared COVID-19 a pandemic
- March 12, 2020, Wisconsin Governor Evers (the Governor) declared a public health emergency, the date of the first confirmed COVID-19 diagnosis in Milwaukee County (the County)
- March 13, 2020, the County Executive declared a local public health emergency
- March 17, 2020, the County municipalities, cities, and villages, of Milwaukee, Bayside, Brown Deer, Cudahy, Fox Point, Glendale, River Hills, Shorewood, South Milwaukee, St. Francis, and Whitefish Bay, began restricting food and beverage sales within their borders
- April 16, 2020, the State of Wisconsin (the State) Department of Health Services Secretary-designee Palm extended a modified Safer at Home Order set to expire on April 24, 2020, requiring all in the State to remain in their residences except for limited circumstances until May 26, 2020

; and

WHEREAS, the COVID-19 pandemic has created extreme economic hardship for many individuals and businesses in the County and across the U.S., including approximately 10 to 12 percent of the American workforce on unemployment insurance during the latter half of April, as reported by the U.S. Department of Labor; and

43 WHEREAS, due to decreases in economic activity, the tax revenues which local
44 governments depend upon are certain to plunge, as sales tax collections decline from
45 less commerce, and property owners struggle to pay their real estate taxes; as noted by
46 the Wisconsin Policy Forum's April 2020, "COVID-19 Fiscal Fallout for Counties," in
47 2008 to 2009 during the Great Recession, the County experienced a 12 percent decline
48 in sales tax receipts, equal to \$10 million in 2020, but which may rise to \$17 million, or
49 more than 20 percent; and

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51 WHEREAS, in File No. 20-288, the County authorized the expenditure of more
52 than \$1 million from Org. Unit 1945 Appropriation for Contingencies to address
53 COVID-19 related issues; and

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55 WHEREAS, in File No. 20-26, on April 9, 2020, the Director, Office of
56 Performance, Strategy, and Budget, Department of Administrative Services,
57 preliminarily estimated a budget gap of \$40 million for 2021 and estimated current fiscal
58 year losses including:

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- 60 • Sales Tax: Approximately \$17 million, or 20 percent
- 61 • Property Tax: \$6 million
- 62 • Program Revenues: \$360 million
- 63 • Potawatomi Casino: \$500,000 per month closed
- 64 • Investment revenue losses, which will affect the pension fund balance
- 65 • Healthcare: \$6 million in additional unbudgeted expenses

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69 WHEREAS, in File No. 20-359, the Chief Human Resources Officer, Department
70 of Human Resources noted hundreds of County public servants are now on indefinite,
71 intermittent, or Federal work share furloughs, impacting many departments and
72 divisions across County government; and

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74 WHEREAS, the National Association of Counties' May 2020 "Analysis of the
75 Fiscal Impact of COVID-19 on Counties" found the "COVID-19 pandemic has the
76 potential to impact county budgets by over \$144 billion through fiscal year 2021. This
77 estimate includes anticipated increases in expenditures, lost sales tax revenue and lost
78 income tax revenue. An additional \$54 billion in property tax revenue is at risk in states
79 where counties have not yet collected any or all property tax revenue;" and

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81 WHEREAS, on April 21, 2020, the National Governors Association wrote a
82 bipartisan public letter to U.S. Congressional leadership of both major parties requesting
83 direct federal aid to state and local governments, because as a result of responding to
84 the COVID-19 pandemic, "our national and local economies are in dire straits and have
85 resulted in the most dramatic contraction of the U.S. economy since World War II. Many
86 states are already reporting precipitous declines in revenues that fund state services in
87 health care, education, public safety, transportation, and other vital programs. State and
88 local governments need robust support from the federal government..."; specifically
89 asking for, among other things, an appropriation of \$500 billion for state governments;
90 and

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92 WHEREAS, in an April 15, 2020, letter from the governors of Michigan,
93 Pennsylvania, and the State to the President of the U.S., the Governor wrote,
94 "Wisconsin is already experiencing major job losses in the wake of COVID-19, with the
95 unemployment rate estimated at roughly 15 percent of the state's workforce as of today.
96 Our initial estimates indicate that state revenue losses are likely to exceed \$2 billion
97 over the next year, and this significant revenue shortfall will damage the state's ability to
98 respond to the economic crisis faced by our workers and businesses;" and

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100 WHEREAS, local governments, including the County require sufficient revenues
101 to pay for essential services including police, fire, health and human needs, and road
102 and highway maintenance; and most state and local governments, including Wisconsin
103 and its localities, must balance their budgets with revenue increases or expenditure
104 decreases, and therefore do not have the ability to deficit spend as the Federal
105 government can; and

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107 WHEREAS, the State and the County, among other state and local governments,
108 have done their part to mitigate the spread of COVID-19 and maintain the health, safety,
109 and welfare of their citizens, but must be made financially whole to continue maintaining
110 essential government services, which citizens expect; and

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112 WHEREAS, the Committee of the Whole, at its meeting of May 14, 2020,
113 recommended adoption of File No. 20-379 (vote 18-0); now, therefore,

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115 BE IT RESOLVED, Milwaukee County (the County) hereby calls upon the United
116 States Congress to pass, and the President to sign, an appropriation authorizing more
117 than \$500 billion in direct, flexible, Federal aid to all State, county, and municipal
118 governments nationwide for use to offset the cost of responding to the coronavirus
119 disease (COVID-19) pandemic; this will ensure continuity of communities delivering
120 essential public services despite massive revenue losses incurred consequent to the
121 pandemic's economic shutdown; and

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123 BE IT FURTHER RESOLVED, the Office of Government Affairs staff is
124 authorized and requested to communicate the contents of this resolution to Federal
125 policymakers and support legislation that achieves the criteria outlined in this resolution;
126 and

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BE IT FURTHER RESOLVED, the County requests the County Clerk to provide this resolution to Federal elected officials who represent any part of the County.

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