

Major Policy Recommendations

While the state's economy shows signs of improvement, it is likely that the administration and legislature will once again be faced with a significant structural deficit as the 2005-06 legislative session opens. The actions of the 2003-04 legislature, both those that were enacted and those that failed, signal what their priorities will be in this next biennium. These major policy recommendations reflect the areas that we anticipate will be prevalent in the next session and that are critical issues for all city departments.

Shared Revenue

The City' 2004 shared revenue payment was reduced by \$9.8 million as part of the many cuts that took place across the various items in the state's major budget categories. However, there were several proposals that attempted to further undermine the equalization goal of shared revenue by shifting even more funding away from Milwaukee, Beloit, Racine and other relatively poor communities. Cuts in shared revenue shift the burden of funding critical local government services to the property taxpayer across the state. Shifting shared revenue from property or income poor areas to property rich areas of the state creates situations where one city must tax its citizens at a much higher level to provide equal services. This does not create a healthy situation for the state as a whole.

The 2005-06 lobbying team will work to protect the total amount of funding committed to the shared revenue program and to improve the equalization component of the distribution.

Specifically, IRD recommends that no additional cuts be made to the shared revenue program and supports any effort to increase property tax relief to cities. Cities on a whole have a better record than any other level of government when it comes to holding the line on spending and tax increases. Cutting shared revenue to cities only shifts the tax burden from one level of government to another. IRD also recommends including factors such as poverty in the shared revenue distribution formula, in a manner that truly reflects the fiscal challenges created by high percentages of poverty.

State Caps on Tax or Expenditure Growth

There were several attempts to place arbitrary caps on local government taxing and spending decisions in the last session. The most recent effort, referred to as the Taxpayer Bill of Rights or TABOR, would have placed such restrictions in the State Constitution.

While TABOR proponents were unsuccessful, it is anticipated that such proposals will surface again. Mandating such limits can have devastating effects on our bond ratings, economic development efforts and capital improvement projects, and locks in the negative impacts of a recession. It is particularly risky to place such mandates in the constitution, as it would take a minimum of three years to address any consequences that are not irreparable. Such initiatives also create animosity between various interests in the state who want to protect their budget from such cuts, undermining the need for the education community, municipalities, health care providers and the business community to work together to improve our State's assets.

Moreover, such efforts seem unnecessary in light of existing incentives and limitations on spending. The Expenditure Restraint Program has been successful in keeping municipal spending in line, without creating the consequences that come with strict limits. In contrast, by

taking the spending decision out of the hands of school boards, the school revenue limit creates an incentive to tax to the maximum allowable level.

The IRD team recommends opposing any efforts to place spending or taxing limitations on any level of government as well as any efforts to inappropriately place fiscal policy issues in the state constitution. We also recommend that any proposals that incorporate a component based on growth utilize regional growth to promote regional cooperation.

School Aids

Exacerbating the impact of the cuts in shared revenue, the state also eliminated its commitment to fund two-thirds of school aids. While the total amount of school aids still increased, the total amount was over \$250 million less over the biennium than what would have been required under the two-thirds requirement. This change, along with other factors, resulted in Milwaukee Public Schools experiencing a decrease in school aids in 2004, at the same time that their allowable revenue increased from \$10,175 to \$10,400 per pupil. In order to realize their total allowable funding, MPS would have to raise their tax levy by \$28 million, a 15.4 % increase from last year.

The combined tax rate reflects the true tax burden for the City of Milwaukee taxpayer. As with Shared Revenue, cuts in total school equalization aids, increases in aid offsets, or efforts to undermine the equalization component of the formula, shift a greater property tax burden onto our citizens. Therefore, the IRD team recommends that we support initiatives to ensure that Milwaukee Public Schools receives its fair share of equalization aid.

Transportation Aids and Policy

General Transportation Aids to local governments were frozen in the last budget, shifting more of the costs of local road maintenance to municipal taxpayers. Over the past several budgets, the total amount of GTA allocated to towns and villages has significantly outpaced the increase to cities. The IRD team recommends increasing total GTA appropriations and modifying formula allocations to recognize the significant costs facing cities.

The IRD also recommends continuing

- To oppose any expansion of I-94 and I-43 through the City of Milwaukee.
- To support elimination of gas tax for municipalities.

Tax Exemptions

Tax exemptions can serve a critical role in economic development, tax fairness, and the provision of social services. However, the State should limit exemptions to cases where the economic or social benefit exceeds the additional burden placed on those who still pay taxes.

