

# Gov. Evers: Proposes to send 20 percent of state's sales tax back to local communities, fund essential services like public safety

Posted on Wednesday, Feb 15, 2023

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MADISON — Gov. Tony Evers tonight, during his 2023-25 Biennial Budget Message, announced provisions included in his biennial budget proposal that builds on his previous efforts while in office to support local communities and promote public safety.

Gov. Evers previously signaled in his 2023 State of the State address he would be willing to support a budget provision to send 20 percent of the state's sales tax revenue back to local communities for shared revenue to fund essential local services—a provision included in the governor's 2023-25 biennial budget released tonight. The governor's budget announcements come as communities across Wisconsin continue to struggle to address local needs due to years of state disinvestment under previous leadership. The governor's budget also proposes investing in recruitment and retention efforts for assistant district attorneys and assistant state public defenders, and continuing efforts to bolster Wisconsin's emergency medical services (EMS) system.

In his 2023-25 Biennial Budget Message delivered tonight, Gov. Evers continued to unveil his plans to bolster the state's current and future workforce, maintain economic momentum, and invest in local communities across Wisconsin:

**“Our local partners have always played a critical role in our work to build an economy and workforce for the future. But let's be frank: work at the local level over the last decade hasn't been helped by the fact our local**

**partners have been asked to do more with less. Whether it's expanding affordable housing, repairing streets, ensuring clean parks and water, safety services like EMS, police, and fire, or supporting local libraries and public health, so much of the hard work in this state happens at the local level. And it's time for the state to do its part.**

**"Last month, I pledged my support for a budget provision to send 20 percent of the state's sales tax revenue back to our local communities for shared revenue. And I'm excited to share that our budget includes that proposal, providing more than half a billion dollars more per year in new resources to invest in key priorities like public safety. We have to get this done, folks.**

**"And we're not just going to fund our local governments—we're also going to invest in key programs at the state level to help local partners do important work in our communities. ...We're going to make an unprecedented investment into supporting every level of our state's justice workforce.**

**"Without providing new resources to recruit, retain, and compensate qualified and experienced professionals who are essential to ensuring our justice system functions well, our state—and our partners at the local level—will continue to face a constitutional crisis. We're going to tackle this issue head-on in this budget. We're investing nearly \$36 million into bolstering our justice workforce, including assistant district attorneys and public defenders, among other key positions.**

**"Investments in our budget like these are critical. The state has to start being a partner in—not an obstacle to—our local communities' success. The way we've been funding our local governments isn't sustainable. We need to change that. ..."**

According to [data from the nonpartisan Legislative Fiscal Bureau \(LFB\)](#), since 2011, state aid to communities has been cut by more than nine percent, while public safety costs have increased by more than 16 percent. As a result, over the last decade, local communities have been asked to do more with less and have been forced to make difficult decisions to cut critical services, including public

safety. Gov. Evers has been clear for four years now that the state must do its part to ensure communities have the resources they need to meet basic and unique needs alike.

During his Biennial Budget Message tonight, Gov. Evers outlined his budget plan to send [20 percent of the state's sales tax revenue](#) back to local communities for shared revenue. The proposal means more than half a billion dollars more per year in new resources for local communities to invest in key priorities like local health and human services, transportation, EMS, fire, and law enforcement services, and other challenges facing Wisconsin communities such as PFAS and district attorney recruitment and retention—the largest increase in aid to municipalities and counties in decades. This commitment will ensure communities see growth in shared revenue in the future after years of state investment not keeping up with communities' needs.

The governor's budget provisions build on his previous efforts to increase shared revenue for local governments. In both of Gov. Evers' previous biennial budgets, he proposed increasing shared revenue payments by two percent annually. Unfortunately, legislative Republicans repeatedly rejected these efforts and, in fact, passed legislation that would have further reduced shared revenue payments to counties and municipalities, which the governor [vetoed](#). In his 2021-23 biennial budget proposal, Gov. Evers also proposed allowing municipalities with populations over 30,000 to impose a 0.5 percent sales tax to diversify local revenue sources and better empower local governments to fund public safety. This was also rejected by Republicans in the Legislature. Gov. Evers is committed to ensuring the state fulfills its obligation to fund local communities—the state, economy, and workforce depend on these investments.

