VILLAGE OF ALLOUEZ
BROWN COUNTY, WISCONSIN

RESOLUTION NO. 31

RESOLUTION OPPOSING STATE OF WISCONSIN'S JOINT FINANCE COMMITTEE'S 2017-2019 BUDGET PROVISION PROHIBITING LOCAL CONTROL OVER SHORT-TERM RENTALS GREATER THAN SEVEN DAYS

BY THE VILLAGE BOARD OF THE VILLAGE OF ALLOUEZ:

WHERAS, the Joint Finance Committee of the Wisconsin State Legislature recently passed Joint Finance Motion #418, part 13, to be included in the final state budget, which prohibits a municipality from preventing short term rentals for a period of more than seven days.

WHEREAS, this provision is a non-fiscal policy item interfering with local control; and

WHEREAS, the League of Wisconsin Municipalities submitted a letter to Governor Walker asking him to veto the provision prohibiting local governments from banning the rental of a residential dwelling for seven consecutive days or more as this is a quintessential local issue that is best left to municipal policymakers to work out. They are in the best position to balance the concerns voiced by the neighbors of homes used for short-term rentals against the demand for such lodging options to exist within a community. This budget provision eliminates the ability of local governing bodies to engage in that balancing act and decide what is best for their community.

NOW, THEREFORE, BE IT RESOLVED that the Village Board of the Village of Allouez expressly states its opposition to the State of Wisconsin's Joint Finance Committee's 2017-2019 budget provision in Joint Finance Motion #418, part 13, prohibiting local control by a municipality, such as the Village, over short-term rentals for a period of greater than seven days; and

BE IT FURTHER RESOLVED that the Village Board requests that the Wisconsin State Legislature remove the provision regarding the prohibition of limits on short-term rentals from the budget or that Governor Walker use his line-item veto for this provision if passed by the Legislature.

Enacted this 19th day of September, 2017.

_____
James F. Rafter, Village President

ATTEST:

_____
Debra M. Baenen, Village Clerk-Treasurer

Debbie Baenen

From: League of Wisconsin Municipalities <witynski@lwm-info.ccsend.com> on behalf of League of Wisconsin Municipalities <witynski@lwm-info.org>
Sent: Thursday, September 07, 2017 9:54 AM
To: Debbie Baenen
Subject: JFC Finishes Work on Budget

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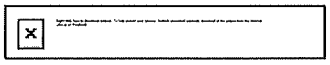
League of Wisconsin Municipalities

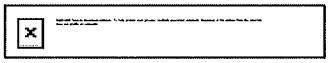
Capitol Buzz

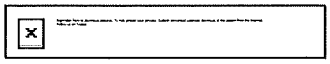
September 7, 2017

Witynski@lwm-info.org

www.lwm-info.org







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JFC Wraps Up its Work on the State Budget; Adds Personal Property Tax Exemption

Last night, the Legislature's Joint Finance Committee voted along party lines to recommend passage of its version of the state budget. The Committee has spent the last 7 months reviewing and revising the state budget bill introduced by Governor Walker in February. Yesterday, the Committee passed four final GOP authored motions making many additional changes to the bill as introduced by the Governor. Several of the budget amendments passed yesterday affect municipalities, including:

1. Historic Building Rehabilitation Tax Credit Cap Removed. While the infamous final wrap-up motion contained no policy changes affecting municipalities, the tax package, motion #419, removed Governor Walker's proposed annual $10 million cap on the historic rehabilitation tax credit program. JFC's budget amendment instead creates a $5 million per project limit on historic rehabilitation tax credits. (*The League was part of a coalition of groups lobbying for this change to the Governor's budget proposal.*)

(**NOTE: The following changes were part of the Local Government Omnibus Motion #418, which is posted on the League website, here.**)

2. **New Personal Property Tax Exemption**.

