LEGISLATIVE HEARING CALENDAR

Positions to be taken by the City of Milwaukee on the following bills will be discussed by the

COMMITTEE ON JUDICIARY-LEGISLATION

MONDAY, APRIL 27, 2009 AT 1:30 PM

Room 301-B City Hall

SB-145 AB-215	Determining the value of billboards for personal property tax purposes.
AB-145	Legislative review of municipal ward, supervisory district, aldermanic district, and certain school district election district plans.
LRB-2469/1	I 94 north-south corridor reconstruction project. (Senator Tim Carpenter)

Update on State Budget

State Budget Discussion/Action Items:

- Primary enforcement of seat belt laws and data collection.
- Elimination of DOT's issuance of decals to indicate a vehicle's period of registration.

LRB-1179/1 JK:bjk:md

2009 SENATE BILL 145

March 31, 2009 – Introduced by Senators Plale, Lehman, Hansen, Holperin, Cowles and Schultz, cosponsored by Representatives Soletski, Staskunas, Smith, Hixson, Fields, Danou, Zepnick, Grigsby, Gunderson, Petersen, Kestell, A. Ott, Suder, Vos, Petrowski, Townsend, Newcomer, Van Roy, Ripp, Kerkman, Brooks, Montgomery, Honadel, Garthwaite and Jorgensen. Referred to Committee on Health, Health Insurance, Privacy, Property Tax Relief, and Revenue.

- 1 AN ACT to renumber and amend 70.34; and to create 70.34 (2) of the statutes;
- relating to: determining the value of billboards for personal property tax purposes.

Analysis by the Legislative Reference Bureau

Under current law, a billboard is subject to the imposition of personal property taxes. The Wisconsin Supreme Court has recently determined that, although net income from billboard rentals may be a factor to consider, it cannot be the sole controlling factor for determining the value of a billboard for property tax purposes. See, *Adams Outdoor Advertising, Ltd. v. City of Madison,* 294 Wis. 2d 441, 717 N.W.2d 803. The court also found that, by not determining the billboard's value based on its cost, less depreciation, the city assessor contravened the prevailing practice for assessing billboards not only in this state, but throughout the United States.

Under this bill, for personal property tax purposes, an assessor must determine a billboard's value by subtracting depreciation from the cost of reproducing the billboard. In addition, consistent with *Adams Outdoor Advertising*, *Ltd.*, the assessor may not include the value of any permits issued, leasehold interests, or other intangibles with regard to the billboard for the purpose of determining the billboard's assessed value.

2009 ASSEMBLY BILL 215

April 14, 2009 – Introduced by Representatives Soletski, Staskunas, Brooks, Danou, Fields, Garthwaite, Grigsby, Gunderson, Hixson, Honadel, Jorgensen, Kerkman, Kestell, Montgomery, Newcomer, A. Ott, Petersen, Petrowski, Ripp, Smith, Suder, Van Roy, Vos and Zepnick, cosponsored by Senators Plale, Lehman, Hansen, Holperin, Cowles and Schultz. Referred to Committee on Jobs, the Economy and Small Business.

- 1 AN ACT to renumber and amend 70.34; and to create 70.34 (2) of the statutes;
- relating to: determining the value of billboards for personal property tax purposes.

Analysis by the Legislative Reference Bureau

Under current law, a billboard is subject to the imposition of personal property taxes. The Wisconsin Supreme Court has recently determined that, although net income from billboard rentals may be a factor to consider, it cannot be the sole controlling factor for determining the value of a billboard for property tax purposes. See, *Adams Outdoor Advertising, Ltd. v. City of Madison, 294* Wis. 2d 441, 717 N.W.2d 803. The court also found that, by not determining the billboard's value based on its cost, less depreciation, the city assessor contravened the prevailing practice for assessing billboards not only in this state, but throughout the United States.

Under this bill, for personal property tax purposes, an assessor must determine a billboard's value by subtracting depreciation from the cost of reproducing the billboard. In addition, consistent with *Adams Outdoor Advertising, Ltd.*, the assessor may not include the value of any permits issued, leasehold interests, or other intangibles with regard to the billboard for the purpose of determining the billboard's assessed value.

LRB-0768/3 JTK:bjk:rs

2009 ASSEMBLY BILL 145

March 13, 2009 – Introduced by Representatives Kessler, A. Williams and Turner, cosponsored by Senator Taylor. Referred to Committee on State Affairs and Homeland Security.

AN ACT *to amend* 5.15 (1) (b), 5.15 (1) (c), 5.15 (2) (d), 5.18, 59.10 (2) (a), 59.10 (2) (3) (b) 1., 59.10 (3) (b) 2., 59.10 (6), 62.08 (1), 62.08 (5) and 119.08 (1) (b) of the statutes; **relating to:** legislative review of municipal ward, supervisory district, aldermanic district, and certain school district election district plans.

