STATE OF WISCONSIN CIRCUIT COURT WAUKESHA COUNTY

CHRISTINE STUELAND

Plaintiff,

Declaratory Judgment Case Code: 30701

v.

DAVID CULLEN in his official capacity as Treasurer of Milwaukee County 901 North 9th Street, Room 102 Milwaukee, WI 53233,

Defendant.

COMPLAINT

Plaintiff Christine Stueland, by her undersigned attorneys at the Wisconsin Institute for Law & Liberty, hereby allege as follows:

INTRODUCTION

1. The Wisconsin Constitution requires "all moneys and the clear proceeds of all property that may accrue to the state by forfeiture or escheat; and the clear proceeds of all fines collected in the several counties for any breach of the penal laws . . . shall be set apart as a separate fund to be called 'the school fund'. . ." Wis. Const., Art. X, § 2.

- 2. That fund, now known as the "common school fund," is managed by the Wisconsin Board of Commissioners of Public Lands,² and produces an annual distribution of income from the fund to the Wisconsin Department of Public Instruction which then gets sent to every school district as library aid.³
- 3. According to the Wisconsin Department of Public Instruction, the "Common School Fund is the primary, and often only, source of funding for school libraries in Wisconsin."⁴

PARTIES

- 4. Plaintiff Christine Stueland is a resident of Wisconsin and a taxpayer, paying sales tax, income tax and property tax.
- 5. Stueland is also a library user, regularly making use of her local library and the resources it provides.
 - 6. Stueland resides at I

, Waukesha County.

- 7. Defendant David Cullen is the Treasurer of Milwaukee County and is named in his official capacity only.
- 8. Cullen maintains his main office at 901 North 9th Street, Room 102, in the City of Milwaukee, Milwaukee County.

¹ Wis. Stat. § 24.76.

 $^{^2}$ Wis. Const., Art. X, \S 7; See also Wis. Stat. \S 24.51.

³ Wis. Const., Art. X, § 2(1) and (2); See also Wis. Stat. § 43.70(3).

⁴ Wisconsin Department of Public Instruction, *Wisconsin's Common School Fund*, available at: https://dpi.wi.gov/sfs/aid/categorical/common-school-fund.

JURISDICTION AND VENUE

- 9. This is an action for declaratory and injunctive relief under Wis. Stat. §§ 806.04 and 813.01.
 - 10. Venue in this Court is proper pursuant to Wis. Stat § 801.50(2).

BACKGROUND

- 11. County treasurers receive all state fines and forfeitures and then must make payment of the "clear proceeds" of those fines and forfeitures to the state. Wis. Const. Art. X § 2; Wis. Stat. §§ 778.13, 778.17, and 59.25(3)(f).
- 12. The Wisconsin Supreme Court has interpreted the term "clear proceeds" in Art. X § 2 to mean the "net proceeds" from prosecutions. *State ex rel. Comm'rs of Pub. Lands v. Anderson*, 56 Wis. 2d 666, 669 (1973).
- 13. Because "net proceeds" must be allocated into the school fund, counties may only deduct the amount necessary to fund the prosecution of these traffic laws—funding may not be deducted for any other purpose. *Id.* ("the sum allowed to be withheld by the collecting county must not be for a purpose other than reimbursement of the expense of prosecuting the offense which generates the fines").
- 14. Historically, county treasurers were allowed to keep some amount of the funds collected.
- 15. "Since 1849, one year after the adoption of our constitution, a treasurer of a county could retain 2 percent of the fines as his fee for collecting and transmitting the fines derived from the conviction of the violations of criminal statutes." *Id.* at 668.

- 16. "By the Laws of 1929, ch. 287, this amount was increased to 10 percent to be kept by the county." *Id*.
- 17. "[B]y the laws of 1941, ch. 206, sec 1a, the legislature increased the amount the county could retain from 10 to 50 percent of the fines and penalties collected under the statute relating to motor vehicle laws." *Id*.
- 18. "[T]he legislature may not grant so large a percentage of the fines that the sum left for the school fund is merely nominal . . ." *Id.* at 669.
- 19. 2025 Wisconsin Act 15 amended state law to allow Milwaukee County, and only Milwaukee County, to retain 100% of the state fines and forfeitures it collects under chs. 341 to 347, 349, and 351. 2025 Wisconsin Act 15, §§ 204, 205, now codified as Wis. Stat. § 59.25(3)(j)1.c.
- 20. As a result, *all* state fines and forfeitures received by Milwaukee County under those chapters (i.e., the statutes relating to motor vehicle laws) do not have to be deposited with the state in the Common School Fund, while 50% of the same revenue received in all 71 other counties must be deposited with the state in the Common School Fund.
- 21. The State of Wisconsin's Legislative Fiscal Bureau estimates this change will result in a loss to the Common School Fund of \$4.4 million over a two-year period.⁵