Exempts machinery, tools, and patterns, other than items considered manufacturing property under current law, effective January 1, 2018. Creates a state aid program to reimburse municipalities for the lost tax revenue. The amount of the reimbursement for each community is based on the amount of property taxes levied in 2017 and collected in 2018 on the personal property exempted by the budget motion. Payments will remain at the initial payment amount in future years. Estimated total payments for the reimbursement program equal $74,400,000 annually. (*Note: Thanks to several key legislative friends we were able to fight off a last minute proposal limiting the hold harmless payment to 90% of lost revenue to communities*).

3. **Computer Aid Modification**. Eliminates in 2020-21 the annual inflationary adjustment provided for in an earlier state budget amendment for the computer aid payments.

4. **New Property Tax Exemption for Madison Catholic Diocese**. Expands the current property tax exemption for property owned by and used by churches and religious associations to include property necessary for the location and convenience of a building that the church or religious association intends to construct to replace a building destroyed by fire, natural disaster, or criminal act, regardless of whether pre-construction planning or construction has begun. This exemption applies for 25 years after the building is destroyed.

5. **Including Purpose of Municipal Levy Limit Referendums on Ballot.** Requires the language of a municipal levy limit referendum to include language identifying the specific purpose for which the additional funds levied would be used. (*Current law disallows a municipality to indicate on the ballot the intended use of the additional dollars.*)

6. **Preventing BID Assessments on the Apartment Component of Mixed Use Buildings in the City of Milwaukee**. Restricts assessments that a BID in the City of Milwaukee may levy on "mixed use" properties. The special assessment may be imposed only on the percentage of the property that is not tax–exempt or residential.

7. **Lodging Marketplace (e.g., Airbnb) Tax**

Collections. Requires a lodging marketplace to register with the DOR for a license to collect sales and other taxes imposed by the state related to short term rental and to collect room taxes imposed by a municipality. Require a lodging marketplace to do all of the following if a short term rental is rented through the lodging marketplace: a) collect sales and use taxes and forward to DOR; b) collect room taxes if located in a municipality that imposes a room tax and forward the taxes to the municipality.

8. **Prohibit Municipalities from Banning Home Rentals**. Prohibit local governments from prohibiting the rental of a residential dwelling for seven consecutive days or more. (*Municipalities may prohibit short term rentals up to 6 days in duration.)* Also, municipalities may limit the total number of days within any consecutive 365 day period that the dwelling may be rented to no fewer that 180 days, if a residential dwelling is rented for periods of more that six but fewer than 29 consecutive days. A municipal may not specify the period of time during which the residential dwelling may be rented, but a community may require that the maximum number of allowable rental days within a 365 day period must run consecutively.

The amendment also requires any person operating a short-term rental, for more than 10 nights each year, to: 1) obtain a license as a tourist rooming house from the Department of Agriculture, Trade, and Consumer Protection; and 2) obtain a license from the municipality for conducting such activities if the municipality imposes a local licensing requirement.

9. **Repeal Local Authority to License Soda Water Beverages.** Repeals a current statute permitting municipalities to grant licenses and assess a $5 fee to sellers of soda to be consumed on or off the premises where sold.

League of Wisconsin Municipalities,
122 W. Washington Ave., Suite 300, Madison, WI 53703

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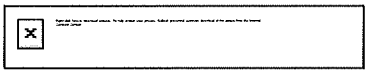

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Representative Nygren
Senator Darling

SHARED REVENUE, TAX RELIEF, LOCAL GOVERNMENT
AND BUDGET MANAGEMENT

Omnibus Motion

Motion:

Move the following:

Shared Revenue -- Tax Relief

1. *Personal Property Tax Exemption -- Non-Manufacturing Machinery, Tools, and Patterns.* Exempt machinery, tools, and patterns, not including such items considered manufacturing property under current law, from the property tax effective with property assessed as of January 1, 2018 [the 2018(19) property tax levy]. Create a state aid program administered by DOR to make payments to each local taxing jurisdiction, including tax increment districts, that imposed property taxes on machinery, tools, and patterns that was not manufacturing property in 2017(18). Estimate total payments at $74,400,000 GPR annually, beginning in 2018-19.