In 1972, the portion of the City's tax burden that was paid by residents was 46%. By 2002, that percentage had increased to 61%.

The IRD team recommends the following positions in an effort to maintain the integrity of our property tax system:

- Oppose any additional property tax exemptions and the expansion of existing exemptions.
- Establish specific criteria for determining whether non-profit housing facilities are exempt from property taxation. This could be accomplished by including a clear definition of benevolent and/or adding income criteria for residents to qualify.

- Seek legislation requiring periodic review and reconsideration of all property tax exemptions.

Residency Requirement for City and School Employees

The City of Milwaukee benefits significantly from having our public officials reside in our city. It is critical that those who are responsible for the day-to-day operations of the city have a vested interest in how those services are delivered and the costs we all share to enjoy them. The city has been successful in continuing to hire high quality individuals since residency requirements have been in place. Removing such requirements threatens our tax base, response times, and commitment of our workers. Therefore it is critical that decisions regarding residency be made at the local level. IRD recommends opposing any state legislative attempts to take that right away.

LEGISLATIVE PROPOSALS FROM CITY DEPARTMENTS

ASSESSOR

Personal Property

Seek legislation to allow municipalities to charge penalties for failure to accurately self-report, similar to the penalties authorized for the State under Section 70.995. Under current statute there is no recourse for municipalities against individuals who do not file personal property taxes on time, resulting in a significant loss of revenue owed.

Tax Exemptions

Seek authority for municipalities to establish and charge a non-reimbursable application fee for organizations seeking tax-exempt status.

Seek authority for the City to require a payment for municipal services for non-governmental tax-exempt entities.

Seek legislation to establish a State Board of Tax Exemptions, similar to a Board of Review, to handle all appeals of tax-exempt status.

Amend Section 70.11(4) and (4m) (Property exempted from taxation.) to provide a single 10 acre or 30 acre limit for properties in the same taxation district that are owned by related parties and to specify that clinics are not exempt from property taxation.

Assessment Appeals

The current procedure for appealing tax assessments should be modified to address excess litigation to level the playing field for municipalities. Currently municipalities absorb all the cost for processing the appeals, do not always have access to necessary data, and property owners are allowed multiple options to dispute their claims. These issues should be resolved through the following proposals.

Repeal or amend Section 74.37, which allows property owners to submit a claim for over-assessment directly to circuit court, in addition to a board of review hearing and a certiorari court review.

Amend Section 70.47 (7)(af) to specify that the provisions requiring that information be supplied to assessors also applies to Board of Assessors in cities that are authorized to have such a board.

Seek authority for municipalities to establish and charge a filing fee for assessment appeals, to be partially or fully reimbursed if the assessment is reduced.

Modify Section 70.07(6) and s. 70.075(6) to require that a property owner who wishes to appeal the determination of the board of assessors must notify the appropriate body, within 15 days from the issuance of the board of assessor's determination. This will clarify current statute concerning the timeframe for this action.

Amend Section 70.511 to establish a deadline for submitting a claim for any refund owed to an individual as a result of a finding of an over-assessment. Currently there is an incentive to delay filing such claims because the city must also refund the interest owed at an annual rate of 9.6%.

Track the activity of the Legislative Audit Committee's report on the Department of Revenue Manufacturing Assessment Program.

CITY ATTORNEY

Public Records for Commercial Purposes

The City Attorney's Office expends an enormous amount of staff time providing accident reports, maps, property assessments documents and land plats. The actual cost in terms of staff time is often much greater than what is allowed to be charged under the public records law. Under s.19.35 (3) the requester may be charged actual and direct cost of copying and for locating records if the fee is \$50 or more. Legislation should be enacted that sets specific fees for certain types of records.

Residential Brownfields

Amend s.75.106 to specifically include residential brownfields without amending s.560.13. Currently tax delinquent brownfields may be foreclosed and sold to a third party for redevelopment under s.75.106.

Tax Refund Intercept Program

Expand the definition of "debt" so that the Tax Refund Intercept Program will include property tax delinquencies.

Traffic Noise

Amend s.346.94 (16) and s.346.945 so that only emergency vehicles are exempted from the prohibition on traffic noise. Currently motorcycles and commercial vehicles are also exempt. Section 346.945 provides for a citizen complaint procedure whereby a citation may be issued to the owner of the vehicle.

