

**CITY OF MADISON
OFFICE OF THE CITY ATTORNEY
Room 401, CCB
266-4511**

MEMORANDUM

TO: City of Madison Common Council

FROM: Brittany Wilson, Assistant City Attorney

DATE: April 6, 2020

RE: Resolution Suspending Late Fees for Parking Violations (Legistar File No. 60087)

In her Emergency Order dated March 26, 2020, the Mayor temporarily suspended enforcement of M.G.O. § 12.154(5), which requires the collection of late payment charges for parking violations. The purpose of this memorandum is to provide background for that Order, provide examples of actions Court Services has taken pursuant to that Order, and, to the extent possible, identify the fiscal impact of those actions.

BACKGROUND

Madison General Ordinance § 12.154(5) provides that if a parking ticket is not paid within fourteen days from the date of violation, the City “shall” impose an administrative charge of \$10 in addition to the original cost of the ticket. Provided the parking ticket remains unpaid twenty-five days from the date of the violation, the City “shall” again impose an administrative charge of \$10 to the total cost of the ticket (including the prior \$10 charge). Madison Police Department Court Services provides notice of the imposition of these administrative charges to vehicle owners by mail.

Should the parking ticket remain unpaid thirty-eight¹ days from the date of violation, Court Services then notifies the Department of Transportation (“DOT”), pursuant to Wis. Stat. § 345.28(4). Wisconsin Statute § 345.28(4) allows a municipality to notify the DOT that a parking ticket remains unpaid and request that the DOT suspend the registration of the vehicle involved in the violation and refuse registration of any new vehicles owned by the same owner of the vehicle in violation. At that time, and pursuant to M.G.O. § 12.154(5), the City imposes a third administrative charge of \$10, to further cover the cost of using the traffic violation and registration program, pursuant to Wis. Stat. § 345.28(4)(d). Again, Court Services notifies the vehicle owner of the additional administrative charge by mail.

The Mayor’s Emergency Order Number 5 temporarily suspends the imposition of each of the aforementioned administrative charges and the corresponding use of the DOT traffic violation and registration program.

¹ The City chooses to allow a vehicle owner thirty-eight days to pay for the total cost of the parking ticket rather than twenty-eight, as allowed by state statute. *See* Wis. Stat. § 345.28(4)(a)1.

On March 24, 2020, the Governor of Wisconsin issued Emergency Order Number 12, which requires Nonessential Businesses to close. Many Wisconsin residents are now unemployed or face reduced work hours as a result. The consequential income losses hinder City residents' ability to conduct their routine financial affairs, including paying for administrative charges on overdue parking tickets.

WHY THIS ORDER IS NECESSARY

The Mayor's Emergency Order Number 5 relieves the financial burden on City residents during this difficult financial time. Individuals with limited financial resources must prioritize their funds for basic life necessities such as food and housing to avoid further hardship.

ACTIONS TAKEN THUS FAR PURSUANT TO THIS ORDER

Effective April 1, 2020, MPD Court Services has suspended the imposition of all administrative charges for all unpaid parking violations. In turn, Court Services has suspended its use of the DOT traffic violation and registration program.

FISCAL IMPACT

The coronavirus pandemic, and the resulting Governor's Emergency Orders and Mayor's Emergency Proclamation have profoundly impacted travel, rendering it difficult to estimate the fiscal impact of Mayor's Emergency Order Number 5. Traffic engineering data depicts that traffic volume has dropped by approximately fifty-five percent compared to the usual rate for this time of year. Less traffic results in fewer parking violations and, consequently, fewer overdue parking tickets. In addition, even assuming that the imposition of administrative charges for overdue parking tickets remained constant during this time, current reductions in parking enforcement would result in reduced revenue from administrative charges on overdue parking tickets.

In light of the foregoing considerations, the estimated fiscal impact, *per month*, is \$87,000. This figure reflects the monthly average of administrative charge revenue on overdue parking tickets from April through August of 2019. During that time period, administrative charge notices ranged from 5,900 to 17,200 and revenue ranged from \$59,000 to \$172,000.