For purposes of the exemption, define machinery as a structure or assemblage of parts that transmits force, motion, or energy from one part to another in a predetermined way by electrical, mechanical, or chemical means, and specify that machinery does not include a building. Authorize taxing jurisdictions to include the value of personal property located in the jurisdiction as of the January 1, 2017, assessment for purposes of complying with debt limitations applicable to the jurisdiction.

For purposes of the aid payment, set each jurisdiction's payment equal to the amount of property taxes levied in the 2017(18) property tax year by that jurisdiction on personal property assessed as non-manufacturing machinery, tools, and patterns as of January 1, 2017. Discontinue payments to tax increment districts in the year after the district closes. Require each municipality to report to DOR the amount of property taxes it imposed on non-manufacturing machinery, tools, and patterns in 2017 on behalf of itself and other local taxing jurisdictions. Authorize DOR to require local taxing jurisdictions to report any other information it considers necessary to administer the aid payment in the time and manner determined by DOR. In 2019, require the Department of Administration (DOA), upon certification from DOR, to make payments to local taxing jurisdictions on or before the first Monday in May. Create a sum sufficient appropriation to make the aid payments. Payments would remain at the initial payment amount in future years, except total payments would decrease somewhat as tax increment districts that receive payments are closed.

Include the state aid payment in the calculation of county and municipal levy limits, school revenue limits, and technical college district revenue limits. Modify current law provisions related to school finance to include references to the aid payment in the definitions of net cost and state aid.

Decrease the transfer from the general fund to the conservation fund by $580,100 in 2018-19 to reflect a lower state equalized value in 2018 due to the exemption. This is reflected as a decrease both in GPR expenditures and SEG revenues.

2. *State Aid for Tax Exempt Computers, Cash Registers, and Fax Machines.* Modify the Committee's action regarding state aid for tax exempt computers, cash registers, and fax machines (Motion #212) by eliminating the inflationary adjustment to the payment beginning in 2020-21.

3. *Village of Maine - Expenditure Restraint Payment.* Increase funding for the expenditure restraint payment program by $583,000 GPR in 2018-19, and each year thereafter through 2022-23 (five years), to make a payment to the Village of Maine (Marathon County). Specify that the payment would be in addition to any formula amount received under the program and would not be included in the total funding amount distributed to all municipalities under the formula.

4. *Lottery and Gaming Credit Reestimate.* Decrease funding for the credit by $2,792,100 SEG in 2017-18 and increase funding for the credit by $36,270,600 SEG in 2018-19. These adjustments represent (a) decreases $10,491,700 in 2017-18 and $2,682,900 in 2018-19 due to a reestimate of the lottery fund condition statement, (b) decreases of $300,400 in 2017-18 and $1,046,500 in 2018-19 due to the Committee's modification to the Governor's recommendation to increase funding for advertising, and (c) an increase of $8,000,000 GPR in 2017-18 and $40,000,000 GPR in 2018-19 to reflect the Committee's decision to partially fund retailer compensation payments from the general fund. With these modifications, funding for the credit would equal an estimated $164,640,800 in 2017-18 and $205,360,300 in 2018-19.

5. *Property Tax Exemption for Property of Churches and Religious Associations.* Modify the current property tax exemption for property owned and used by churches and religious associations to specify that the exemption includes property necessary for the location and convenience of a building that the church or religious association intends to construct to replace a building destroyed by fire, natural disaster, or criminal act, regardless of whether preconstruction planning or construction has begun. Specify that this modified exemption would apply only for the first 25 years after the year in which the building is destroyed. Extend the provision to property assessments as of January 1, 2018, and thereafter.

6. *Municipal Levy Limit Referenda.* Require the language of a municipal levy limit referendum to include language identifying the specific purpose for which the additional funds levied would be used. This provision would first apply to a resolution to exceed the levy limit that is adopted on the effective date of the bill.

7. *Village of Kimberly Tax Incremental Financing District.* Move to authorize the Village of Kimberly to adopt a resolution requesting the Department of Revenue (DOR) to redetermine the tax incremental base of tax incremental financing (TIF) District 6, which was created on September 12, 2016, despite that TIF district having been in a decrement situation for fewer than two consecutive years.