⁵ See Wisconsin Legislative Fiscal Bureau, Comparative Summary of Budget Provisions, 2025 Act 15, "Board of Commissioners of Public Lands" available at: https://docs.legis.wisconsin.gov/misc/lfb/budget/2025_27_biennial_budget/101_comparative_

- 22. In 2025, the Common School Fund disbursed \$70 million to libraries statewide.⁶
- 23. Libraries in Milwaukee County will continue to receive funding from the Common School Fund despite Milwaukee County not contributing any fines or forfeiture revenue from motor vehicle law violations.
 - 24. Tax dollars are used to enforce and administer these provisions.
- 25. Plaintiff, a Waukesha County resident, taxpayer and library user, is harmed in multiple ways.
- 26. First, Plaintiff is harmed as a library user, because the common school fund—which provides funding to her library—will receive less income, and thus have less funding available for distribution.
- 27. Second, Plaintiff is harmed as a taxpayer because the legislature does not have the power to grant 100% of the state fines and forfeiture revenue to any county to the exclusion of the common school fund, and so Wis. Stat. § 59.25(3)(j)1.c., and the expenditure of tax dollars to enforce it, is unlawful.

summary_of_provisions_2025_act_15_august_2025_by_agency/board_of_commissioners_of_public_lands.pdf

⁶ See Wisconsin Department of Public Instruction, Wisconsin's Common School Fund, "Library Aid Paid (by School Year)", 2024-25, available at https://dpi.wi.gov/sites/default/files/imce/sfs/xls/CSF_Allocation_for_2024-2025_for_Publication_April_2025.xlsx

CAUSES OF ACTION

CLAIM ONE: Violation of Article X, § 2

- 28. Plaintiff realleges and incorporates the preceding allegations of the complaint.
- 29. Under the Wisconsin Constitution, some portion of state fines and forfeitures must be deposited into the common school fund.
- 30. The Wisconsin Supreme Court has held that the Constitution requires at least some portion of the penalty must be reserved for "the school fund." *Anderson*, 56 Wis. at 669 ("the legislature may not grant so large a percentage of the fines that the sum left for the school fund in merely nominal.")
- 31. The 2025 Wisconsin Act 15 provision, now codified at Wis. Stat. §59.25(3)(j)1.c., violates the Wisconsin Constitution by allowing Milwaukee County to keep 100% of certain state fines and forfeitures.
- 32. Plaintiff is harmed by this law as both a library user who will have less resources available and as a taxpayer due to the unlawful expenditure of taxpayer funds to administer this provision.
- 33. Unless this Court declares Wis. Stat. § 59.25(3)(j)1.c. unconstitutional, the common school fund will continue to be deprived of resources, and the harm to Plaintiff will continue to accrue.

CLAIM TWO: Alternatively, Violation of Article I, § 1

34. Plaintiff reallege and incorporate the preceding allegations of the complaint.

- 35. In the alternative, even if 2025 Wisconsin Act 15 did not violate Article X, § 2 of the Wisconsin Constitution, it violates Plaintiff's right to equal protection under Article I, § 1 of the Wisconsin Constitution.
- 36. The 2025 Wisconsin Act 15 provision now codified at Wis. Stat. §59.25(3)(j)1.c., creates a legislative classification regarding the transfer of motor vehicle fines and forfeitures. Namely, Milwaukee County in one class, and all other 71 counties in another class.
- 37. One class (Milwaukee County) may retain 100% of the motor vehicle fines and forfeiture revenue it receives.
- 38. The other class (all other 71 counties) may only retain 50% of the motor vehicle fines and forfeiture revenue they receive.
- 39. That classification scheme violates Plaintiff's right to equal protection, safeguarded by Article I, § 1 of the Wisconsin Constitution.
- 40. Plaintiff is harmed because she lives in a county that may only retain 50% of the motor vehicle fines and forfeiture revenue they receive. As a result of the classification, her county has less resources available.
- 41. Unless this Court declares Wis. Stat. § 59.25(3)(j)1.c. unconstitutional, the classification scheme will continue to harm Plaintiff as a resident and taxpayer in a county that can only retain 50% of the motor vehicle fines and forfeitures it receives will continue to be harmed.

REQUEST FOR RELIEF

Plaintiff therefore requests the following relief:

A. Declare that Wis. Stat. § 59.25(3)(j)1.c. violates Article X, § 2 of the Wisconsin Constitution and is therefore invalid;

B. In the alternative, declare that Wis. Stat. § 59.25(3)(j)1.c. violates Article X, § 1 of the Wisconsin Constitution's guarantee of equal protection and is therefore invalid and void;

C. Enjoin Defendant from administering and enforcing Wis. Stat. § 59.25(3)(j)1.c.; and

D. Such other relief as the Court deems appropriate.

Dated: October 8, 2025.

Respectfully Submitted,

WISCONSIN INSTITUTE FOR LAW & LIBERTY

Electronically signed by Lauren Greuel

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