
FOR IMMEDIATE RELEASE



FOR INFORMATION CALL

March 5, 2018

Alderman Michael J. Murphy
(414) 286-3763

State changes to residency law having a negative impact on Milwaukee

Alderman Michael J. Murphy says a study proves that the state's interference into local affairs is once again having a negative impact on the City of Milwaukee. In 2013, the state legislature invalidated the City's 75-year-old residency requirement and that action has led to a significant loss of revenue and leaders in Milwaukee's neighborhoods.

Since the Wisconsin Supreme Court enforced the state legislature's decision in 2016, 1,367 city employees have moved outside of Milwaukee to area suburbs and neighboring cities. Alderman Murphy said that means that 20% of Milwaukee's employees are now non-residents who are not invested in the day-to-day outcomes in the city. The highest percentage of employees who live outside the city are sworn fire fighters and police officers, with fire department employees making up 37% of non-residents and 33% of Milwaukee's sworn police force. Annually, non-resident employees earn \$92.5 million, \$47.6 million going to sworn police officer payroll.

Ald. Murphy says, "Employees spend a good 25% of their money on housing. That income is now supporting other communities and suburbs. This further demonstrates how the state is not looking out for the interest of its urban economic centers."

According to the SB Friedman report shared by the Legislative Reference Bureau, because of the residency law change the projections could create an increased exodus to suburban locations, reductions in housing construction, and a decline in consumer expenditures and services in the city. By 2024, it's predicted 4,070 of employees will non-residents, nearly 2/3 of the City's employees. The ultimate impacts found in the report include:

- Reduced consumer expenditures on retail goods and services in the city of up to \$57 million annually
- Reduced tax base of approximately \$649 million, \$622 million attributed to land and improvement value and \$27 million to commercial property

Ald. Murphy says, "There are some very concerning trends that were outlined in the SB Friedman report. The state needs to answer for this situation."