By Supervisors Rolland, Sumner, Logsdon, Clancy, Burgelis, Vincent, Martin, Zerpa, and Taylor (5)

File No. 22-672

A RESOLUTION

 Endorsing the State of Wisconsin passing legislation which would fairly divide Register of Deeds fees between the State and the collecting county, and authorizing the Office of Government Affairs staff to request inclusion of this resolution as part of the 2022

Wisconsin Counties Association (WCA) legislative platform

WHEREAS, the State of Wisconsin has inflicted a structural deficit on local governments in Wisconsin, whereby the costs to continue the services citizens expect and deserve rise higher based on inflation than do the percentage of State shared revenue increases which are typically less than one percent per year (File Nos. 18-944, 19-161, & 22-457); and

WHEREAS, the State of Wisconsin's allocation of shared revenue to local government has declined or remained stagnant, local governments in Wisconsin are the most reliant on the property tax, and in a February 2019 paper, "Dollars and Sense: Is it time for a new municipal financing framework in Wisconsin?", the Wisconsin Policy Forum (WPF) wrote:

"Wisconsin voters and their leaders will need time to decide whether and how to approve an alternative revenue framework for cities and villages. Still, the urgency of doing so is real. Signs of stress are appearing..."

; and

WHEREAS, while costs have been rising, the State of Wisconsin has been profiting from the economic activity generated in its localities, as a Wisconsin Legislative Fiscal Bureau revenue estimates report dated January 25, 2022 notes, more than \$2.5 billion in additional tax collections above the projection for the current biennium ending on June 30, 2023; and

WHEREAS, the March 2022 WPF issue of its "Focus" newsletter titled, "In Hot Housing Market, Real Estate Transfer Revenues Near All-Time High," the WPF noted that while revenue growth from real estate transfer fees had increased 37 percent, the lion's share continues going to State coffers as the State receives 80 percent of such fees and counties only 20 percent; and

WHEREAS, in File No. 19-161, Milwaukee County affirmed the recommended of the Fair Deal for Milwaukee Workgroup, including the support of the Milwaukee Metropolitan Association of Commerce (MMAC), which called for, among other things, "An equal split of Circuit Court and Register of Deed fees collected by the County and, currently, disproportionately remitted to the State."; and

WHEREAS, the Wisconsin Counties Association legislative agenda currently includes many of the policy initiatives endorsed by the Fair Deal for Milwaukee County Workgroup, including an equitable split of court fees and an ability to increase the local sales tax, but does not include an equitable split of real estate transfer fees; and

WHEREAS, counties disproportionately bear the burden doing most of the work, directly serving the public, and maintaining the buildings which facilitate the public service while only receiving 20 percent of the proceeds; and

WHEREAS, the way by which the State of Wisconsin allows local governments to fund themselves is fundamentally broken and the State is setting up its local governments to fail without a change in statutes, and at the very least should more fairly divide revenues collected by registers of deeds across the State; and

WHEREAS, the Committee on Intergovernmental Relations, at its meeting of July 11, 2022, recommended adoption of File No. 22-672 (vote 3-0); now, therefore,

BE IT RESOLVED, Milwaukee County hereby supports the State of Wisconsin to evenly divide the revenue collected from Register of Deed fees between the State and collecting county;

BE IT FURTHER RESOLVED, the Office of Government Affairs staff is hereby authorized and requested to communicate the contents of this resolution to the Wisconsin Counties Association for consideration in its 2022 Legislative Platform.

07/11/22

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