



Department of Administration
Intergovernmental Relations Division

Tom Barrett
Mayor

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November 12, 2008

TO: Alderman Ashanti Hamilton, Chairman
Judiciary and Legislation Committee

Members, Judiciary and Legislation Committee

FROM: Paul Vornholt, Director
Intergovernmental Relations Division

RE: City of Milwaukee's 2009-10 Legislative Package

Attached for your consideration is a proposed 2009-10 Legislative Package for the City of Milwaukee. The proposals have been generated by City Departments, Common Council members and Mayor Barrett. Together they reflect issues of importance to the City that can be addressed by the Wisconsin State Legislature.

The attachment is divided into three sections: key policy issues, legislative proposals and state budget initiatives.

The **Key Policy Issues** are ongoing major concepts relative to the finances and governance of the City, and should be reconfirmed by the Common Council as we move forward in the upcoming legislative session.

The **Legislative Proposals** are organized by categories that mirror the strategic planning areas used by the Budget and Policy Division.

After the Legislature convenes on January 4, 2009, the early months of the session will be dedicated to the Wisconsin State Budget which will be introduced by the Governor in mid February. You will find a section in the attached document that outlines **State Budget Initiatives** or funding sources which we propose to advocate. These are also organized by strategic planning areas.

The Intergovernmental Relations staff looks forward to providing you a more complete description of these initiatives and to responding to any of your questions.

Our Milwaukee Delegation is eager to assist the City by introducing and seeking passage of proposals that will assist City managers or that reflect public policy that you support. In fact, several legislators are already preparing for the upcoming session by redrafting proposals that were carried over from the 07-08 session.

I look forward to your comments regarding the 2009-10 Legislative Package.

cc: Mayor Tom Barrett

Attachments

KEY POLICY ISSUES

2009-10 Legislative Session

Increase Shared Revenue

Milwaukee's largest source of revenue is the \$237.7 million in shared revenue and the related expenditure restraint program payments. In real dollars, our Shared Revenue payment has declined by \$67 million since 1995. An increase in the State's commitment of this appropriation is imperative. Milwaukee supports a Wisconsin Alliance of Cities proposal to distribute increased funds via a Regional Economic Development Incentive.

Reduce Illegal Guns and Improve Public Safety

The proliferation of illegal guns in our community has resulted in an immeasurable cost in human lives, health care services and public safety. We must close the loopholes in state law that allow for easy access to firearms by criminals. Additionally, more funds are necessary to support public safety efforts in our community.

Increase General Transportation Aid and Other Transportation Assistance

Although the State's General Transportation fund has increased, the formula used to distribute the assistance has resulted in cuts to Milwaukee. Increasing the fund and addressing the formula will be pursued. "The Road to the Future" report of a special legislative committee recommends returning to 1988 levels of funding in General Transportation Aids and Connecting Highway Aid. In addition, while there is opportunity in the efforts to create a new funding mechanism through a Regional Transportation Authority, caution should be exercised to avoid city residents bearing the brunt without benefiting appropriately.

Fix the School Choice Funding Flaws

The funding formula for the Milwaukee Parental Choice Program was designed in a manner that greatly increases costs for Milwaukee taxpayers and it needs to be corrected. First, Choice students are not counted for purposes of determining equalized value per student, thereby reducing the school aid that comes to Milwaukee Public Schools. Second, the state's share of the MPCP voucher payment should be commensurate with the portion it pays for public school students.

Maintain Local Control

Many efforts have been made in Madison to erode the ability of local public leaders to make decisions that affect their constituents. It is imperative to maintain the integrity of our local government system by assuring the public that decisions remain at the level of government that is closest to them.

Protect Milwaukee's Property Tax Base

Property tax exemptions, either enacted by the legislature or created by court decision, reduce the City's total taxable property base which results in increasing taxes on other property. This shift is particularly unfair to homeowners who now pay 72% of property taxes, compared to 50% in 1970.

Reduce the Impact of the Foreclosure Crisis

Public resources are being taxed by the increase in foreclosures throughout the region. Currently in the City of Milwaukee, there are more than 1600 bank-owned foreclosures and foreclosure filings are up 35% this year compared to last year. The underlying instability in the neighborhoods hardest hit only makes our challenge that much greater. Legislative changes and funding for foreclosure prevention and intervention programs are critical to turning this crisis around.

Increase Local Revenue Options

Milwaukee is severely fiscally strained by Wisconsin's outdated and inflexible system of local government finance. The diversification of city revenue sources is a key component of our future budget stability. Milwaukee is the only city in the United States with a population over 300,000 without a local sales or income tax option. Proposals such as the 911 Surcharge, car booting and expansion of the Neighborhood Improvement District program are designed to allow our city to be more self-reliant without overburdening the property tax.