12-214 Revised

## County of Milwaukee Interoffice Communication

DATE:

2/28/2017

TO:

Michael Mayo, Sr., Chairman, Transportation, Public Works and Transit Committee

FROM:

Brian Dranzik, Director, Department of Transportation

SUBJECT:

Vehicle Registration Fee Update - Revised

## **BACKGROUND**

The 2017 Adopted Budget was amended to include the following language:

Amend the 2017 Recommended Budget related to the Vehicle Registration Fee (VRF) & Amend Org. Unit No. 1020

The Office of Government Affairs by adding the following language: The Office of Government Affairs staff shall urge the Wisconsin State Legislature to adopt a sustainable, long-term funding solution for the state Transportation Fund. In addition, Milwaukee County will request the Legislature to provide the County with the flexibility to assess the VRF based on the value or age of the vehicle instead of as a flat fee, which is currently mandated. The Director of the Department of Transportation, working in conjunction with Governmental Affairs staff, shall provide a report to the County Board outlining any proposed changes to the VRF by the State of Wisconsin.

Amend Org. Unit 5600-DOT Transit:

Regarding the VRF, the County will convene a public/private taskforce in order to evaluate options for mitigating the impact of the VRF on low income households. The taskforce shall provide reports to the County Board on its recommendations. The County will also request that the State of Wisconsin provide the County with the flexibility to assess the VRF based on the value or age of the vehicle instead of as flat fee which is currently mandated. Any proposed statutory changes affecting local governments' ability to exercise a VRF shall be reported to the County Board by the Director of the Department of Transportation to ensure that policymakers are aware and have the opportunity to direct lobbying efforts related to the VRF.

The Chairman of the Milwaukee County Board of Supervisors has requested a written informational report with regard to the status of these budget directives. The Governor's Budget was presented to the public on Wednesday, February 8 which did not include any proposed language changes Vehicle Registration Fee for either the state or for local units of government. This is essentially the first milestone in the budget process. The State legislature will now consider the Governor's budget and make proposed changes. At the present time, in accordance with the report back requirement outlined in the County Budget for the Director of Transportation, there are no proposed changes to the state vehicle registration fee program. Should changes be presented to the VRF program during the legislative review of the budget, I shall report back to the board with any changes.

As for the elements of the amendment that relate to the Office of Government Affairs, the Director of Office of Government Affairs has indicated that the talks with legislators regarding long term sustainable funding for transit, and requesting the legislature to provide the county with flexibility to assess the VRF based on the value or age of the vehicle instead of a flat fee have been ongoing. To date, these items have faced mixed reaction and the Director of the Office of Governmental Affairs continues to have conversations with legislators about finding a path forward on both items.

In addition to the requested legislative action items, the Office of Governmental Affairs has informed that it has begun to reach out to those who may serve on the taskforce to evaluate options for mitigating the impact on the VRF on low income households. The Office of Governmental Affairs was waiting to see if any changes were proposed to the VRF in the Governor's Budget prior to convening the group.

## RECOMMENDATION

This report is for informational purposes unless otherwise directed.

Approved by:

Brian Dranzik

Director, Department of Transportation

cc:

Chris Abele, County Executive

Raisa Koltun, Chief of Staff, County Executive

Kelly Bablitch, Chief of Staff, County Board of Supervisors

Steve Kreklow, Budget Director, DAS - PSB

Steve Cady, Research Director, Office of the Comptroller

Eric Peterson, Director, Office of Government Affairs