

COUNTY OF MILWAUKEE

Inter-Office Communication

Date: 11/12//2025

To: Marcelia Nicholson, Chair, Milwaukee County Board of Supervisors

From: Amy Turim, Deputy Director, Department of Administrative Procedures

Subject: A resolution/ordinance from the Deputy Director, Department of Administrative Services, providing a report, resolution, and fiscal note to repeal, recreate, and renumber Milwaukee County Code of General Ordinances Chapter 32 Section 92, as Milwaukee County Code of General Ordinances Chapter 32 Section 11, related to the administration of the Tax Refund Intercept Program (TRIP)

File Type: Action Report: Resolution, Ordinance

REQUEST

To update the Milwaukee County Code of General Ordinances to provide the Department of Administrative Services (DAS) flexibility to delegate authority over debt collection actions using any State of Wisconsin and Wisconsin Department of Revenue (WDOR) debt collection services, such as the Tax Refund Intercept Program (TRIP). If approved, DAS would authorize Milwaukee County departments that provide sufficient evidence that appropriate controls are in place for debt collection to certify their department's debts directly to any State of Wisconsin debt collection program. This file will also remove the current processing fee of \$50.00 specified in Milwaukee County Code of General Ordinances Chapter 32, Section 92, due to a lack of statutory authority for imposing the fee on debtors. The file offers an alternative fee structure, enabling departments to charge to the debtor of the actual departmental cost of administering the debt collection, should the authority to charge the debtor be established by statute.

POLICY

Wisconsin State Statutes:	Enabling State Statutes: 71.935 Setoffs for municipalities and counties (WIDOR Tax Refund Interception Program, also known as the TRIP Program, created in 1981, available to Counties in 1995) 71.93 Refund
Milwaukee County Code of General Ordinances:	Relevant Ordinance: Chapter 32 Section 92: Adopted 2002 from File No. 02-573
Specific Adopted Budget:	N/A
Specific Adopted Budget Amendment:	N/A
Specific Adopted Capital Project:	N/A

BACKGROUND

Milwaukee County established a Revenue Maximization Program in 2002 to advance delinquent debt collection, using the WDOR TRIP as one collection mechanism. In 2008, the authority for delinquent debt collection was centralized within DAS. Since then, Milwaukee County departments have been using third-party vendors to file debt collection actions, including TRIP, which was consistent with what was contemplated under previous files. Third-party vendors charge Milwaukee County fees for certifying debts to TRIP. This action, if approved, would enable DAS to authorize departments that demonstrate appropriate controls are in place to initiate certification of debt owed to their department using the State of Wisconsin's debt collection services. Under the proposed change, DAS would also be able to rescind authorization from departments, if necessary. Allowing the departments to perform their collections through TRIP would eliminate the "middle person" of the debt collection agency, avoid third-party processing fees, and enable departments to employ an efficient manner of certifying delinquent debts to the State of Wisconsin's debt collection programs, and retain a greater portion of the fee revenue upon collection.

Related File No's:	<ul style="list-style-type: none"> 02-573 (adopted December 19, 2002): Established a Revenue Maximization Program, which was designed to use TRIP as a method of debt collection. 08-446 (adopted December 18, 2008): Established Chapter 32 Section 92, placing authority for TRIP within DAS
Previous Action Date(s):	<ul style="list-style-type: none"> December 19, 2002: Milwaukee County File Number 02-573 December 18, 2008: Milwaukee County File Number 08-446

ALIGNMENT TO STRATEGIC PLAN

Describe how the item aligns with the [strategic plan](#):

- 2B: Break down silos across Milwaukee County Government to maximize access and quality of services offered
- 2C: Apply a racial equity lens to all decisions
- 3B: Enhance the County's fiscal health and sustainability

2B: Break down silos across Milwaukee County Government to maximize access and quality of services offered:

This resolution and ordinance will enable the Department of Administrative Services (DAS) to authorize interested Milwaukee County departments to initiate their own collection actions using any of the State of Wisconsin's collection services, including filing actions through the State of Wisconsin Tax Refund Intercept Program (TRIP). By allowing DAS to grant access to Milwaukee County departments that do not want to pay a third party to perform collections work for a fee, as this resolution and ordinance propose, DAS will assist those departments to increase the efficiency of collections activities and provide additional revenue for constituent services.

2C: Apply a racial equity lens to all decisions:

Currently, according to the existing Chapter 32 Section 92 of the Milwaukee Code of General Ordinances, a \$50.00 fee would be chargeable to the debtor per debt owed (added on to principal debt balance). This is a Milwaukee County-imposed fee. If a ticket starts at \$20.00, the fee represents a 250% add-on to the cost of the original ticket. Not only is this a substantial burden for the person ticketed, the \$50.00 fee also represents a greater fee than the cost of processing the collection. Furthermore, there is no enabling authority in State of Wisconsin statutes for Milwaukee County to charge this fee. This resolution proposes a more equitable solution, should statutory authority be

found. The contemplated fee under the new ordinance is not to exceed the actual expenses of the Milwaukee County department processing the certification of debt. The State of Wisconsin Department of Revenue TRIP program charges the debtor a \$5.00 fee for state and municipal debts to offset the cost of the 31 WDOR FTEs that support State Collections programs. The \$5.00 fee is charged to all debtors paying through TRIP, regardless of whether they are certified to WDOR by a vendor or by the county. Lowering the financial burden of compliance creates greater equity for the community.

3B: Enhance the County's fiscal health and sustainability

Allowing DAS-authorized departments to engage in a method of collections that is efficient and supports greater revenue generation through retaining the largest possible portion of funds collected will bolster the fiscal health of the departments. Currently, Milwaukee County Parks has unpaid citations and other rental fees and would like to self-perform the certification of debts to TRIP. If this resolution and ordinance are passed, the cost burden for Milwaukee County departments of collecting through TRIP will be reduced, as it eliminates the need to pay a third-party vendor. This represents a cost-effective way for Milwaukee County Parks, or any other department authorized by DAS, to utilize the State of Wisconsin's collections services, and would also result in the largest share of the funds being retained by Milwaukee County departments. The efficiency of the TRIP program puts the WDOR in charge of the collection of the debt. Divisions or departments that prefer to use a collections service to process debts will not be prevented from doing so by this ordinance change.

FISCAL EFFECT

The fiscal effect of this resolution and ordinance, should departments choose to be authorized by DAS and use the State of Wisconsin debt collections services, is likely to be increased revenue generation from efficient delinquent debt collection. Departments authorized by DAS to engage in their own State of Wisconsin collections programs, such as TRIP, will retain a greater portion of the delinquent debts through certifying the debt at the department level. This revenue does not represent a budgeted line item, as the funds collected are variable depending on the debtor's tax refund status in any given year in which the delinquent debt is eligible for collection. Approximately 93% of debt referred to TRIP for collections is on behalf of state and local governments.

TERMS

N/A

VIRTUAL/HYBRID MEETING INVITES

Amy Turim, Department of Administrative Services
James Davies, Office of Corporation Counsel
Dawn Day Horrigan, Milwaukee County Parks Department
Vanessa Koster, Milwaukee County Parks Department
Jim Moon, Office of the Comptroller

PREPARED BY:

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APPROVED BY:

Aaron Hertzberg, Executive Director, Department of Administrative Services

Signature: Aaron Hertzberg

ATTACHMENTS:

Resolution/Ordinance, Fiscal Note, Current Municode

CC: Kelly Bablitch, Chief of Staff, Milwaukee County Board of Supervisors
Janelle M. Jensen, Director of Legislative Services, Office of the Milwaukee County Clerk