Substitution Service on Corporations by Municipal Court

Seek legislative change to allow for a default judgment on domestic and foreign corporations or limited liability companies, as is currently allowed in circuit court.

Municipal Cemetery Takeover

Repeal the "mandatory municipal cemetery takeover", s.157.115 (1) (d) (2). This section requires that municipalities take over and operate cemeteries that have become "neglected or abandoned" for a period of five years or more.

Emergency Response Exemption

Amend s.292.11 (9) to provide for an exemption in favor of municipalities and other local units of government with respect to liability or responsibility for discharges of hazardous substances or other environmental hazards that pose an immediate risk to public health.

CITY CLERK

Amend Section 11.33 (1)(a) pertaining to state or local officials who become candidates.

Currently state law prohibits state or local officials who become candidates for national, state or local office from using public funds for the cost of materials or distribution for 50 or more pieces of identical material. This should be modified to allow such officials to use public funds for any number of identical materials if they are for the purpose of corresponding with constituents on pending legislative issues which directly affect them.

Amend s. 125.32 (3m) Class "B" Liquor License for Art Galleries

Propose legislation that will allow art galleries to acquire Class "B" liquor licenses, for the purpose of providing alcoholic beverages to patrons in designated areas during hours of operation.

COMMON COUNCIL

Amend s. 343.52 (1m) pertaining to identification cards issued to persons with disabilities for parking purposes.

The Milwaukee Common Council passed File #031159 urging the Wisconsin Judicial Conference to increase the scheduled deposit for the counterfeiting of or procuring of special identification cards, issued to persons with disabilities for parking purposes, by fraudulent means.

Amend Section 125.07 to permit municipalities to regulate those establishments with Class "B" liquor licenses that choose to host underage events. Presently, the only regulation of underage events is a requirement that the licensed establishment provide advance notice to the police department.

Seek Legislation Requiring all Persons Performing Real Estate Appraisals be State Licensed or Certified and that they Report Recent Sales and Assessed Values. Such legislation should require that any appraisal report prepared contain a statement of any sale of real estate that may have taken place within the last two years preceding the effective date of the appraised value, as well as a report of the most recent assessed value of the real estate and level of assessment.

Neighborhood Improvement District (File No. 020443)

Seek legislation authorizing the creation of Neighborhood Improvement Districts comprised of both residential and business property owners similar to the Business Improvement Districts currently in place. The bill should require that details regarding property ownership and treatment of exempt and manufacturing property be included in the NID's operating plan as is required of BIDs.

Residential Parking Permits

Reintroduce AB 264 (2003-04) to authorize cities of the first class to issue residential parking permits.

DEPARTMENT OF CITY DEVELOPMENT

Maintain Funding for programs that support Brownfield redevelopment. The Department of Natural Resources monitors three grant programs that are important to the City's efforts to clean up brownfields. The Sustainable Urban Development Zone (SUDZ), Site Assessment Grants (SAG) and Commerce Brownfield Grants funding should be increased or sustained.

Support funding of personnel in the Remediation & Redevelopment Division within the Department of Natural Resources. This division reviews proposals for redevelopment projects and cuts in this area will result in delays in our projects.

Reintroduce AB 722 from the 2003-04 legislative session to amend Section 71.07 to include renewal community residents in the target group for Enterprise Development Zone Tax Credits and to remove the 79 zone cap. Under current law, the Department of Commerce can only designate 79 DZC's even if the total funding available is not utilized. The renewal community designation replaced the federal enterprise zone designation, which was included in the target group and state legislation needs to be updated to reflect that change.

Support federal energy tax credits and state initiatives to encourage alternative energy development, particularly wind farms. Milwaukee is well positioned to attract manufacturers of windmill component parts.

Brownfield Grant Fund Distribution.

Modify the requirement that at least seven Brownfield grants must be awarded for projects located in municipalities with populations of 30,000 or less, so that the funding can be directed where the most critical needs exist.

DEPARTMENT OF EMPLOYEE RELATIONS

Amend s.63.39 (1)(2), and (3), to allow the City of Milwaukee, Board of City Service Commissioners to establish by rule the number of test scores to be used in certifying candidates from eligible lists.

Create 63.275, Wisconsin Statutes, to allow Fire and Police employees to take general promotional examinations.

Amend s.63.18 through s.63.53, regarding City Civil Service to delete or change outmoded and illegal references in the language of the Statute.