8. *Preventing BID Assessments on City of Milwaukee Residential Properties.* Specify that

if a first class city (Milwaukee) specially assesses a mixed-use property located in a business improvement district (BID), that is real property and is partly tax-exempt or residential, or both, the special assessment may be imposed only on the percentage of the real property that is not tax-exempt or residential. This provision would apply to a special assessment that is imposed on the effective the date of the bill.

Local Government

9. *Joint Provision of Local Government Services.* Authorize county departments of human services or social services, or the Department of Children and Families (DCF) in the case of Milwaukee County, to enter contracts with each other to perform certain child protective services. Authorize a county department to contract with other county departments or with DCF and authorize DCF in Milwaukee County to contract with one or more county departments to perform certain duties regarding child protective services on behalf of the county department or on behalf of DCF in Milwaukee County. Clarify that for any county or local unit of government that enters into an intergovernmental cooperation contract with the state, a county, or another local unit of government to jointly perform a responsibility or carry out a certain function, as permitted under current law, any jointly established agency, department, commission, office, or position would be required to fulfill that responsibility or carry out that function until the contract expires or is terminated. Further, specify that if two or more counties or local units of government enter into an intergovernmental cooperation contract and create a commission to jointly or regionally administer a function or project, the commission would be a single entity that represents, and may act on behalf of, the joint interests of the participating units of government. Specify that with regard to a contract entered into between two or more counties which relates to the provision of services or facilities under a contract with an officer or agency of the state, the contract may not take effect unless it is approved in writing by the officer or chief of the agency that has authority over the contract for the provision of services or facilities. In addition, specify that the contract must be approved or disapproved in writing by the officer or chief of the agency with regard to matters within the scope of the contract for the provision of services or facilities within 90 days after receipt of the contract. Require any disapproval of the contract to detail the specific respects in which the proposed contract fails to demonstrate that the signatories intend to fulfill their contractual responsibilities or obligations. Specify that the contract shall be considered approved by the officer or chief of the agency if that individual fails to approve or disapprove of the contract within 90 days after its receipt. Extend these provisions to contracts entered into on the effective date of the bill.

10. *Primitive Cabin Building Code Exemption.* Exempt primitive cabins from the state one- and two-family dwelling code, electrical wiring code, and plumbing code. Define "primitive cabin" as a structure that satisfies all of the following: (a) the structure is used as a sleeping place and not as a home or residence; (b) the structure is used principally for recreational activity; (c) excluding a basement, the structure does not exceed two stories in height; and (d) the structure was constructed before the effective date of the bill. Specify that a primitive cabin would not be included in the definition of "dwelling" or "dwelling unit" under the one- and two-family dwelling code. Authorize the owner of a primitive cabin to alter or replace the structure on or after the effective date of the bill if the structure continues to meet the other definitions of primitive cabin. Prohibit cities, villages, towns, and counties from exercising jurisdiction over the construction or inspection of primitive cabins. Currently, the Department of Safety and Professional Services (DSPS)

administers state building codes, including the one- and two-family dwelling code, electrical wiring code, and plumbing code. The statutes authorize cities, villages, towns, and counties to enact ordinances to administer the one- and two-family dwelling code.

11. *County Board Approval for Sale or Lease of Land Owned by Milwaukee County.* Specify that, with regard to the sale or lease of property owned by Milwaukee County, the Milwaukee County Executive's action must be consistent with established county board policy and must be approved by the county board to take effect. Provide that the county board may only approve or reject a contract for the sale or lease of county property as negotiated by the county executive. Delete language that permits the Milwaukee County Executive, together with either the Milwaukee County Comptroller or an appointed real estate executive, to form a majority signed agreement to lease, sell or convey any non-park county property regardless of board policy and without board approval. Specify that the provision first applies to a land transaction for which a contract has not been entered into on the effective date of the bill.

12. *Duties of the Milwaukee County Comptroller.* Specify that the duties and responsibilities of the Milwaukee County Comptroller include administering accounts payable, payroll, accounting, and financial information systems, in addition to those duties and responsibilities specified under current law.

