

## MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: August 24, 2017

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** A resolution/ordinance requiring that the Vehicle Registration Fee Program be reauthorized each year for the subsequent year and amending Chapter 66 of the Milwaukee County Code of General Ordinances to promulgate the reauthorization process

**FISCAL EFFECT:**

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| <input checked="" type="checkbox"/> No Direct County Fiscal Impact<br><input type="checkbox"/> Existing Staff Time Required<br><input type="checkbox"/> Increase Operating Expenditures<br>(If checked, check one of two boxes below)<br><input type="checkbox"/> Absorbed Within Agency's Budget<br><input type="checkbox"/> Not Absorbed Within Agency's Budget<br><input type="checkbox"/> Decrease Operating Expenditures<br><input type="checkbox"/> Increase Operating Revenues<br><input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures<br><input type="checkbox"/> Decrease Capital Expenditures<br><input type="checkbox"/> Increase Capital Revenues<br><input type="checkbox"/> Decrease Capital Revenues<br><input type="checkbox"/> Use of contingent funds |
|---|--|

*Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.*

	Expenditure or Revenue Category	Current Year	Subsequent Year
<b>Operating Budget</b>	Expenditure	\$0	\$0
	Revenue	\$0	\$0
	Net Cost	\$0	\$0
<b>Capital Improvement Budget</b>	Expenditure	\$0	\$0
	Revenue	\$0	\$0
	Net Cost	\$0	\$0

## DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
  - B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.<sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
  - C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
  - D. Describe any assumptions or interpretations that were utilized to provide the information on this form.
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- A. Approval of this resolution/ordinance would amend Milwaukee County General Ordinances Chapter 66 – Vehicle Registration Fee Program to add Section 66.08 – Annual reauthorization. This provision would require the County Board of Supervisors to reauthorize, via a separate resolution, the vehicle registration fee program each year by November 15 for the subsequent year. Failure to do so would result in the Director of the Department of Administrative Services notifying the State Department of Transportation (WisDOT) by November 30 to discontinue the County vehicle registration fee as soon as permissible in the subsequent calendar year.
  - B. Approval of this resolution/ordinance does not result in a fiscal impact, but failure to reauthorize the vehicle registration fee would result in a revenue loss in the subsequent budget year. Based on actual revenues received from the start of the tax in 2017, it is anticipated that the \$30 vehicle registration fee will generate approximately \$17.9 million for 2018. If the reauthorization was not approved for 2018, the vehicle registration fee would likely cease with the February 2018 collections as it takes 90-days to implement changes to the program per WisDOT policies. Collections for the two months in 2018 before the program could be suspended would be approximately \$3 million, resulting in a net revenue loss of \$14.9 million for 2018.
  - C. If the vehicle registration program was not reauthorized in any given year, the impact (revenue loss) would occur in the subsequent budget year. There would be no current year budget impact.
  - D. No assumptions were used. Data in Section B was provided by staff from the Department of Administrative Services – Performance, Strategy, and Budget (DAS-PSB) Section.

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<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

<sup>2</sup> Community Business Development Partners' review is required on all professional service and public work construction contracts.

Department/Prepared By Steve Cady, Research and Policy Director, Office of the Comptroller

Authorized Signature 

Did DAS-Fiscal Staff Review?  Yes  No

Did CBDP Review?<sup>2</sup>  Yes  No  Not Required