DEPARTMENT OF PUBLIC WORKS

Reintroduce AB 589 from 2003-04 legislative session. This legislation would allow a municipality to tow a vehicle that is not displaying valid plates or other evidence that the vehicle has been properly registered with the State within the past 31 days. Current law prohibits towing of vehicles that reasonably appear to have been registered in the past 30 days, without requiring the vehicle to display any specific evidence of registration.

Require the name on a vehicle registration to match the name on their driver's license or other state approved ID at the time of registration or re-registration. Under current law, a person can register a vehicle under different variations of their name, making it difficult to ensure that the person is legally authorized to register a vehicle.

Maintain or increase the current level of funding that the City qualifies for under the Recycling Grant.

Increase the Urban Community Forestry Grant cap from \$25,000 to \$50,000 and to re-institute the \$100,000 Greening Milwaukee earmark that was eliminated in 2002 Budget Repair bill.

Amend Section 66.0901 to remove exception for cities of the first class, to allow the City to pre-qualify bidders. This will make the city's contracting process more efficient, which other cities are already benefiting from.

FIRE DEPARTMENT

Track Mutual Aid Box Alarm System (MABAS) legislation to ensure that issues of expected staffing levels, liability, workman compensation, communications standards are addressed in a way that is sensitive to different municipalities and that an appropriate cost recovery mechanism is put in place.

Seek legislation similar to that regulating hazardous substance emergency response to apply to any proposed regional heavy urban rescue response initiative. A statewide working group is currently developing a heavy urban rescue response component to address Homeland Security Issues. It is critical that such a concept includes legislation that provides for a definition of regional teams, reimbursement, response zones, liability, and workman compensation issues, as are statutorily outlined for the existing hazardous material response program.

Support legislation that incorporates the recommendations of the report to the State EMS Advisory Board to establish certification standards for emergency medical communicators and dispatchers and provide funding to implement those standards. Also support the additional recommendation to restrict the use of 7-digit phone numbers for requesting emergency service.

Preserve and maintain payment under the Funding Assistance Program. Under Section 146.55 the Department of Health and Family Services is authorized to distribute funding to ambulance service providers. There is some interest in replacing the funding source for FAP with an increase in the vehicle registration fee. It is critical that there is a reliable alternative funding source prior to eliminating the current source. In addition, the State EMS advisory board has recommended simplifying the existing formula, and we should ensure that our total funding is not reduced.

HEALTH DEPARTMENT

Funding for Governor's Children Initiatives

Insure adequate funding is provided for the governor's parent in home visitation program and star-based child care certification system and that funding is linked to certification. Maintain funding for the Maternal Child Health Program.

Monitor fiscal impact of Act 186, which establishes an appropriation for reimbursement of quarantine costs and establishes an Intrastate Mutual Aid system.

MILWAUKEE PUBLIC LIBRARY

Increase Distribution of Federal Library Aids to Library Systems

Seek to increase percentage of Library Services and Technology Act grants that are awarded directly to library systems. These federal grants are awarded annually to the Division of Libraries, Technology and Community Learning within the Department of Public Instruction. The percentage kept internally for DLTCCL functions has increased significantly in recent years.

Maintain funding effort for contracts with the State

Ensure State maintains contracts for Library for the Blind and Physically Handicapped and for Interlibrary Loan Services at current levels, increased for inflation. In addition to a 3.75% cut in state library systems, the Budget Reform Bill in 2002 provided no inflationary increase for the contract for the Library for the Blind and cut the contract for the Interlibrary Loan system. These contracts have never fully compensated for all costs incurred by MPL.

Library System Aids

Seek an increase in state funding for library system aids to get closer to the statewide target of 13% of library costs. State failure to meet its target continues to place a burden on libraries and library systems statewide. As the current aid level covers less than 8%, it is unlikely to increase funding by 70% to reach the 13% target in the next biennium. Therefore, we are seeking to increase the funding for the next biennium to at least 10% of the costs of libraries statewide.

Designate Central Library as State wide Resource Library

Seek designation of Central Library as a statewide resource library to account for the considerable use of this facility by residents outside of the county. It is estimated that approximately 30% of all reference transactions at MPL are generated from outside of the city. The current resource library contract compensation is based only on usage from residents within the county.

System Legislation – MCFLS Governance & Reciprocal Borrowing

Oppose any changes to the MCFLS governance structure that does not ensure fair representation based on population. Oppose any efforts to mandate a reciprocal borrowing payment between system members. Such changes would undermine the intent of library systems to be inclusive, introduce unnecessary mandates, and impose a one-size-fits-all policy on a unique network of systems.

