



Local Intergovernmental Cooperation

Prepared by: Andrea Brauer, Staff Attorney

Wisconsin law offers considerable opportunity for voluntary cooperation at the local government level. In addition to the general cooperation provisions summarized below, other statutes contain authority for counties, towns, villages, and cities to cooperate in specific areas, such as police and fire protection and library services.

GENERAL AUTHORITY

The statutes authorize municipalities (broadly defined to include counties, towns, villages, and cities, as well as special purpose units of local government) to contract with other municipalities and with American Indian tribes for the receipt or furnishing of services or the joint exercise of power or duty.

The general limitation on this authority is that each municipality may act under the contract only to the extent of its lawful powers and duties. The law provides that a cooperation contract may provide a plan for the administration of the function or project, including proration of expenses, deposit and disbursement of funds, submission and approval of budgets, creation of a commission, selection and removal of commissioners, and formation and letting of contracts. Further, the law must be “interpreted liberally in favor of cooperative action....”¹

The cooperation statute also expressly allows a commission created under a cooperation contract to finance the acquisition, development, remodeling, construction, and equipment of land, buildings, and facilities for “regional projects.” Several means of financing these regional projects are provided in ch. 67, Stats.

A similar statute authorizes municipalities of this state to contract with municipalities of another state for the receipt or furnishing of services or the joint exercise of any power or duty. These agreements generally must be approved by the attorney general.²

SERVICES PROVIDED BY A COUNTY

A county may provide local government services to a city, village, or town that requests the county to do so. Counties, cities, villages, and towns are not limited by the extent of their lawful powers and duties, as is the case under the general authority for cooperation. Thus, for example, even though county boards have no independent authority to provide fire protection, counties may provide such services upon the request of a city, village, or town located within the county. The broad statutory language authorizes county boards to provide local government services throughout the county; in specific cities, villages, and towns within the county; or within districts that comprise all or portions of cities, villages, and towns within the county. Such powers may be exercised exclusively by the county or jointly by the county and the town, city, or village.³

REVENUE SHARING

Counties, towns, villages, and cities may enter into agreements to share revenues from taxes and special charges with other counties, towns, villages, or cities and with Indian tribes and bands. A county, town, village, or city that enters into a revenue sharing agreement must be contiguous to at least one other county, town, city, or village also entering into the agreement. The revenue sharing agreement may be used to permit a city or village to share in the expanded tax base of an adjacent town which is experiencing growth that is essentially an extension of growth in the city or village. Originally enacted in 1996, this provision was intended, among other things, to assist in eliminating disputes over municipal boundaries.⁴

Revenue sharing agreements may include various appropriate matters, but must have a minimum term of 10 years and must specify each of the following:⁵

- The boundaries of the area within which the revenues are to be shared.
- The formula or other means of determining the amount of revenues to be shared.
- The date upon which revenues agreed to be shared shall be paid to the appropriate county, town, village, or city.
- The method by which the agreement may be invalidated after the 10-year minimum duration has expired.

A public hearing must be held before a revenue sharing agreement may be entered into by the interested municipalities. The governing body of a participating municipality or county or interested electors may also call for an advisory referendum.⁶

AREA COOPERATION COMPACTS

State law requires each city, village, or town located in a federal standard metropolitan statistical area to enter into an “area cooperation compact” with at least two other municipalities or counties in that region. A “federal standard metropolitan statistical area” is a geographical region defined by the U.S. Office of Management and Budget to meet certain high population density criteria and to have high economic ties within the area, as measured by worker commuting. The intent behind area cooperation compacts is to reduce the cost of local governmental services.

The compact must perform at least two specified services, which may include: law enforcement; fire protection; emergency services; public health; solid waste collection and disposal; recycling; public transportation; public housing; animal control; libraries; recreation and culture; human services; and youth services.

A cooperation compact must be structured to provide significant tax savings and provide a plan for collaboration, benchmarks to measure progress, and outcome-based performance measures to evaluate success.⁷

¹ s. 66.0301, Stats.

² s. 66.0303, Stats.

³ s. 59.03 (2), Stats.

⁴ s. 66.0305, Stats.

⁵ s. 66.0305 (4) (a), Stats.

⁶ s. 66.0305 (3) and (6), Stats.

⁷ s. 66.0317, Stats.