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To: Assembly Committee on Ways and Means  
From: Curt Witynski, J.D., Assistant Director, League of Wisconsin Municipalities  
Date: December 14, 2017  
**Re: AB 361, Requiring a Referendum to Enact or Continue to Implement a Local Vehicle Registration Fee**

The League of Wisconsin Municipalities strongly opposes AB 361, requiring a local referendum to impose or continue to implement a local vehicle registration fee. We urge the committee to reject this unnecessary interference into policy decisions made by local elected officials. We urge the committee to trust that locally elected officials will make the best decisions they can to adequately fund street maintenance and repair for the safety and betterment of their communities. We further ask that you trust local voters to take action at the spring elections if they are dissatisfied with the enactment or implementation of a local vehicle registration fee.

In addition, we urge the committee to keep the following points in mind with regard to this bill:

- Neither the establishment of nor increases to the state's vehicle registration fee are subject to referendums.
- The establishment by a county of a local sales tax is accomplished by a vote of the county board and does not require a referendum.
- Total sales tax revenue collected by counties in 2015 equaled \$344 million.
- The establishment of a local room tax does not require a referendum.
- Total statewide local room tax revenues in 2015 equaled \$89 million.
- Total local vehicle registration fees collected by local governments in 2015 equaled \$10.7 million.
- Even if a \$10 local vehicle registration fee was imposed on every vehicle statewide the total amount collected would be \$46.2 million.
- Besides the room tax, the revenues of which go primarily to fund tourism promotion and development, the local vehicle registration fee is the only local revenue option available to cities and villages to help fund transportation needs.
- Currently, only 25 cities, villages, towns and counties impose a wheel tax. That's 1.32 percent of the 1,900 local governments eligible to enact a local vehicle registration fee.
- Three local governments, Mayville, St. Croix County, and Milwaukee have had their local vehicle registration fee in place since at least 2009 and under this bill would be required to have those fees approved by the voters in a referendum.

We urge the committee to continue its work on looking at state and local taxation in a broad, holistic way and to not pass legislation like AB 361, which focuses on only one narrow, minor component of the system. We urge you to vote against recommending passage of AB 361.