Analysis by the Legislative Reference Bureau

Currently, within 60 days after the decennial population count, by block, becomes available from the U.S. Bureau of the Census, but no later than July 1 of each year following the year of the census, each county board of supervisors must submit to each municipality having territory in the county a tentative supervisory district plan or a description of boundary requirements for such a plan. Within 60 days after the receipt of this information from the county board of each county in which a municipality is located, each municipality having a population of 1,000 or more must adopt or readjust wards in accordance with statutory population parameters. In enacting or adopting its plan, a municipality must make a good faith effort to reflect the county's requirements in enacting a supervisory district plan. Within 60 days after every municipality having territory within a county enacts or adopts a ward division plan, the county must enact a final supervisory district plan combining contiguous whole wards to form supervisory districts.

This bill shortens the maximum time period specified for action at each of the above stages of the redistricting process to 45 days. The bill also provides that upon enactment or adoption of a municipal ward division plan, the clerk of a municipality must submit a certified copy of the plan to the appropriate standing committees of

ASSEMBLY BILL 145

1

2

3

4

5

6

7

8

9

10

11

12

the legislature. If, within 45 days of the receipt of the plan, the legislature enacts a law making changes to the wards within a municipality, the municipality must incorporate the changes into its ward division plan, which then takes effect. If, within 45 days of the receipt of the plan, the legislature does not enact a law making changes to the wards within the municipality, the municipal ward division plan takes effect as submitted. In addition, the bill provides that upon enactment or adoption of a final county supervisory district plan, an aldermanic district plan or an election district plan in a school district serving a first class city (Milwaukee), the county, city, or school district clerk must submit a certified copy of the plan to the appropriate standing committees of the legislature. If, within 30 days of receipt of the plan, the legislature enacts a law making changes in the supervisory, aldermanic, or election districts, the county, city, or school district must incorporate the changes into its plan, which then takes effect. If, within 30 days of receipt of the plan, the legislature does not enact a law making changes to the supervisory, aldermanic, or election districts within the plan, the plan takes effect as submitted. Because the legislature has inherent authority to establish municipal wards or to change ward boundaries as a part of a congressional or legislative redistricting plan, the bill does not preclude the legislature from making other changes in municipal ward boundaries as a part of such a plan.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 5.15 (1) (b) of the statutes is amended to read:

5.15 (1) (b) Except as authorized in sub. (2) (a), within 60 45 days after the receipt of a tentative supervisory district plan and written statement, if any, from the county board of each county in which a municipality is located, the governing body of the municipality shall adjust its wards according to the schedule shown in sub. (2). All territory contained within the municipality, and only the territory so contained, on August 1 following the year of the federal decennial census shall be contained within a ward. Except as authorized in sub. (2), each ward shall consist of whole blocks. To suit the convenience of the voters residing therein each ward shall, as far as practicable, be kept compact and observe the community of interest of existing neighborhoods and other settlements. All territory within a ward shall be contiguous, except for island territory as defined in sub. (2) (f) 3. Enactment or

1

2

2009 BILL

AN ACT to repeal 84.014 (5m) (b) 2.; and to create 84.014 (5m) (bm) of the

statutes; relating to: the I 94 north-south corridor reconstruction project.

Analysis by the Legislative Reference Bureau

Current law includes specific provisions applicable to southeast Wisconsin freeway rehabilitation projects, including the I 94 north–south corridor reconstruction project. A "southeast Wisconsin freeway" is a state trunk highway, located in Kenosha, Milwaukee, Ozaukee, Racine, Walworth, Washington, or Waukesha county, that has four or more lanes of traffic, has limited highway access points, and is separated by a median. The Department of Transportation (DOT) generally may not expend moneys, other than bonding proceeds, for any southeast Wisconsin freeway rehabilitation project that involves adding lanes five miles or more in length to an existing freeway absent enumeration of the project by the legislature. The I 94 north–south corridor reconstruction project was enumerated in 2007 Wisconsin Act 20 (the biennial budget act). The "I 94 north–south corridor" is defined to include I 94 from the Illinois–Wisconsin state line in Kenosha County through the Mitchell interchange in Milwaukee County.

This bill repeals the enumeration of the I 94 north-south corridor reconstruction project, thereby eliminating the authority for DOT to expend moneys from specified state, federal, and local funds appropriations to add one or more lanes five miles or more in length to an existing freeway as part of the I 94 north-south corridor reconstruction project.

Under current law, among the sources for funding certain southeast Wisconsin freeway rehabilitation projects, including the I 94 north—south corridor

BILL

reconstruction project, the state may contract up to \$303,300,000 in public debt, in the form of general obligation bonds.

This bill prohibits DOT from using these general obligation bond proceeds to add one or more lanes five miles or more in length to an existing freeway as part of the I 94 north–south corridor reconstruction project.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 84.014 (5m) (b) 2. of the statutes is repealed.

