



June 19, 2019

The Honorable Jerry Petrowski
Chairman, Senate Committee on Transportation, Veterans and Military Affairs
Wisconsin State Capitol
Madison, Wisconsin 53703

Chairman Petrowski and Committee members,

NTU is the oldest non-partisan taxpayer advocacy group in the United States. We have consistently advanced policies to lower taxes, streamline government, promote private markets, and more. We are dedicated to taxpayers and the belief that citizens make the best decisions about their money.

With that in mind, I encourage you to support Senate Bill 282. This commonsense legislation promotes transparency and improves accountability by ensuring local taxpayers are included in decisions related to burdensome tax increases that affect their families.

In its 2018 report, the nonpartisan Wisconsin Policy Forum cited a sharp increase in the number of communities in Wisconsin adopting the wheel tax – from 4 to 27 between 2011 and 2017 – along with a three-fold increase in wheel tax revenues at the same time. Additional communities have since moved in this direction, and many others are considering this new tax.

Giving taxpayers a voice through referenda ensures accountability. The requirement that a referendum be held at a regularly scheduled election also ensures transparency and will increase voter involvement in issues that directly affect them.

While this bill is an important step toward protecting Wisconsin taxpayers, it also highlights a larger issue facing Wisconsin – the need for a plan to sustain Wisconsin's transportation budget. I am also here to urge this body to consider another important piece of legislation – Senate Bill 271. It is not on the agenda today, but I hope you will give it serious consideration because it is a sensible approach to finding a long-term funding source for growing transportation needs.

I applaud Sen. Tom Tiffany and Rep. Joe Sanfelippo for introducing this additional proposal that will dedicate some tax revenue generated from the sale of automobiles and vehicle-related sales to the transportation fund. This would create a sustainable source of funding for Wisconsin's roads. The proposal begins modestly at 10 percent and grows to 50 percent by fiscal year 2033-34. According to the Legislative Fiscal Bureau, over 15 years, the revenue applied to the transportation fund would grow from about \$103.5 million in the first year to \$517.5 million by fiscal year 2033.

SB 271 does not raise taxes or fees, it simply reallocates funds. If enacted, it would decrease reliance on gas tax revenue – a diminishing revenue source due to the growing number of fuel-efficient vehicles. This would also decrease the need for bonding – a policy Republicans and Democrats agree is not in the best long-term interest of the state.

These proposals will force a healthy dialogue among state legislators about the needs and priorities of the state of Wisconsin. Wisconsinites are overwhelmingly in favor of improving state roads, and these bills both set our state on the right path toward that goal.

Sincerely,

Leah Vukmir, Vice President of State Affairs
National Taxpayers Union