13. *Lodging Marketplace Sales and Room Tax Collections.* Expand the applicability of the local room tax so that a municipality may impose the tax on lodging marketplaces and owners of short-term rentals.

Lodging Marketplace Tax Collections. Require a lodging marketplace to register with the Department of Revenue (DOR), on forms prepared by the Department, for a license to collect taxes imposed by the state related to a short-term rental and to collect room taxes imposed by a municipality. Require a lodging marketplace, after applying for and receiving a license, to do all of the following if a short-term rental is rented through the lodging marketplace; (a) collect sales and use taxes from the occupant and forward such amounts to DOR, (b) if the rental property is located in a municipality that imposes a room tax, collect the room tax from the occupant and forward it to the municipality, and (c) notify the owner of the rental property that the lodging marketplace has collected and forwarded to DOR the sales and room taxes described in (a) and (b). Specify that a municipality would not be allowed to impose and collect a room tax from the owner of a short-term rental if the municipality collects the room tax on the residential dwelling from a lodging marketplace. These provisions would first apply to a lodging marketplace that registers with DOR on the effective date of the budget bill.

Prohibit Limits on Residential Dwelling Rentals. Specify that a political subdivision would not be allowed to enact an ordinance that would prohibit the rental of a residential dwelling for seven consecutive days or longer.

Allow a political subdivision to limit the total number of days within any consecutive 365-day period that the dwelling may be rented to no fewer than 180 days, if a residential dwelling is rented for periods of more than six but fewer than 29 consecutive days. Specify that the political subdivision could not specify the period of time during which the residential dwelling may be

rented, but the political subdivision may require that the maximum number of allowable rental days within a 365-day period must run consecutively. Require a person who rents the person's residential dwelling to notify the clerk of the political subdivision in writing when the first rental within a 365-day period begins.

Require any person who maintains, manages, or operates a short-term rental, for more than 10 nights each year, to: (a) obtain from the Department of Agriculture, Trade and Consumer Protection a license as a tourist rooming house, as defined in s. 97.01(15k), and (b) obtain from a political subdivision a license for conducting such activities, if a political subdivision enacts an ordinance requiring such a person to obtain a license.

Specify that if a political subdivision has in effect on the effective date of the bill, an ordinance that is inconsistent with this provision, the ordinance would not apply and could not be enforced. Specify that none of these provisions would limit the authority of a political subdivision to enact an ordinance regulating the rental of a residential dwelling in a manner that is not inconsistent with this provision.

Definitions. Define the following: (a) a "lodging marketplace" to mean an entity that provides a platform through which an unaffiliated third party offers to rent a short-term rental to an occupant and collects the consideration for the rental from the occupant; (b) a "short-term rental" to mean a residential dwelling that is offered for rent for a fee and for fewer than 29 consecutive days; (c) an "occupant" to mean a person who rents a short-term rental through a lodging marketplace,; (d) an "owner" to mean the person who owns the residential dwelling that has been rented; (e) a "residential dwelling" to mean any building, structure, or part of the building or structure, that is used or intended to be used as a home, residence, or sleeping place by one person or by two or more persons maintaining a common household, to the exclusion of all others; and (f) a "political subdivision" to mean any city, village, town, or county.

14. *Repeal Local Authority to License Soda Water Beverages.* Repeal a current law provision that permits a town board, village board, or common council of any city to grant licenses and assess a $5 license fee to sellers of soda water beverages (defined as soft drinks or soda water, whether carbonated, uncarbonated, sweetened, or flavored), to be consumed on or off the premises where sold. Delete various statutory cross references to class B liquor licenses that refer to the local soda water beverage seller's license.

15. *Special Prosecutor Case Assistance.* Move to modify current law to allow a special prosecutor to be appointed to provide case assistance in counties with a population of less than 45,000 with a significant case backlog as certified by the Department of Administration, if a petition for such an appointment is approved by the affected county board. Sunset the provision on December 31, 2019. Provide $41,000 GPR in 2017-18 and $82,100 GPR in 2018-19 in the District Attorneys' salaries and fringe benefits appropriation.

