

The DMMC Board of Directors directed DMMC staff to prepare a Drop-in for municipalities to share with residents in your newsletters and e-blasts, should you so choose. Below is the latest in a series of articles which DMMC provides for municipalities to “drop in” to their local newsletters or other communications to residents.

### **Protect State-Collected Revenues Owed to Local Governments**

The state, which has been operating without a Fiscal Year 2016 state budget since July 1, 2015, is currently withholding the local share of the Use Tax, Motor Fuel Tax (MFT), gaming, Wireless 9-1-1 Surcharge, and federal transportation funding revenues which are due to local governments. These revenues are collected by the state for distribution to local governments. The state argues that without a budget in place, it lacks the authority to distribute these revenues. However, none of the revenues being withheld are general fund revenues for the state and would not have an impact on the state budget if they were distributed.

Cities and villages rely on these revenues to provide essential services to residents and local businesses, including, but not limited to, 9-1-1 emergency response, road maintenance and construction, snow removal, and road salt purchases. If the revenues that are owed to local governments are not released, municipalities will be forced to cut these services, raise property taxes, or layoff critical staff, all to the detriment of the residents and businesses that paid the taxes and fees which are being withheld by the state.

It is imperative that the state not try to balance its budget on the backs of local taxpayers. Residents are encouraged to contact their state legislators and the Governor and urge them to immediately release all state-collected revenues that are owed to local governments. Contact information can be found by clicking on the following links.

[House Members](#)

[Senate Members](#)

[Governor's Office](#)