SECTION 2. 84.014 (5m) (bm) of the statutes is created to read:

84.014 (5m) (bm) Notwithstanding any other provision of this section, the department may not expend any moneys from the appropriations under s. 20.866 (2) (uum) and (uup) to add one or more lanes 5 miles or more in length to an existing freeway as part of the reconstruction of the I 94 north–south corridor.

SECTION 3. Nonstatutory provisions.

(1) Notwithstanding sections 990.03 and 992.01 of the statutes, the repeal of section 84.014 (5m) (b) 2. of the statutes by this act terminates any authority of the department of transportation to expend any moneys from the appropriations under section 20.395 (3) (cr), (cw), and (cy) of the statutes to add one or more lanes 5 miles or more in length to an existing freeway as part of the reconstruction of the I 94 north—south corridor, as defined in section 84.014 (5m) (ag) 1. of the statutes.

14

1

2

3

4

5

6

7

8

9

10

11

12

13



March 25, 2009

The Honorable Mark Miller, Co-chair Joint Committee on Finance Room 317 East State Capitol Madison, WI 53707

The Honorable Mark Pocan, Co-chair Joint Committee on Finance Room 309 East State Capitol Madison, WI 53708

Dear Senator Miller and Representative Pocan:

I am writing to ask the Joint Committee on Finance to amend the state transportation budget, and prioritize the maintenance of existing infrastructure before building new transportation projects.

The current federal transportation stimulus money heavily favors projects on state highways and interstate highways, due to engineering requirements and the specifications that stimulus funds be used for collector and arterial roads only. We need to re-align our transportation funding strategy to place an emphasis on maintaining our existing infrastructure and increasing our support for mass transit systems.

Local roads and bridges are vital connections in delivering goods and services for economic growth. Since I have become Mayor, I have increased the City's commitment to local road maintenance. In 2005, the City Local Streets Capital budget was \$4.2 million; in 2008 it was \$5.5 million – an increase of more than 31%.

The City of Milwaukee's replacement rate for local roads is more than 100 years, and by making greater investments in my budgets, the replacement rate will be reduced to 60 years by 2014. Unfortunately, more than 20 percent of the City's roads have been ranked in "poor condition."

Currently the Pabst Farms Interchange and lane expansion on I-94 N/S freeway are proposed to be constructed. I urge the committee to delay these construction projects and re-direct those resources into local road maintenance.

Due to the state of the economy, the Pabst Farms development is not occurring. According to a January 13th article in the *Milwaukee Journal Sentinel*, the proposed development does not have any tenants. Also, according to a February 25th article in *Living Lake Country*, the Vice-President for DDR Development, the company that is overseeing the Pabst Farms project, states that at least "50 to 70 percent of the storefronts would have to be leased before a bank would lend money for the mall's construction." The possible stores that have been listed as potential tenants, such as Target or Kohl's are already located in Delafield, not far from the Pabst Farms location. The fact of the matter is that it is not looking as if this will be a one-of-a-kind high-end retail destination as it was originally billed.

WisDOT studies show that the capacity of the six-lane freeway along I-94 N/S corridor will not exceed capacity until 2035, and other independent studies have challenged this assertion in light of rising energy prices, the aging population and the decline in vehicle miles traveled across the country. Additionally, the WisDOT's Final Environmental Impact Statement for the I-94 N/S reconstruction and expansion project acknowledges that travel times throughout most sections of the I-94 N/S corridor would not change if there was an expansion to eight lanes.

The Southeastern Wisconsin Regional Planning Commission has also found that 94% of all trips on I-94 N/S between Milwaukee and Kenosha start and end inside that region. This suggests that commuter rail service and high speed intercity rail service could accommodate much of the travel throughout the I-94 N/S corridor, and would preclude the need for an expansion to eight lanes.

WisDOT estimates expanding the freeway from the Mitchell Interchange to the State Line from six to eight lanes would cost \$200 million of the project's estimated cost of \$1.9 billion.

I want to be clear that it is not my suggestion that the State halt its investment in the I-94 N/S corridor. I am not opposed to doing the necessary bridge and ramp work for future expansion, and reconstructing the existing six lane I-94 N/S corridor. Spending those dollars for additional lanes now, while local streets throughout the state are crumbling and potholes are expanding, defies common sense.

I urge the Joint Committee on Finance to reserve \$221 million from the Pabst Farms Interchange and lane expansion of the I-94 N/S corridor, and instead make these funds available for local road maintenance projects and mass transit alternatives.

Sincerely,

Mayor Tom Barrett

TB:sk:mo

Cc: Governor Jim Doyle

Cc: Secretary Frank Busalacchi, WI Department of Transportation

Cc: Members of the Joint Committee on Finance

Cc: Members of the Milwaukee Legislative Delegation