16. *Arts Center Grant.* Provide an additional $100,000 GPR for state aid for the arts under the Arts Board (budgeted in the Department of Tourism) in 2017-18. Require that the funds be used for the purposes of improvement or expansion of an existing arts center, and that the recipient must provide an equal matching amount from public or private sources. Specify that the funds be

awarded as a grant to a county that: (a) borders Illinois; (b) has a population between 35,000 and 40,000 as of the 2010 U.S. Census; and (c) has an existing arts center. It is anticipated the only eligible recipient of the grant would be the Monroe Arts Center in Green County.

17. *Railroad Gate Crossing on Fire Lane 12 Near the Village of Fox Crossing Wisconsin.* Direct the Department of Transportation, in consultation with the Office of the Railroad Commissioner, to install a railroad gate crossing on Fire Lane 12, south of STH 114, near the Village of Fox Crossing (formally the Town of Menasha). Require that the railroad crossing be installed no later than January 1, 2018.

Budget Management

18. *Budget Stabilization Transfer.* Delete the Governor's recommendation to transfer $20,000,000 in 2017-18 from the general fund to the budget stabilization fund.

19. *Joint Finance Committee Supplemental Appropriation.* Delete $50,000,000 GPR in 2018-19 that previous Committee action placed in the JFC supplemental appropriation.

Note:

Change to Bill:

	2017-18	2018-19
GPR	$8,141,000	$64,485,000
GPR-Transfer	-20,000,000	0
SEG	-2,792,100	36,270,600
SEG-REV	0	-580,100

Debbie Baenen

From: League of Wisconsin Municipalities <witynski@lwm-info.ccsend.com> on behalf of League of Wisconsin Municipalities <witynski@lwm-info.org>
Sent: Thursday, September 14, 2017 9:44 AM
To: Debbie Baenen
Subject: Assembly Passes Budget

Categories: Red Category

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League of Wisconsin Municipalities

Capitol Buzz

September 14, 2017

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Assembly Passes Budget without Changes; Senate Next

Last night, the Assembly passed the Joint Finance Committee's version of the state budget, Assembly Substitute Amendment 1 to AB 64, after making a few technical corrections. The vote was 57-39.

Senate leadership told the Senate to hold Friday as a possible day for taking up the budget, but at least three GOP Senators are not ready to vote yes on the bill until they see some changes.

According to the Wheeler Report, Senators Kapenga (Delafield), Nass (Whitewater), and Stroebel (Saukville) want the following changes made to the budget before they will vote yes:

- Statewide Private School Choice Program Expanded Income Eligibility (Amend to 300% of FPL)
- Prohibit UW System expenditures on mandatory diversity, sensitivity and cultural fluency training for all students, faculty and staff.
- School Referendum Changes (Amend budget to include provision from the Senate GOP budget proposal.)
- Revenue Limit for Adjustment of Energy Efficiency Measures.
- ***AB-361 Requiring a local referendum to***

impose a wheel tax.

- Fed-SWAP (Delete the Fed-Swap study language and include language to authorize Fed-SWAP to commence next fiscal year and then phased-in)
- Move State Prevailing Wage repeal from September 1, 2018 to January 1, 2018.
- ***Delete JFC Quarry Pre-emption.***
- Tighten Transportation Study Language from JFC.

I've highlighted the two items of particular interest to municipalities. We strongly oppose creating a wheel tax referendum requirement. We strongly support deleting the quarry preemption language that JFC added to the budget.

If the three Senators refuse to vote for the budget, it could stall passage in the Senate. Sen. Craig (R-Big Bend) is also expected to vote no, and Senate Majority Leader Scott Fitzgerald can only lose three members from his 20-13 GOP majority and still pass the budget, presuming all of the Democrats vote no.

Meanwhile, Assembly Speaker Robin Vos told the media yesterday that the Assembly is not coming back to take up the budget after passing it last night. He was critical of the three Senators holding out for more changes before they would vote in support.