MUNICIPAL COURT

Reintroduce AB 819 (2003-04) to increase the maximum filing fee collected for municipal court judges from \$23 to \$28.

Reintroduce AB498 (2003-04) as amended to allow for the sharing of identification information between the State Department of Transportation and the State Department of Revenue. This will significantly reduce the costs incurred to retrieve social security numbers to utilize the Tax Refund Intercept Program.

NEIGHBORHOOD SERVICES

Modify 174.02 (3) (a) Court Order to Kill a Dog

Currently the state or any municipality may commence a civil action to obtain a judgment from a court ordering an officer to kill a dog, if the court finds both of the following: (1) The dog caused serious injury to a person or domestic animal on 2 separate occasions off the owner's property, without reasonable cause; (2) The owner of the dog was notified and knew prior to the 2nd injury, that the dog caused the first injury. Amend this section to include: (3) The dog has been declared dangerous by a local community and the owner has not complied with local regulations by refusing to surrender the animal to local authorities or remove the animal from the community.

Code Enforcement Inspectors

Amend Section 940.20 so that any person who intentionally causes bodily harm to a person employed enforcing state, county or city rules, laws or ordinances is guilty of a class D felony.

POLICE DEPARTMENT

Unlawful Mob Action

Enact legislation to prohibit mob type violence and increase the penalties for such action.

Define and Prohibit Motor Scooters on Public Way

Enact legislation to clarify the use of "motor driven scooters" and address safety equipment mandates, age requirements, private property stipulations, or outright prohibition.

Patronizing Prostitutes

Amend Sections 944.30 and 944.31 so that any conviction of a prostitute who is HIV positive be treated as a felony offense. Those who patronize prostitutes when pleading guilty to a lesser charge of Disorderly Conduct should be precluded from doing so in the future.

Emergency Detention

Amend Chapter 51 and enact legislation that will allot Milwaukee County the same 72-hour period to establish probable cause in emergency detention cases as the remaining Wisconsin counties instead of the present 24-hour period.

Duty Upon Striking Person or Attended Vehicle

Amend s.346.677 (1) so that felony charges apply should a serious personal injury occur as a result of a vehicle offense. Should any injuries occurring as a result of such offenses not rise to the level of serious, they shall be prosecuted as a misdemeanor rather than reverted to a traffic matter.

Theft of Auto (Keeper of Chop Shop)

Under Wisconsin law there is a difficult burden of proof in auto theft cases whereby there must be elements present to prove there was intent to permanently deprive the lawful owner of the vehicle. When these burdens are not met, the charge falls to a less serious Operating Vehicle Without Owners Consent. It is recommended when there is evidence of premises wherein vehicles or parts of vehicles are disassembled those persons be subjected to a more serious felony charge.

Prohibiting the Construction and Use of Hidden Compartments in Motor Vehicles

Seek legislation prohibiting the construction as well as the use of motor vehicle hidden compartments by providing penalties as well as vehicle forfeiture. Hidden compartments or "traps" in motor vehicles are used to hide illegal contraband from police.

Cruising

Amend Chapter 346 and enact legislation to pose penalties for unlawful cruising that will include deduction of driving points, suspension and/or revocation of license. Fines for "moving violations" associated with unlawful cruising should be supplemented by at least a \$50 charge.

PORT OF MILWAUKEE

Work to maintain funding the Milwaukee Port receives for Harbor Assistance Grants.

Wisconsin Act 208 expanded eligibility for Harbor Assistance Grants to private companies. It is critical that such companies offer comparable access to the public that current recipients provide and that the total grant amount offered to current recipients that are charged with ensuring port safety and security is maintained.

Ensure that efforts to manage invasive species take a comprehensive approach. Recent efforts to reduce the introduction of invasive species have focused solely on shipping related contributions to the problem. Such an approach ignores the other sources that account for 2/3 of the invasive species introduction and threatens our competitiveness in the maritime industry.

TREASURER

Amend Section 138.052(5m)(b)3.b. (at least for cities of the first class) to require that an escrow agent that pays property taxes on behalf of a mortgage holder make such payment to the Treasurer on or before December 27, if they received the tax statement by December 20. Under current law, such payments are not required until December 31. Changing the date will facilitate processing the transaction so that filers will have the necessary documentation to qualify for their income tax deduction.