



Office of the Mayor

Paul R. Soglin, Mayor

AGENDA ITEM #30

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To: Madison Common Council
From: Nick Zavos, Mayor's office

Re: Legislative Update

Council President Schmidt requested a brief legislative update. The following memo outlines some of the larger issues and bills that have a potential impact on the city. The descriptions are brief, so please feel free to contact me if you have questions, or would like further explanation.

Obviously, the main focus of the legislature is on the budget. Assembly Bill 40, the budget bill, is currently in the joint finance committee (JFC). That committee is expected to wrap up its work this week (possibly today), and the bill will be sent to the full legislature. There will likely be very few changes to the final JFC version.

A number of provisions have been added to the budget that will affect the city. Unfortunately, JFC amendments are made by motions that do not contain statutory language. This leaves the implications and parameters of certain proposals ambiguous until the bill is voted out of the committee.

The main budget provisions that affect the city are:

- A 4% increase in transit funding
- A limitation on the Pres House tax exemption – specifically excluding fraternities and sororities, and closing the class of facilities that can qualify
- Preemption of stormwater regulations – Establishes statewide uniform standards for erosion control at commercial sites that have a land disturbance area of one acre or more. Prohibit local governments enacting local ordinances that are stricter than the statewide uniform standard.
- Fees/PIOLT payments counted against levy limits – Requires the city to reduce its allowable levy by the amount of any fee revenue in its budget if the fee revenue is designed to fund certain enumerated services that were funded with property tax revenues - including garbage collection, snow plowing, fire protection, street sweeping and storm water management. The adjustment would be waived if the funding transfer was approved via referendum. This should apply only prospectively to new fees.
- Preemption of residency requirements – eliminates residency requirements, except municipalities may require that police, fire or emergency personnel reside within 15 miles of the jurisdictional boundary.
- Requirement to use DOA's internet-based "open book" accounting July 1, 2015 – there are a lot of unknowns on this proposal, from both sides. The state system is not operational yet, so it is unknown how their system will operate. From the city's perspective, the July 2015 date occurs around the time that we will be switching to a new software system.
- Community Sensitive Solutions Policy – The CSS program funds aesthetic improvements to state highway projects. There was an effort to eliminate this program, and to require local governments to pay for the improvements. The motion would require local governments to pay any costs in excess of an amount equal to 1.5% of total project costs. Typically costs do not exceed 1.5%.
- Utility Relocation Cost - A municipality may not require a company or public utility to pay any part of the cost to modify or relocate their facilities to accommodate an urban rail transit system. This is

primarily aimed at the city of Milwaukee's streetcar project; however it represents an erosion of control over the right of way.

- Billboard valuation change – Under current law, a billboard permit (as opposed to the actual structure) is defined as real property. The budget bill would define the permit as personal property. The net effect will likely be a large amount of the value escaping taxation.
- Relocation of Outdoor Advertising Signs – Currently, if a nonconforming sign is affected by a DOT highway project and the sign can be relocated on the same property, the municipality must either allow the realignment or pay for the cost of condemnation. The bill will change “realigned” to “relocate.” “Relocate” means to move the sign to another location in the municipality.
- Fee burden switch – Under longstanding case law, government imposed fees are presumed to be reasonable, and it is the challenger’s burden to prove that the government action is unreasonable. This proposal would switch the burden of proof from the person challenging the reasonableness of a fee to the municipality. This proposal has not been adopted yet, but it is part of the tax reform package currently under consideration.
- Food/Beverage Sizes: Prohibit a county or municipality from enacting an ordinance or adopting a resolution that bans, prohibits or otherwise restricts the sale of food or nonalcoholic beverages based on the number of calories, portion size or other nutritional criteria. Madison was cited as a community considering this type of regulation. I have not found any such proposal, nor am I aware of any discussion along these lines.
- Preemption of cell tower locating - Limit the zoning authority of counties and municipalities by creating a uniform statewide framework for regulating the location of wireless telecommunications towers.

While most of the attention is on the budget, there are a number of bills that will affect the city:

- SB 48/AB 23 – funding of post-retirement health care benefits for new employees - These bills would require the city to set aside funds for these benefits in a separate account. The primary problem with the bills is the added cost of running two systems simultaneously. Madison, like many other local governments, has been funding these benefits on a pay-as-you-go basis. These bills will force us to annually set aside money for every new employee while we will continue to make payments for current retirees. The estimated cost of this requirement would be \$215,000 per year, every year.
- AB 225 – omnibus election law issues – this contains a number of provisions including:
 - Change to voter ID
 - Limitation on in-person absentee voting hours to 7:30 am to 6:00 pm Monday through Friday
 - Campaign finance issues
 - Allowing poll workers to come from anywhere in the county
- SB 179 – Landlord/tenant issues
- AB 89 – Combining wards for election reporting – this is moving as a separate bill, but it is also part of AB 225, the omnibus election bill.
- SB 112 - repeals the requirement that a city's or village's master plan must be included in a county development plan.
- AB 22 – Municipal court fees – this would allow the city to raise the municipal court fee by \$10.
- AB 26 – Allows an authority to charge for the costs of redacting public records.

This list is designed to cover the highlights, and probably excludes a few items. Please feel free to contact me if you have any questions.