League Asks Governor to Veto Four Preemption Items in State Budget

Yesterday, the League submitted a letter to Governor Walker asking him to veto the following four items that the JFC inserted into the state budget:

1. Prohibiting municipalities from using eminent domain for recreational trails.

2. Limiting the ability of local governments to regulate quarries.

3. Prohibiting municipalities from banning home rentals for 7 consecutive days or more.

4. Prohibiting Milwaukee's downtown Business Improvement District (BID) from assessing the apartment component of mixed use buildings.

Read the full veto request letter here.

League of Wisconsin Municipalities,
122 W. Washington Ave., Suite 300, Madison, WI 53703

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LEAGUE OF WISCONSIN MUNICIPALITIES

131 W. Wilson St., Suite 505
Madison, Wisconsin 53703
phone (608) 267-2380; (800) 991-5502
fax: (608) 267-0645
league@lwm-info.org; www.lwm-info.org

September 13, 2017

Governor Scott Walker
Room 115 East, State Capitol
P.O. Box 7863
Madison, WI 53707-7863

RE: Thanks for the GTA funding Increase; Budget Bill Veto Requests

Dear Governor Walker:

Before discussing our state budget veto requests, let me first thank you on behalf of all Wisconsin cities and villages for initiating funding increases in the General Transportation Aids and Local Road Improvement programs. The League of Wisconsin Municipalities is pleased the Legislature retained the significant increase in local transportation aids that you recommended in your initial budget bill.

The Legislature also, unfortunately, inserted the following non-fiscal policy items interfering with local control that we oppose and urge you to veto: (*Note: All bill sections and page numbers referenced below are from Assembly Substitute Amendment 1 to AB 64*).

1. **Prohibiting municipalities from using eminent domain for recreational trails**. (Section 585g, page 395) Prohibits any entity with condemnation powers from using that power to establish or extend recreational trails, bicycle ways or lanes, or pedestrian ways. Municipalities have long had the authority to acquire land through condemnation for public purposes, particularly transportation related purposes. While municipalities seldom use this power, it is an important and sometimes necessary tool for ensuring that vital community assets like bike paths are connected into a logical and well planned system of routes.

2. **Limiting the ability of local governments to regulate quarries**. (Section 984ig, page 576). Limits the authority of local governments to place restrictions or conditions on the operations of a quarry, including blasting and hours of operation. This preemption provision applies to cities and villages with densely populated neighborhoods adjacent to quarries as well as to less populated rural areas. We request that you veto the entire provision, but if that is not possible we ask that you use your veto pen to delete city and village from the list of political subdivisions covered by the provision.

3. **Prohibiting municipalities from banning home rentals**. (Section 996g, page 592) Prohibits local governments from banning the rental of a residential dwelling for seven consecutive days or more. This is a quintessential local issue that is best left to municipal policymakers to work out. They are in the best position to balance the concerns voiced by the neighbors of homes used for short-term rentals against the demand for such lodging options to exist within a community.

This budget provision eliminates the ability of local governing bodies to engage in that balancing act and decide what is best for their community.

4. Prohibiting Milwaukee's downtown Business Improvement District (BID) from assessing the apartment component of mixed use buildings. (Section 996p, page 594). Restricts assessments that a BID in the City of Milwaukee may levy on "mixed use" properties. Specifies that the BID special assessment may be imposed only on the percentage of the property that is not tax–exempt or "residential." This is inconsistent with other assessing law. We oppose this change for the following reasons:

A. The Wisconsin Property Assessment Manual classifies apartment buildings with four or more apartments as commercial property for property tax purposes, not residential.
B. The apartment components of mixed use buildings receive the benefits of the BID and should contribute to the cost of the BID.
C. A mixed use property owner within a BID can initiate a petition to terminate the BID.

Thank you for considering our veto requests. We look forward to working with on growing the state's economy and creating jobs.

Sincerely,

Jerry Deschane, Executive Director
League of Wisconsin Municipalities

CC: Rich Zipperer, Chief of Staff
Heather Smith, Deputy Chief of Staff for Budget, Legislative, and Intergovernmental Affairs