In addition to supporting increased shared revenue for local communities, Gov. Evers has directly [invested](#) more than \$100 million in violence prevention and community safety statewide, including directing \$14 million in funding to Milwaukee County to expand their courthouse operations and reduce the backlog of cases in their criminal division by increasing the number of criminal cases that can be heard by supporting staffing for the Milwaukee County District Attorney's Office, the State Public Defender, the Milwaukee Clerk of Courts, and the Milwaukee County Sheriff's Office. The governor has also allocated \$5.5 million for the State Public Defender and \$5.7 million to district attorney offices to ensure they have the staffing resources they need. These investments come as communities across the

state have struggled to recruit and retain employees, including in Wisconsin's justice system, which has grappled with low pay and high vacancies in recent years. The State Bar of Wisconsin recently noted that the state is approaching a constitutional crisis because of low compensation for state prosecutors and assistant public defenders.

Finally, delivering on the [promise](#) he made during his 2022 State of the State address, since February 2022, Gov. Evers has invested more than \$69 million to support and stabilize Wisconsin's EMS systems and providers. Earlier this month, the Wisconsin Office of Rural Health reported that approximately 41 percent of Emergency Medical Service providers in the state are staffed by six or fewer people, with 21 percent being run by just two or three staff members. Additionally, according to a recent survey by the Wisconsin State Fire Chief's Association, 10 communities reported one 911 call that was never responded to because there was no staffed ambulance to send. Between rising costs and a lack of available staffing, some communities have had to go without ambulance services, left with no other option but to hope and rely upon neighboring providers. To help address these challenges, Gov. Evers had directed funding to EMS providers across the state, especially in rural communities, for whatever they need most to continue serving their communities, including staffing support, training for first responders, or purchasing new supplies, medical equipment, and vehicles. As part of the governor's overall investment in EMS, he directed [\\$8 million](#) in one-time supplemental funding for the Funding Assistance Program (FAP), as well as [\\$32 million](#) through the EMS Flex Grant Program to help fill the gap for those providers who were otherwise not eligible for FAP funding.

A list of the governor's proposals to improve public safety by increasing shared revenue, investing in additional resources for assistant district attorneys, assistant state public defenders, and state attorneys, and supporting EMS services in communities across the state is available below:

## **Investing in Communities**

### *Shared Revenue*

As [previewed](#) by Gov. Evers last week, Gov. Evers' 2023-25 biennial budget proposal will reform shared revenue and provide the largest increase in aid to municipalities and counties in decades.

- The governor's budget creates a new shared revenue appropriation that will provide increased aid to municipalities and counties of \$576.2 million in fiscal year 2024-25. Future allocations will grow with sales tax collections. The appropriation's allocation for each calendar year will be 20 percent of the state's sales tax collections of the fiscal year ending in that calendar year. As part of the 20 percent, communities will continue to receive existing County and Municipal Aid, Expenditure Restraint, and the county and municipal components of personal property aid; the remaining funds will be divided between public safety aid and general aid to municipalities and counties.
  - Public safety aid will be 43.4 percent of the total funds available (\$250 million) under the new appropriation. Public safety aid payments can be used to support law enforcement, fire, and EMS, as well as courts and district attorneys' offices, and the distribution formula ensures that no government will receive less than \$10,000 under the public safety aid distribution.
  - 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.
  - Details regarding the distribution to each local government in the state will be available at the time of the governor's budget address.
- For future distributions under the new shared revenue, no local government may receive less than 95 percent of their prior year's allocation. Existing shared revenue programs will continue under their current law provisions.

The [attached distribution](#) provides initial estimates of what communities would receive under the governor's shared revenue plan, but final distribution amounts will be estimated to reflect the latest information submitted by communities before payments are made in 2024.

### *Local Option Sales Tax*

- The governor's budget will allow Milwaukee County to impose an additional 1.0 percent sales tax, with 50 percent of the resulting new revenue distributed to the city of Milwaukee. This will diversify local revenue sources and improve the ability of both Milwaukee County and the city of Milwaukee to address unique needs in the state's largest metropolitan area. This proposal must be approved by a local referendum to take effect.
- The budget also allows counties other than Milwaukee County to impose an

additional 0.5 percent sales tax and allows municipalities with populations over 30,000, other than the city of Milwaukee, to impose a 0.5 percent sales tax to diversify local revenue sources and better empower local governments to fund police and fire protection, EMS, transit, roads, and other important services, if approved by local referendum.

