

1 (Item 1) From the County Executive requesting adoption of a resolution urging
2 the State of Wisconsin to redirect or designate any revenue generated in
3 Milwaukee County from the eighteen-dollar rental car tax as a local dedicated
4 funding source for transit, to the Milwaukee County Transit System (MCTS).
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7 **A RESOLUTION**
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9 WHEREAS, the State of Wisconsin Legislature authorized the
10 Southeastern Regional Transit Authority (SERTA) to levy a rental car tax of up to
11 \$18 per car in Milwaukee, Racine and Kenosha counties to fund the local share
12 of construction and operating costs for the KRM commuter line, a rail line that
13 would connect downtown Milwaukee to Racine, Kenosha and the southern
14 suburbs of Milwaukee County; and
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16 WHEREAS, for every dollar of a rental car tax, \$400,000 to \$450,000
17 would be raised, which could translate to as much as \$7.2 million per year from a
18 full \$18 rental car tax, the large majority of which would be generated within
19 Milwaukee County; and
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21 WHEREAS, the SERTA has not imposed the rental car tax, while awaiting
22 federal permission to start preliminary engineering; and
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24 WHEREAS, federal officials have indicated they won't grant approval to
25 build the KRM until the existing Milwaukee County Transit System (MCTS) is
26 financially stabilized; and
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28 WHEREAS, a separate 3% Milwaukee County car rental tax helps fund
29 the Wisconsin Center District, which runs the Frontier Airlines Center, U.S.
30 Cellular Arena and Milwaukee Theatre; and
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32 WHEREAS, the State of Wisconsin also imposes a 5% statewide rental
33 car tax that generates about \$7 million a year for the state transportation fund;
34 and
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36 WHEREAS, MCTS has endured service cuts and continues to search for
37 and identify a dedicated local funding source other than the property tax to avoid
38 further erosion of an already strained system; and
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40 WHEREAS, the Milwaukee County Transit System is a key part of the
41 economic job-creating engine in Milwaukee County, and any revenue generated
42 and redirected to MCTS will be used for economic development purposes, to get
43 people to and from their jobs, their schools and to patronize places of business;
44 and
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46 WHEREAS, it is reasonable and prudent for the State of Wisconsin to
47 redirect any revenue generated in Milwaukee County from the eighteen-dollar
48 rental car tax for the local share of Kenosha-Racine-Milwaukee (KRM)
49 construction, to the Milwaukee County Transit System to stabilize local transit;
50 and

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52 WHEREAS, given that the car rental tax has been approved by the
53 Governor and the Legislature for transit purposes; and given the complete lack of
54 movement on a dedicated sales tax for mass transit in Milwaukee County, as
55 passed in 2008 as part of a County-wide referendum; and given the State of
56 Wisconsin's past and pending budget deficits, the car rental fee is the best and
57 most viable alternative at this time to fund mass transit; now, therefore

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59 BE IT RESOLVED, the Milwaukee County Board of Supervisors hereby
60 urges the Governor of the State of Wisconsin and the Legislature to redirect or
61 designate any revenue generated in Milwaukee County from the eighteen-dollar
62 rental car tax as a local dedicated funding source for transit to the Milwaukee
63 County Transit System.
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