

Howard Marklein: Understanding the Brewers stadium deal

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At the beginning of the budget process last winter, the legislature was informed that the Brewers were thinking about leaving Wisconsin if additional funding was not provided to the Southeast Wisconsin Professional Baseball Park District to maintain American Family Field. Over nearly a year, this issue has been discussed, digested, negotiated and argued in the halls of the State Capitol.

However, it has **not** been much of a discussion, negotiation or argument in the communities of the 17th Senate District. In fact, I haven't heard from very many constituents on this issue. So, why should I care? Why should you care? What does it matter?

The Brewers Stadium Deal was approved with bi-partisan votes by both houses of the legislature this week and Governor Evers has indicated his support for the legislation. I expect that these bills will be signed soon and we can move on from this discussion. But I want you to know what this deal included and why I supported it because it will have statewide impact.

First and foremost, it is important to know that none of the funding we approved will be given to the Brewers. **The Brewers do not get a single dime of the funding we approved.** All of the funding goes to the Southeast Wisconsin Professional Baseball Park District for maintenance and capital investments in the facility. We, as taxpayers, own the stadium. The Stadium Board governs the operations and maintenance of the stadium. We are responsible for the maintenance and upkeep of the stadium in accordance with the lease with our tenant. The Brewers are our tenant and they pay rent according to the contract we have with them.

The Brewers Stadium Deal will keep the Brewers as our tenant and in Wisconsin through 2050. The team has agreed to sign a new lease and a non-relocation

agreement extending to 2050.

This is important because the income tax revenue generated by the Brewers and their employees, as well as the sales tax collected on Brewers-related sales, will not exist if the Brewers leave Wisconsin. This would leave a \$678 million hole in our state finances between 2024-2050. If the Brewers leave, we will also have an empty stadium that is owned by taxpayers.

For me, the decision to support the Brewers Stadium deal is a simple math problem. The math shows that the state could generate approximately \$330 million in revenue after we make all of our investments.

Here is the math as it relates to state-funding:

\$630.5 million	Income tax generated by the Brewers (2024-2050)
+ \$63.8 million	State sales tax revenue directly attributable to the Brewers
\$694.3 million	Total Revenues
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- \$365.8 million	State contribution between 2024-2050 (LFB estimates)
\$328.5 million	Net State Revenue

The Brewers will be contributing roughly \$150 million to the deal. They will be paying more than double the rent that they were formerly paying.

Local governments in which the stadium is located will contribute as well. **The City of Milwaukee and Milwaukee County will both contribute \$67.5 million for a total of \$135 million in local investments over the life of the deal.**

We have also created a **Non-Brewers Event Ticket Tax** that will directly reduce the state's contribution. This tax ranges from \$2 to \$4 per ticket on regular tickets and from \$8 to \$10 per ticket on any "luxury" area tickets for box seats, etc. The people who use the stadium for non-Brewers events like concerts will participate in the maintenance and improvements in the stadium.

At the end of the lease, the Brewers are required to relinquish any ownership stake in the balance of the stadium district fund and any capital project utilizing state

dollars for \$1.

Counties benefit from the Brewers deal too because of a reduction in the administrative fee that the Department of Revenue is allowed to withhold from sales tax collections. The following table illustrates the estimated **additional county sales tax revenues** that will be distributed in calendar year 2025 (the first full year of distribution) under the Brewers deal for the counties of the 17th Senate District.

Estimated County Sales Tax Revenue Associated with the Brewers Stadium Deal

Calendar Year 2025

Counties of the 17th Senate District

Grant County	\$56,000
Green County	\$40,000
Iowa County	\$30,000
Juneau County	\$29,000
Lafayette County	\$15,000
Richland County	\$17,000
Sauk County	\$138,000
Vernon County	\$29,000
Statewide Total	\$7,467,000

The bottom-line is that this is a good deal for Wisconsin. We are not “giving rich guys money”. Our investments in our facility maintain the income and sales tax revenues that result from a team using the stadium that we own as taxpayers. In the end, the state of Wisconsin could generate approximately \$330 million in additional revenue that would not exist without the team’s presence.

-Marklein, R-Spring Green, is co-chair of the Joint Finance Committee and represents the 17th Senate District.

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