## **Justice System Workforce Initiatives**

To bolster the justice system workforce and ensure qualified and experienced professionals can tackle the issues facing Wisconsin, Gov. Evers' 2023-25 budget makes a nearly \$36 million investment into compensation for assistant district attorneys, deputy district attorneys, assistant state public defenders, state attorneys, and elected district attorneys to bring them to a more competitive starting wage and provide pay progression. Specifically, the governor's budget proposal prioritizes recruitment and retention efforts by providing:

- \$28 million to increase the starting pay for assistant district attorneys and assistant state public defenders to \$35 per hour, an increase of \$7.76 per hour over the current starting wage;
- \$3.6 million for a one-step pay progression in the second year for assistant district attorneys, deputy district attorneys, and assistant state public defenders to increase retention of experienced attorneys;
- \$854,300 in fiscal year 2024-25 to increase compensation for elected district attorneys, beginning with their new term in 2025; and
- \$3.3 million for a one-step pay raise in fiscal year 2024-25 to continue to provide pay progression for state attorneys.

In addition, the governor's budget includes measures to provide additional staff to the different components of the justice system, which is vital to ensuring reasonable caseloads, reducing burnout, and meeting constitutional protections for justice-involved individuals. The governor's budget supports these efforts by creating:

- an additional 51.8 full-time equivalent (FTE) assistant district attorney positions;
- an additional 50.0 FTE positions for the State Public Defender; and
- an additional four circuit court branches beginning in fiscal year 2023-24.

Finally, to boost the ability to recruit and retain private bar attorneys who accept State Public Defender appointments, Gov. Evers proposed providing \$21.6

million over the biennium to further increase the private bar reimbursement rate from \$70 to \$100.

## **Supporting and Stabilizing Wisconsin EMS**

### *Investments in EMS*

Gov. Evers's budget responds to the state's acute EMS crisis with a strategic range of approaches meant to expand education and credentialing opportunities, incentivize potential employees, and provide the flexibility to purchase equipment that programs need. Specifically, Gov. Evers' 2023-25 budget proposal will:

- Provide \$150 million in fiscal year 2023-24 in EMS Flex Grants to support public and private emergency medical services providers;
- Provide \$1.2 million all funds over the biennium to implement the public ambulance provider certified public expenditure provisions of 2021 Wisconsin Act 228;
- Provide \$720,000 per year to purchase epinephrine for public ambulance providers;
- Provide 1.0 FTE position to expand the Office of Preparedness and Emergency Health Care;
- Authorize 1.0 FTE position to staff an ambulance inspection program; and
- Modify the current law adjustments for joint fire and emergency medical services to ensure that all forms of service sharing arrangements in those vital services will be covered by the levy limit adjustment.

### *Statutory Changes*

Gov. Evers' budget addresses the challenges and barriers preventing interested applicants, from pursuing EMS as a career. Specifically, this budget will allow the certification of individuals as emergency medical responders who complete a certified training program without additional examination or who pass the National Registry of Emergency Medical Technicians examination for emergency medical responders.

In 2022, Gov. Evers signed [2021 Wisconsin Act 228](#), creating an ambulance service provider assessment program to provide supplemental reimbursement. Gov. Evers' 2023-25 budget creates statutory language to implement the assessment provisions of this Act.

In 2021, Gov. Evers also signed 2021 Wisconsin Act 29, which expanded worker's compensation to cover PTSD for firefighters and law enforcement. Gov. Evers knows that while this was a critical first step, Wisconsin's EMS providers are maintaining a declining workforce that increases caseloads and puts strain on remaining personnel and surviving provider organizations. As PTSD escalates for critical EMS providers, the state must expand its worker's compensation coverage in line with law enforcement and firefighters. That is why Gov. Evers' budget creates statutory language removing barriers that currently prevent first responders with PTSD from receiving worker's compensation.