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